

## Transportation and Export Report for 18 November 2021

Today's Dry Bulk refrain is, "have we hit bottom yet". Volatility has certainly been the operative word for Dry Bulk markets. One month ago, vessel owners believed rates were shooting for the moon. After reaching 13-year highs on the Baltic exchange in late October, markets dropped to 5-month lows in the last 10 days. These are truly brutal markets. Markets are extremely sensitive to the ebb and flow of Chinese demand for all bulk commodities. As China demand goes; so, goes freight markets.

China is attempting to control high prices by cutting back on purchases. So far that strategy has been somewhat successful. But will they return to the buying table now that prices have dropped and inevitably push markets back up, or have they satisfied their hunger ?

Container Shipping lines are ordering new vessels like there is no tomorrow; but tomorrow will come and we will find that there are too many container ships on the seas.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
18-Nov-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	32023	39945	-7,922	-19.8%
P3A: PNW/Pacific - Korea	per day	17837	22937	-5,100	-22.2%
S1C: US GULF-China-So.Japan	per day	44144	42583	1,561	3.7%
P7: Trial- Miss. River - Qingdao	per ton	67.13	73.830	-6.7	-9.1%
P8: Trial- Santos - Qingdao	per ton	49.24	59.190	-10.0	-16.8%

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

Four weeks ago:	\$16.50-\$20.00
Three weeks ago:	\$12.50-\$14.00
Two weeks ago:	\$10.50-\$12.60
One week ago:	\$11.50-\$12.75
This week	\$11.00- \$12.30

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

Mississippi River:	(10 elevators)	3-6 days (9 facilities operating.)
Mid-Stream loaders:	(6+ Rigs)	1-2 days
Texas Gulf	(5 elevators)	3-8 days
Pacific Northwest:	(9 elevators)	4 - 14 days (AGP Grays Harbor- partial loading)
<ul style="list-style-type: none"> <li>AGP in the PNW is reportedly back loading soymeal via an alternative conveyor system</li> </ul>		

Panamax Market Spreads to Asia -China					
18-Nov-2021	PNW	GULF	Bushel Spread	Tonne Spread	Advantage
CORN	1.95	1.00	0.95	\$37.40	GULF
SOYBEANS	2.05	1.00	1.05	\$38.58	GULF
OCEAN FREIGHT	\$37.50	\$70.00	.83-.88	\$32.50	December

**Current Grain Vessel Market Indications:**

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

Soybean Panamax USG to Spain is running \$44.00 - \$46.00/mt.

Soybean Brazil to Spain about \$50.00 - \$51.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$70.00	Down \$7.00	Handymax \$71.00/mt
55,000 U.S. PNW- Japan	\$37.50	Down \$3.75	Handymax at \$38.00/mt
65,000 U.S. Gulf – China	\$71.00	Down \$7.00	North or South China
PNW to China	\$38.25	Down \$3.75	
25,000 U.S. Gulf- Veracruz, México	\$25.50	Down \$2.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$22.25	Down \$2.75	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$36.50	Down \$4.00	<u>West Coast Colombia at \$44.00</u>
50,000 USG- E/C Colombia	\$35.50		-
<u>East Coast Colombia</u> From Argentina	\$51.00		
40-45,000 U.S. Gulf - Guatemala	\$45.00	Down \$4.25	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$57.50	Down \$5.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$58.00	Down \$5.00	55,000-60,000 mt Egypt
PNW to Egypt	\$58.50		Romania- Russia- Ukraine \$25.00-\$27.00-\$26.50
58-74,000 U.S. Gulf – Europe – Rotterdam	\$28.50	Down \$0.50	Handymax at +\$2.50 more
Brazil, Santos –China	\$56.50	Down \$6.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$55.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$63.50		55-60,000 mt
56-60,000 Argentina-China Deep draft	\$61.25	Down \$6.00	Up-River with Top Off Plus \$3.75-\$4.00

## The Baltic Dry Freight Index



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

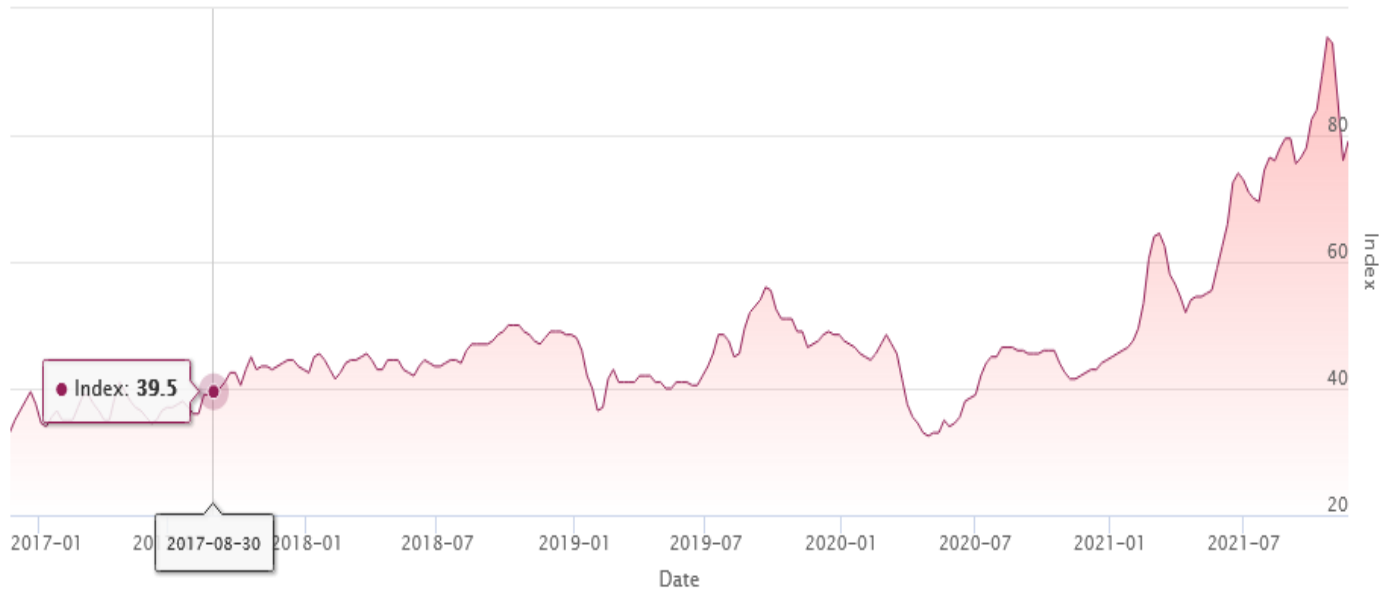


# YAMAMIZU Index



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

From 2016-11-17 To 2021-11-17



## China Import Dry Bulk Freight Index

2021-11-18

Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1362.62	-13.17
Iron ore Freight Index			Point	1253.74	8.98
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.892	0.094
Soybean Freight Index			Point	1591.64	-52
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	54.96	-2.24
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	55.7	-2.28
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	37.58	-1.06
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	69.94	-1.62

**18 November 2021 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>					CORN	FUTURES
#2 YC	<b>GULF # 2 YC</b>		<b>PNW # 3 YC</b>		Z =	5.7300
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	5.7925
<b>Dec.</b>	1.00	<b>\$264.95</b>	1.95	<b>\$302.35</b>	K =	5.8375
<b>Jan.</b>	0.90	<b>\$263.59</b>	1.66	<b>\$293.39</b>	N =	5.8475
<b>Feb.</b>	0.88	<b>\$262.68</b>	1.65	<b>\$293.00</b>	U =	5.6250
<b>Mar.</b>	0.86	<b>\$261.89</b>	1.63	<b>\$292.21</b>	Z =	5.5325
<b>Apr.</b>	0.82	<b>\$262.09</b>	1.60	<b>\$292.80</b>		
<b>May</b>	0.82	<b>\$262.09</b>	1.60	<b>\$292.80</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	<b>TEXAS Gulf</b>	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>Dec.</b>	2.15	<b>\$310.22</b>
<b>Jan.</b>	2.10	<b>\$310.71</b>
<b>Feb.</b>	2.10	<b>\$310.71</b>
<b>Mar.</b>	2.10	<b>\$310.71</b>
<b>Apr.</b>	2.10	<b>\$312.48</b>

Fob vessel Texas Gulf #2 Sorghum is about 117 % the value of #2 Yellow Corn at NOLA.

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

<b>SRW Wheat</b>	<b>USD/MT</b>	<b>Fob Vessel</b>	<b>US Gulf</b>	
	<b>Dec.</b>	<b>Jan.</b>	<b>Feb.</b>	<b>Mar.</b>
FOB U.S. GULF	\$356.41	\$356.69	\$358.52	\$360.36
Basis	1.50	1.40	1.45	1.50
WZ	8.2000			.
WH	8.3075			
WK	8.3625			

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
<b>Dec.</b>	1.00	<b>\$501.64</b>	2.05	<b>\$540.22</b>
<b>Jan.</b>	0.93	<b>\$499.07</b>	1.95	<b>\$536.54</b>
<b>Feb.</b>	0.80	<b>\$498.42</b>	1.85	<b>\$537.00</b>
<b>Mar.</b>	0.85	<b>\$500.26</b>	1.90	<b>\$538.84</b>
<b>Apr.</b>	0.90	<b>\$505.50</b>	1.88	<b>\$541.50</b>
<b>Soybean Futures</b>				
<b>Jan.</b>	\$ 12.6525			
<b>Mar.</b>	\$ 12.7650			
<b>May</b>	\$ 12.8575			
<b>July</b>	\$ 12.9150			
<b>Aug.</b>	\$ 12.8525			
<b>Sept.</b>	\$ 12.6300			

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

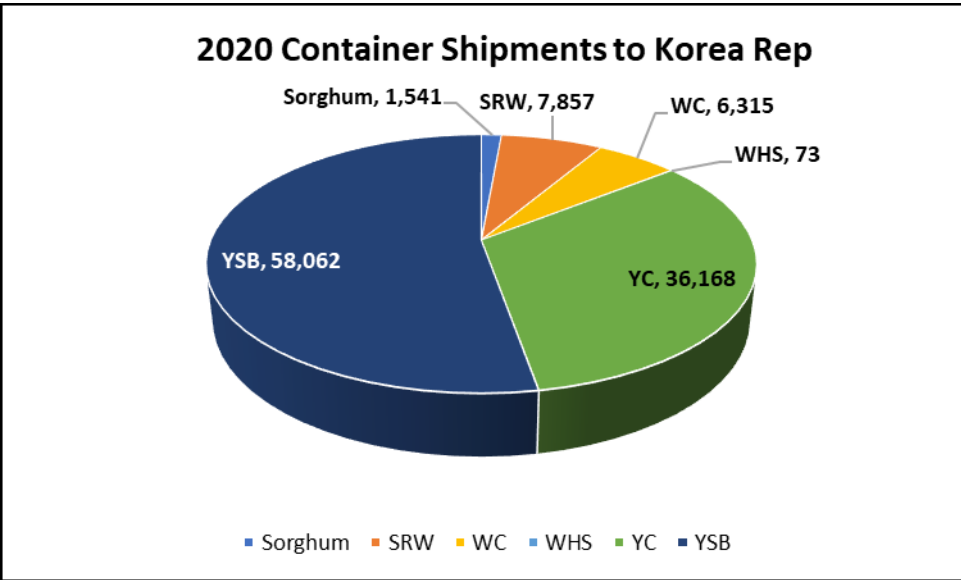
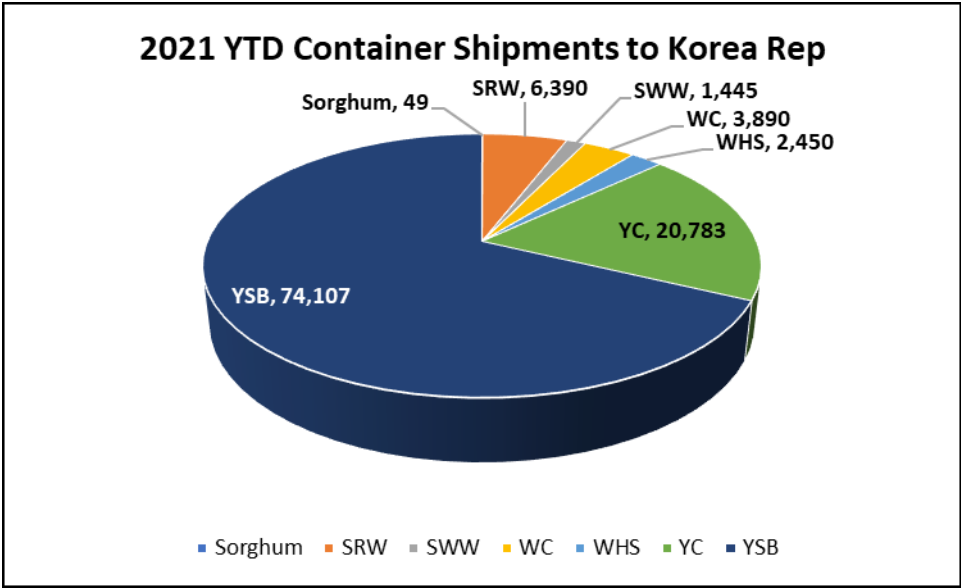
U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
<b>Dec.</b>	40.00	<b>\$ 423.91</b>
<b>Jan.</b>	35.00	<b>\$ 414.43</b>
<b>Feb.</b>	35.00	<b>\$ 412.34</b>
<b>Mar.</b>	35.00	<b>\$ 412.34</b>
<b>Apr.</b>	35.00	<b>\$ 414.21</b>
<b>SBM Futures</b>		
<b>SMZ</b>	\$ 344.50	
<b>SMF</b>	\$ 340.90	
<b>SMH</b>	\$ 339.00	
<b>SMK</b>	\$ 340.70	
<b>SMN</b>	\$ 344.00	
<b>SMQ</b>	\$ 343.70	

**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:		11-Nov-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China	931		37,220	490				147	38,788
Taiwan	6,509		19,518						26,027
Hong Kong	1,420								1,420
Costa Rica									0
Indonesia			7,026						7,026
French Poly									0
Japan			1,590						1,590
Korea Rep.	587		343						930
Chile			832						832
Malaysia	245		3,256						3,501
Colombia									0
Philippines			905						905
Thailand	245		2,277						2,522
Un Kingdom			49						49
Burma									0
Bangladesh									0
Nepal			2,056						2,056
Vietnam	318		12,063		1,519	245	1,200		15,345
Sub Total:	10,255	0	87,135	490	1,519	245	1,200	147	100,991
USDA Corrections/Additions to previous reports:									
Taiwan	465		1,445						1,910
China			710						710
Hong Kong									0
Korea Rep.									0
Switzerland									0
Japan									0
Philippines									0
Indonesia			490						490
Malaysia									0
Thailand									0
Vietnam							490		490
Bangladesh									0
Canada									0
Sub Total:	465	0	2,645	0	0	0	490	0	3,600
<b>Mt. Grand Total</b>	<b>10,720</b>	<b>0</b>	<b>89,780</b>	<b>490</b>	<b>1,519</b>	<b>245</b>	<b>1,690</b>	<b>147</b>	<b>104,591</b>
Number of Containers	466	0	3,903	21	66	11	73	6	

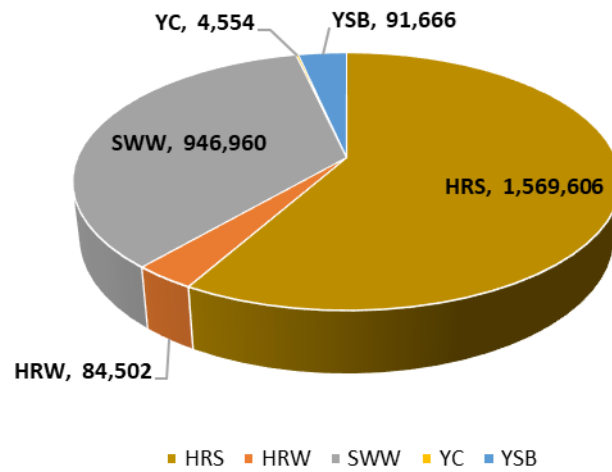


Jan - Dec 2020 Annual Totals versus 2021 YTD Container Shipments (in MT)

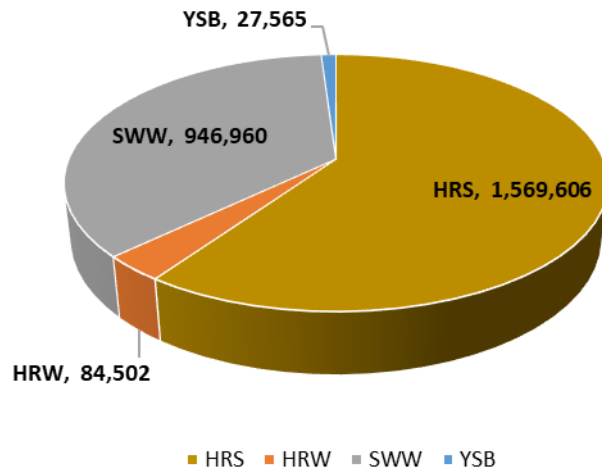


2021 YTD Total Grain Exports reported by USDA (in MT)

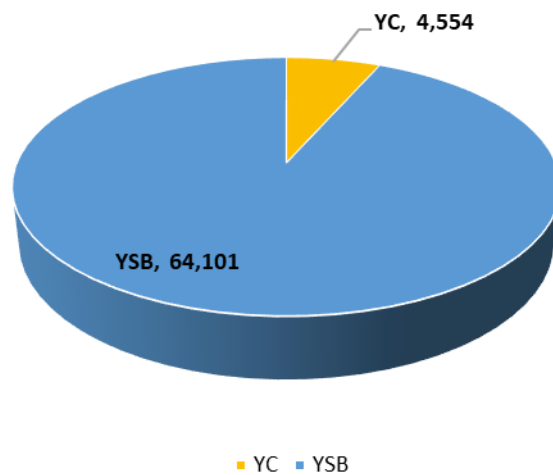
**2021 YTD Exports to Philippines**



**YTD Vessel Shipments to Philippines**



**YTD Container Shipments to Philippines**



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

Source: USDA-data

## Shipping News

### Could be BIG Trouble for Commodity and Freight Markets—

**Bloomberg**  @business · 42m

Biden says he's weighing a diplomatic boycott of the upcoming Winter Olympics in Beijing



bloomberg.com

**Biden Says U.S. 'Considering' Partial Boycott of Beijing Olympics**

President Joe Biden said he's weighing a diplomatic boycott of the upcoming Winter Olympics in Beijing, meaning the U.S. would decline ...

**Reuters**  @Reuters · 35m

Putin says West taking Russia's 'red lines' too lightly [reut.rs/3HAbnsl](https://reut.rs/3HAbnsl)



 24

 35

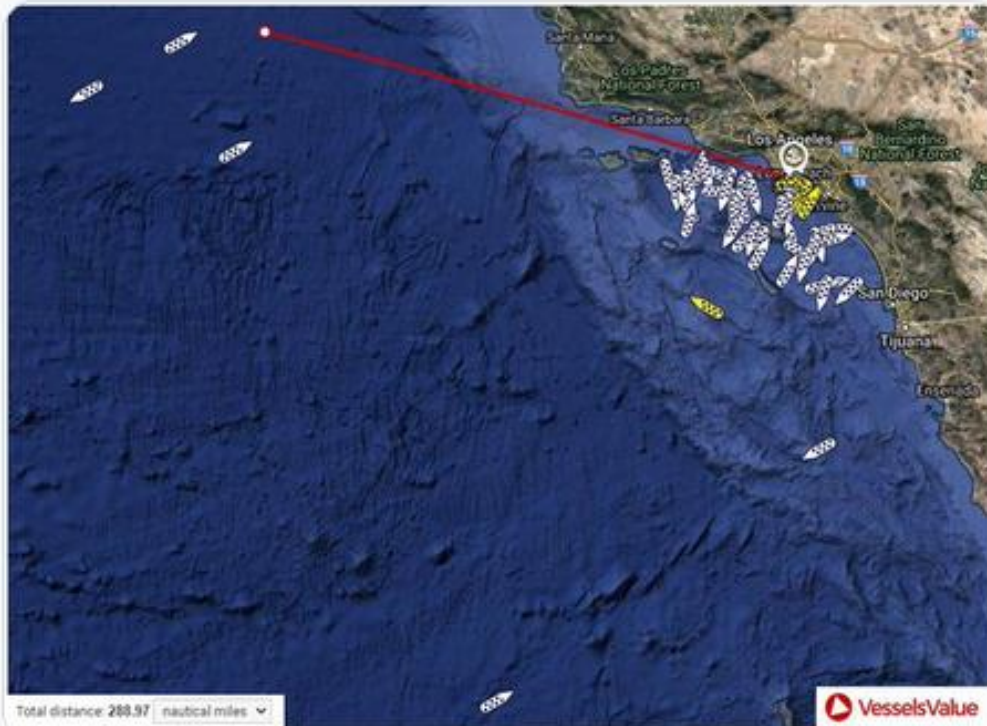
 71



**Lori Ann LaRocco**  @loriannlarocco · 1h

...

EXCLUSIVE LOOK at the new queuing system to help elevate congestion & air pollution at @PortofLA & @portoflongbeach Per @VesselsValue 1 vessel at around the 150 nautical mile limit, and four vessels loitering around 300 nautical miles away #trade #ports #China



**John Manners-Bell** @jmannersbell · 14h

...

Also said @Walmart was getting 'creative' to overcome LA/LB port crunch - eg using off port receiving depot for drayage thereby expediting containers into its own system

 **Carl Quintanilla**  @carlquintanilla · 14h

WALMART CEO on @CNBC this am:

"We're up 11% on inventory. .. We're in good shape for the holiday."  
[twitter.com/GOP/status/146...](https://twitter.com/GOP/status/146...)

 **Jon Cooper**   @joncoopertweets · 20h

BREAKING: The number of shipping containers sitting on docks at the port of Los Angeles has declined by 29 percent in recent weeks.

Why isn't the media reporting this GREAT NEWS?!



**Tom Craig** @LTDManagement · 28m

Truckers are not using 24-hour operations at LA-Long Beach [#ports](#).



[wsj.com](https://www.wsj.com)

Truckers Steer Clear of 24-Hour Operations at Southern California Po...

The Biden administration pressed ports in Southern California to open 24 hours a day to help ease supply-chain bottlenecks. The move has ...



[CP Rail service to Port of Vancouver cut off.](#)  
riskmanagerEU @RoryDeverell · 9h



castanet.net

Slide completely wipes out Trans-Canada at Tank Hill east of Lytton - ...  
The Trans-Canada Highway has been completely washed out at the Tank Hill rail overpass east of Lytton.

**CTV Saskatoon** @ctvsaskatoon · 26m

WATCH: Railway lines have been impacted by the B.C. floods and it's starting to cause a delay in Prairie shipments. Tyler Barrow reports.



saskatoon.ctvnews.ca

**Sask. farmers preparing for supply chain issues**

WATCH: Railway lines have been impacted by the B.C. floods and it's starting to cause a delay in Prairie shipments. Tyler Barrow reports.

igpguy1 @igpguy1 · 13h

...

History made in North Dakota with the longest train in the U.S. [youtu.be/NbDNx3VlqaY](https://youtu.be/NbDNx3VlqaY) via @YouTube 8,500 feet,, a mile and a half, holding 550,000 bu. corn on the Canadian Pacific Rail line. Destine for Canadian feed yard. Good thing they have no mountains to cross...

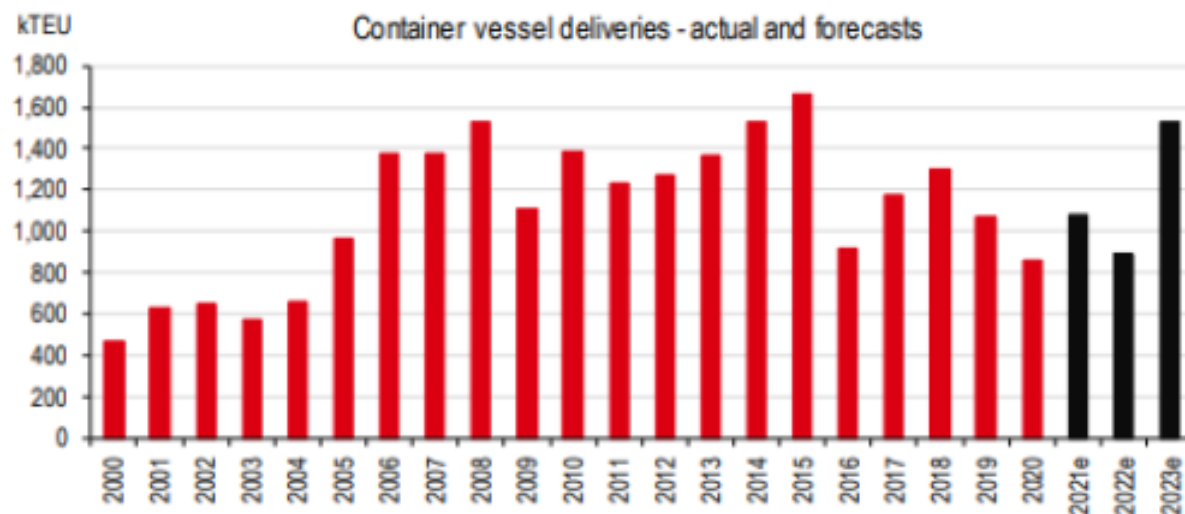


youtube.com

History made in North Dakota with the longest train in the U.S.

The 8,500-foot-long train that was loaded earlier this month at the Farmers Elevator Co. of Honeyford could help agriculture keep its ...

### The majority of new vessels are expected to be delivered in 2023



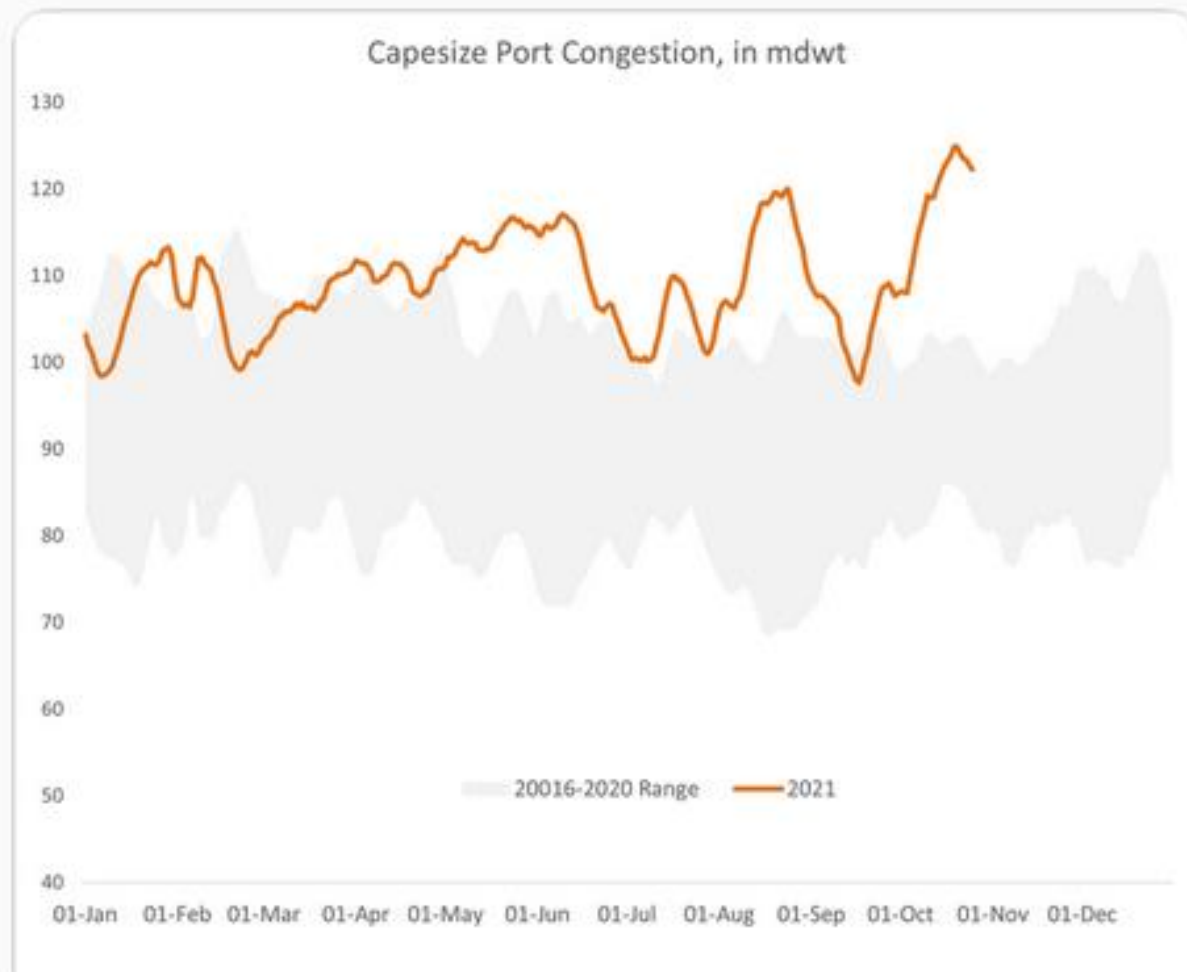
Source: Clarksons Research Services, HSBC estimates

**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](#)





**Marine Exchange** @MXSOCAL · 3h

...

RPT 11/17: 167 total ships inport LA/LB incl. 106 at anchor or loitering & 61 at berths. Of the 167, 108 are container ships incl. 80 at anchor or loitering & 28 at berth. 57 vessels loitering; 45 container ships, 6 tankers, 3 bulk, 3 general cargo.

More: [facebook.com/mxsocal](https://facebook.com/mxsocal)



**Djibouti Shipping Company** @CompanyDjibouti · 8h

...

APM Terminals agrees deal to operate new container terminal in Louisiana  
[splash247.com/?p=155300](https://splash247.com/?p=155300) via @splash\_247



[splash247.com](https://splash247.com)

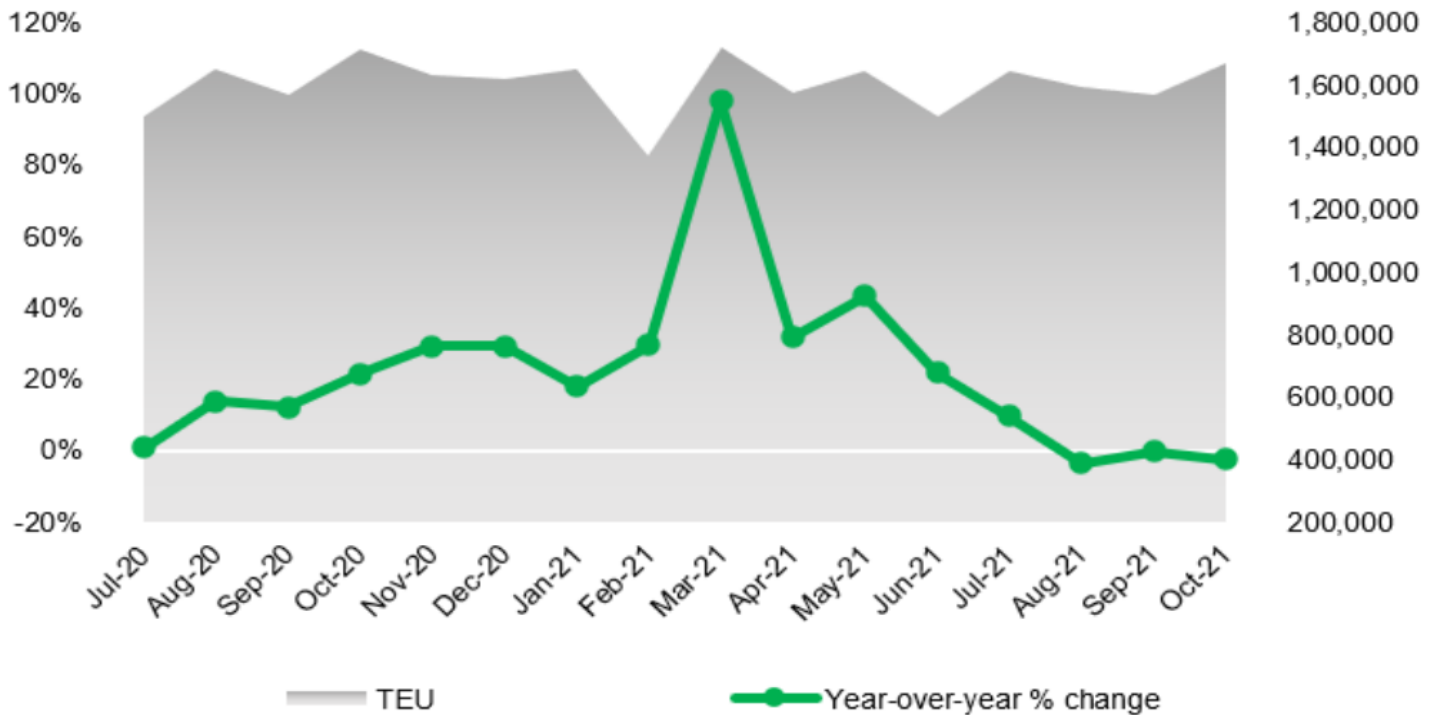
APM Terminals agrees deal to operate new contain...

A.P. Moller-Maersk's APM Terminals has signed a letter of intent with Plaquemines Port, Harbor and ...



## October Asia imports to US hit third-highest level ever

Total monthly TEU volume of US containerized imports from Asia, with year-over-year change



Source: IHS Markit

© 2021 IHS Markit

What was Bad is Now Good.

Alliance for Science @ScienceAlly · Nov 15

China is rarin' to go with #GMO!



world-grain.com

China paves the way for GM corn production

Chinese seed companies could be ready for market launch within a year

**Bloomberg**  @business · 47m ...

Three Chinese coast guard vessels blocked and water cannoned two Philippine boats en route to supply food to soldiers in a military outpost in the South China Sea, the Philippines' foreign secretary says

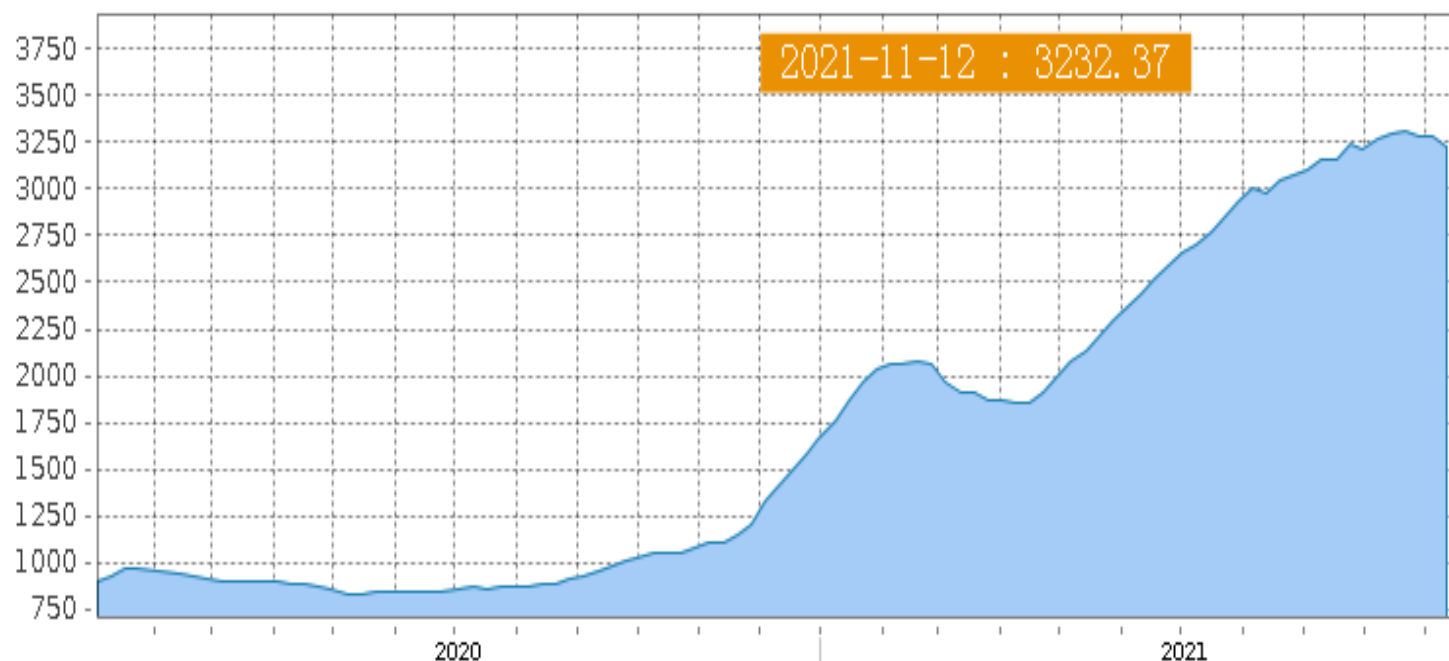


[bloomberg.com](https://www.bloomberg.com)

**Philippines Protests Chinese Ships Blocking Its Boats Near Shoal**

Three Chinese coast guard vessels blocked and water cannoned two Philippine boats en route to supply food to soldiers in a military outpo...

## China Containerized Freight Index



## China Import Dry Bulk Freight Index





**U.S. RIVER BARGE FREIGHT**

**Current Barge Freight for Loading Placement First Half December 2021**

Placement FH December 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			
Illinois River (Pekin and South)	420	\$28.66	0.73	0.78
Mid-Mississippi	Closed			
Lower Ohio	365	\$17.94	0.46	0.49
St. Louis	320	\$14.07	0.36	0.38

**Secondary Rail Car Market for Car placement period: First Half December 2021.**

Secondary Rail Car Market	BID	ASK	BID	ASK	BID	ASK
Placement FH. December 2021	USD	USD	BU.	BU.	MT	MT
BNSF Shuttle Trains	\$ 250.00	\$ 450.00	\$ 0.06	\$ 0.11	\$ 2.46	\$ 4.43
UPRR Shuttle Trains	\$ 400.00	\$ 550.00	\$ 0.10	\$ 0.14	\$ 3.94	\$ 5.41

Best Regards,

Jay  
Jay O'Neil  
HJ O'Neil Commodity Consulting  
785-410-2303 (cell)

[joneil@ksu.edu](mailto:joneil@ksu.edu)

Follow me on Twitter @ igpjay



\*\*\* The information in this market report is derived from sources believed to be reliable and accurate but cannot be guaranteed. Forward looking projections are never completely accurate, and these markets move quickly.

All market data is subject to change with market conditions and Trader's opinions. Please obtain market updates and reconfirm all values with your regular freight supplier before making any trading decisions based on this data. This message and any attachments may contain confidential or privileged information and are only for the use of the intended recipient of this message. If you are not the intended recipient, please notify the sender by return email, and delete or destroy this and all copies of this message and all attachments. Any unauthorized disclosure, use, distribution, or reproduction of this message or any attachments is prohibited and may be unlawful.

This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§2510-2521, and is confidential.