

Transportation and Export Report for 2 December 2021

October and November 2021 are now behind us but the market volatility they brought remains. Over the last six weeks markets have been up, down, up and all around. Dry Bulk markets are acting as if they have bottomed out and are wanting to adjust back up. But they do not have sufficient demand support to fuel a strong move and, we are of course, entering the Christmas and New Year holiday season. Vessel owners' hopes are therefore focused on 2022 cargo demand and hopes that the new Omicron virus variant is not too disrupting.

Container Shipping Line lineups at U.S. ports are improving slightly but port and interior logistics remain very problematic. Supply chain problems look to continue for at least the next six to nine months.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
2-Dec-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	40991	32023	8,968	28.0%
P3A: PNW/Pacific - Korea	per day	21635	17837	3,798	21.3%
S1C: US GULF-China-So.Japan	per day	47500	44144	3,356	7.6%
P7: Trial- Miss. River - Qingdao	per ton	73.31	67.130	6.2	9.2%
P8: Trial- Santos - Qingdao	per ton	53.84	49.240	4.6	9.3%

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

Four weeks ago:	\$12.50-\$14.00
Three weeks ago:	\$10.50-\$12.60
Two weeks ago:	\$11.50-\$12.75
One week ago:	\$11.00-\$12.30
This week	\$12.30-\$13.65

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

Mississippi River:	(10 elevators)	3-10 days (9 facilities operating.)
Mid-Stream loaders:	(6+ Rigs)	3-4 days
Texas Gulf	(5 elevators)	1-15 days (Only 1 facility over 4 days)
Pacific Northwest:	(9 elevators)	2 - 9 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					
2-Dec-2021	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.91	1.67	0.76	\$29.92	PNW
SOYBEANS	1.00	2.05	1.05	\$38.58	GULF
OCEAN FREIGHT	\$37.25	\$70.00	.83-.88	\$32.75	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	\$71.00	Unchanged	Handymax \$72.00 mt
55,000 U.S. PNW- Japan	\$37.50	Down \$0.25	Handymax at \$38.00/mt
65,000 U.S. Gulf – China	\$70.00	Unchanged	North or South China
PNW to China	\$37.25	Down \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$25.50	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$22.25	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$36.50	Unchanged	<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	Unchanged	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$57.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$58.00	Unchanged	55,000-60,000 mt Egypt
PNW to Egypt	\$58.50		Romania- Russia- Ukraine \$25.25-\$25.75-\$27.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$29.50	Up \$1.00	Handymax at +\$2.50 more
Brazil, Santos –China	\$54.50	Down \$2.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$53.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$61.50		55-60,000 mt
56-60,000 Argentina-China Deep draft	\$59.25	Down \$2.00	Up-River with Top Off Plus \$3.75-\$4.00

The Baltic Dry Freight Index



Source: [BraemarSCREEN.com](https://www.braemarSCREEN.com)

Panamax Dry-Bulk Ocean Index Rates



YAMAMIZU Index



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

From 2016-12-01 To 2021-12-01



China Import Dry Bulk Freight Index 2021-12-02

Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1504.91	-7.94
Iron ore Freight Index			Point	1487.06	-27.76
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	13.253	-0.361
Soybean Freight Index			Point	1550.97	15.02
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	52.55	0.57
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	53.45	0.49
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	37.15	0.29
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	69.57	0.61

2 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=	5.7675
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	5.7925
Jan.	0.91	\$262.88	1.67	\$292.80	N =	5.7900
Feb.	0.89	\$262.09	1.65	\$292.01	U =	5.5775
Mar.	0.87	\$261.30	1.63	\$291.22	Z=	5.4900
Apr.	0.83	\$260.71	1.59	\$290.63	H =	5.5650
May	0.83	\$260.71	1.59	\$290.63		
Jun.	0.80	\$259.43	1.56	\$289.35		

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.	2.15	\$311.69
Feb.	2.10	\$309.73
Mar.	2.10	\$309.73
Apr.	2.10	\$310.71
May	2.10	\$310.71

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	\$349.06	\$350.90	\$352.74	\$354.39
Basis	1.35	1.40	1.45	1.45
WH	8.1500			.
WK	8.1950			
WN	8.0250			

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.	1.00	\$493.92	2.05	\$532.50
Feb.	0.80	\$488.69	1.90	\$529.10
Mar.	0.77	\$487.58	1.87	\$528.00
Apr.	0.77	\$490.16	1.88	\$530.94
May	0.82	\$491.99	1.88	\$530.94
Soybean Futures				
Jan.	\$ 12.4425			
Mar.	\$ 12.5000			
May	\$ 12.5700			
July	\$ 12.6350			
Aug.	\$ 12.5625			
Sept.	\$ 12.3275			

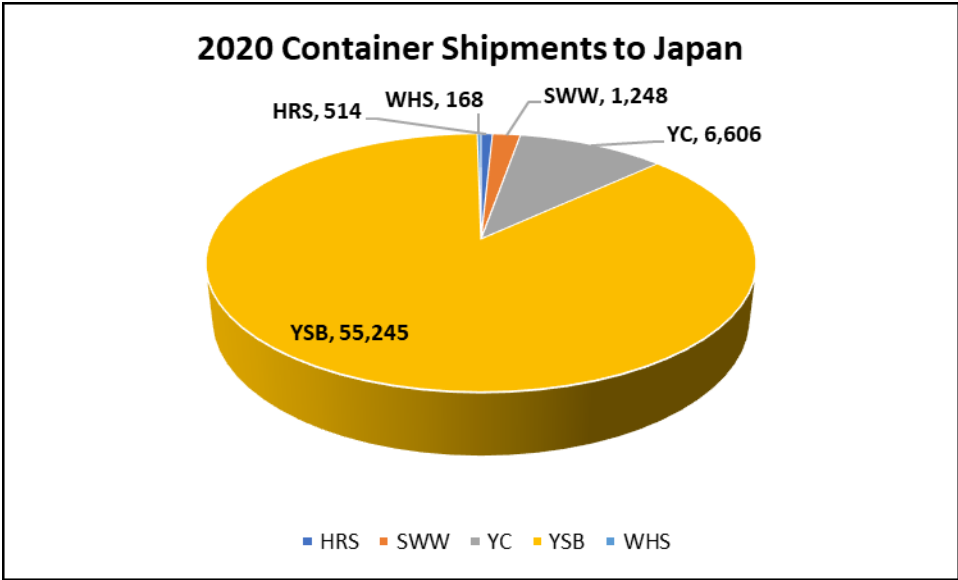
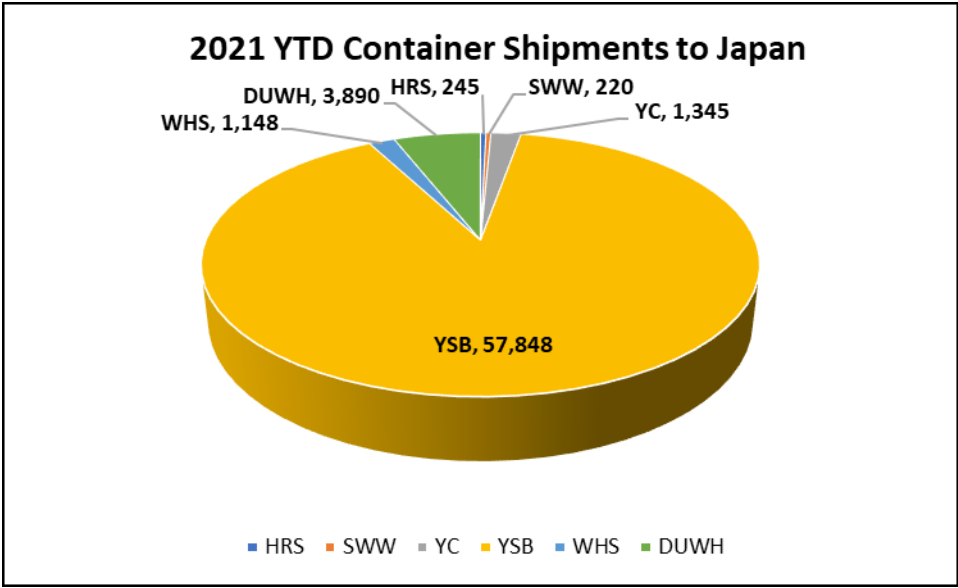
U.S. Soybean and SBM Markets Fob Vessel:

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	\$ 423.14
Feb.	35.00	\$ 421.04
Mar.	35.00	\$ 422.92
Apr.	35.00	\$ 422.92
May	33.00	\$ 424.24
SBM Futures		
SMF	\$ 348.80	
SMH	\$ 346.90	
SMK	\$ 348.60	
SMN	\$ 351.80	
SMQ	\$ 351.40	
SMU	\$ 349.70	

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).*

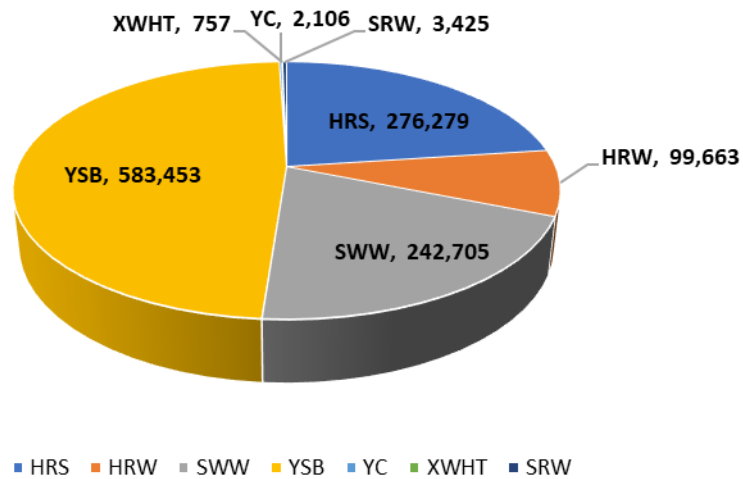
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		25-Nov-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			28,311						28,311
Taiwan	4,356		14,171						18,527
Hong Kong	49								49
Costa Rica									0
Indonesia			8,592						8,592
French Poly									0
Japan			318					490	808
Korea Rep.			2,668						2,668
Chile									0
Malaysia	244		2,889						3,133
Colombia									0
Philippines									0
Thailand	147		3,233						3,380
Un Kingdom									0
Burma									0
Bangladesh									0
Nepal			808						808
Vietnam			5,508					2,033	7,541
Sub Total:	4,796	0	66,498	0	0	0	0	2,523	73,817
USDA Corrections/Additions to previous reports:									
Taiwan			1,470						1,470
China	955		8,375						9,330
Hong Kong									0
Korea Rep.									0
Switzerland									0
Japan									0
Philippines									0
Indonesia			2,423						2,423
Malaysia	48		240						288
Thailand			1,126						1,126
Vietnam			710						710
Bangladesh									0
Canada									0
Sub Total:	1,003	0	14,344	0	0	0	0	0	15,347
Mt. Grand Total	5,799	0	80,842	0	0	0	0	2,523	89,164
Number of Containers	252	0	3,515	0	0	0	0	110	

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

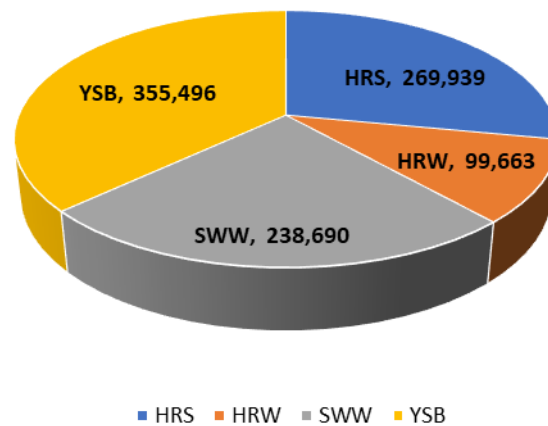


2021 YTD Total Grain Exports reported by USDA (in MT)

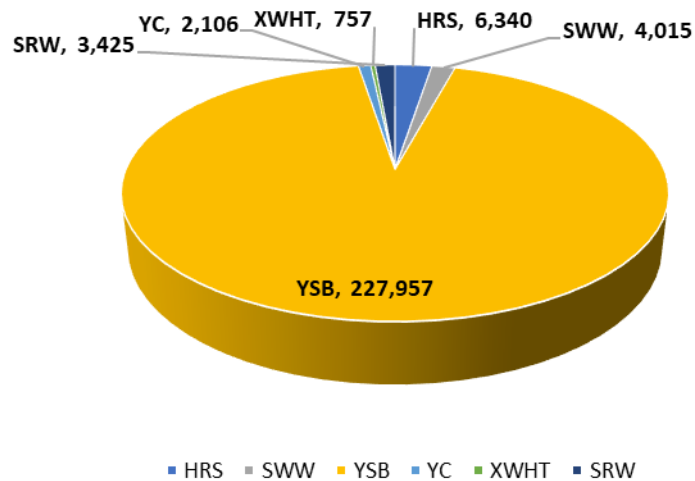
2021 YTD Exports to Thailand



YTD Vessel Shipments to Thailand



YTD Container Shipments to Thailand



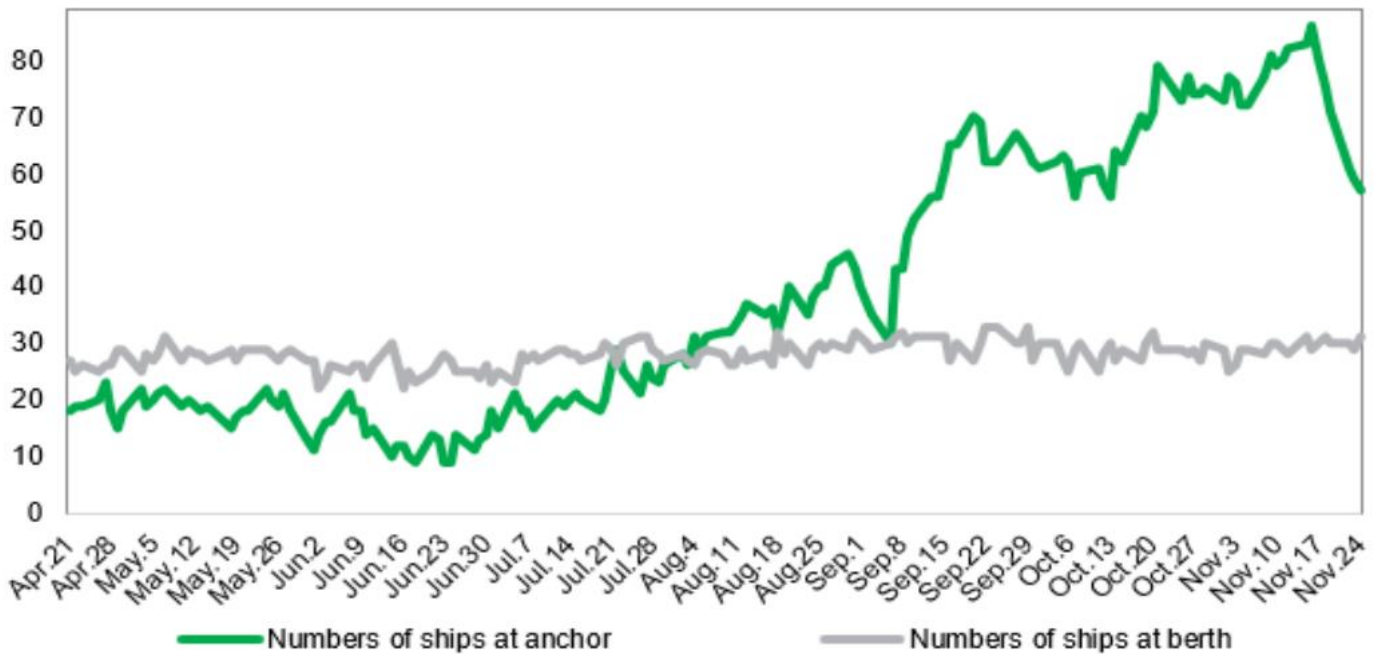
*Please keep in mind that USDA does not report DDGS sales

Source: USDA-data

Shipping News

Southern California container ship backlog down from record high

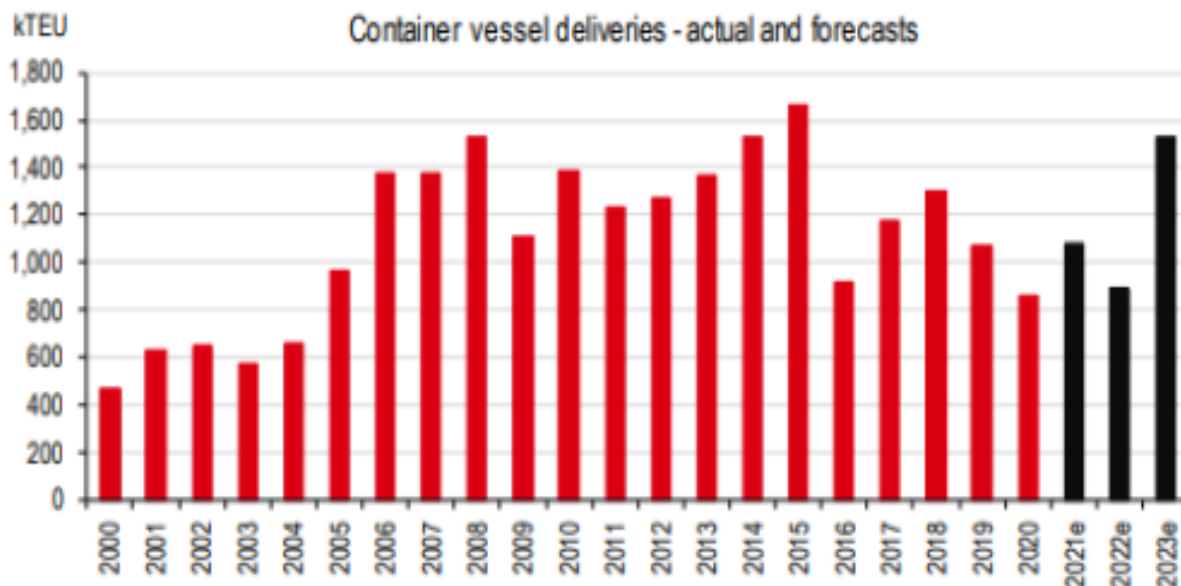
Container ships at berth and waiting at anchor and loitering in the ports of Los Angeles and Long Beach



Source: Marine Exchange of Southern California

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



Source: Clarksons Research Services, HSBC estimates

Djibouti Shipping Company @CompanyDjibouti · 8h

APM Terminals agrees deal to operate new container terminal in Louisiana
splash247.com/?p=155300 via @splash_247



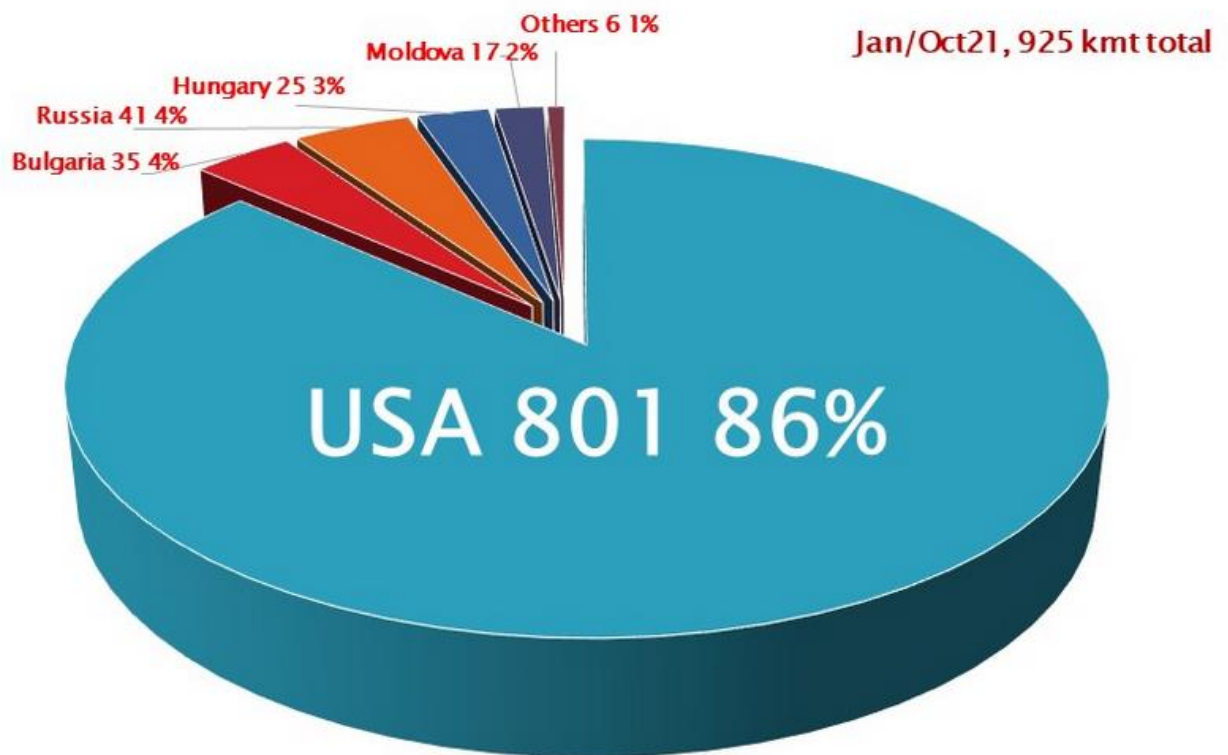
splash247.com

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 ...



TURKISH DDGS IMPORTS (KMT)



Source: TURKSTAT

Ocean Timeliness Indicator

Cargo Ready Date to Destination Port Departure



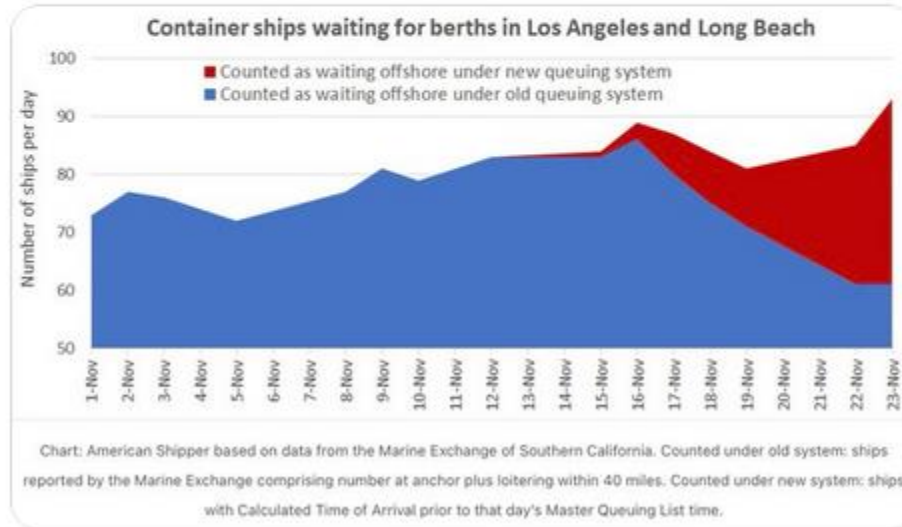
Sources: Flexport Research

Liz Ann Sonders  @LizAnnSonders · Nov 30

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Including container ships anchored off LA/LB + ships in holding patterns within 40m of ports (counted in PREVIOUS queuing system) + ships waiting further afield technically in queue under new system = 93 vessels waiting for berths (all-time high)

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Container ships waiting for berths in Los Angeles and Long Beach

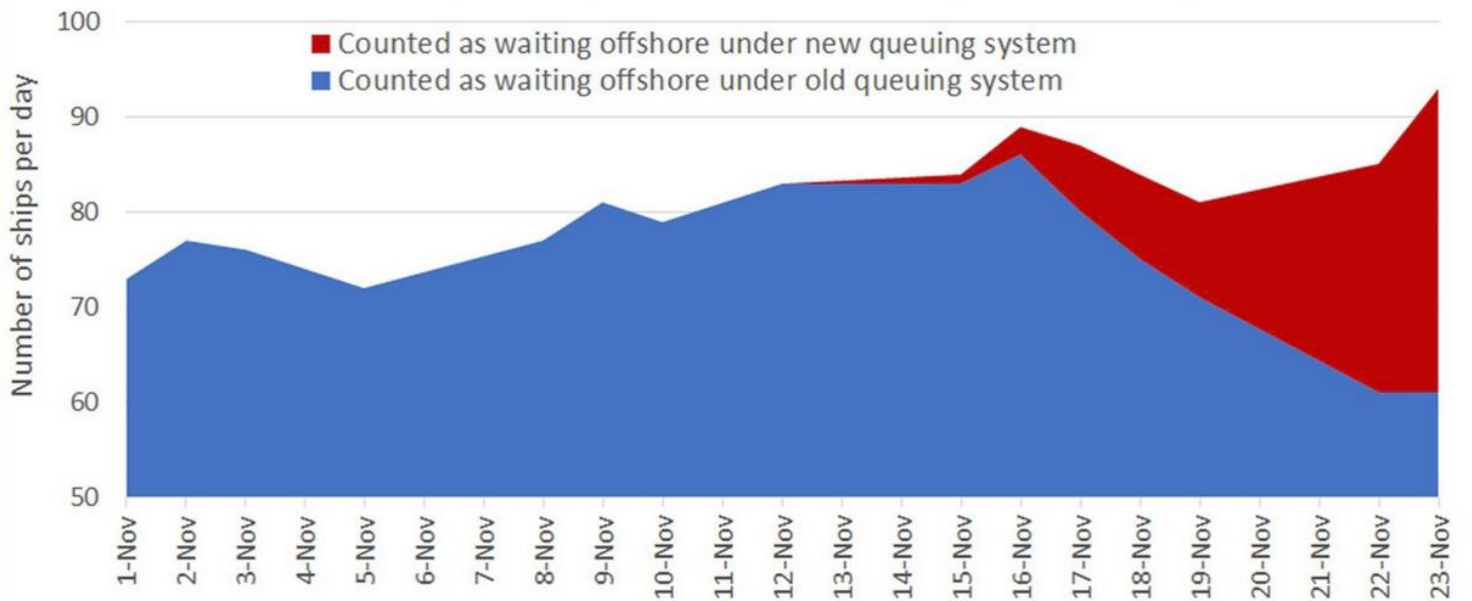


Chart: American Shipper based on data from the Marine Exchange of Southern California. Counted under old system: ships reported by the Marine Exchange comprising number at anchor plus loitering within 40 miles. Counted under new system: ships with Calculated Time of Arrival prior to that day's Master Queuing List time.

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#Shipping #Containers #Maritime

As containers freight rates jump by more than 4-fold in 2 Years, @Maersk heads for Record Profits, Gives \$80 Million to Employees: \$1,000 to each of its roughly 80,000 staff (The top 400 managers at the company aren't included in the program)

Rising Container Prices

Rates have jumped more than fourfold in two years



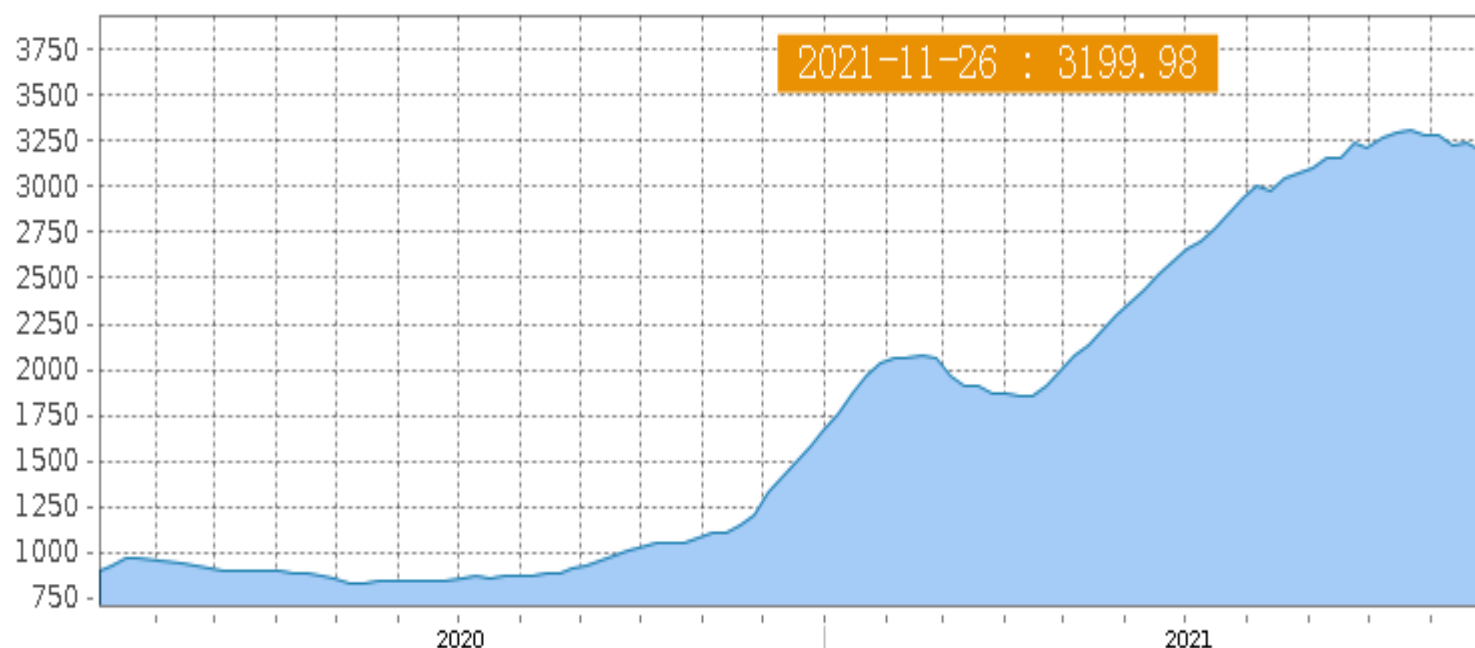
Rising Container Prices

Rates have jumped more than fourfold in two years

■ Container spot rates out of Shanghai (SCFI)



China Containerized Freight Index



China Import Dry Bulk Freight Index



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Loading Placement Last Half December 2021

Placement LH December 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			
Illinois River (Pekin and South)	465	\$31.73	0.81	0.86
Mid-Mississippi	Closed			
Lower Ohio	430	\$21.14	0.54	0.58
St. Louis	350	\$15.39	0.39	0.42

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

Secondary Rail Car Market	BID	ASK	BID	ASK	BID	ASK
Placement LH. December 2021	USD	USD	BU.	BU.	MT	MT
BNSF Shuttle Trains	\$ 100.00	\$ 300.00	\$ 0.03	\$ 0.08	\$ 0.98	\$ 2.95
UPRR Shuttle Trains	\$ 200.00	\$ 400.00	\$ 0.05	\$ 0.10	\$ 1.97	\$ 3.94

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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