

Transportation and Export Report for 28 October 2021

It has been a very wild ride for the Capesize sector and other Dry-Bulk markets. In just the last 30 days Spot Capesize vessel daily hire rates have gone from a high of \$90,000/day all the way down to \$60,000/day. December FFA values have slipped to just \$31,000/day. Iron Ore rates from West Australia to China have dropped from \$22.65/mt to \$12.50/mt. Panamax and Supramax markets have had no choice but to reluctantly follow the leader. It looks as if market players simply just got too excited to quickly in the previous run up. The question today is, have we finally hit bottom? In my opinion the market pendulum has swung too far in both directions and will likely be looking to moderate in the coming weeks. As mentioned last week, the one constant in Dry-Bulk markets is volatility. The current break in values should provide a good buying opportunity for charterers.

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					
28-Oct-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	48500	52691	-4,191	-8.0%
P3A: PNW/Pacific - Korea	per day	35447	40687	-5,240	-12.9%
S1C: US GULF-China-So.Japan	per day	55964	60319	-4,355	-7.2%
P7: Trial- Miss. River - Qingdao	per ton	88.89	92.400	-3.5	-3.8%
P8: Trial- Santos - Qingdao	per ton	71.24	73.080	-1.8	-2.5%

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

Four weeks ago:	\$17.00-\$22.00
Three weeks ago:	\$22.00-\$22.65
Two weeks ago:	\$18.50-\$22.00
One week ago:	\$16.50-\$20.00
This week	\$12.50-\$14.00

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

Mississippi River:	(10 elevators)	4-8 days (9 facilities operating.)
Mid-Stream loaders:	(6+ Rigs)	5-6 days
Texas Gulf	(5 elevators)	3-5 days
Pacific Northwest:	(9 elevators)	2 - 7 days (AGP Grays Harbor down for repairs)

Panamax Market Spreads to Asia -China					
28-Oct-2021	PNW	GULF	Bushel Spread	Tonne Spread	Advantage
CORN	2.15	1.21	0.94	\$37.01	GULF
SOYBEANS	2.18	1.08	1.10	\$40.42	BOTH
OCEAN FREIGHT	\$48.25	\$88.50	1.02-1.10	\$40.25	December

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 \$56.00 - \$58.00/mt.

Soybean Brazil to Spain about \$62.00 - \$64.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$89.50	Down \$1.50	Handymax \$90.00 mt
55,000 U.S. PNW- Japan	\$49.00	Down \$1.00	Handymax \$49.00 mt
66,000 U.S. Gulf – China	\$88.50	Down \$1.50	North China
PNW to China	\$48.25	Down \$1.25	
25,000 U.S. Gulf- Veracruz, México	\$30.75	Down \$0.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$28.75	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$47.00	Down \$0.75	<u>West Coast Colombia at \$55.00</u>
50,000 mt USG to E/C Colombia	<u>\$46.00</u>		
From Argentina	\$64.25		
43-45,000 U.S. Gulf - Guatemala	\$52.25	Down 1.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$73.00 \$75.00	Down \$1.00	8,000 mt daily discharge 3,000 mt daily discharge
30,000 US Gulf- Morocco	\$70.50	Down \$1.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$73.00	Down \$1.25	60,000 -55,000 mt -Egypt
PNW to Egypt	\$73.50		Romania- Russia- Ukraine \$31.55--\$32.00- \$33.00 France \$45.50
58-75,000 U.S. Gulf – Europe – Rotterdam	\$30.50	Down \$1.50	Handymax at +\$2.00 more
Brazil, Santos – China	\$71.00	Down \$1.50	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$70.50		60-66,000 Post Panamax
Northern Coast Brazil	\$71.50		Upriver No. Brazil Plus -55,000 mt Plus \$7.50-8.00/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$76.50	Down \$1.50	Upriver with BB Top Off Plus \$3.75 - \$4.00mt

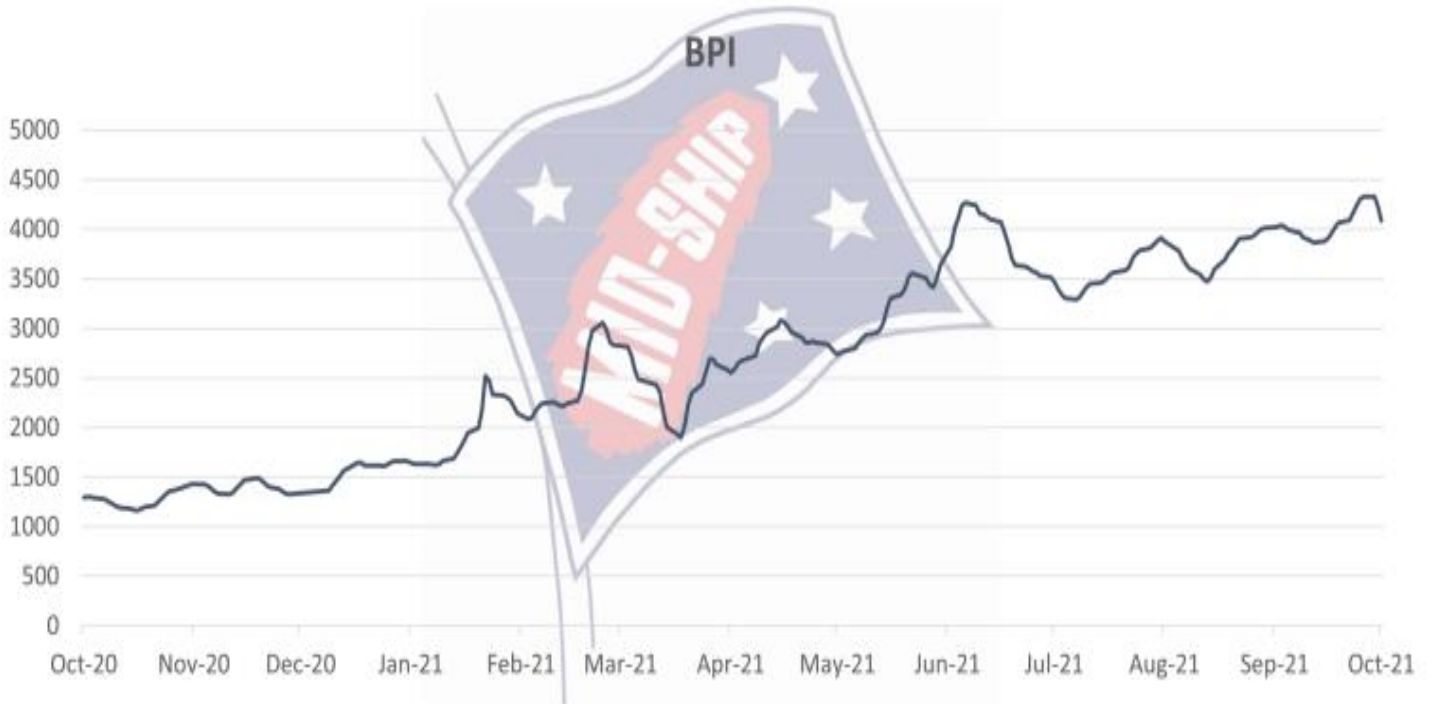
The Baltic Dry Freight Index



Capesize FFA Chart



Baltic Panamax Index



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

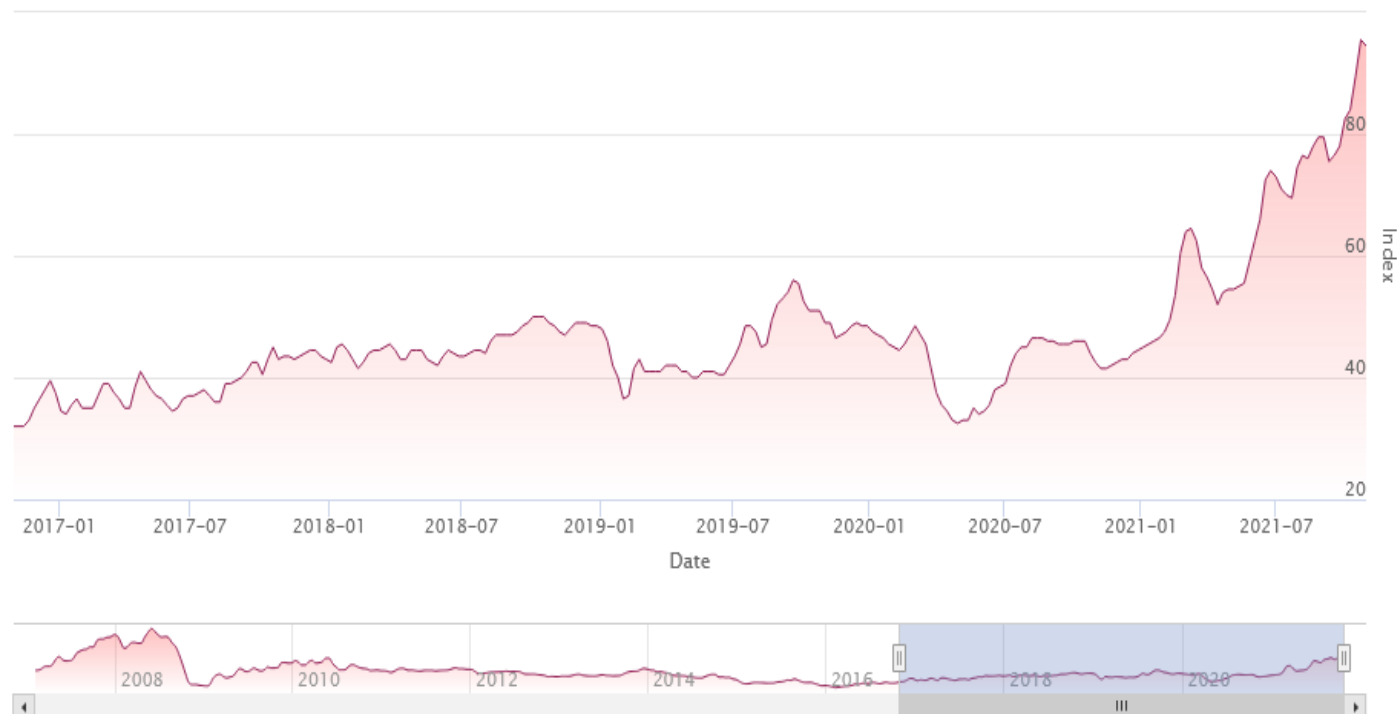


YAMAMIZU Index



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

From 2016-10-27 To 2021-10-27



China Import Dry Bulk Freight Index 2021-10-28

Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1699.73	-35.41
Iron ore Freight Index			Point	1447.37	-25.96
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	12.36	0.082
Soybean Freight Index			Point	2026.3	-24.89
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	70.22	-0.84
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	71.24	-0.9
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	48.2	-0.96
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	88.4	-0.91

28 October 2021 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel					CORN	FUTURES
#2 YC	GULF # 2 YC		PNW # 3 YC		Z =	5.6275
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	5.7125
Dec.	1.21	\$269.18	2.15	\$306.18	K =	5.7500
Jan.	0.99	\$263.86	1.79	\$295.36	N =	5.7475
Feb.	0.95	\$262.29	1.77	\$294.57	U =	5.5250
Mar.	0.90	\$260.32	1.74	\$293.39	Z =	5.4850
Apr.	0.87	\$260.62	1.71	\$293.68		
May	0.88	\$261.01	1.70	\$293.29		

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.

SORGHUM (USD/MT) FOB VESSEL		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
Dec.	2.00	\$300.28
Jan.	1.85	\$297.84
Feb.	1.80	\$295.75
Mar.	1.80	\$295.75
Apr.	1.77	\$296.05

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	
	Dec.	Jan.	Feb.	Mar.
FOB U.S. GULF	\$335.28	\$336.39	\$338.22	\$340.06
Basis	1.40	1.30	1.35	1.40
WZ	7.7250			.
WH	7.8550			
WK	7.8850			

U.S. Soybean and SBM Markets Fob Vessel:

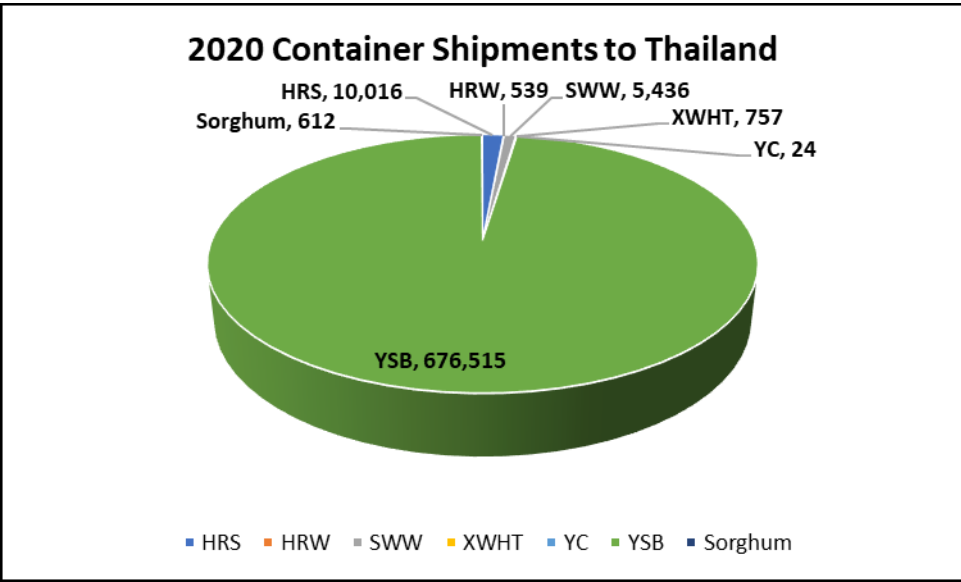
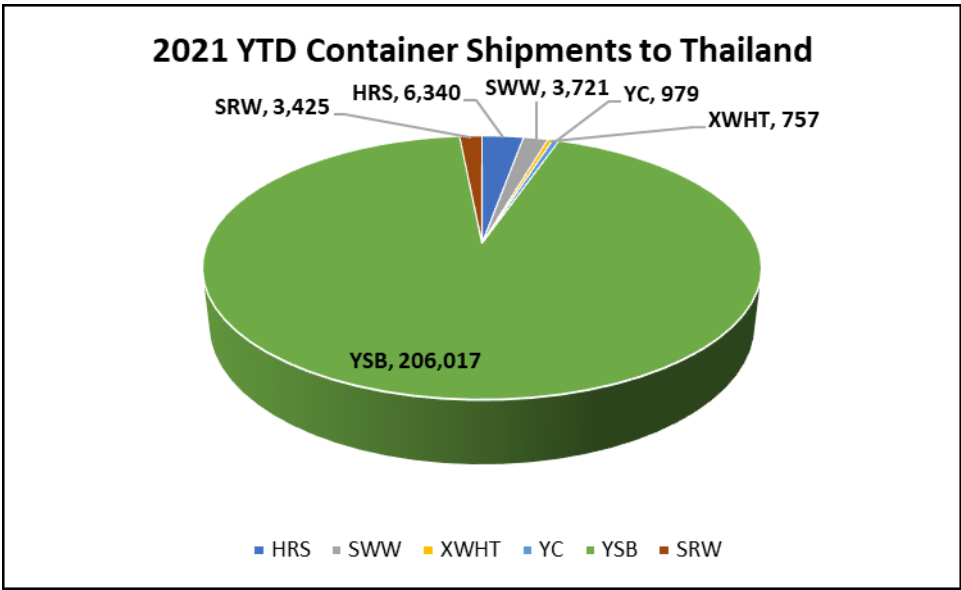
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Dec.	1.08	\$497.50	2.18	\$537.92
Jan.	1.05	\$496.40	2.10	\$534.98
Feb.	0.95	\$496.40	1.90	\$531.31
Mar.	1.03	\$499.34	1.93	\$532.41
Apr.	1.03	\$502.65	1.90	\$534.62
Soybean Futures				
Jan.	\$ 12.4600			
Mar.	\$ 12.5600			
May	\$ 12.6500			
July	\$ 12.7025			
Aug.	\$ 12.6525			
Sept.	\$ 12.4675			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Dec.	50.00	\$ 419.94
Jan.	51.00	\$ 419.17
Feb.	50.00	\$ 419.61
Mar.	50.00	\$ 419.61
Apr.	50.00	\$ 423.36
SBM Futures		
SMZ	\$ 330.90	
SMF	\$ 329.20	
SMH	\$ 330.60	
SMK	\$ 334.00	
SMN	\$ 337.80	
SMQ	\$ 338.10	

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).*

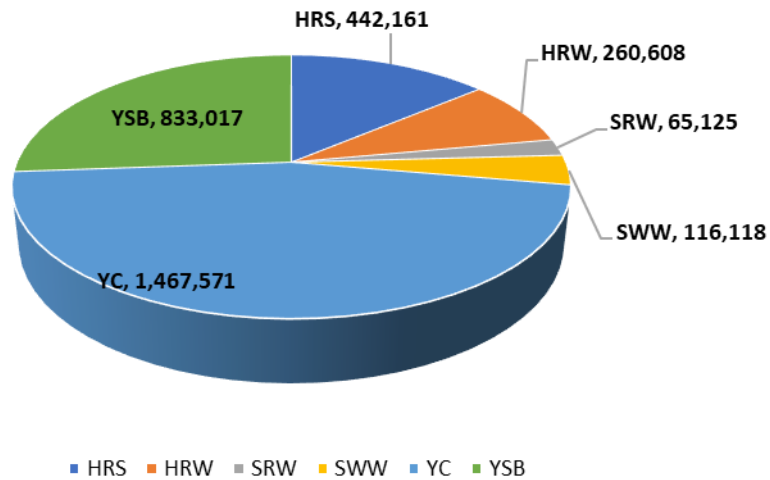
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		21-Oct-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			37,496	1,078					38,574
Taiwan	5,041		16,308						21,349
Hong Kong	684								684
Costa Rica									0
Indonesia			8,546						8,546
French Poly									0
Japan			2,375						2,375
Korea Rep.	269		783						1,052
Dominicn Rep									0
Malaysia	171		1,639						1,810
Colombia									0
Philippines			637						637
Thailand									0
Nepal			343						343
Burma									0
Bangladesh									0
Cambodia									0
Vietnam			7,272		343			2,719	10,334
Sub Total:	6,165	0	75,399	1,078	343	0	0	2,719	85,704
USDA Corrections/Additions to previous reports:									
Taiwan	1,126		1,666						2,792
China			784						784
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan			392						392
Philippines									0
Indonesia			563						563
Malaysia									0
Thailand									0
Vietnam			661						661
Bangladesh									0
Ireland									0
Sub Total:	1,126	0	4,066	0	0	0	0	0	5,192
Mt. Grand Total	7,291	0	79,465	1,078	343	0	0	2,719	90,896
Number of Containers	317	0	3,455	47	15	0	0	118	

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

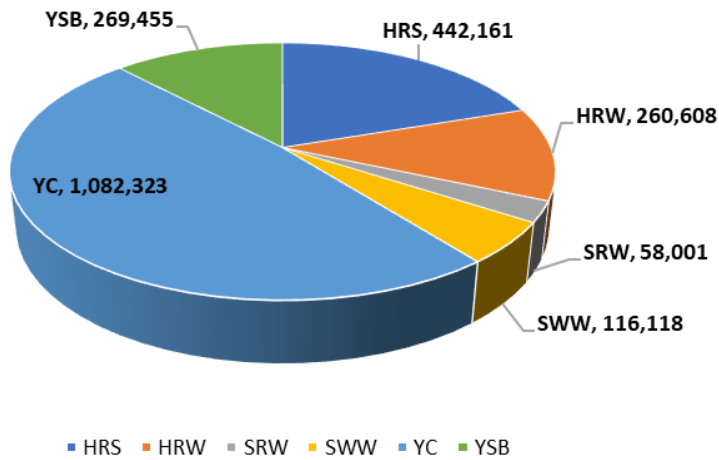


2021 YTD Total Grain Exports reported by USDA (in MT)

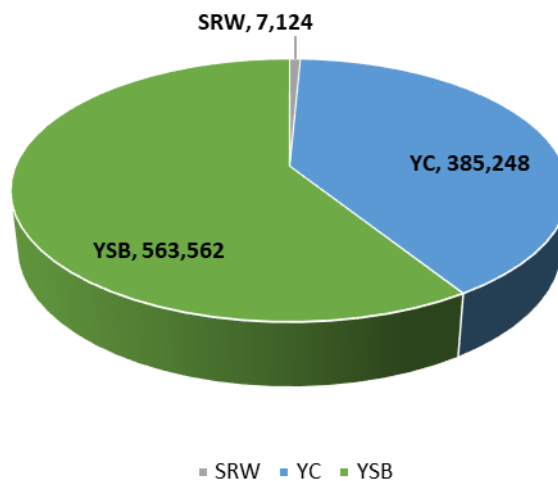
2021 YTD Exports to Taiwan



YTD Vessel Shipments to Taiwan



YTD Container Shipments to Taiwan



*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

↑

Dustin Braden @dbrades89 · 1h

...

In a boost for US ag shippers, the #shipping line @OceanNetworkExp has restarted a suspended service to @PortofOakland that will resume Nov. 13 bit.ly/3DBSym5

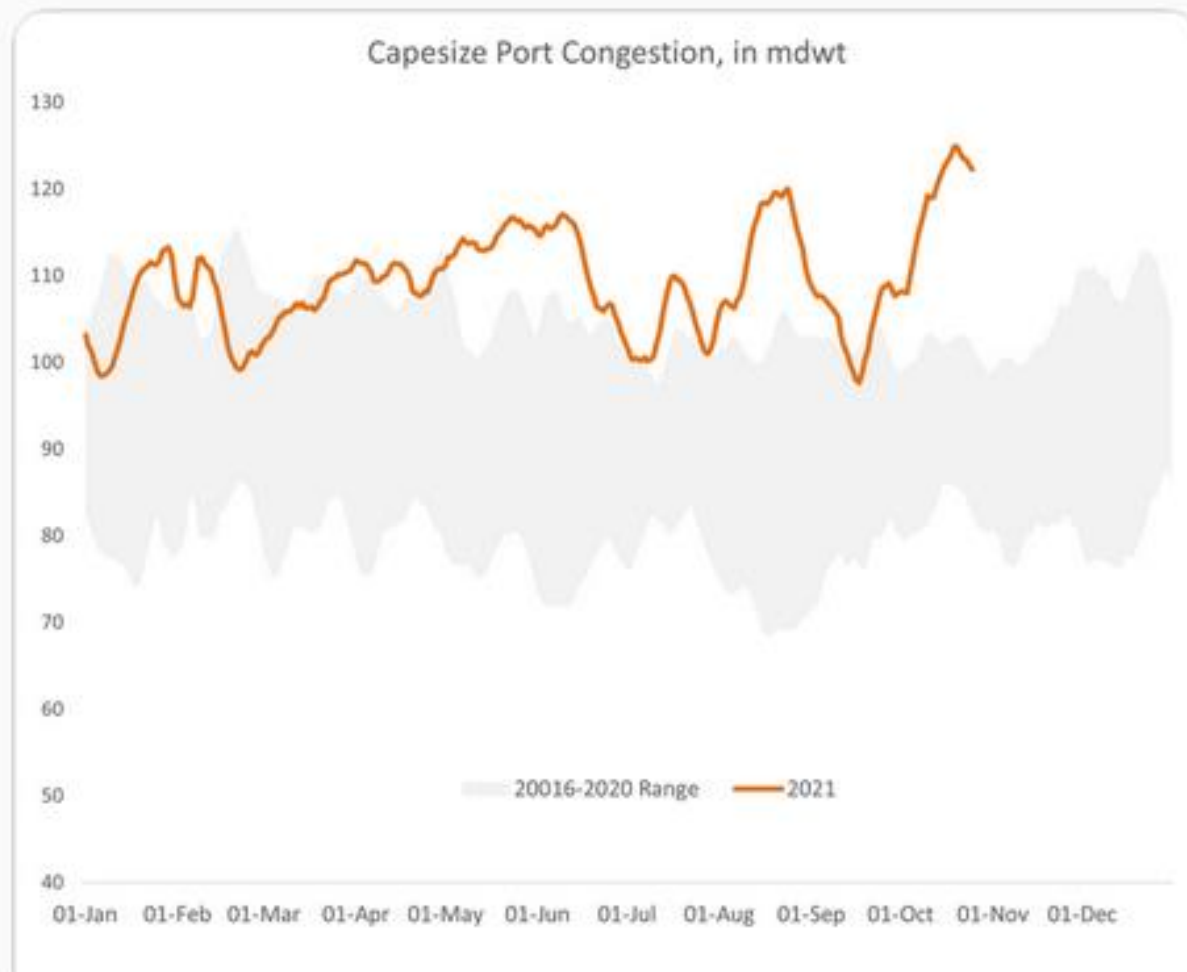


BreakWave @DryBulkETF · 9h

...

Capesize port congestion remains at multi-year highs, despite the recent significant drop in freight rates. The amount of vessels waiting in port currently represents ~32% of global Capesize capacity.

[#drybulk](#) [#shipping](#)



Jose Ricardo Cruz @jrcruz69 · 3h

How Shippers Can Combat the Effects of the Increasing Truck Driver Shortage, the U.S. needs to recruit nearly 1 million truck drivers to replace retiring ones and keep up with high freight demand over the next decade.
supplychain247.com/article/how_sh... Via @SupplyChain247



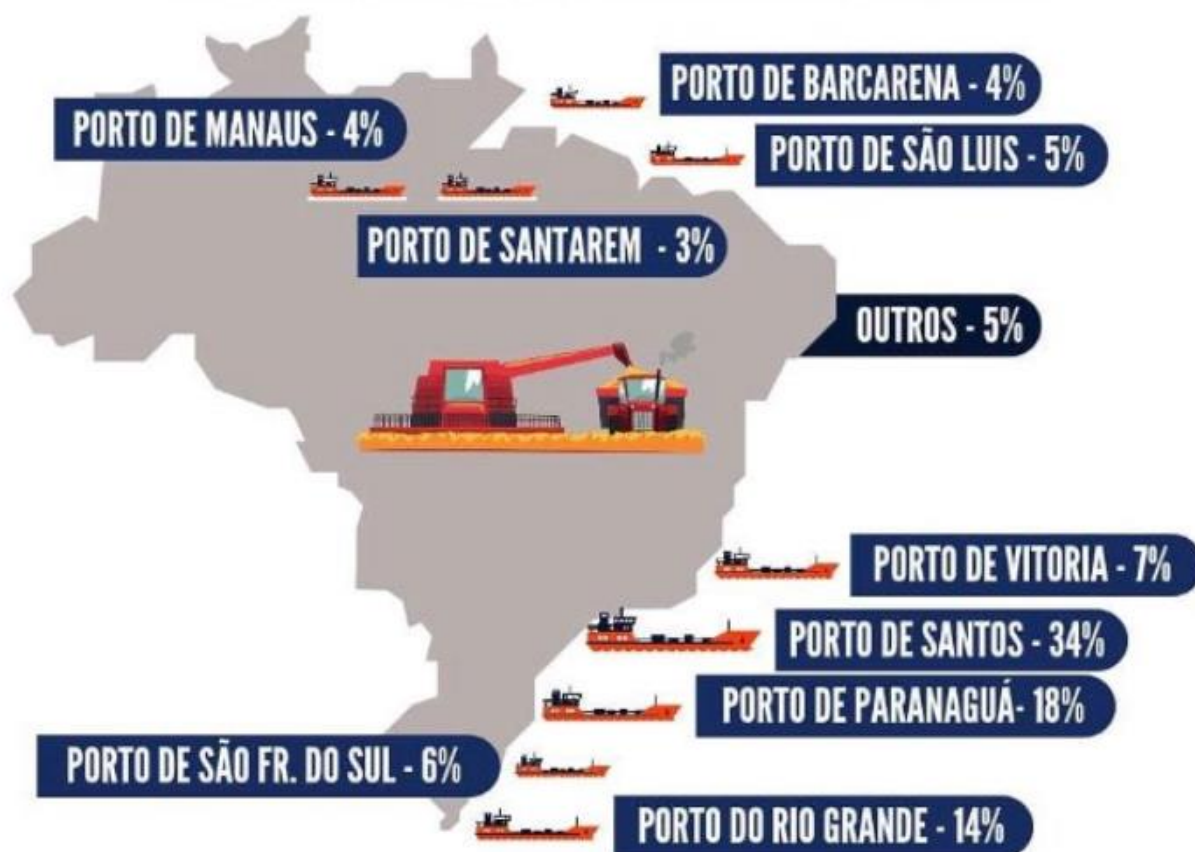
supplychain247.com

How Shippers Can Combat the Effects of the Increasing Truck Driver ...

According to the American Trucking Association, the U.S. needs to recruit nearly 1 million truck drivers to replace retiring ones and keep u...



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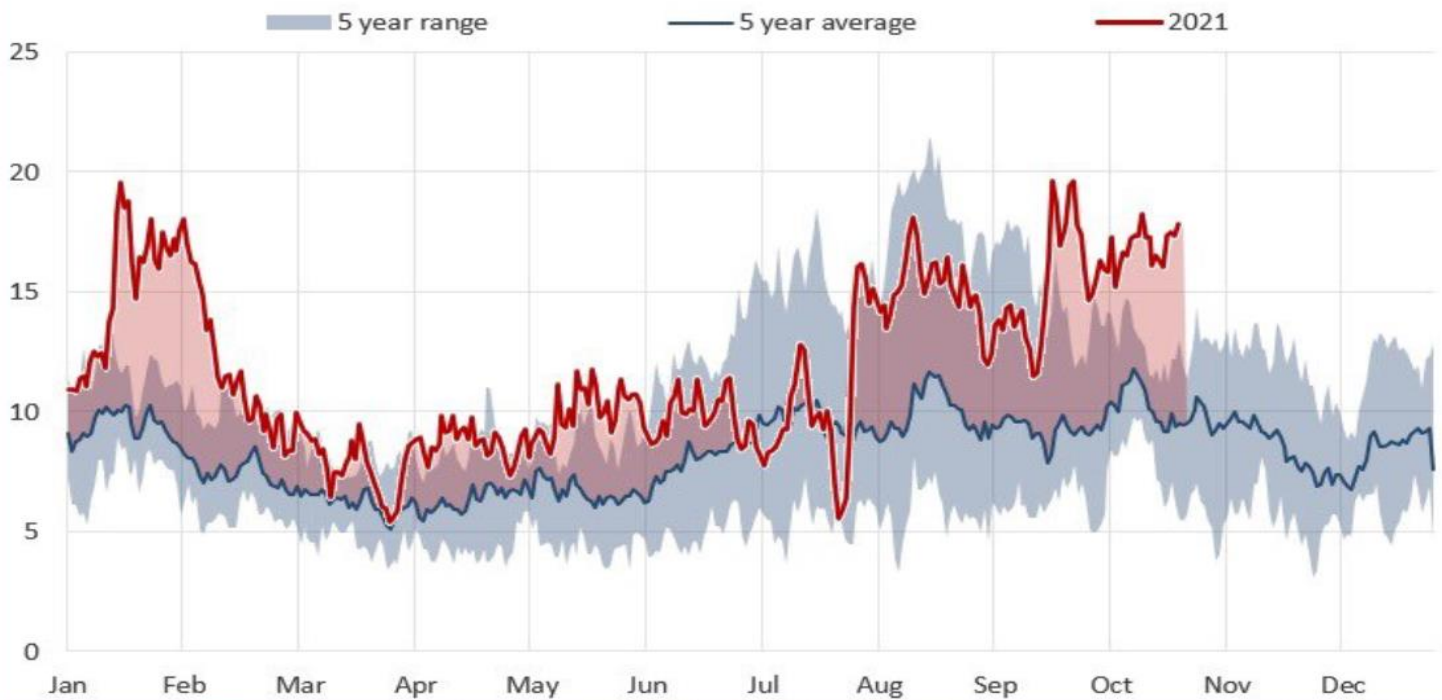
Fonte: MDIC / Embrapa



Nick Ristic @ristic_nick · Oct 25

Cape Congestion in China remains higher than usual #drybulk
#shipping #shiptwit

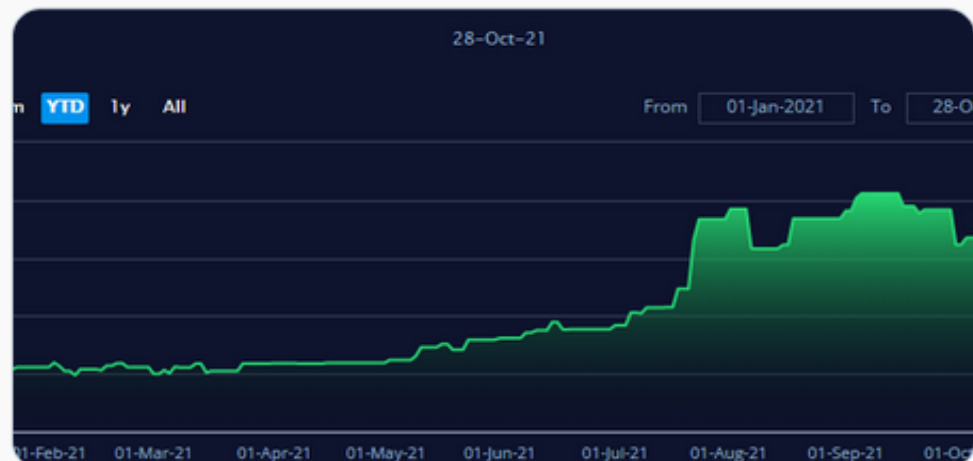
China Capesize congestion laden vessels, m dwt



J Mintzmyer @mintzmyer · 2h

Latest @freightos FBX data shows #shipping costs from China-US West Coast up 20% ! and China-US East Coast up 9%. So much for "crashing" or "falling" shipping costs... \$ZIM

China-USWC shown below, right back near peaks.



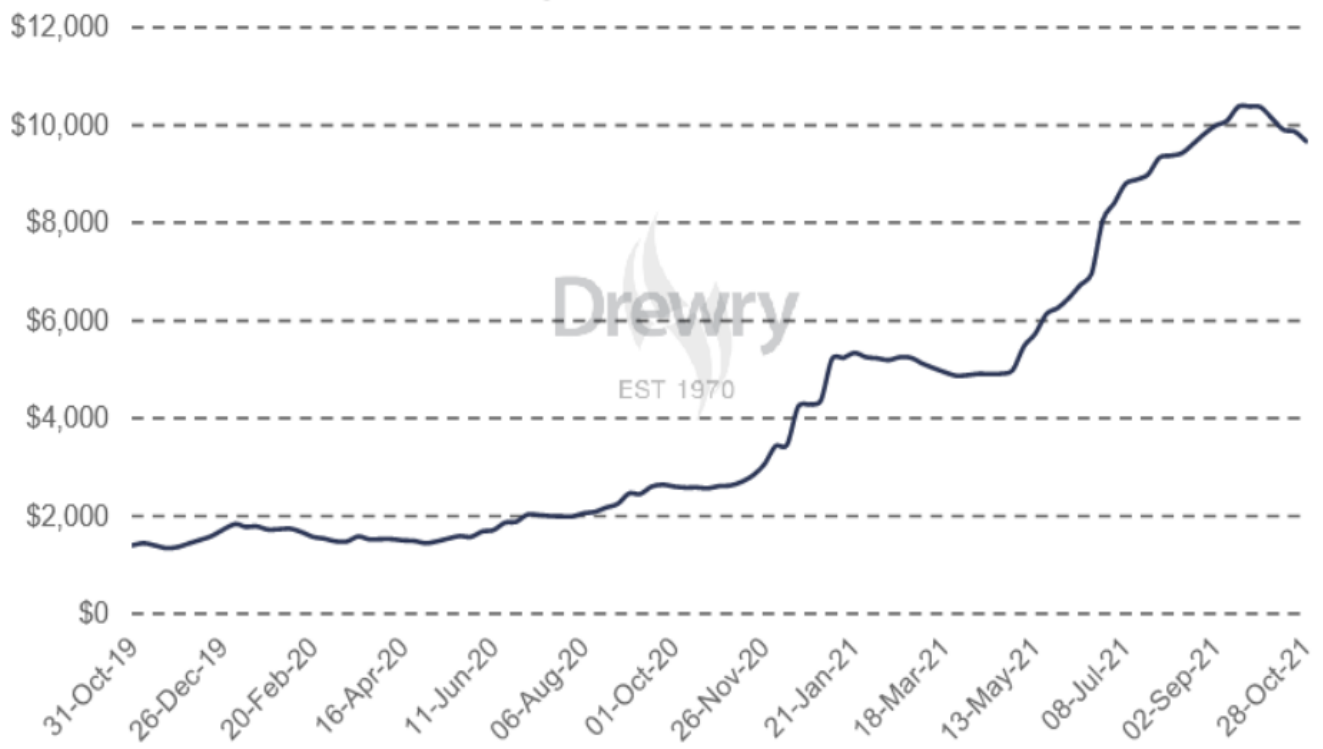
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World Container Index - Assessed by Drewry \$ per 40 ft container



SwitterTM @RussianGrainTra · Oct 26

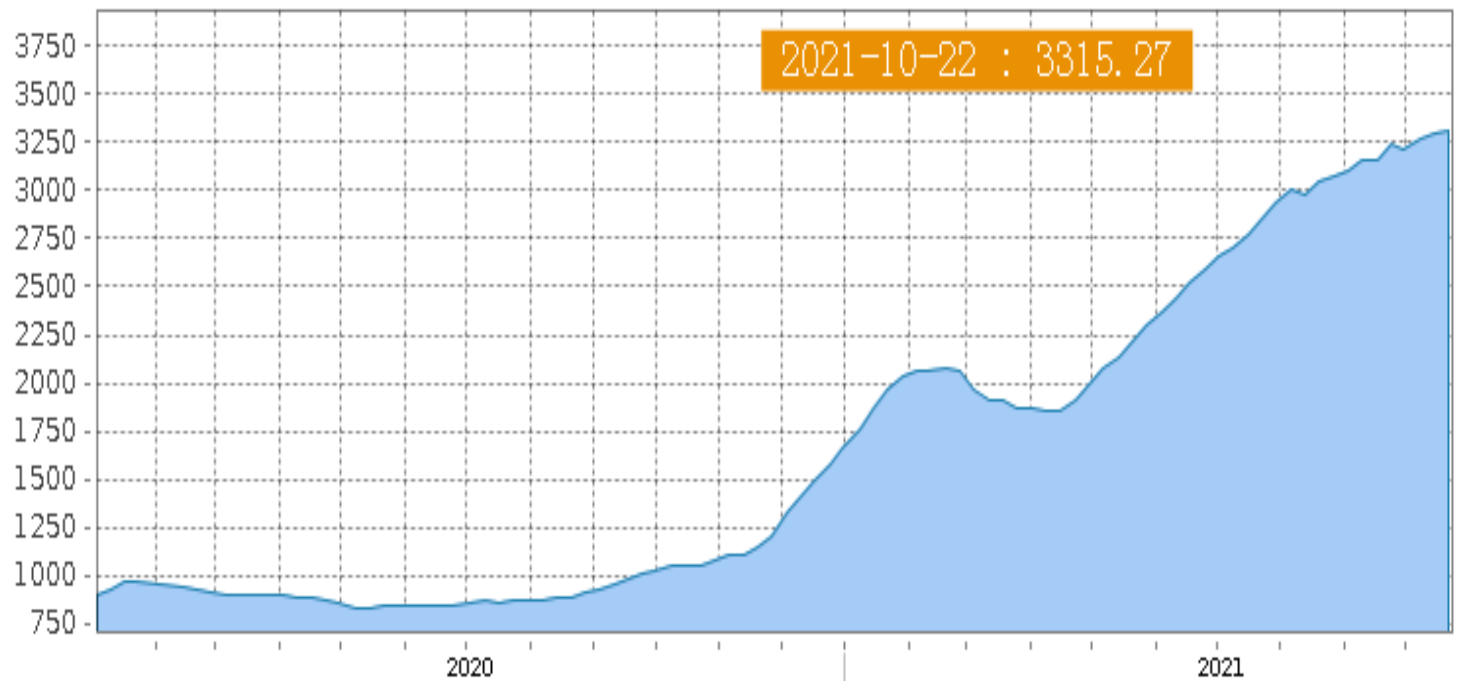
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🍞 Only 10 cents of the price of a €0.90 baguette 🍞 is wheat 🌾 (of which only 4 cents goes to the farmer 🏠)

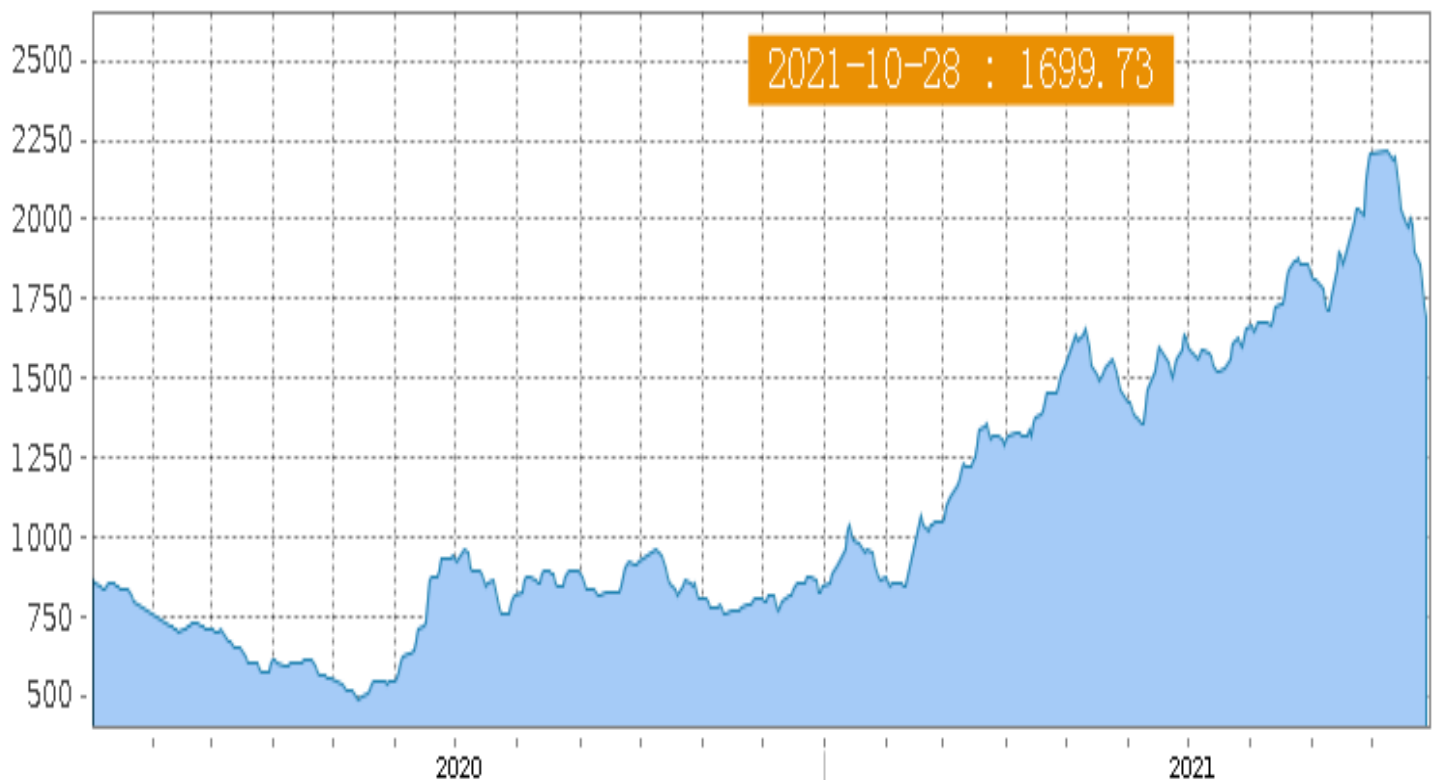
Wheat prices could double & many (most?) consumers in France 🇫🇷 would not blink if their bread went up 5-10 cents 🌾



China Containerized Freight Index



China Import Dry Bulk Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Loading Placement Last Half November 2021

Placement LH November 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	475	\$32.41	0.82	0.88
Illinois River (Pekin and South)	440	\$30.02	0.76	0.82
Mid-Mississippi	465	\$22.86	0.58	0.62
Lower Ohio	440	\$21.63	0.55	0.59
St. Louis	400	\$17.59	0.45	0.48

Secondary Rail Car Market for Car placement period: Last Half November 2021.

Secondary Rail Car Market Placement LH. November 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 100.00	\$ 250.00	\$ 0.03	\$ 0.06	\$ 0.98	\$ 2.46
UPRR Shuttle Trains	\$ 200.00	\$ 350.00	\$ 0.05	\$ 0.09	\$ 1.97	\$ 3.44

Best Regards,

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