

Transportation and Export Report for 3 February 2022

For vessel owners, the last three months have been very rough. After reaching 13-year highs in October 2021, the Baltic index has suffered a dramatic 13-week fall. Freight markets however seem to have finally found bottom, or at least a bit of a bounce. We are however in the middle of the Lunar New Year holiday period with Chinese exchanges and Trade offices closed. We will have to see how the Traders feel after returning from the holiday celebrations.

Unfortunately, there is no new good news regarding container markets. Rates remain high and service problematic.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
3-Feb-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	22295	24273	-1,978	-8.1%
P3A: PNW/Pacific - Korea	Index	17417	16951	466	2.7%
S1C: US GULF-China-So.Japan	Index	27339	30331	-2,992	-9.9%
P7: Trial- Miss. River - Qingdao	per ton	58.77	59.85	-1.1	-1.8%
P8: Trial- Santos - Qingdao	per ton	47.79	47.16	0.6	1.3%

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

Four weeks ago:	\$8.75-\$10.00
Three weeks ago:	\$7.85-\$9.65
Two weeks ago:	\$7.50-\$7.80
One week ago:	\$6.10-\$7.40
This week	\$6.00-\$7.30

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)	0-1 days
Texas Gulf	(5 elevators)	0-7 days (2 facility over 3 days)
Pacific Northwest:	(9 elevators)	4 - 9 days

AGP Grays Harbor/PNW is loading soymeal via a temporary mobile conveyor system. Expects to be back up with full repairs by June.

Panamax Market Spreads to Asia -China					
3-Feb-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.15	1.72	0.57	\$22.44	PNW
SOYBEANS	1.13	2.01	0.88	\$32.33	GULF
OCEAN FREIGHT	\$60.00	\$33.00	.69 -.73	\$27.00	March

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 \$38.00 - \$39.50/mt.

Soybean Brazil to Spain about \$48.00 - 49.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$61.00	Down \$1.50	Handymax \$61.50 mt
55,000 U.S. PNW- Japan	\$34.00	Down \$0.50	Handymax at \$35.50 mt
65,000 U.S. Gulf – China	\$60.00	Down \$1.25	North or South China
PNW to China	\$33.00	Down \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$23.50	Down \$0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$20.25	Down \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$33.00	Down \$0.50	<u>West Coast Colombia at \$39.50</u>
50,000 USG- E/C Colombia	\$31.50		
<u>East Coast Colombia</u> From Argentina	\$47.50		
40-45,000 U.S. Gulf - Guatemala	\$41.00	Down \$0.50	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$51.50	Down \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$50.50	Down \$1.00	55,000-60,000 mt Egypt
PNW to Egypt	\$51.00		Romania - Russia- Ukraine \$21.00-\$22.00-\$22.00 France \$30.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$23.00	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$50.50	Down \$1.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$48.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$56.50		55-60,000 mt
56-60,000 Argentina-China Deep draft	\$55.50	Down \$1.00	Up-River with Top Off Plus \$3.75-\$4.00

The Baltic Dry Bulk Freight Index



Baltic Capesize Index

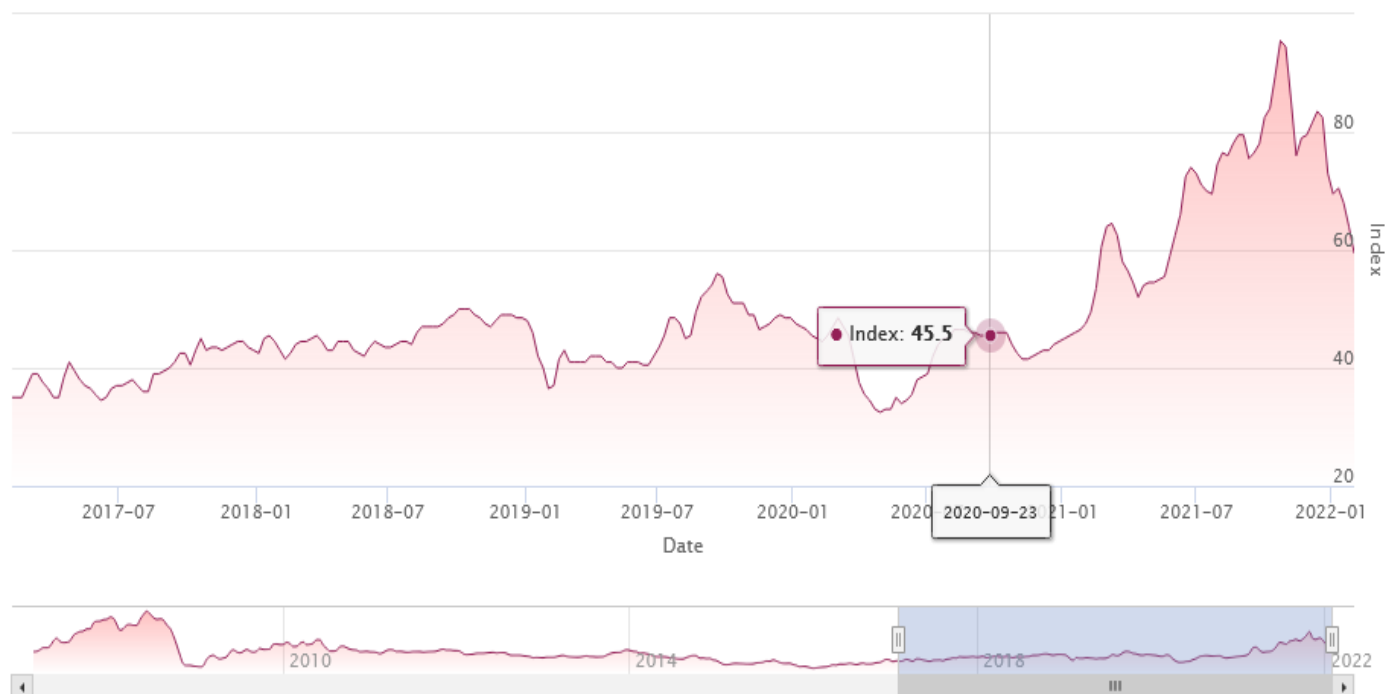


YAMAMIZU Index



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

From 2017-02-02 To 2022-02-02



China Import Dry Bulk Freight Index					
2022-01-27					
Description	Volume	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1037.35	0.19
Iron ore Freight Index			Point	798.92	3.53
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	6.083	-0.052
Soybean Freight Index			Point	1403.16	-12.53
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	48.6	-0.55
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	49.77	-0.63
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	33.46	0.15
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	61.21	-0.61

3 February 2022 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=	6.1675
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	6.1725
Mar.	1.15	\$288.07	1.72	\$310.51	N =	6.1300
Apr.	1.02	\$283.15	1.64	\$307.56	U =	5.7975
May	0.92	\$279.22	1.60	\$305.99	Z=	5.6825
June	0.88	\$275.97	1.64	\$305.89	H =	5.7550
July	0.84	\$274.39	1.62	\$305.10		
Aug.	1.10	\$271.54	1.85	\$301.07		

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
March	2.25	\$331.38
Apr.	2.25	\$331.58
May	2.25	\$331.58
June	2.25	\$329.90
July	2.20	\$327.93

Fob vessel Texas Gulf #2 Sorghum is about 115 % 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	
	Apr.	May	Jun.	July
FOB U.S. GULF	\$330.05	\$330.05	\$327.84	\$327.84
Basis	1.40	1.40	1.40	1.40
WH	7.5175			.
WK	7.5825			
WN	7.5225			

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
Mar.	1.23	\$612.60	2.01	\$641.26
Apr.	1.14	\$610.31	1.90	\$638.23
May	1.11	\$609.20	1.88	\$637.50
June	1.08	\$606.26	1.90	\$636.39
July	1.05	\$605.16	1.85	\$634.56
Soybean Futures				
Mar.	\$ 15.4425			
May	\$ 15.4700			
July	\$ 15.4200			
Aug.	\$ 15.0525			
Sept.	\$ 14.3325			
Nov.	\$ 13.9275			

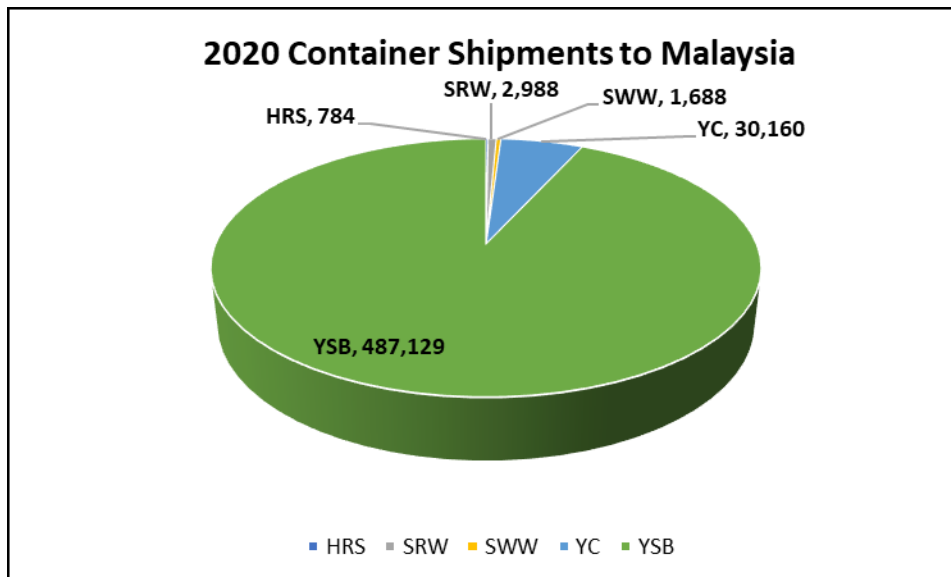
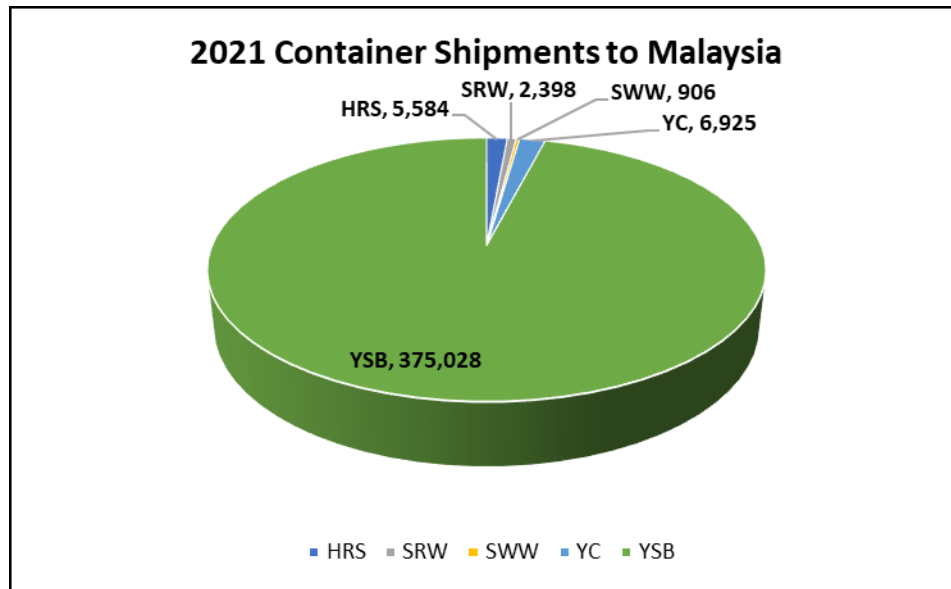
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Mar.	42.00	\$ 528.21
Apr.	35.00	\$ 518.29
May	35.00	\$ 518.29
June	35.00	\$ 515.09
July	35.00	\$ 515.09
SBM Futures		
SMH	\$ 437.10	
SMK	\$ 435.10	
SMN	\$ 432.20	
SMQ	\$ 421.70	
SMU	\$ 407.30	
SMV	\$ 394.40	

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).*

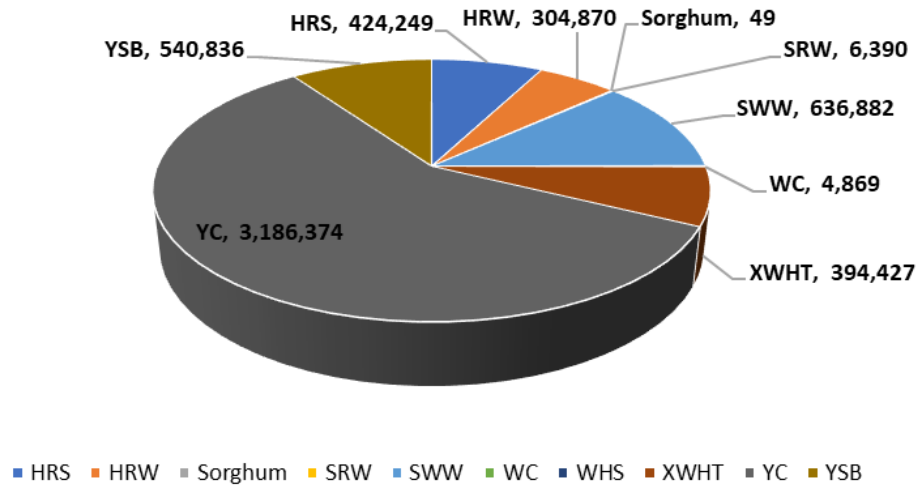
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		27-Jan-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			31,321					3,159	34,480
Taiwan	13,587		13,175						26,762
Hong Kong	587								587
Costa Rica									0
Indonesia			13,538						13,538
French Poly									0
Japan			2,374					24	2,398
Korea Rep.	906		245						1,151
Saudi Arabia			98						98
Malaysia	294		3,575						3,869
Colombia									0
Philippines			1,200						1,200
Thailand			2,277						2,277
Cambodia									0
Burma									0
Senegal			294						294
Nepal			1,272						1,272
Vietnam			3,574						3,574
Sub Total:	15,374	0	72,943	0	0	0	0	3,183	91,500
USDA Corrections/Additions to previous reports:									
Taiwan									0
China			293					367	660
Hong Kong									0
Korea Rep.	1,126								1,126
French Poly	196								196
Japan									0
Philippines									0
Indonesia			367						367
Malaysia									0
Thailand									0
Vietnam			1,592						1,592
Bangladesh									0
Un Arab Em									0
Sub Total:	1,322	0	2,252	0	0	0	0	367	3,941
Mt. Grand Total	16,696	0	75,195	0	0	0	0	3,550	95,441
Number of Containers	726	0	3,269	0	0	0	0	154	

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

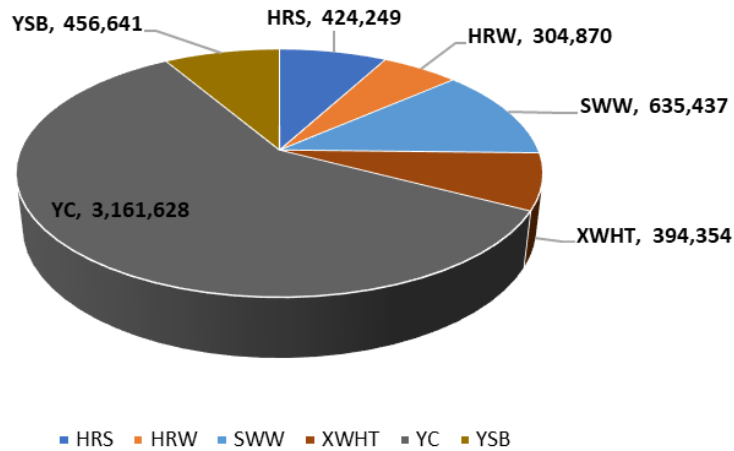


2021 Total Grain Exports reported by USDA (in MT)

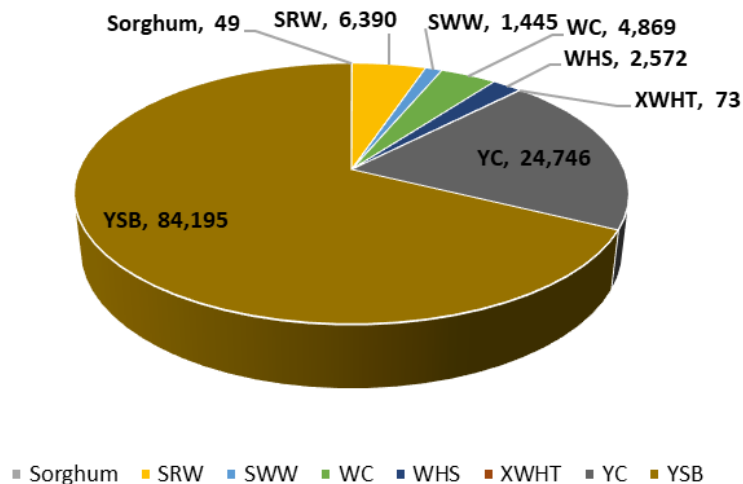
2021 Exports to Korea Rep



2021 Vessel Shipments to Korea Rep



2021 Container Shipments to Korea Rep



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

Source: USDA-data

Shipping News

Peter Tirschwell received a reply

Peter Tirschwell @PeterTirschwell · 16h

...

We are told East and Gulf coast dockworkers are discussing a six-year contract extension with big potential wage increases that employers might still balk at; but very significant that talks are under way given widespread concerns over West Coast talks set to begin soon



6



15



25



Jose Ricardo Cruz @jrcruz69 · 2h

...

If, and only if, this comes to be a reality, it would be a sign, that high shipping ocean freights are here to stay (Port costs increase and Charter vessel cost increase), but if the Ocean Freights fall again, a big problem could be foreseen.

Costas Paris  @CostasParis · 6h

...

3,000-TEU ships are chartered for more than \$150,000 a day at what is supposed to be a lull period at the start of the Lunar New Year. What's going on here? Why is it so difficult to deploy the necessary capacity where it's needed?



[2,756 teu boxship sets new record, fixed for 50 days at \\$175,000 a day](#)

Feb 03, 2022 04:48 pm | Sam Chambers

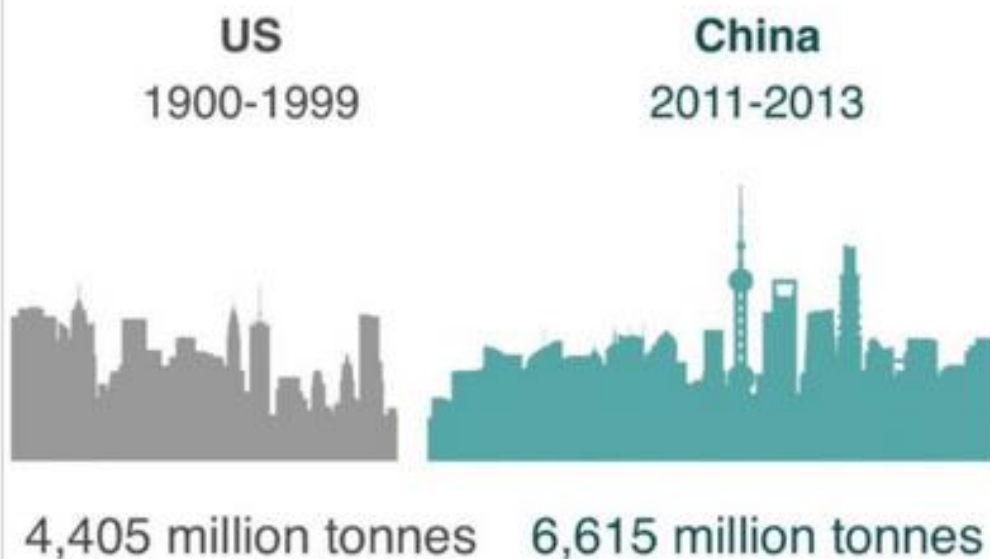
Containership charter rates have stormed to new record highs with analysts warning that the scarce tonnage available could see prices remain at extraordinary levels for much of the year. Broking reports yesterday that busy Pasha Group had taken the 2,756 teu for 50 days from the end of February for a stunning \$175,000 a day ...



Alf @MacroAlf · 22h

China used more cement in 3 years than the US did in 100 years.

Seriously, think about that.



BreakWave

@DryBulkETF

...

Bancosta on Capesize: "Net fleet growth for bulk carriers in the 120+k DWT range as a whole is expected to slow to around +2% y-o-y in 2022, and then continue at around +2% in 2023, based on the orderbook and expected slippage and demolition. The fleet grew by +4% y-o-y in 2021."

6:42 PM · Feb 2, 2022 · Twitter for iPhone

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



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Loading Placement Last Half February 2022

Placement LH. February 2022	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			
Illinois River (Pekin and South)	725	\$49.47	1.26	1.35
Mid-Mississippi	Closed			
Lower Ohio	650	\$31.96	0.81	0.87
St. Louis	625	\$27.49	0.70	0.75

Secondary Rail Car Market for Car placement period: Last Half February 2022.

Secondary Rail Car Market Placement LH. February 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 500.00	\$ 800.00	\$ 0.13	\$ 0.20	\$ 4.92	\$ 7.87
UPRR Shuttle Trains	\$ 500.00	\$ 900.00	\$ 0.13	\$ 0.23	\$ 4.92	\$ 8.86

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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