

## Transportation and Export Report for 21 October 2021

The one constant in Dry-Bulk markets is volatility; and I have no doubts about it continuing throughout the next year or more. The global fleet is not sufficient to meet the needs of growing markets, especially those of China, and it will take 2-3 years to balance this supply vs demand dynamic out. It is therefore very likely that we will be riding rollercoaster type markets for many months to come. Best hold on to your hat. This week Capesize paper markets experienced a substantial drop off as paper sellers took profits. Daily hire rates slipped from \$85,000/day down to \$50,000/day. Panamax and Supramax markets showed better support ending up the week at \$38,000/day. I view this as more a technical correction than a turn to bearish conditions. The overall trend in physical markets seems to be moving upward. U.S. Gulf to the Caribbean and East Coast Central America is very tight and showing higher values for the week. Container rates remain steady but the backlog of waiting ships off the U.S. west coast continues to grow and logistics remain a mess.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
21-Oct-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	52691	50091	2,600	5.2%
P3A: PNW/Pacific - Korea	per day	40687	39311	1,376	3.5%
S1C: US GULF-China-So.Japan	per day	60319	58238	2,081	3.6%
P7: Trial- Miss. River - Qingdao	per ton	92.40	88.930	3.5	3.9%
P8: Trial- Santos - Qingdao	per ton	73.08	70.360	2.7	3.9%

### Recent history of freight values for Capesize vessels of Iron-Ore from West Australia to South China:

Four weeks ago:	\$16.00-\$20.00
Three weeks ago:	\$17.00-\$22.00
Two weeks ago:	\$22.00-\$22.65
One week ago:	\$18.50-\$22.00
This week	\$16.50-\$20.00

### US Vessel Line-Ups/Estimated vessel berthing delays at U.S. Export Grain Elevators:

Mississippi River:	(10 elevators)	4-18 + days (8 facilities operating.)
Mid-Stream loaders:	(6+ Rigs)	8-9 days
Texas Gulf	(5 elevators)	1-10 days (1 facility over 2 days)
Pacific Northwest:	(9 elevators)	2 - 8 days (AGP Grays Harbor down for 3-6 weeks)

Panamax Market Spreads to Asia -China					
21-Oct-2021	PNW	GULF	Bushel Spread	Tonne Spread	Advantage
CORN	2.40	1.35	1.05	\$41.34	GULF
SOYBEANS	2.35	1.25	1.10	\$40.42	BOTH
OCEAN FREIGHT	\$49.50	\$90.00	.95-1.02	\$40.50	November

### Current Grain Vessel Market Indications:

**\*\* Below rates are estimates for the nearby-30-day period. 60-90 days forward rates will usually be higher.**

Soybean Panamax USG to Spain is running \$57.00 - \$59.00/mt.

Soybean Brazil to Spain about \$63.00 - \$65.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$91.00	Up \$6.25	Handymax \$92.00 mt
55,000 U.S. PNW- Japan	\$50.00	Up \$3.00	Handymax \$47.00 mt
66,000 U.S. Gulf – China	\$90.00	Up \$6.00	North China
PNW to China	\$49.50	Up \$3.00	
25,000 U.S. Gulf- Veracruz, México	\$31.25	Up \$1.00	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$29.25	Up \$1.00	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$47.75	Up \$1.50	<u>West Coast Colombia at \$56.00</u>
50,000 mt USG to E/C Colombia	<u>\$46.75</u>		
From Argentina	\$65.25		
43-45,000 U.S. Gulf - Guatemala	\$53.25	Up \$1.50	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$74.00 \$76.00	Up \$5.50	8,000 mt daily discharge 3,000 mt daily discharge
30,000 US Gulf- Morocco	\$71.75	Up \$5.75	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$74.50	Up \$5.00	60,000 -55,000 mt -Egypt
PNW to Egypt	\$74.75		Romania- Russia- Ukraine \$35.00--\$35.50- \$36.00 France \$47.00
58-75,000 U.S. Gulf – Europe – Rotterdam	\$32.00	Down \$1.25	Handymax at +\$2.00 more
Brazil, Santos – China	\$72.50	Up \$4.00	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$72.00		60-66,000 Post Panamax
Northern Coast Brazil	\$73.00		Upriver No. Brazil Plus -55,000 mt Plus \$7.50-8.00/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$78.00	Up \$4.25	Upriver with BB Top Off Plus \$3.75 - \$4.00mt

## The Baltic Dry Freight Index



## Baltic Panamax Index



## Capesize FFA Chart



## Baltic Dry-Bulk Ocean Freight Index- US Gulf- Japan

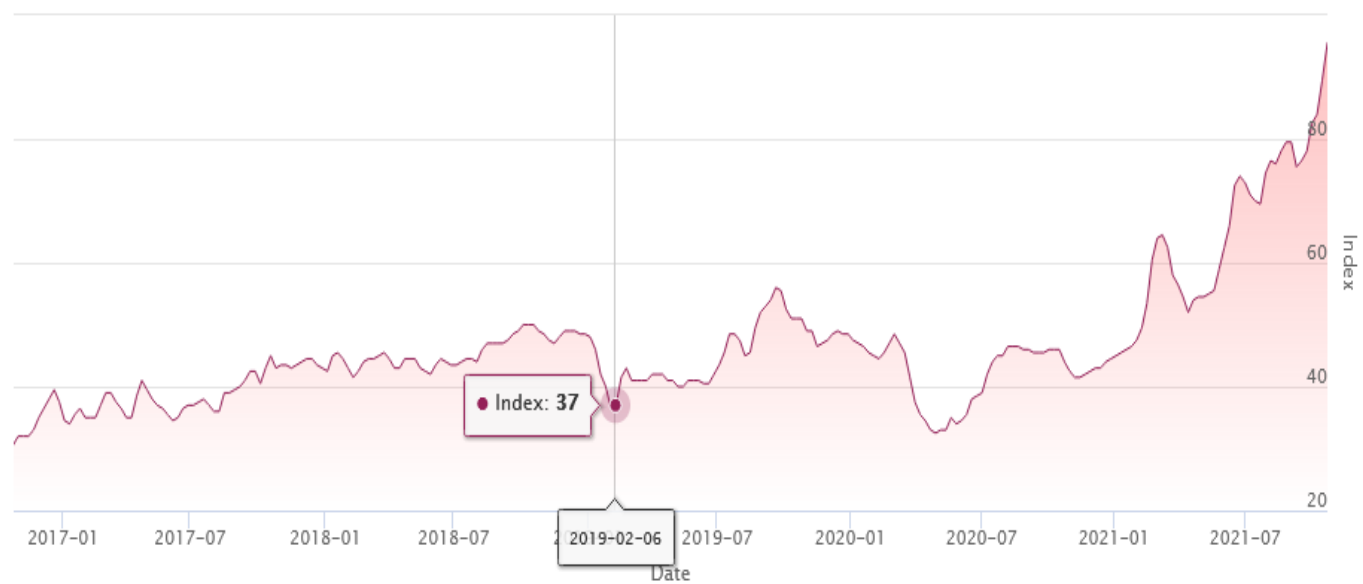


# YAMAMIZU Index



Zoom **1m** 3m 6m YTD 1y 3y **5y** All

From 2016-10-20 To 2021-10-20



## China Import Dry Bulk Freight Index

2021-10-21

Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1989.49	-12.79
Iron ore Freight Index			Point	1912.62	-33.57
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	16.336	-0.48
Soybean Freight Index			Point	2055.23	17.48
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	71.12	0.48
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	72.14	0.5
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	49.57	0.55
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	89.44	0.9

**21 October 2021 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>					CORN	FUTURES
#2 YC	GULF # 2 YC		PNW # 3 YC		Z =	5.3225
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	5.4150
<b>Nov.</b>	1.35	<b>\$262.68</b>	2.40	<b>\$304.02</b>	K =	5.4575
<b>Dec.</b>	1.23	<b>\$257.96</b>	2.28	<b>\$299.29</b>	N =	5.4600
<b>Jan.</b>	1.01	<b>\$252.94</b>	1.80	<b>\$284.04</b>	U =	5.3150
<b>Feb.</b>	0.96	<b>\$250.97</b>	1.77	<b>\$282.86</b>	Z =	5.3000
<b>Mar.</b>	0.92	<b>\$249.40</b>	1.73	<b>\$281.28</b>		
<b>Apr.</b>	0.89	<b>\$249.89</b>	1.66	<b>\$280.20</b>		

The Gulf spread between #2 & #3 YC is currently about .04 cents per bushel (1.60/mt) at USG but is out to .06/bushel in the PNW.

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>Nov.</b>	2.10	<b>\$292.21</b>
<b>Dec.</b>	2.05	<b>\$290.24</b>
<b>Jan.</b>	1.85	<b>\$286.01</b>
<b>Feb.</b>	1.85	<b>\$286.01</b>
<b>Mar.</b>	1.85	<b>\$286.01</b>

Fob vessel Texas Gulf #2 Sorghum is about 111 % the value of #2 Yellow Corn at NOLA.

**U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf**

SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Nov.	Dec.	Jan.	Feb.
FOB U.S. GULF	\$323.80	\$323.80	\$324.63	\$327.20
Basis	1.40	1.40	1.30	1.37
WZ	7.4125			.
WH	7.5350			
WK	7.5700			

### CME/CBOT December 2021 (CZ21) Corn Futures Chart



### CME/CBOT December 2021 (WZ21) SRW Wheat Futures Chart –



**U.S. Soybean and SBM Markets Fob Vessel:**

<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	<b>U.S. Gulf #2 YSB</b>		<b>PNW #2 YSB</b>	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Nov.</b>	1.25	<b>\$495.67</b>	2.35	<b>\$536.09</b>
<b>Dec.</b>	1.13	<b>\$494.75</b>	2.18	<b>\$533.33</b>
<b>Jan.</b>	1.21	<b>\$497.69</b>	2.10	<b>\$530.39</b>
<b>Feb.</b>	1.10	<b>\$497.32</b>	1.90	<b>\$526.72</b>
<b>Mar.</b>	1.12	<b>\$498.06</b>	1.95	<b>\$528.55</b>
<b>Soybean Futures</b>				
<b>Nov.</b>	\$ 12.2400			
<b>Jan.</b>	\$ 12.3350			
<b>Mar.</b>	\$ 12.4350			
<b>May</b>	\$ 12.5275			
<b>July</b>	\$ 12.5875			
<b>Aug.</b>	\$ 12.5625			

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	<b>47.5 Pro. SBM</b>	
max 12.5 % moisture	Basis	Flat Price
<b>Nov.</b>	50.00	<b>\$ 412.34</b>
<b>Dec.</b>	50.00	<b>\$ 412.34</b>
<b>Jan.</b>	50.00	<b>\$ 411.34</b>
<b>Feb.</b>	50.00	<b>\$ 421.82</b>
<b>Mar.</b>	50.00	<b>\$ 421.82</b>
<b>SBM Futures</b>		
<b>SMZ</b>	\$ 324.00	
<b>SMF</b>	\$ 323.10	
<b>SMH</b>	\$ 332.60	
<b>SMK</b>	\$ 326.30	
<b>SMN</b>	\$ 330.20	
<b>SMQ</b>	\$ 330.40	



### CME November 2021 Soybean (SX21) Futures Chart:



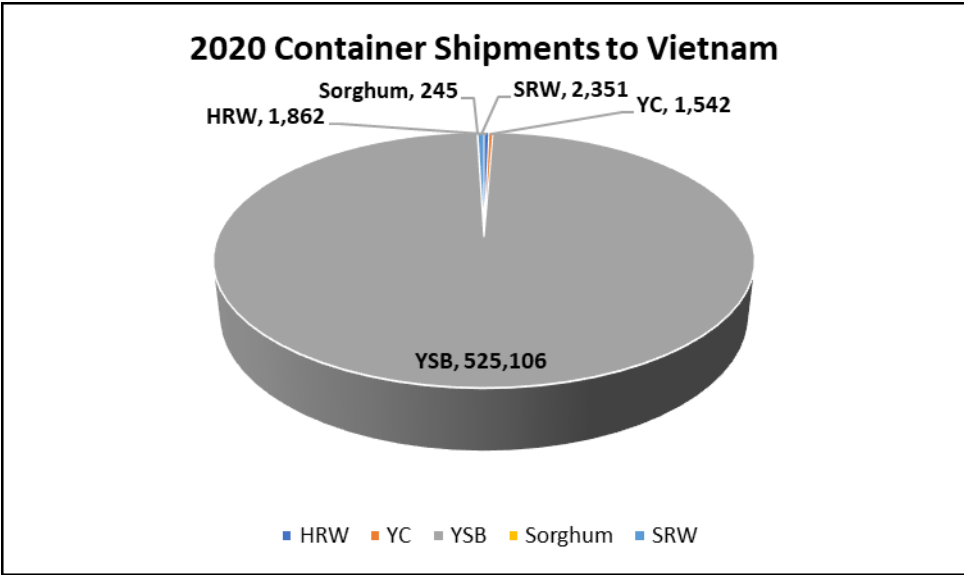
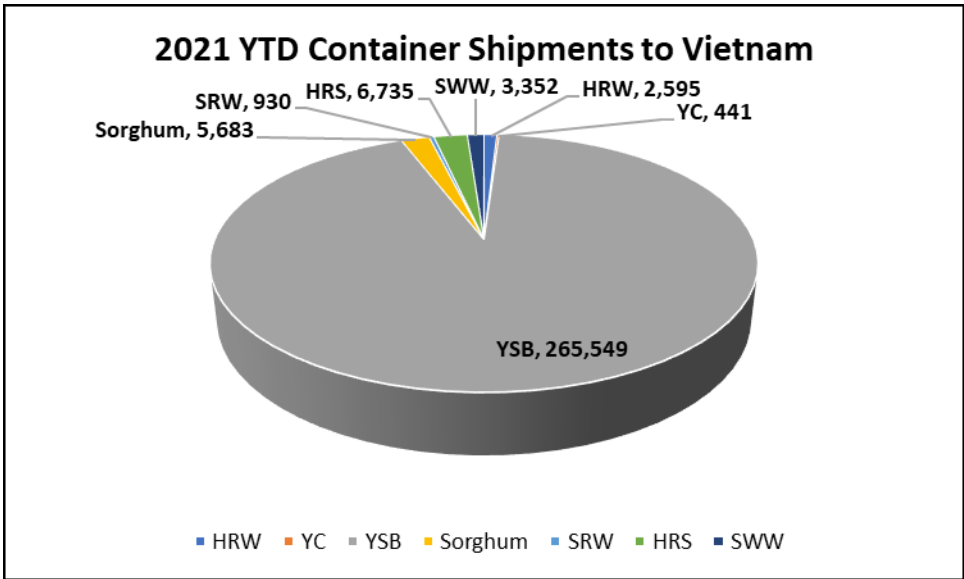
### CME December 2021 Soybean Meal (SMZ21) Futures Chart



**Data sheet below:** *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

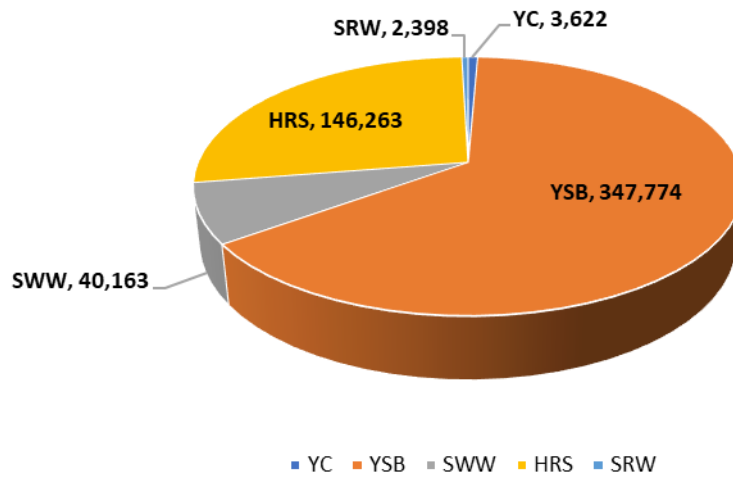
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		14-Oct-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China	1,567		30,073						31,640
Taiwan	7,168		12,782						19,950
Hong Kong	342								342
Costa Rica									0
Indonesia			4,458						4,458
French Poly									0
Japan			1,075						1,075
Korea Rep.			4,408						4,408
Dominicn Rep									0
Malaysia	171		2,863						3,034
Colombia									0
Philippines			294						294
Thailand			1,884						1,884
Nepal			441						441
Burma									0
Bangladesh									0
Cambodia			245						245
Vietnam	196		8,300		294			2,523	11,313
Sub Total:	9,444	0	66,823	0	294	0	0	2,523	79,084
USDA Corrections/Additions to previous reports:									
Taiwan			1,199						1,199
China			980						980
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan									0
Philippines									0
Indonesia			832						832
Malaysia									0
Thailand			244						244
Vietnam			489			1,101			1,590
Bangladesh									0
Ireland									0
Sub Total:	0	0	3,744	0	0	1,101	0	0	4,845
<b>Mt. Grand Total</b>	<b>9,444</b>	<b>0</b>	<b>70,567</b>	<b>0</b>	<b>294</b>	<b>1,101</b>	<b>0</b>	<b>2,523</b>	<b>83,929</b>
Number of Containers	411	0	3,068	0	13	48	0	110	

Jan - Dec 2020 Annual Totals versus 2021 YTD Container Shipments (in MT)

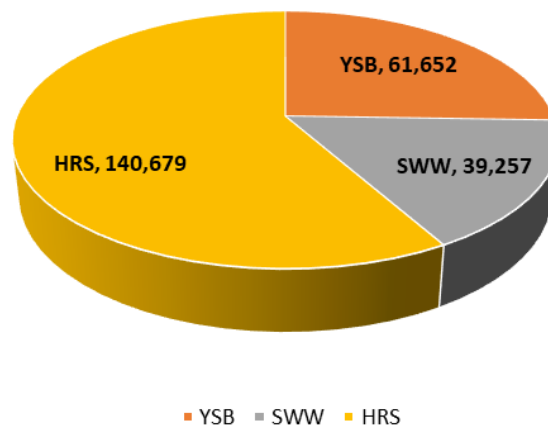


2021 YTD Total Grain Exports reported by USDA (in MT)

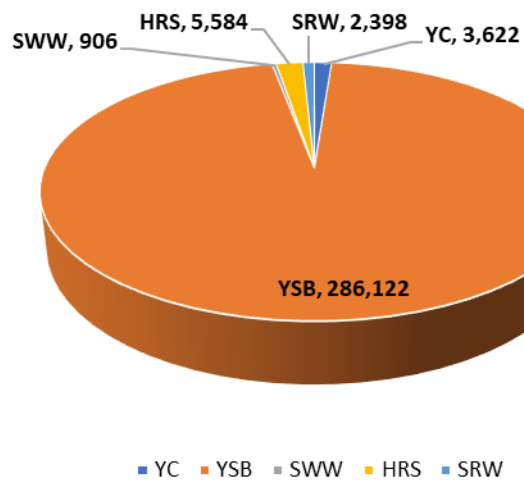
**2021 YTD Exports to Malaysia**



**YTD Vessel Shipments to Malaysia**



**YTD Container Shipments to Malaysia**



\*Please keep in mind that USDA does not report DDGS sales

Source: USDA-data

## Shipping News

**Peter Tirschwell** @PeterTirschwell · 15h

...

As of today, Oct. 20, it has now been one full year since container ships officially began backing up at anchor off LA-Long Beach. On Oct. 20, 2020, three ships were sent to anchor. As of yesterday the number was 68, a full-blown national crisis with no end in sight @MXSOCAL

5

35

72

↑

**Marine Exchange** @MXSOCAL · 6m

...

Ship report 10/20: 169 total ships inport LA/LB including 109 at anchor or holding areas & 60 at berths. Of the 169, 108 are container ships including 79 at anchor or in holding areas & 29 at berth. 55 vessels in holding areas; 44 container ships, 3 tankers, 8 bulk.



AllThingsVentured @AllVentured · 10h

...

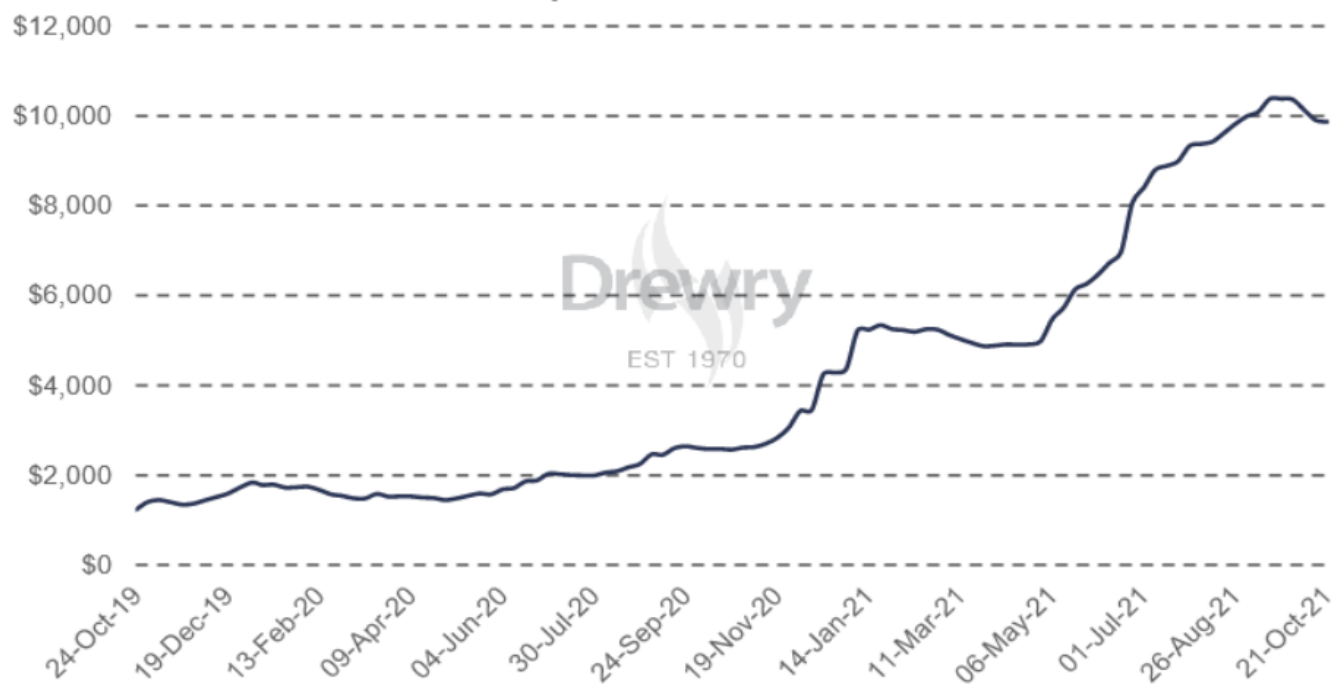
More cargo is currently waiting outside LA ports than was processed in the entire month of September and the backlog is once again growing. Likely to take 6+ months to work off whenever they begin catching up. ...w-  
[freightwaves-com.cdn.ampproject.org/c/s/www.freigh...](https://freightwaves-com.cdn.ampproject.org/c/s/www.freigh...)

### Container ships at anchor in San Pedro Bay and at berth in Ports of Los Angeles and Long Beach

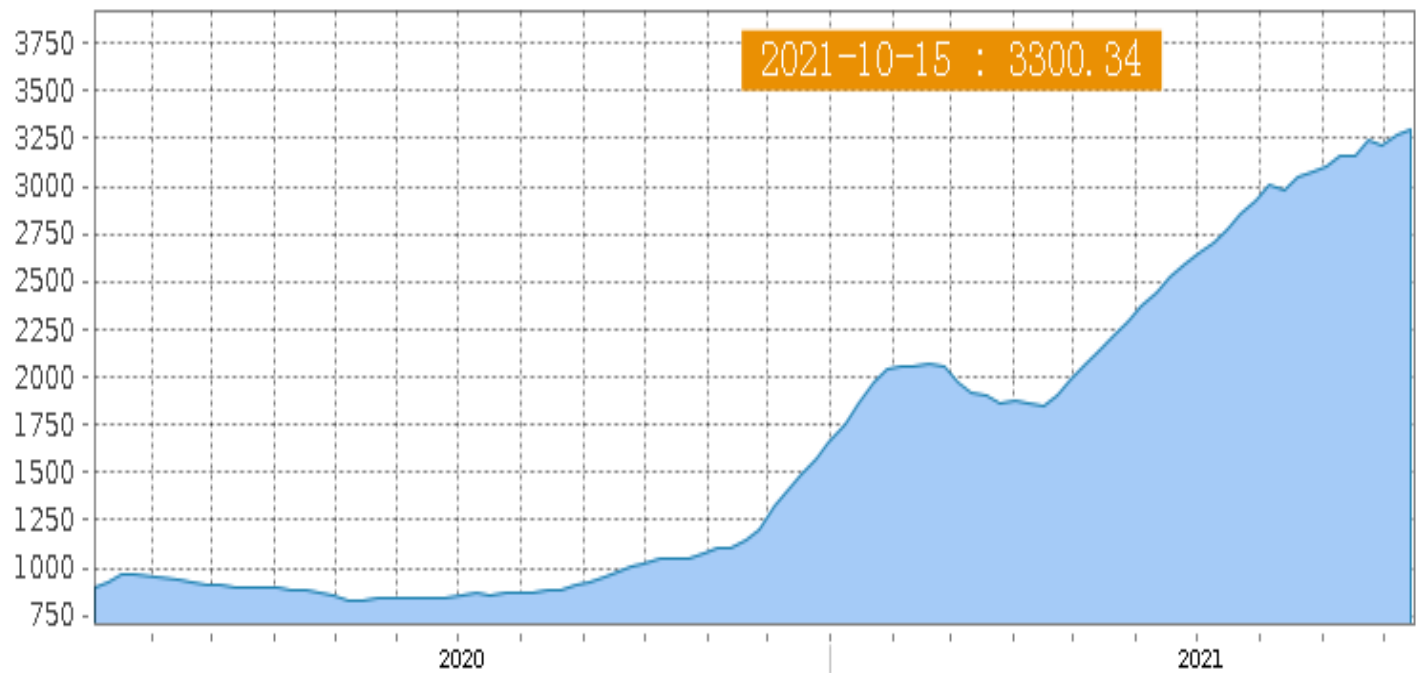


Chart: American Shipper based on data from Marine Exchange of Southern California. Data bi-monthly April-Nov 2020; daily Dec 2020-present

### World Container Index - Assessed by Drewry \$ per 40 ft container



## China Containerized Freight Index



## China Import Dry Bulk Freight Index





**U.S. RIVER BARGE FREIGHT**  
**Current Barge Freight for Placement Last Half October 2021**

Placement FH November 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	515	\$35.14	0.89	0.96
Illinois River (Pekin and South)	550	\$37.53	0.95	1.02
Mid-Mississippi	575	\$28.27	0.72	0.77
Lower Ohio	575	\$28.27	0.72	0.77
St. Louis	575	\$25.29	0.64	0.69

**Secondary Rail Car Market for car placement period: Last Half October 2021.**

Secondary Rail Car Market Placement FH. November 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 350.00	\$ 550.00	\$ 0.09	\$ 0.14	\$ 3.44	\$ 5.41
UPRR Shuttle Trains	\$ 450.00	\$ 650.00	\$ 0.11	\$ 0.16	\$ 4.43	\$ 6.40

Best Regards,

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