

Transportation and Export Report for 4 November 2021

Markets are showing us that “what goes up, must come down”. This year Dry Bulk markets have provided something for everyone, but timing has been everything. After seeing daily hire rates climb and reach 13-year highs in early October, there has been a dramatic sell-off. Paper Traders decided it was time to take profits and physical markets have been exhibiting a seasonal slowdown in cargo demand as we move towards December and the first quarter of 2022. Previous exuberance and bullish expectations have softened, and many are now projecting a return to more traditional seasonal market patterns as we move forward into 2022. This would suggest less volatility and therefore less excitement in 2022, but we cannot forget that new vessel additions to the fleet will not keep pace with expected cargo growth over the next three years and therefore considerable price uncertainty remains.

Container rates have dropped slightly but the backlog of waiting ships off the U.S. west coast continues and logistics remain a mess.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
4-Nov-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	41909	48500	-6,591	-13.6%
P3A: PNW/Pacific - Korea	per day	23588	35447	-11,859	-33.5%
S1C: US GULF-China-So.Japan	per day	48000	55964	-7,964	-14.2%
P7: Trial- Miss. River - Qingdao	per ton	78.00	88.890	-10.9	-12.3%
P8: Trial- Santos - Qingdao	per ton	64.00	71.240	-7.2	-10.2%

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

Four weeks ago:	\$22.00-\$22.65
Three weeks ago:	\$18.50-\$22.00
Two weeks ago:	\$16.50-\$20.00
One week ago:	\$12.50-\$14.00
This week	\$10.50- \$12.60

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

Mississippi River:	(10 elevators)	4-12 days (9 facilities operating.)
Mid-Stream loaders:	(6+ Rigs)	2-3 days
Texas Gulf	(5 elevators)	0-6 days
Pacific Northwest:	(9 elevators)	2 - 8 days (AGP Grays Harbor- partial loading)
<ul style="list-style-type: none"> AGP in the PNW is reportedly back loading soymeal via an alternative conveyor system 		

Panamax Market Spreads to Asia -China					
4-Nov-2021	PNW	GULF	Bushel Spread	Tonne Spread	Advantage
CORN	2.05	1.12	0.93	\$36.61	PNW
SOYBEANS	2.12	1.05	1.07	\$39.32	BOTH
OCEAN FREIGHT	\$44.50	\$83.50	1.02-1.10	\$39.00	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 \$53.00 - \$55.00/mt.

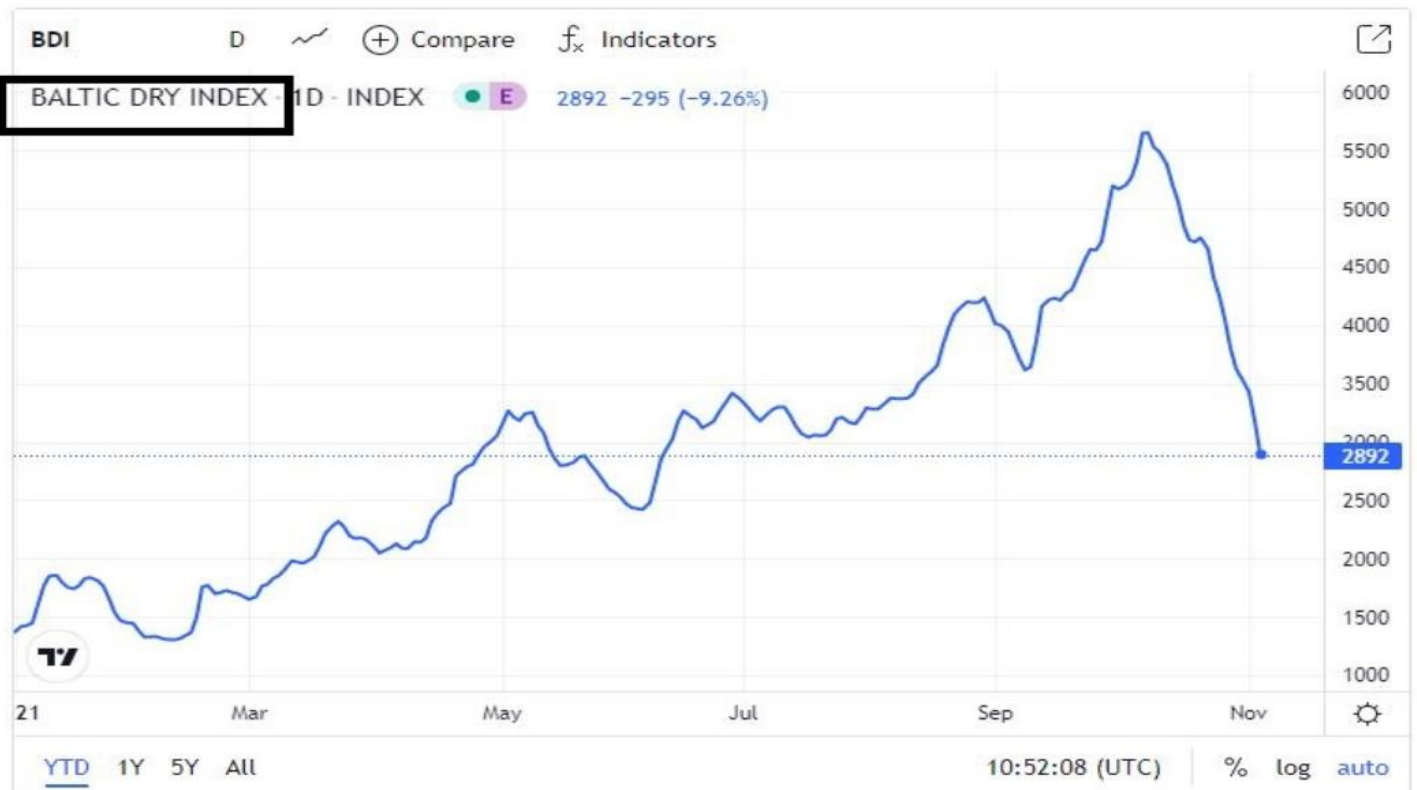
Soybean Brazil to Spain about \$58.00 -60.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$84.50	Down \$5.00	Handymax \$85.00 mt
55,000 U.S. PNW- Japan	\$45.25	Down \$3.75	Handymax \$46.75 mt
66,000 U.S. Gulf – China	\$83.50	Down \$5.00	North China
PNW to China	\$44.50	Down \$3.75	
25,000 U.S. Gulf- Veracruz, México	\$29.75	Down \$1.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$27.00	Down \$1.75	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$44.00	Down \$3.00	<u>West Coast Colombia at \$52.00</u>
50,000 mt USG to E/C Colombia	<u>\$43.00</u>		
From Argentina	\$60.00		
43-45,000 U.S. Gulf - Guatemala	\$49.25	Down 3.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$70.00 \$72.00	Down \$3.00	8,000 mt daily discharge 3,000 mt daily discharge
30,000 US Gulf- Morocco	\$67.50	Down \$3.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$69.00	Down \$4.50	60,000 -55,000 mt -Egypt
PNW to Egypt	\$69.00		Romania- Russia- Ukraine \$29.55--\$30.00- \$31.00 France \$43.00
58-75,000 U.S. Gulf – Europe – Rotterdam	\$29.00	Down \$1.50	Handymax at +\$2.00 more
Brazil, Santos – China	\$65.75	Down \$5.25	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$65.25		60-66,000 Post Panamax
Northern Coast Brazil	\$66.25		Upriver No. Brazil Plus -55,000 mt Plus \$7.50-8.00/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$71.50	Down \$5.00	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

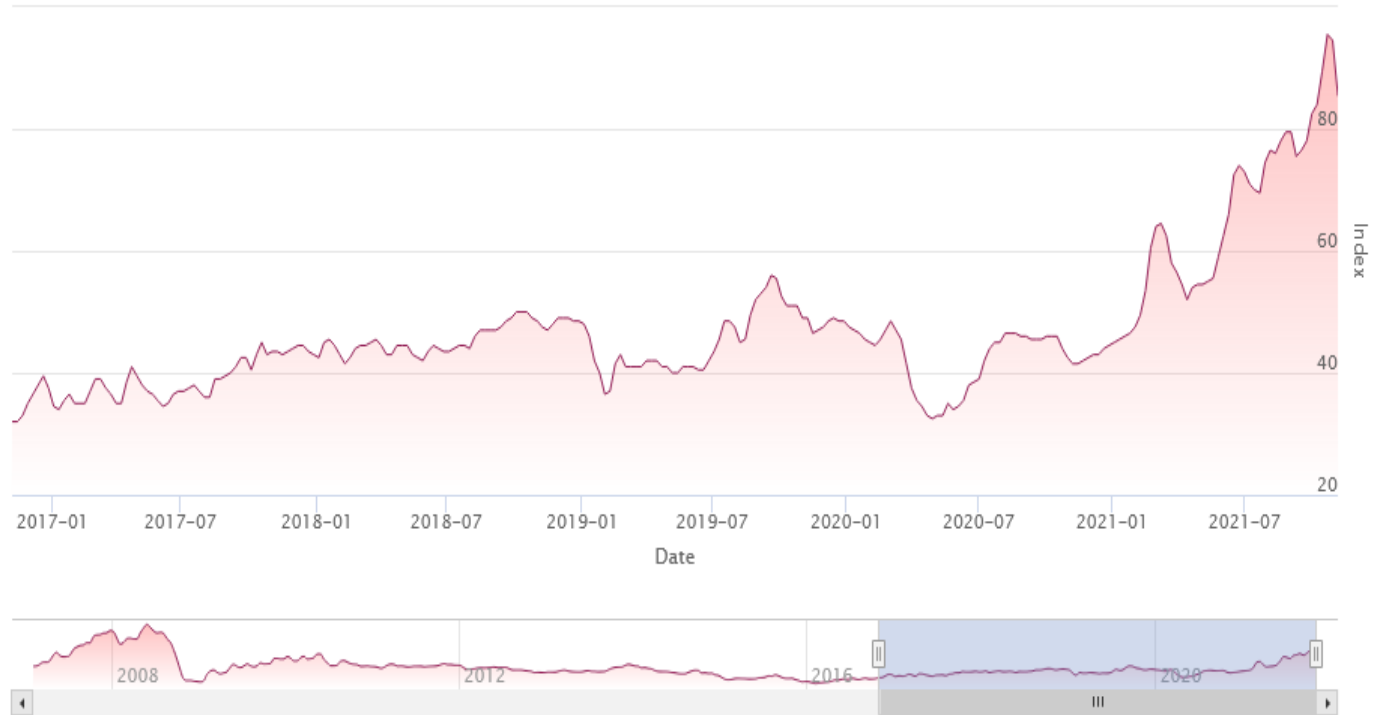


YAMAMIZU Index



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

From 2016-11-03 To 2021-11-03



China Import Dry Bulk Freight Index					
2021-11-04					
Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1479.63	-62.35
Iron ore Freight Index			Point	1248.26	-57.93
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.531	-0.745
Soybean Freight Index			Point	1893.41	-48.42
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	65.3	-1.95
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	66.22	-1.93
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	44.6	-1.4
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	83.4	-1.5

4 November 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 =	5.5925
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	5.6775
Dec.	1.12	\$264.26	2.05	\$300.87	K =	5.7250
Jan.	0.94	\$260.52	1.76	\$292.80	N =	5.7300
Feb.	0.91	\$259.34	1.75	\$292.40	U =	5.5125
Mar.	0.89	\$258.55	1.74	\$292.01	Z =	5.4350
Apr.	0.85	\$258.84	1.70	\$292.31		
May	0.85	\$258.84	1.70	\$292.31		

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	\$298.90
Jan.	1.80	\$294.37
Feb.	1.80	\$294.37
Mar.	1.80	\$294.37
Apr.	1.77	\$295.06

Fob vessel Texas Gulf #2 Sorghum is about 113 % 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	\$339.42	\$340.34	\$342.17	\$344.01
Basis	1.50	1.40	1.45	1.50
WZ	7.7375			.
WH	7.8625			
WK	7.9075			

U.S. Soybean and SBM Markets Fob Vessel:

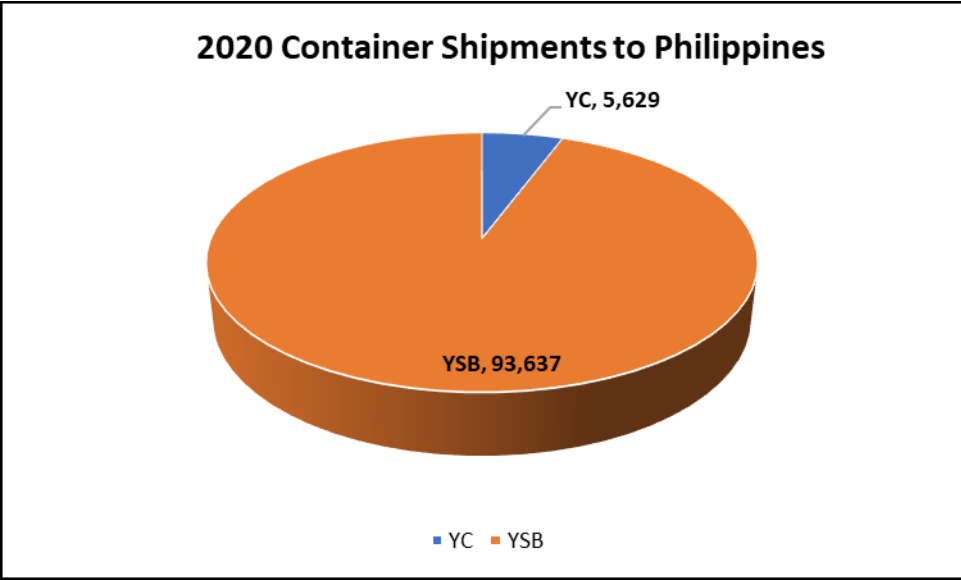
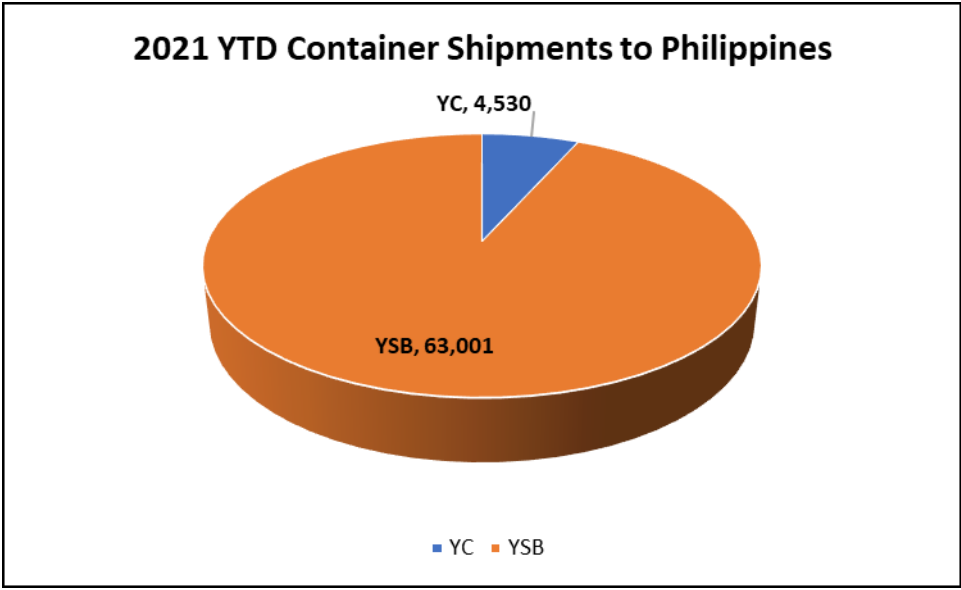
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Dec.	1.05	\$487.86	2.12	\$527.17
Jan.	0.99	\$485.65	2.00	\$522.77
Feb.	0.90	\$486.57	1.90	\$523.32
Mar.	0.98	\$489.51	1.93	\$524.42
Apr.	0.99	\$493.65	1.90	\$527.08
Soybean Futures				
Jan.	\$ 12.2275			
Mar.	\$ 12.3425			
May	\$ 12.4450			
July	\$ 12.5100			
Aug.	\$ 12.4700			
Sept.	\$ 12.2950			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Dec.	65.00	\$ 441.88
Jan.	55.00	\$ 427.44
Feb.	55.00	\$ 427.55
Mar.	55.00	\$ 427.55
Apr.	55.00	\$ 431.30
SBM Futures		
SMZ	\$ 335.80	
SMF	\$ 332.70	
SMH	\$ 332.80	
SMK	\$ 336.20	
SMN	\$ 339.80	
SMQ	\$ 339.50	

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).*

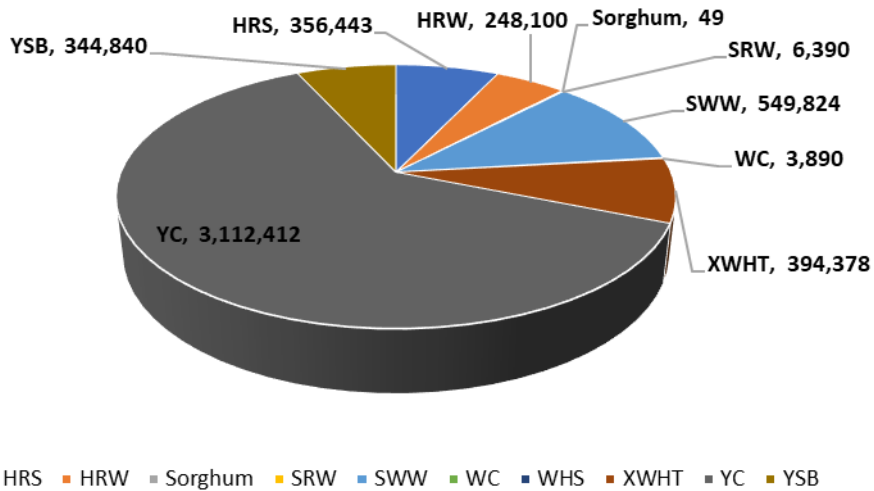
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		28-Oct-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			32,104						32,104
Taiwan	11,309		22,210						33,519
Hong Kong	782								782
Costa Rica									0
Indonesia			9,625						9,625
French Poly									0
Japan			537						537
Korea Rep.			1,615						1,615
Dominicn Rep									0
Malaysia			7,493						7,493
Colombia									0
Philippines			1,151						1,151
Thailand	392		3,990						4,382
Un Kingdom			416						416
Burma			147						147
Bangladesh									0
Cambodia									0
Vietnam			10,722		1,127		807	2,572	15,228
Sub Total:	12,483	0	90,010	0	1,127	0	807	2,572	106,999
USDA Corrections/Additions to previous reports:									
Taiwan	1,837								1,837
China									0
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan			538						538
Philippines									0
Indonesia			539						539
Malaysia									0
Thailand									0
Vietnam									0
Bangladesh									0
Canada			11,675						11,675
Sub Total:	1,837	0	12,752	0	0	0	0	0	14,589
Mt. Grand Total	14,320	0	102,762	0	1,127	0	807	2,572	121,588
Number of Containers	623	0	4,468	0	49	0	35	112	

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

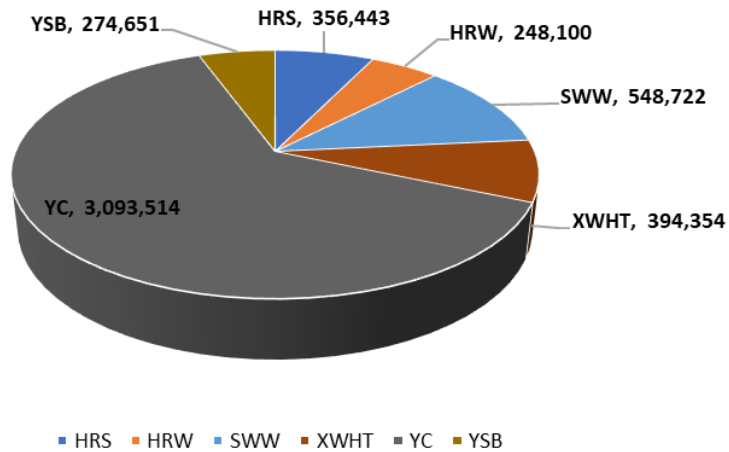


2021 YTD Total Grain Exports reported by USDA (in MT)

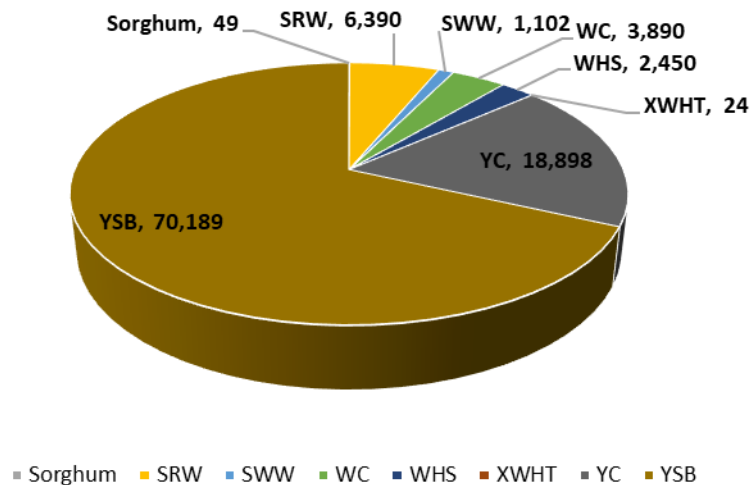
2021 YTD Exports to Korea Rep



YTD Vessel Shipments to Korea Rep



YTD Container Shipments to Korea Rep



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

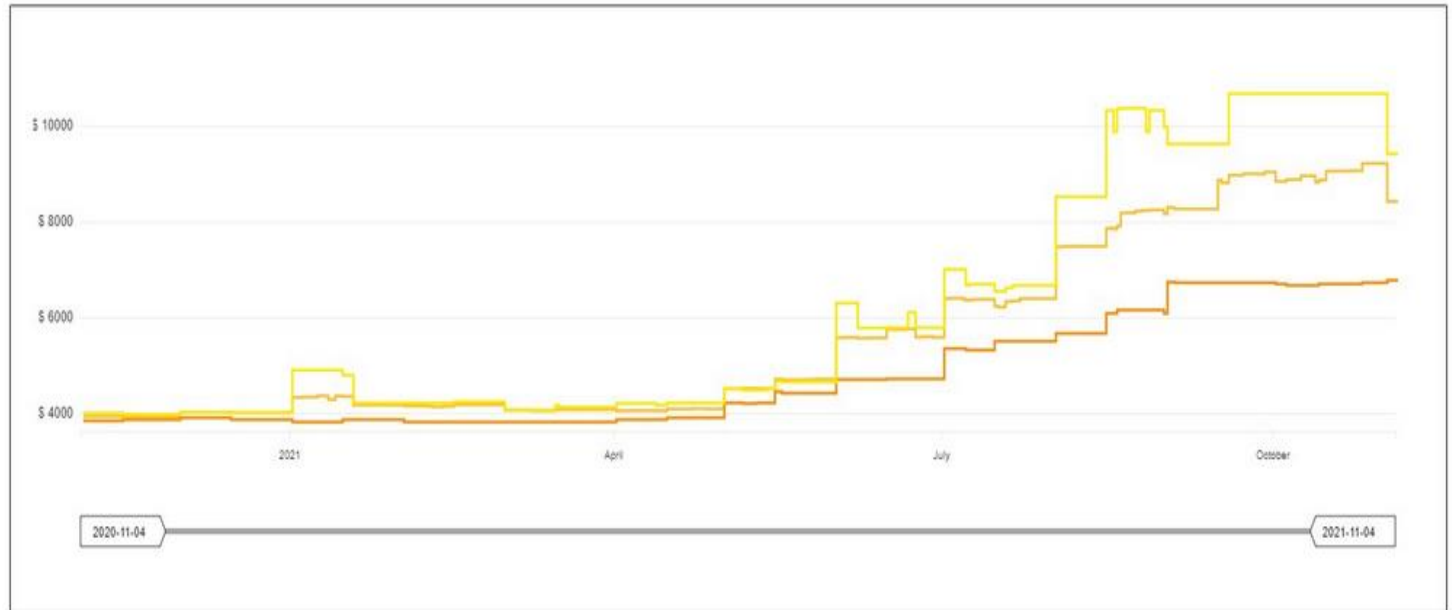
Source: USDA-data

Shipping News

Far East Main (far_east_main) - Los Angeles Ports (los_angeles_ports)


XENETA

Date Range: 2020-11-04 - 2021-11-04
 Container Type: 40' Standard Dry
 Contracted Within: All
 THC Methodology: DTHC



Short Term Contracts

● Mid-Low ● Average ● Mid-High



ALIBRA

Shipping Limited

Updated Wednesday

Contact us for rates/charts on scrubber & eco tonnage.

03 November 2021

DRY TIME CHARTER ESTIMATES (\$/pdpr)

SIZE	6 MOS		1 YR		2 YR	
PERIOD	ATL	PAC	ATL	PAC	ATL	PAC
HANDY	▼ 33,500	▼ 32,500	▼ 25,500	▼ 24,000	▼ 18,000	▼ 17,500
SUPRAMAX	▬ 39,000	▬ 38,500	▼ 25,750	▼ 23,000	▼ 19,000	▼ 18,500
ULTRAMAX	▼ 41,000	▼ 40,250	▼ 27,000	▼ 24,750	▼ 20,000	▼ 19,500
PANA/KMAX	▼ 35,250	▼ 27,500	▼ 28,250	▼ 27,000	▼ 19,250	▼ 18,750
CAPE SIZE	▼ 35,000	▼ 32,000	▼ 28,000	▼ 27,000	▼ 23,000	▼ 22,000

Lloyd's List @LloydsList · 1h

Suez Canal announces 6% rate hike for next year



lloydslist.maritimeintelligence.informa.com

Suez Canal announces 6% rate hike for next year

Exemptions for LNG shipping and cruise vessels, says authority chair
Osama Rabea

Dustin Braden @dbrades89 · 43m

#Shipping line @HMMAmerica is introducing a new service on the #trade between Asia and the East Coast of South America bit.ly/30KQqdj

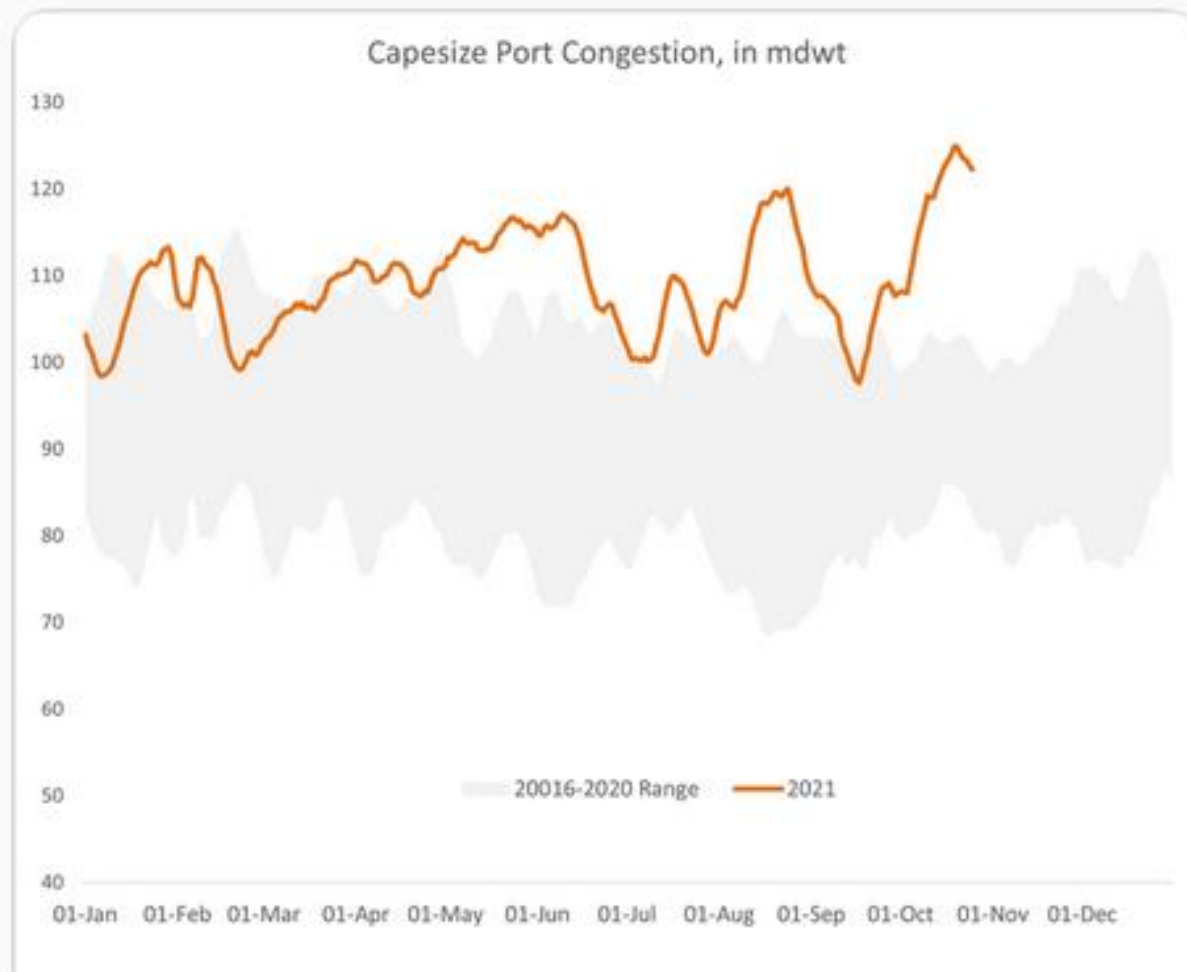


BreakWave @DryBulkETF · 9h

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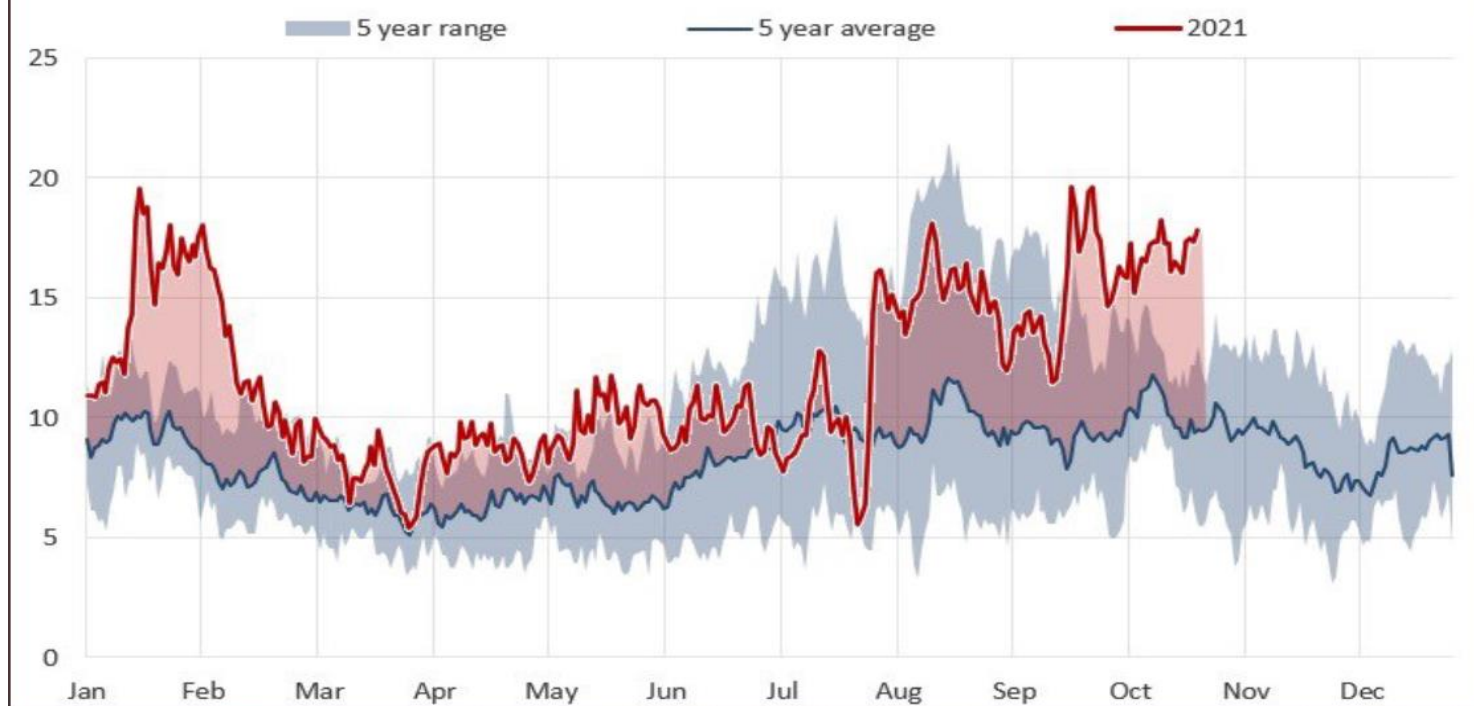
Capesize port congestion remains at multi-year highs, despite the recent significant drop in freight rates. The amount of vessels waiting in port currently represents ~32% of global Capesize capacity.

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

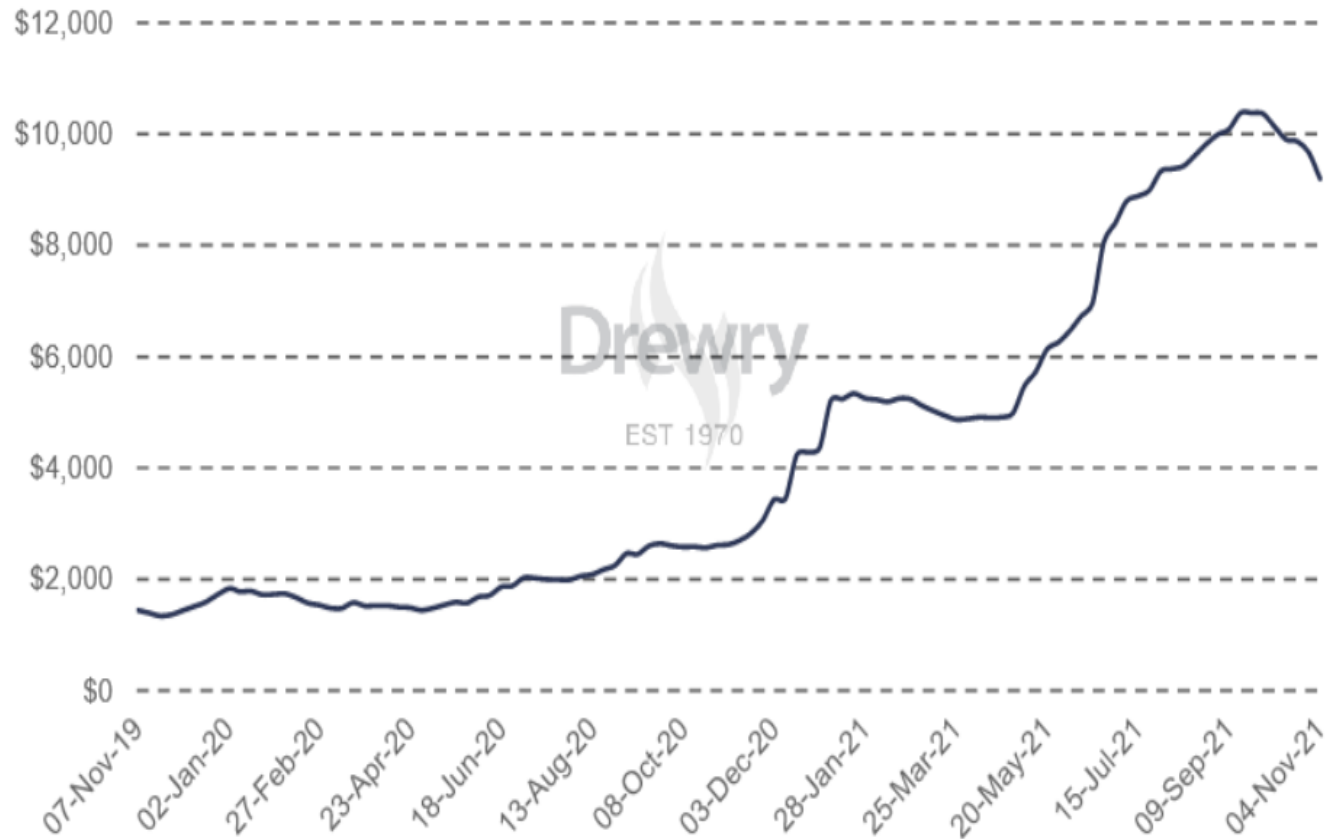




China Capesize congestion laden vessels, m dwt



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



TwitterTM @RussianGrainTra · Nov 3

China 🇨🇳 Import Rules 📄

China has apparently stated that from January 2022, all shippers of all products from all around the world must be registered in China 🇨🇳 for customs 📄 in order to be allowed to ship there. All exporting countries , all products!

All will need an ID!



5



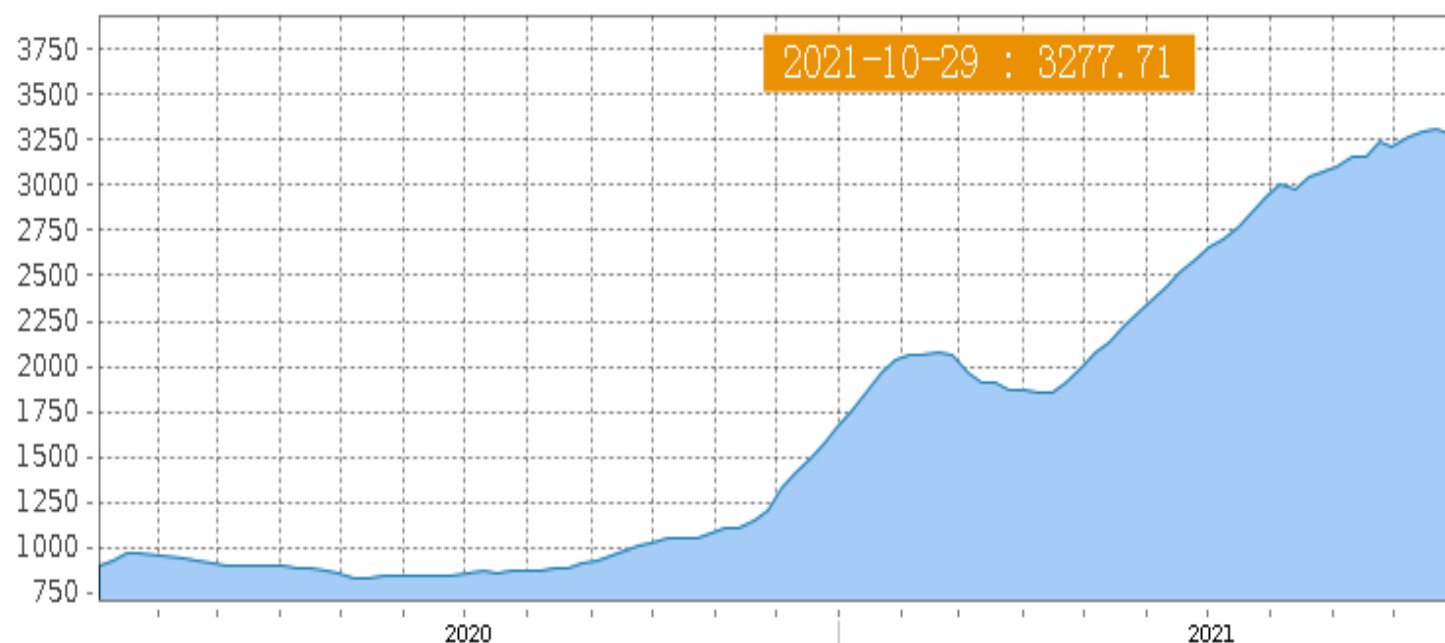
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China Containerized Freight Index



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	440	\$17.94	0.46	0.49
St. Louis	400	\$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	\$ 400.00	\$ 0.06	\$ 0.10	\$ 2.46	\$ 3.94
UPRR Shuttle Trains	\$ 150.00	\$ 300.00	\$ 0.04	\$ 0.08	\$ 1.48	\$ 2.95

Best Regards,

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*** 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.
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