

Transportation and Export Report for 16 December 2021

It looks like Dry bulk vessels owners will not be receiving any presents from the markets for Christmas, not even coal. We still have nine days until Christmas, but the holiday doldrums have already arrived. Physical markets are thin and quiet and FFA paper sellers are not finding much buyer interest. The FFA December Capesize market dropped 5,000 points this morning. This will likely motivate more traders to give up the effort, take off early for the holidays, and wait for the new year to resume their activities. No one trades during a holiday period, expect those who must; those who are stuck.

Other than the continued difficult logistics, product back orders and delayed shipments, there is nothing new to report in container grain markets. Customers however must be careful of what they wish for. The calls for U.S. government action to force Shipping Lines to take grain shipments will surely backfire. If enacted, I am confident Shipping Lines will have an unpleasant solution to that requirement.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
16-Dec-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	35632	42473	-6,841	-16.1%
P3A: PNW/Pacific - Korea	per day	19746	23403	-3,657	-15.6%
S1C: US GULF-China-So.Japan	per day	58328	49342	8,986	18.2%
P7: Trial- Miss. River - Qingdao	per ton	68.49	75.000	-6.5	-8.7%
P8: Trial- Santos - Qingdao	per ton	50.29	55.000	-4.7	-8.6%

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

Four weeks ago:	\$11.50-\$12.75
Three weeks ago:	\$11.00-\$12.30
Two weeks ago:	\$12.30-\$13.65
One week ago:	\$14.00-\$14.50
This week	\$9.50-\$13.00

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

Mississippi River:	(10 elevators)	4-16 days (9 facilities operating.) (One facility over 5 days)
Mid-Stream loaders:	(6+ Rigs)	3-4 days
Texas Gulf	(5 elevators)	0-3 days
Pacific Northwest:	(9 elevators)	3 - 21 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					
16-Dec-2021	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.95	1.69	0.74	\$29.13	PNW
SOYBEANS	1.20	2.25	1.05	\$38.58	GULF
OCEAN FREIGHT	\$69.00	\$36.50	.83-.88	\$32.50	January

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 \$43.50 - \$45.00/mt.

Soybean Brazil to Spain about \$49.50 - 50.50/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$70.00	Down 2.50	Handymax \$71.50 mt
55,000 U.S. PNW- Japan	\$37.25	Down \$1.75	Handymax at \$38.00/mt
65,000 U.S. Gulf – China	\$69.00	Down \$2.50	North or South China
PNW to China	\$36.50	Down. \$1.75	
25,000 U.S. Gulf- Veracruz, México	\$25.50	Down \$0.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$22.25	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$36.50	Down \$1.00	<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 \$1.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$57.00	Down \$2.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$57.50	Down \$2.00	55,000-60,000 mt Egypt
PNW to Egypt	\$58.00		Romania- Russia- Ukraine \$25.00-\$25.75-\$26.50
58-74,000 U.S. Gulf – Europe – Rotterdam	\$27.50	Down \$3.00	Handymax at +\$2.50 more
Brazil, Santos –China	\$54.00	Down \$1.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$52.50		60-66,000 Post Panamax
Up-River Port North Brazil	\$61.00		55-60,000 mt
56-60,000 Argentina-China Deep draft	\$58.75	Down \$1.50	Up-River with Top Off Plus \$3.75-\$4.00

The Baltic Dry Freight Index



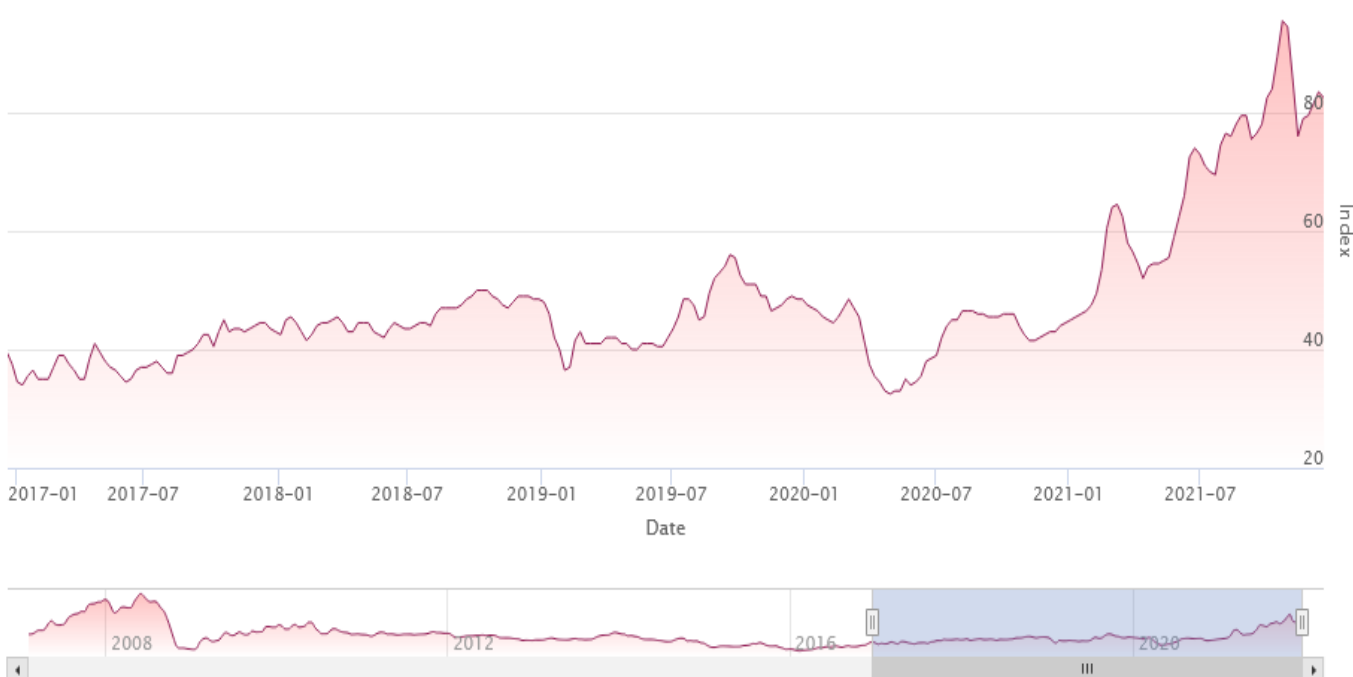
Panamax Dry-Bulk Ocean Index Rates



YAMAMIZU Index


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

From 2016-12-15 To 2021-12-15



China Import Dry Bulk Freight Index					
2021-12-16					
Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1326.49	-108.4
Iron ore Freight Index			Point	1143.13	-189.17
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	9.287	-2.669
Soybean Freight Index			Point	1531.48	-18.35
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	51.72	-0.63
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	52.68	-0.49
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	36.66	-0.42
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	69	-0.82

16 December 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		H=	5.9125
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	5.9275
Jan.	0.95	\$270.16	1.69	\$299.29	N =	5.9175
Feb.	0.92	\$268.98	1.66	\$298.11	U =	5.6300
Mar.	0.86	\$266.62	1.63	\$296.93	Z=	5.4725
Apr.	0.82	\$265.63	1.61	\$296.74	H =	5.5450
May	0.82	\$265.63	1.61	\$296.74		
Jun.	0.78	\$263.67	1.60	\$295.95		

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
Jan.	2.10	\$315.43
Feb.	2.10	\$315.43
Mar.	2.15	\$317.40
Apr.	2.15	\$317.99
May	2.15	\$317.99

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

SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Jan.	Feb.	Mar.	Apr.
FOB U.S. GULF	\$332.71	\$332.71	\$334.55	\$336.94
Basis	1.35	1.35	1.40	1.42
WH	7.7050			.
WK	7.7500			
WN	7.6850			

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
Jan.	1.20	\$513.40	2.25	\$551.98
Feb.	0.97	\$505.31	2.15	\$548.67
Mar.	0.90	\$502.74	2.12	\$547.57
Apr.	0.82	\$501.91	2.05	\$547.11
May	0.82	\$501.91	2.05	\$547.11
Soybean Futures				
Jan.	\$ 12.7725			
Mar.	\$ 12.7825			
May	\$ 12.8400			
July	\$ 12.9025			
Aug.	\$ 12.8225			
Sept.	\$ 12.6050			

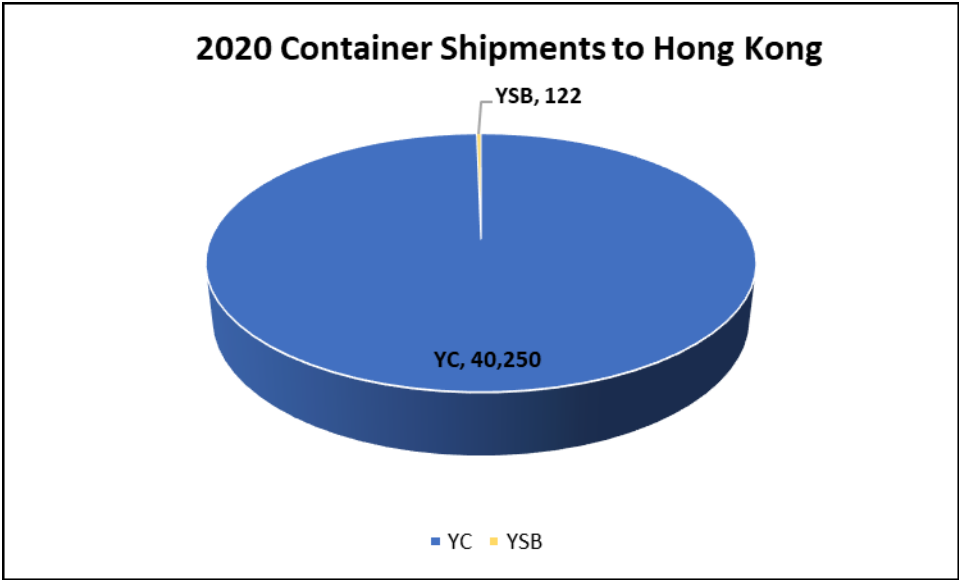
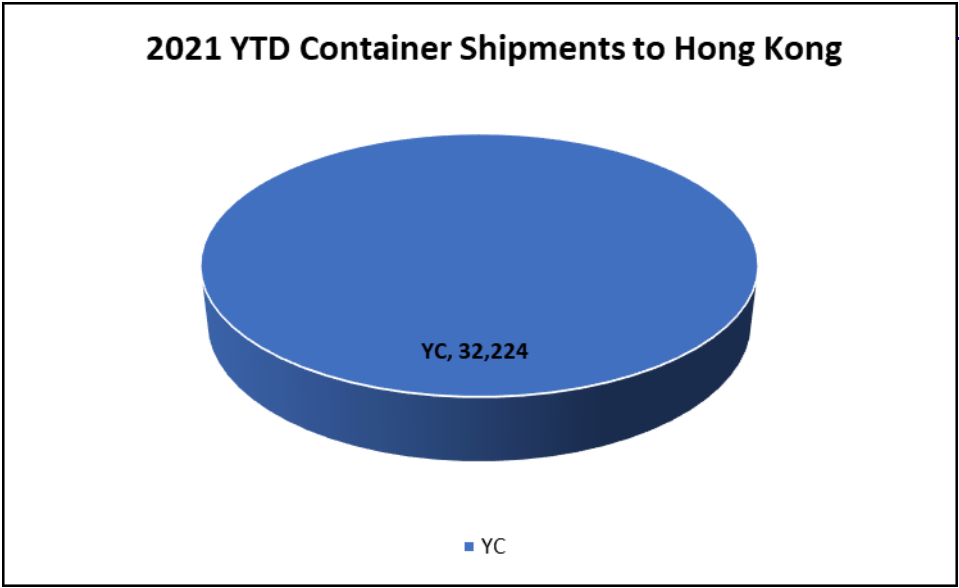
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Jan.	35.00	\$ 449.05
Feb.	30.00	\$ 439.57
Mar.	30.00	\$ 438.80
Apr.	30.00	\$ 438.80
May	30.00	\$ 440.67
SBM Futures		
SMF	\$ 372.30	
SMH	\$ 368.70	
SMK	\$ 368.00	
SMN	\$ 369.70	
SMQ	\$ 368.60	
SMU	\$ 366.00	

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).*

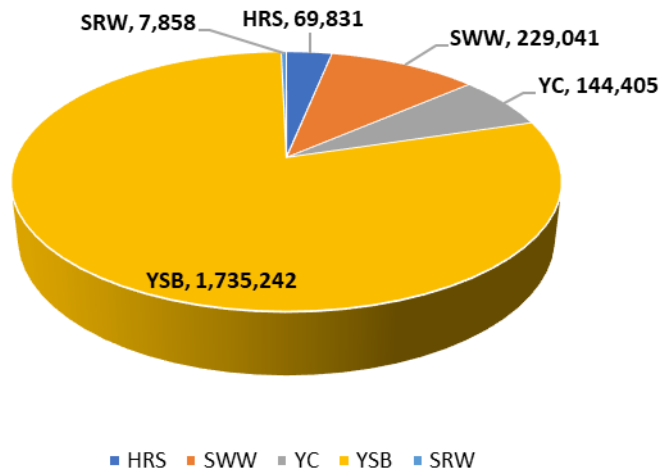
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		9-Dec-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China	490		50,078					220	50,788
Taiwan	15,695		22,090						37,785
Hong Kong	808								808
Costa Rica									0
Indonesia			14,320						14,320
French Poly	196								196
Japan									0
Korea Rep.	537		1,862						2,399
Ghana									0
Malaysia	122		4,088						4,210
Colombia									0
Philippines			1,689						1,689
Thailand			3,600						3,600
Cambodia									0
Burma									0
Un Kingdom			465						465
Nepal			980						980
Vietnam	269		8,054		98				8,421
Sub Total:	18,117	0	107,226	0	98	0	0	220	125,661
USDA Corrections/Additions to previous reports:									
Taiwan			294						294
China			3,231						3,231
Hong Kong									0
Korea Rep.			367						367
Switzerland									0
Japan									0
Philippines									0
Indonesia			2,082						2,082
Malaysia									0
Thailand			122						122
Vietnam									0
Bangladesh									0
Canada									0
Sub Total:	0	0	6,096	0	0	0	0	0	6,096
Mt. Grand Total	18,117	0	113,322	0	98	0	0	220	131,757
Number of Containers	788	0	4,927	0	4	0	0	10	

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

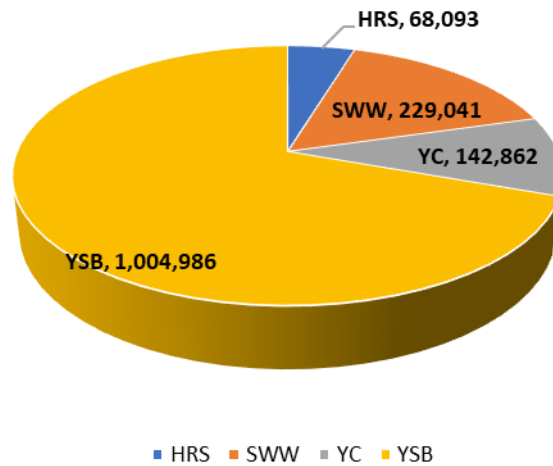


2021 YTD Total Grain Exports reported by USDA (in MT)

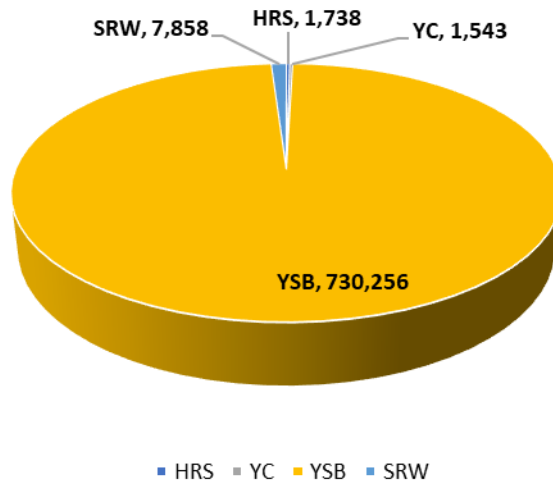
2021 YTD Exports to Indonesia



YTD Vessel Shipments to Indonesia



YTD Container Shipments to Indonesia

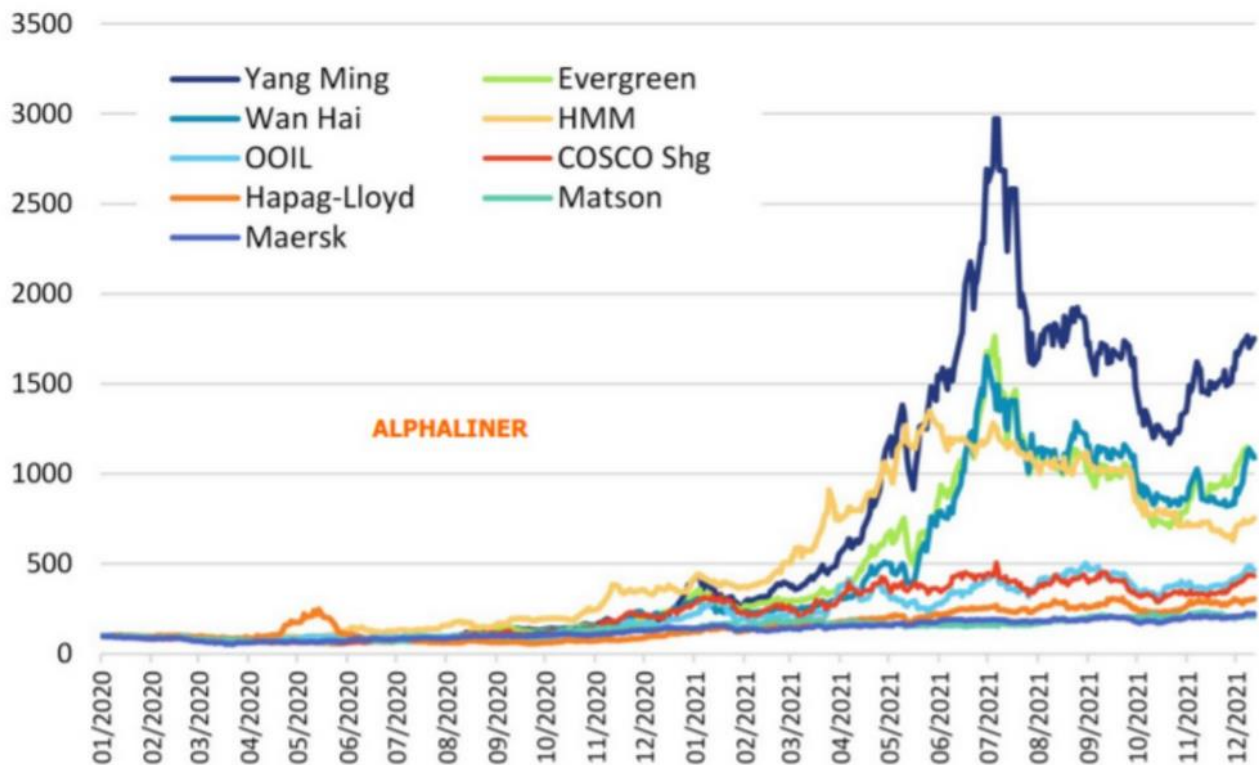


*Please keep in mind that USDA does not report DDGS sales

Source: USDA-data

Shipping News

Carrier Indexed Share Performance since January 2020



Amit Sureka | MBA | CA | ACCA | CMA | M.Com @amitsureka... · 14h ...

Dry-Bulk Shipping :- During 2021 (till Nov), 357 Bulk Carriers were delivered with a total DWT of 35.1 million dwt or around 3,8% of the existing dry bulk fleet. 85 VLOC/Capesize, 15 Post-Panamax, 85 Kamsarmax, 87 Supramax/Ultramax and 85 Handysize vessels were delivered.

Joeri @joeriwestland · 7h

...

Its just getting worse and worse. Californian ports process much lower volumes as their ports are totally clogged up, and now operating much less efficiently. Amount of ships waiting keeps growing.

[#SupplyChainCrisis](#)



freightwaves.com

Los Angeles import volume sinks as the traffic jam offshore soars
When America's import demand is this high, how can volumes into America's largest container port fall this much?

Jay O'Neil @IGPlay · 5m

Never a good thing when government tries to force markets do do something they don't want. The result will Not be as hoped.



Lori Ann LaRocco ✓ @loriannlarocco · 17h

BREAKING TRADE NEWS- Ocean Shipping Reform Act passed by a vote of 364 to 60. Aimed at stopping the ocean carriers from refusing to load U.S. agricultural and other goods for exports to Asia and around the globe. I was the first to quantify the loss on @CNBC #trade (1/2)



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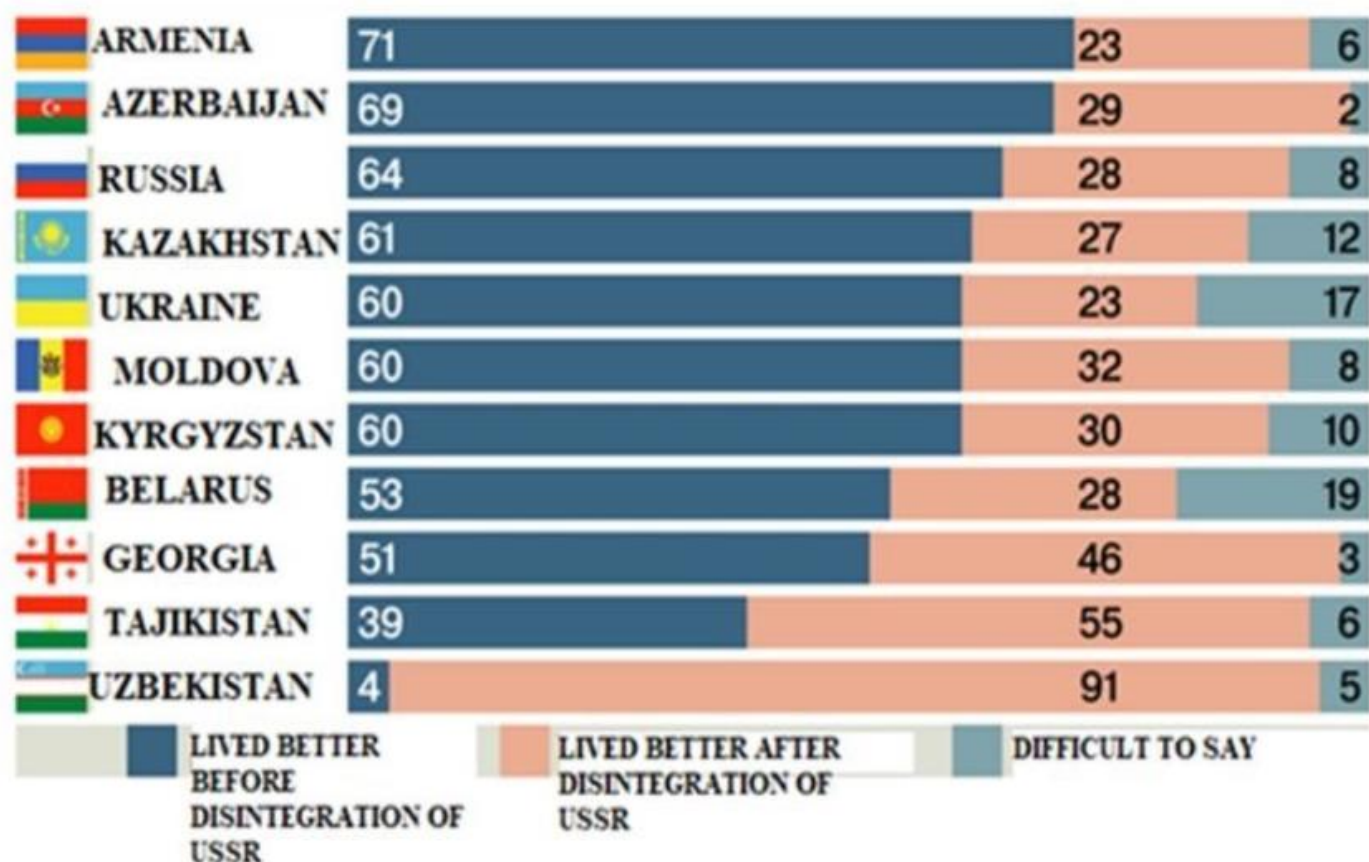
@MedWave Shipping Services - Libya 🇱🇪 @MedWave1 · 6h

#Shipping #Coal #Congestion
#Pandemic #Bulk_Carrier #Dry_Cargo

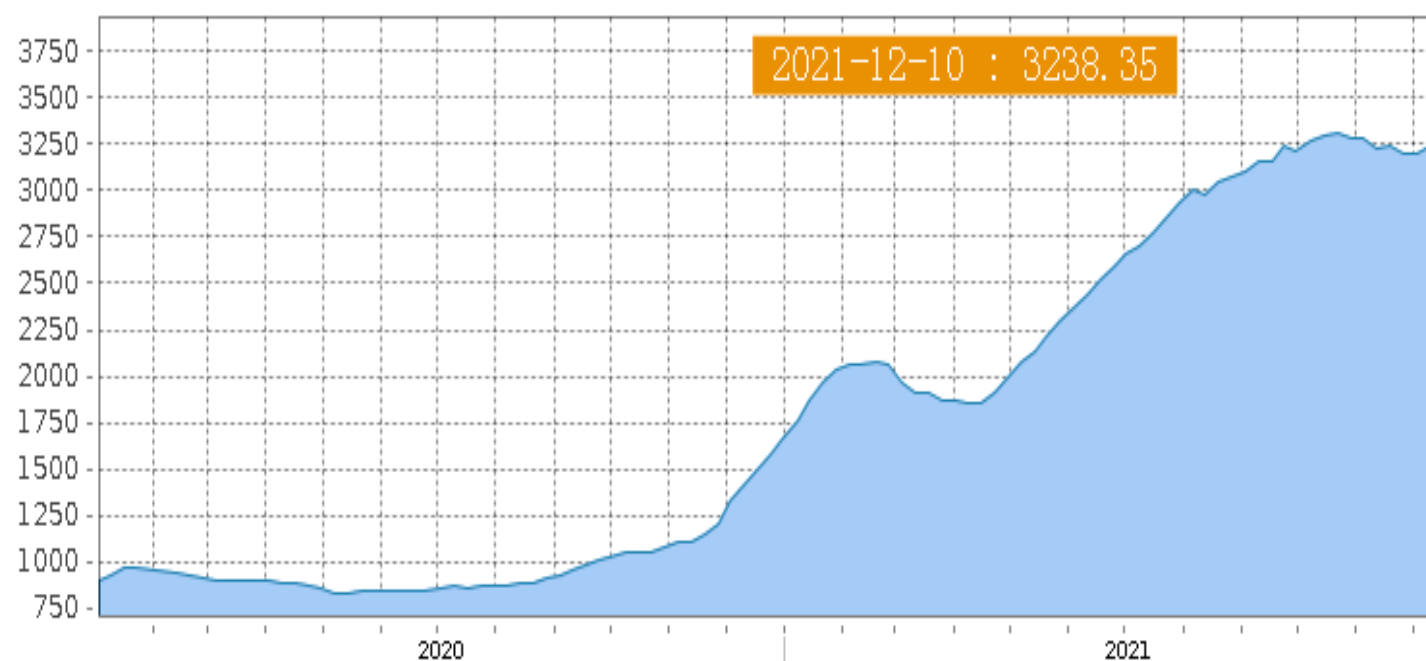
A total of 9.9 Million DWT tons of **Bulk** Carriers including 83 Panamax and 46 Supramax vessels are currently queuing off main coal exports terminals in East and South of Kalimantan (Indonesia) - @LLIntelligence



DID YOU LIVE BETTER BEFORE DISINTEGRATION OF USSR OR AFTER IT? (%)



China Containerized Freight Index



China Import Dry Bulk Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Loading Placement First Half January 2022

Placement FH January 2022	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			
Illinois River (Pekin and South)	535	\$36.50	0.93	0.99
Mid-Mississippi	Closed			
Lower Ohio	475	\$23.35	0.59	0.64
St. Louis	450	\$19.79	0.50	0.54

Secondary Rail Car Market for Car placement period: First Half January 2022.

Secondary Rail Car Market	BID	ASK	BID	ASK	BID	ASK
Placement FH. January 2022	USD	USD	BU.	BU.	MT	MT
BNSF Shuttle Trains	\$ 800.00	\$ 1,100.00	\$ 0.20	\$ 0.28	\$ 7.87	\$ 10.83
UPRR Shuttle Trains	\$ 750.00	\$ 1,200.00	\$ 0.19	\$ 0.30	\$ 7.38	\$ 11.81

Best Regards,

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

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.
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