HJ O'NEIL COMMODITY CONSULTING

Transportation and Export Report for 25 March 2021

Dry-Bulk freight markets are higher for the week but showing some weakness at weeks end. It has been a back-and-forth battel all week with paper traders trying to keep the bullish momentum going but running into considerable resistance at these higher levels.
Without new fuel to feed the bull, it is going to be difficult to maintain the upward trajectory in these markets. Panamax indexed daily hire rates now at $22,500/day for April, down from a high of $25,500/day. Q2 rates at $21,000 and Q3 at $17,000, with Q4 down to $14,650/day. CAL 22 only at $12,600/day , so the strong inverse in market opinion remains. The most talked about topic in freight markets this week is the Evergreen container vessel stuck sideways in the Suez Canal and blocking traffic. If the vessel Ever Given is not refloated very soon, it will likely cause short players in the market to get some risk coverage.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
25-Mar-2021		This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	per day	34110	32773	1,337	4.1%
P3A - PNW/Pacific -Korea	per day	27442	28377	-935	-3.3%
S1C -USGULF-China-So.Japan	per day	28081	32056	-3,975	-12.4%
P7- Trial- Miss. River - Qingdao	per ton	64.000	63.179	0.8	1.3%
P8- Trial- Santos - Qingdao	per ton	56.393	55.543	0.9	1.5%

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

Four weeks ago:	$6.70-$7.25
Three weeks ago:	$7.11-$8.45
Two weeks ago:	$8.85-$9.30
One week ago:	$9.10-$9.30
This week	$8.90-$9.40

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

Mississippi River:	(10 elevators)	1-8 days (1 facility not currently operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-3 days
Texas Gulf	(6 elevators)	2-25 days (only 1 facility over 4 days)(Blame it on sorghum)
Pacific Northwest:	(9 elevators)	1-10 days (only 1 facility over 6 days)

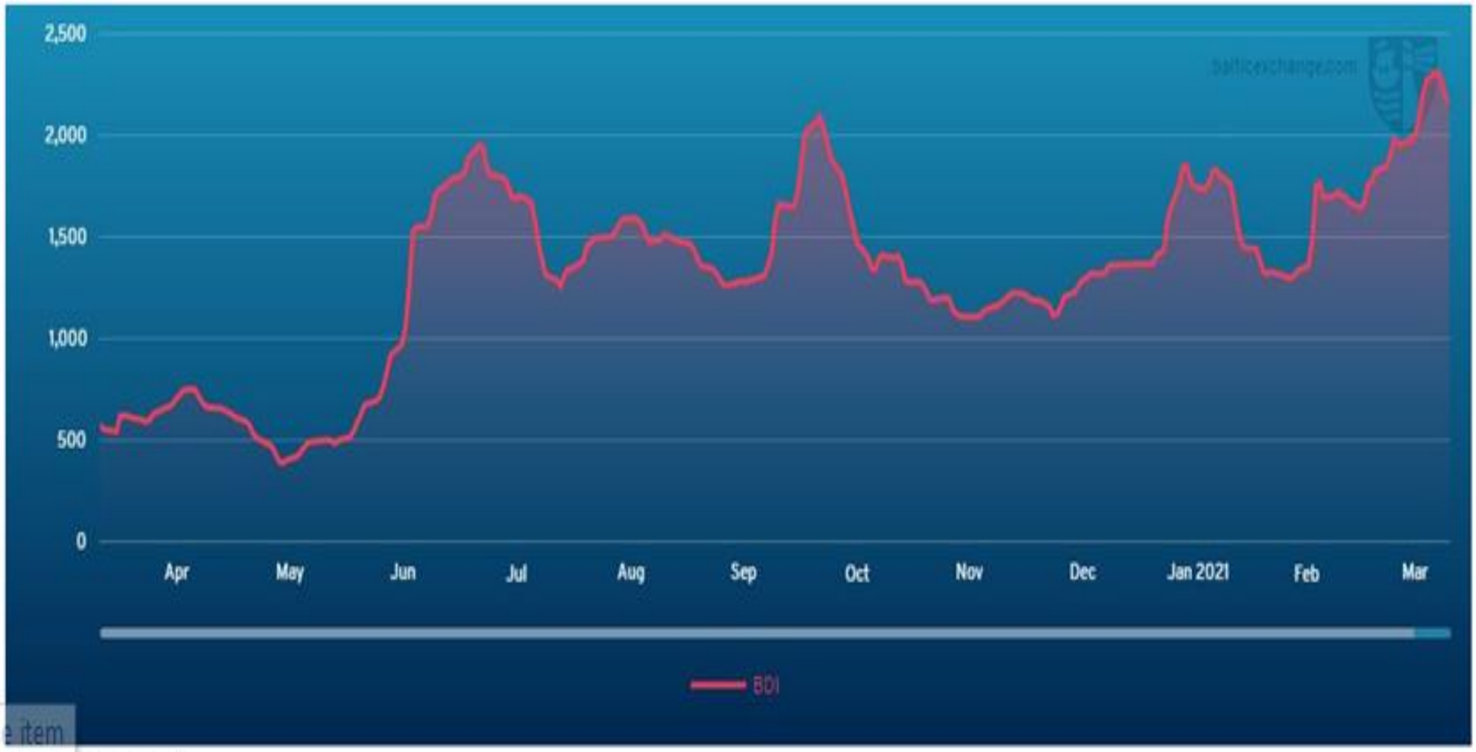
Panamax Market Spreads to Asia -China					
25-Mar-2021	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.35	0.80	0.55	$21.65	PNW
SOYBEANS	1.40	0.70	0.70	$25.72	Both
OCEAN FREIGHT	$35.00	$60.00	.64-.68	$25.00	April

Current Grain Vessel Market Indications:

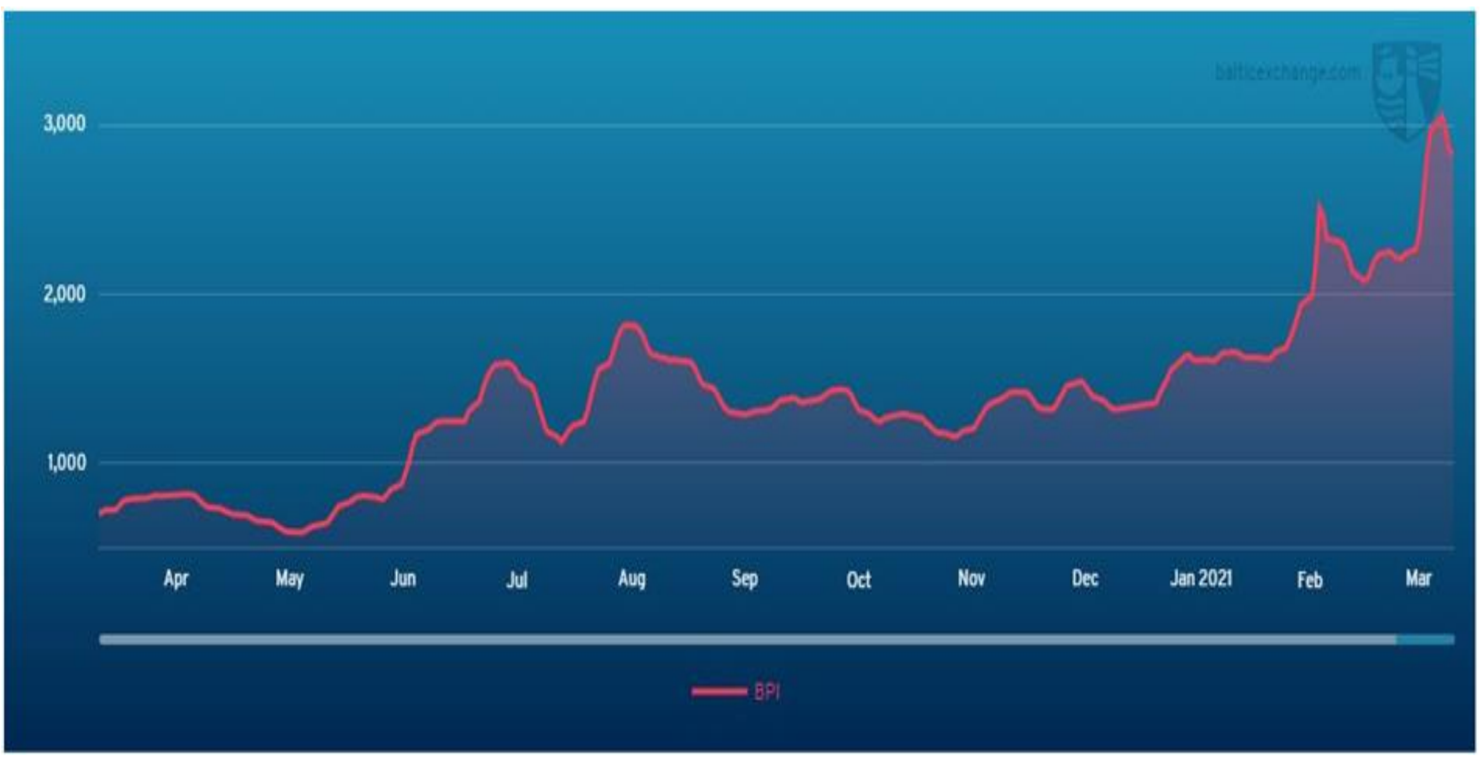
** Below rates are estimates for the nearby-30-day slots. 60-90 days forward rates will usually be higher.
Soybean Panamax USG to Spain is running $35.25 -$36.50/mt.
Soybean Brazil to Spain about $43.50 -46.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	$61.50	Up $1.25	Handymax $62.50 mt
55,000 U.S. PNW- Japan	$36.00	Up $1.00	Handymax $37.00 mt
66,000 U.S. Gulf – China PNW to China	$60.00 $35.00	Up $1.25 Up $1.00	North China
25,000 U.S. Gulf- Veracruz, México	$26.25	Up 0.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	$22.75	Up $0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia 50,000 mt USG to E/C Colombia From Argentina	$34.00 $33.00 $48.00	Up $1.00	West Coast Colombia at $47.00
43-45,000 U.S. Gulf - Guatemala	$40.00	Up$1.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	$45.75 $48.25	Up $1.25	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	$44.75	Up $1.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	$47.25 $46.75	Up $1.25	60,000 -55,000 mt -Egypt Romania- Russia- Ukraine $18.00-$19.50 -$19.50 France $25.50
60-70,000 U.S. Gulf – Europe – Rotterdam	$21.50	Unchanged	Handymax at +$1.75-$2.00 more
Brazil, Santos – China Brazil, Santos – China Northern Coast Brazil	$53.50 $54.00 $55.00	Up $2.00	54-59,000 Supramax-Panamax 60-66,000 Post Panamax Upriver No. Brazil Plus -55,000 mt Plus $7.50/mt
56-60,000 Argentina/Rosario-China Deep Draft	$60.25	Up $3.00	Upriver with BB Top Off Plus $3.75 mt

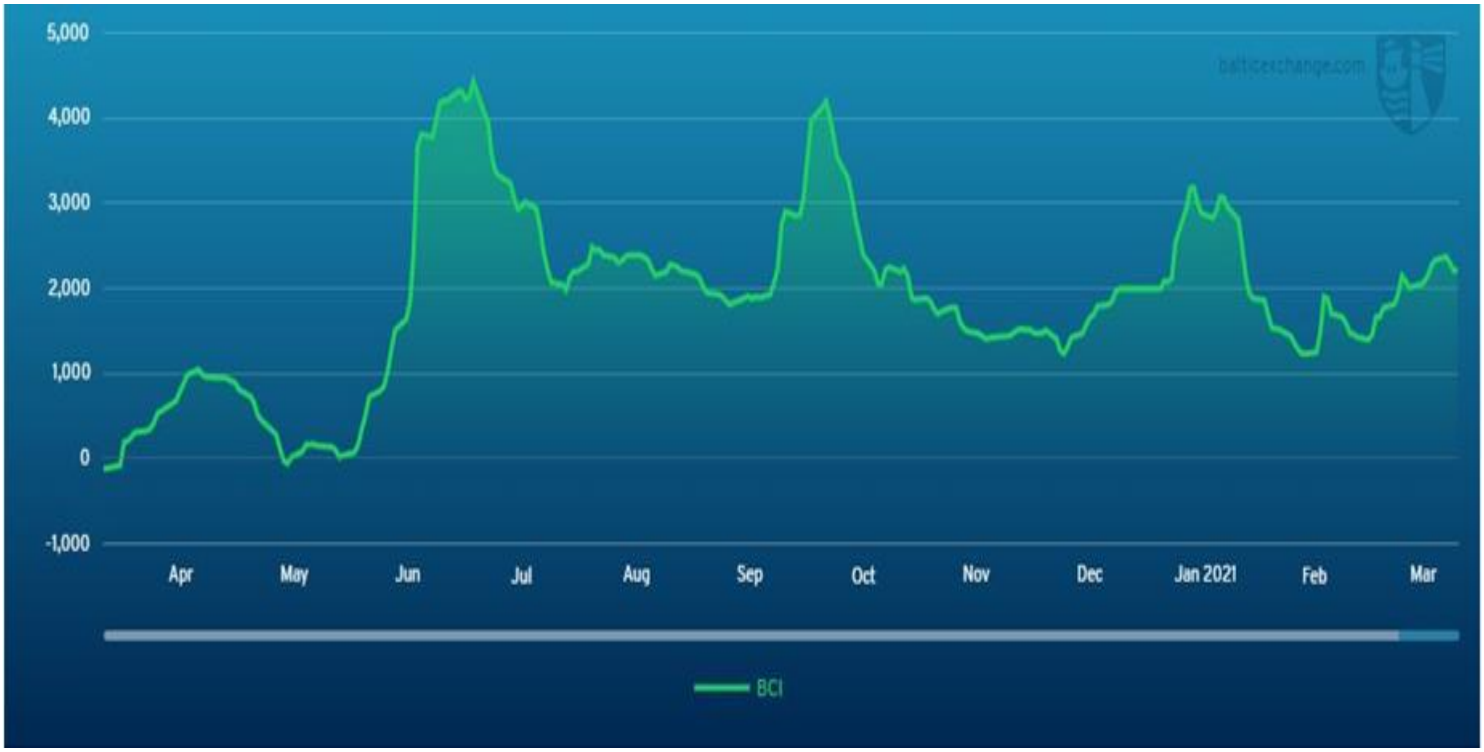
The Baltic Dry Freight Index

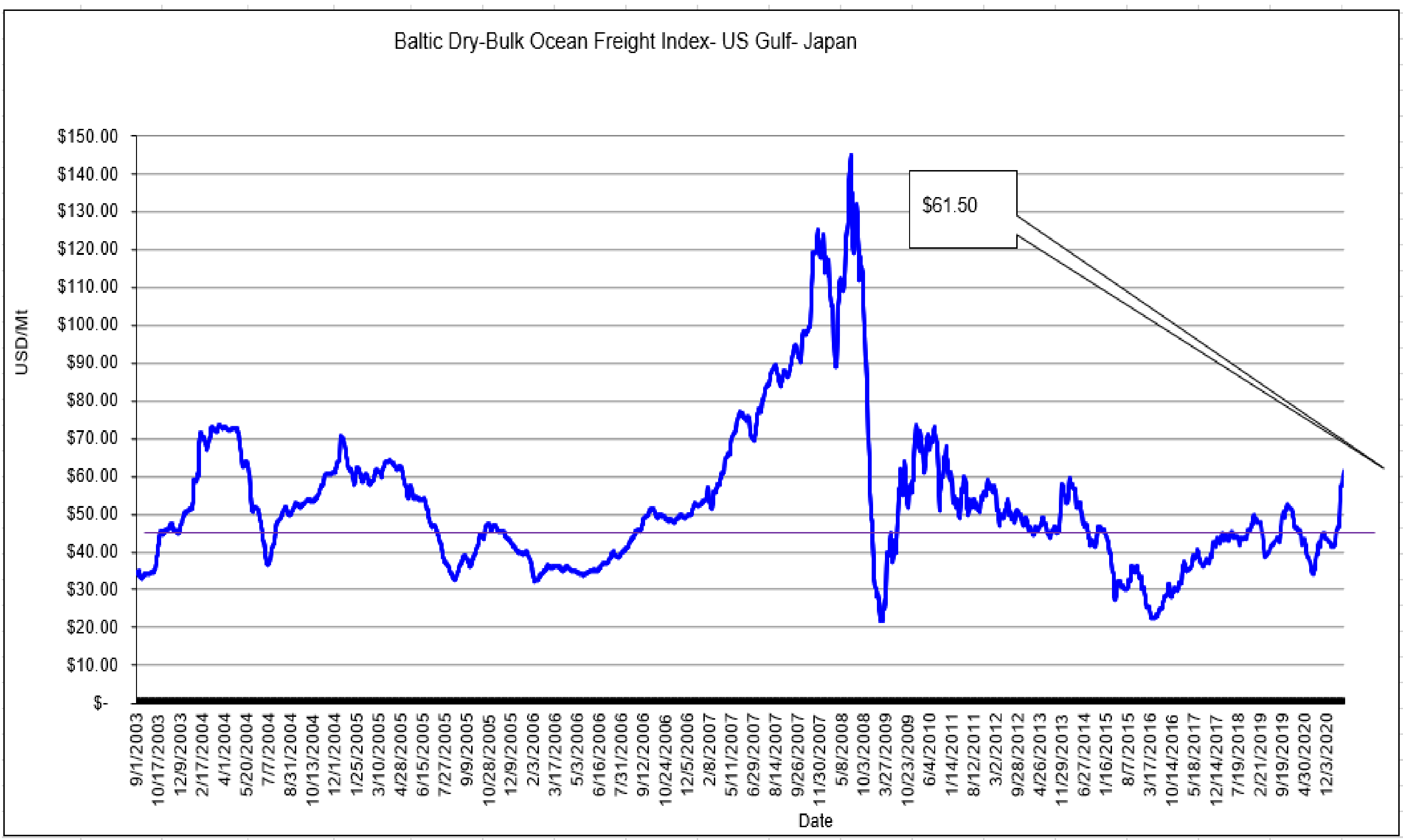


Baltic Panamax Index



Capesize Market Chart





YAMAMIZU Index

China Import Dry Bulk Freight Index
2021-03-25

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1309.05	-16.71
Iron ore Freight Index			Point	1053.15	-19.36
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	$/ton	8.809	-0.231
Soybean Freight Index			Point	1510.4	-11.99
Santos(Brazil)— North China	66000/10%	Soybean	$/ton	54.583	-0.333
Santos(Brazil)—North China	60000/10%	Soybean	$/ton	55.583	-0.417
Tacoma(West America)—North China	63000/10%	Soybean	$/ton	36.233	-0.708
Mississippi(US Gulf)—North China	66000/10%	Soybean	$/ton	61.867	-0.417

25 March 2021 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel				
#2 YC	GULF # 2 YC		PNW # 3 YC	
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE
May	0.80	**$246.64**	1.35	**$268.29**
June	0.96	**$247.43**	1.50	**$268.69**
July	0.97	**$247.82**	1.50	**$268.69**
Aug.	1.45	**$246.93**	1.95	**$266.62**
Sept.	1.40	**$244.97**	1.90	**$264.65**
Oct.	1.35	**$236.40**	1.85	**$256.09**

The Gulf spread between #2 & #3 YC is currently about .03 cents per bushel (1.18/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
May	3.20	**$341.12**
June	3.15	**$333.64**
July	3.25	**$337.58**
Aug.	3.20	**$315.83**
Nov.	3.00	**$301.36**

Fob vessel Texas Gulf #2 Sorghum is about 138 % the value of #2 Yellow Corn at NOLA. And is above the price of Fob SRW and HRW Wheat at the U.S. Gulf.

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

SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	May	**June**	**July**	**Aug.**
FOB U.S. GULF	$265.47	$627.76	$254.81	$257.02
Basis	1.10	11.00	0.85	0.90
WK	6.1250			.
WN	6.0850			
WU	6.0950			

25-Mar-2021 CME Corn Futures	Close Bushel	Close MT.	Last Week. Bushel	Last Week. Bu. Diff.	Last Week MT	MT Diff.
May	$ 5.4650	$ 215.15	$ 5.4650	-	$ 215.15	$ -
July	$ 5.3250	$ 209.63	$ 5.3025	0.0225	$ 208.75	$ 0.89
Sept.	$ 4.8225	$ 189.85	$ 4.8625	(0.0400)	$ 191.43	$ (1.57)
Dec.	$ 4.6550	$ 183.26	$ 4.6800	(0.0250)	$ 184.24	$ (0.98)
Mar.	$ 4.7350	$ 186.41	$ 4.7600	(0.0250)	$ 187.39	$ (0.98)
May	$ 4.7850	$ 188.38	$ 4.8100	(0.0250)	$ 189.36	$ (0.98)

CBOT May 2021 (CK21) CORN Futures Chart –

CME/CBOT May 2021 (WK21) SRW Wheat Futures Chart –

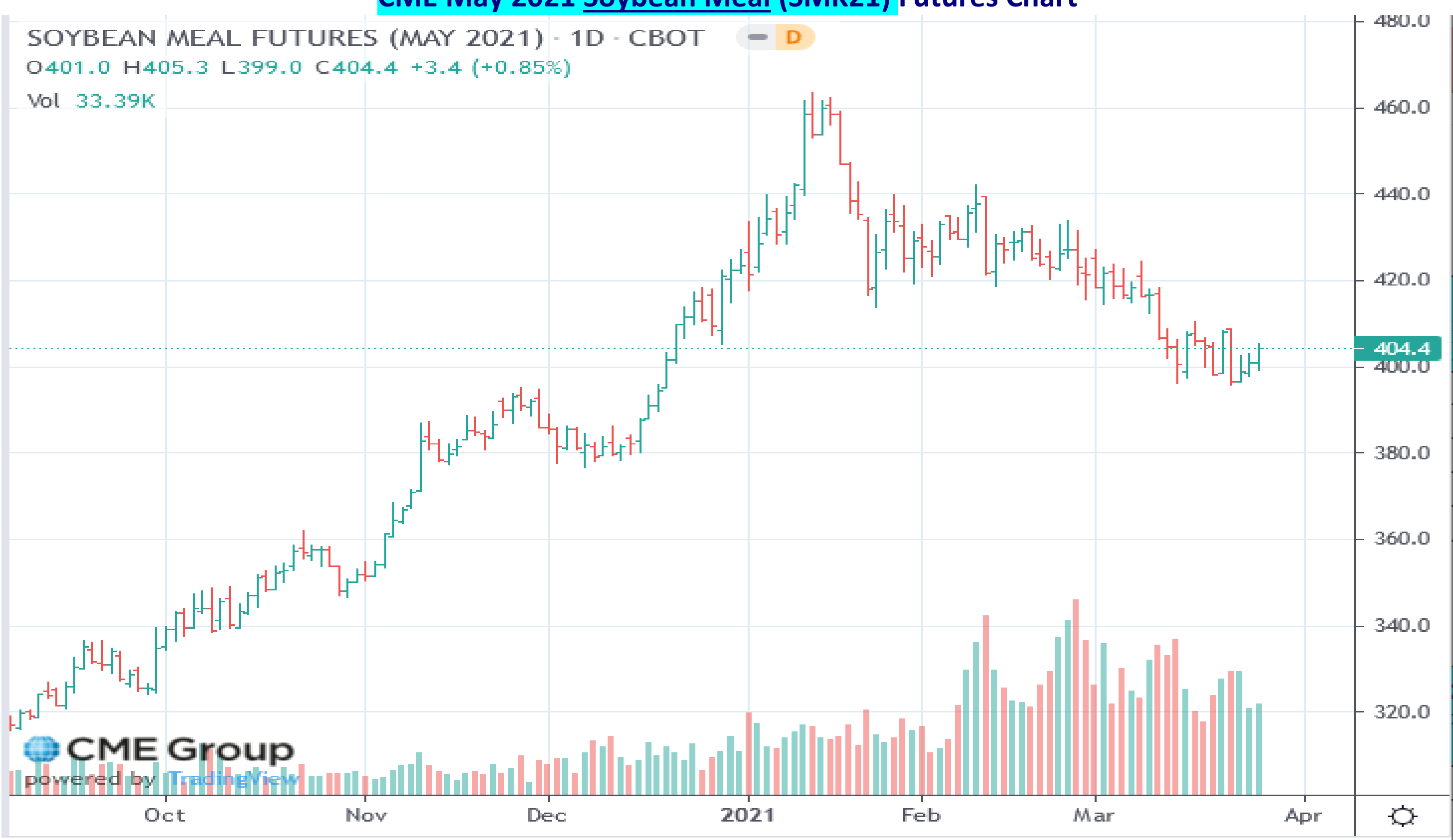
U.S. Soybean and SBM Markets Fob Vessel:

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
May	0.70	**$545.36**	1.40	**$571.08**
June	0.83	**$546.56**	1.50	**$571.18**
July	0.83	**$546.56**	1.50	**$571.18**
Aug.	1.22	**$543.99**	1.85	**$567.13**
Oct.	1.35	**$495.94**	1.90	**$516.15**
Soybean Futures				
May	$ 14.1425			
July	$ 14.0450			
Aug.	$ 13.5850			
Sept.	$ 12.6475			
Nov.	$ 12.1475			
Jan.	$ 12.1250			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Apr.	20.00	**$ 468.12**
May	20.00	**$ 468.12**
June	20.00	**$ 469.00**
July	20.00	**$ 469.00**
Aug.	25.00	**$ 467.46**
SBM Futures		
SMK	$ 404.60	
SMN	$ 405.40	
SMQ	$ 399.00	
SMU	$ 388.50	
SMV	$ 375.10	
SMZ	$ 372.20	

CME May 2021 Soybean (SK21) Futures Chart:

CME May 2021 Soybean Meal (SMK21) Futures Chart



U.S. EXPORT STATISTICS: Report Activity as of Week Ending 11 March 2021

Thursday-Weekly U.S. Export Sales

Commodity	New Sales (000 MT)	YTD Export Commitments **(000 MT)	Total Projected Export Program for Year (000 MT)	Percent of Export Projection	Total Sales for Next Marketing Year '21-22 (000 MT)
Corn	1,122.9	60,504.9	66,040	92%	1,794.9
Sorghum	282.4	6,205.7	7,490	83%	756.0
Soybeans	211.5	60,634.1	61,240	99%	5,076.2
Wheat	397.2	24,510.4	26,810	91%	1,024.6
Barley	0.0	33.5	220	15%	14.5

U.S. EXPORT INSPECTIONS:

Monday's report 22 March 2021 for the Export week ending 18 March 2021

	Export Inspections		Current Market Year YTD	Previous Year to Date	2020/21 YTD as Percent of 2019/20 YTD
	This Week	Previous Week			
Corn	1,962,118	2,274,441	31,988,525	16,890,464	189%
Sorghum	71,199	284,744	4,130,791	1,638,736	252%
Soybeans	489,405	548,951	53,639,990	31,094,062	173%
Wheat	648,485	712,158	19,954,937	20,097,386	99%
Barley	0	0	31,023	30,377	102%

For further Export Sales details: http://www.fas.usda.gov/export-sales/esrd1.html

U.S. EXPORT INSPECTIONS:

Monday's report 22 March 2021 for the Export week ending 18 March 2021

Last Week								
(Metric Tons)	YC	%	WC	%	Sorghum	%	Soybeans	%
Lakes	0	0%	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%	18,145	4%
Gulf	1,174,390	63%	50,352	59%	70,463	99%	328,792	67%
PNW	477,767	25%	538	1%	0	0%	24	0%
Interior Export Rail	224,145	12%	34,926	41%	736	1%	142,444	29%
Metric Tons	1,876,302		85,816		71,199		489,405	

Sorghum Shipments:

metric tons	
100	Mexico
71,099	China
71,199	Total

White Corn Shipments:

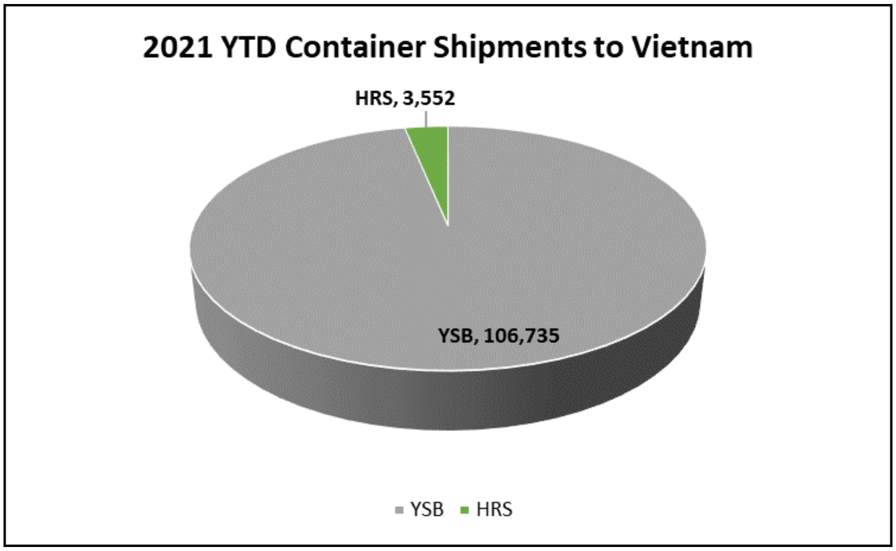
metric tons	
3,885	Guatemala
81,393	Mexico
538	Korea Rep
85,816	Total

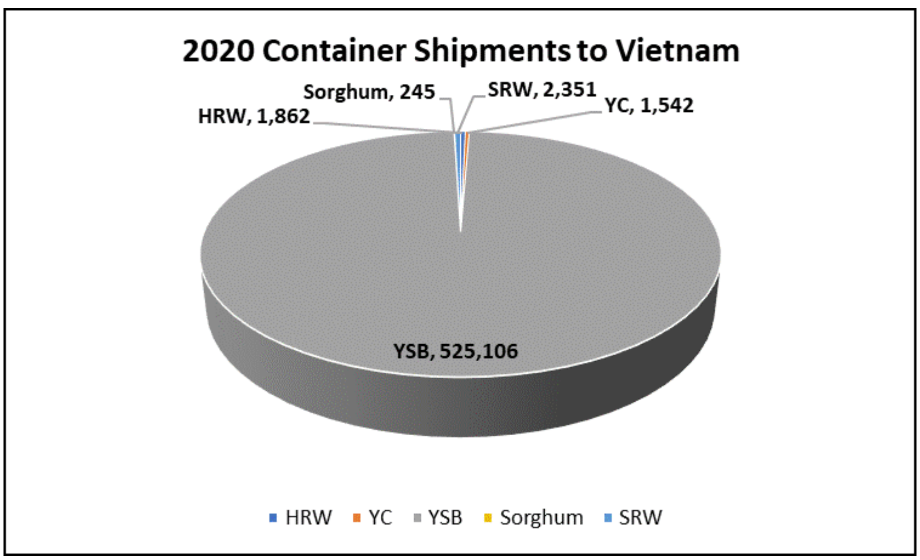
Export Inspection Highlights

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:			18-Mar-2021						
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			4,920					636	5,556
Taiwan	17,505		11,973						29,478
Hong Kong	978								978
Costa Rica									0
Indonesia			22,650						22,650
French Poly									0
Japan			1,269						1,269
Korea Rep.			1,025						1,025
Ghana			20						20
Malaysia			6,413		710				7,123
Morocco			49						49
Philippines			1,322						1,322
Thailand			2,668						2,668
Bahrain	245								245
Nigeria			83						83
Bangladesh									0
Burma									0
Vietnam			4,186		857				5,043
Sub Total:	**18,728**	**0**	**56,578**	**0**	**1,567**	**0**	**0**	**636**	**77,509**
USDA Corrections/Additions to previous reports:									
Taiwan			196						196
China			2,766						2,766
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan			96						96
Philippines									0
Indonesia			1,543						1,543
Malaysia									0
Thailand									0
Vietnam			1,910						1,910
Bangladesh									0
Costa Rica									0
Sub Total:	0	0	6,511	0	0	0	0	0	6,511
Mt. Grand Total	**18,728**	**0**	**63,089**	**0**	**1,567**	**0**	**0**	**636**	**84,020**
Number of Containers	814	0	2,743	0	68	0	0	28	

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





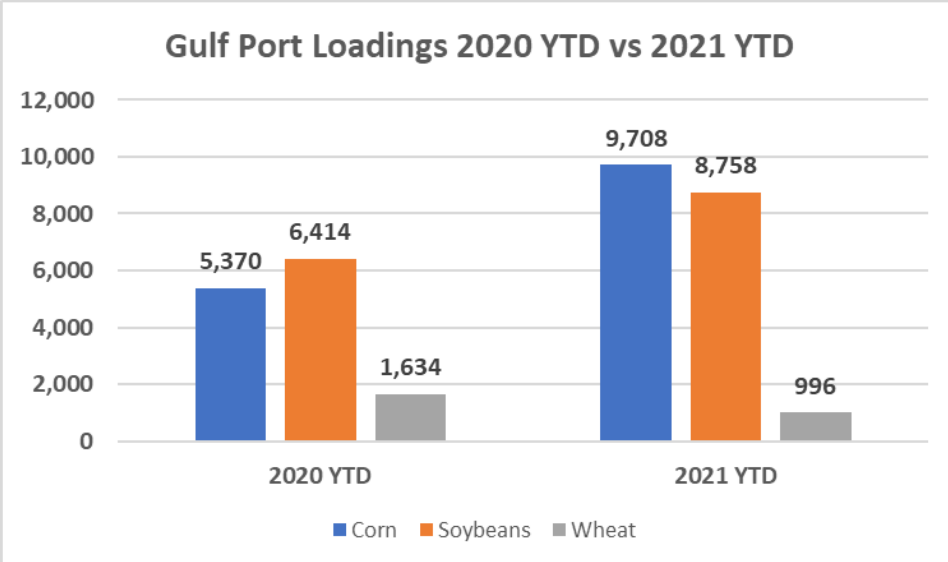
Grain Inspections for Export by U.S. Port Regions: U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD

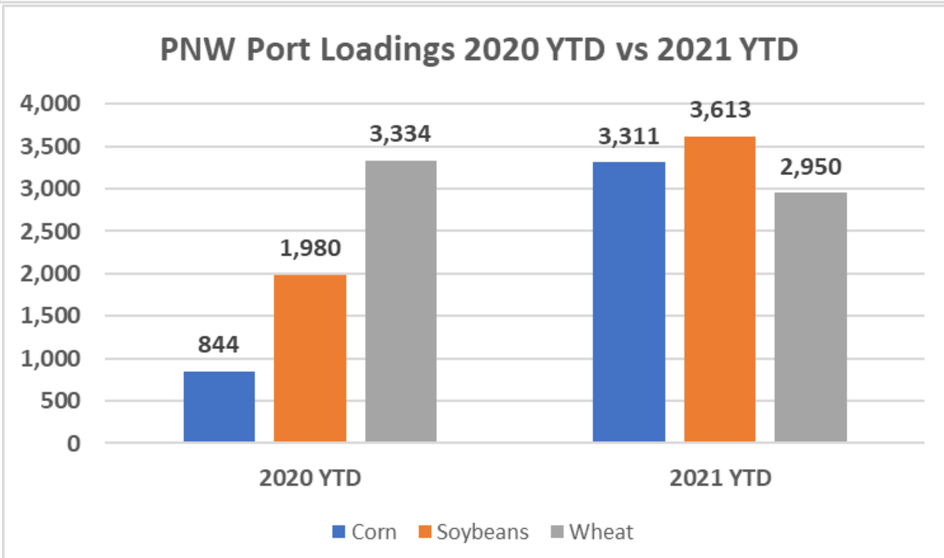
PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2020 YTD	5,370	6,414	1,634	13,418
2021 YTD	9,708	8,758	996	19,462
2021 as % of 2020	181%	137%	61%	145%

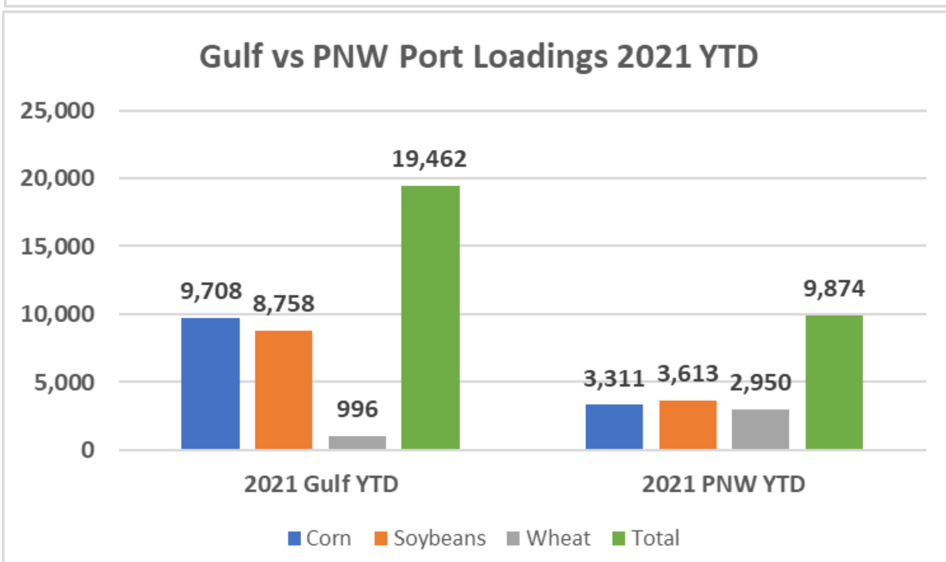
PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2020 YTD	844	1,980	3,334	6,158
2021 YTD	3,311	3,613	2,950	9,874
2021 as % of 2020	392%	182%	88%	160%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2021 Gulf YTD	9,708	8,758	996	19,462
2021 PNW YTD	3,311	3,613	2,950	9,874
TOTAL	13,019	12,371	3,946	29,336
Gulf Percentage	75%	71%	25%	66%
PNW Percentage	25%	29%	75%	34%

Grain Inspections for Export by U.S. Port Regions (1,000MT): U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD

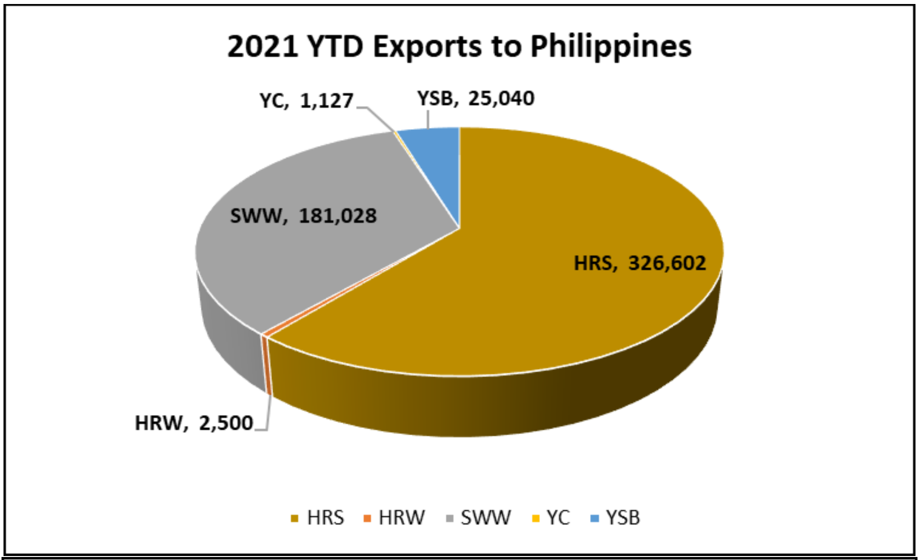


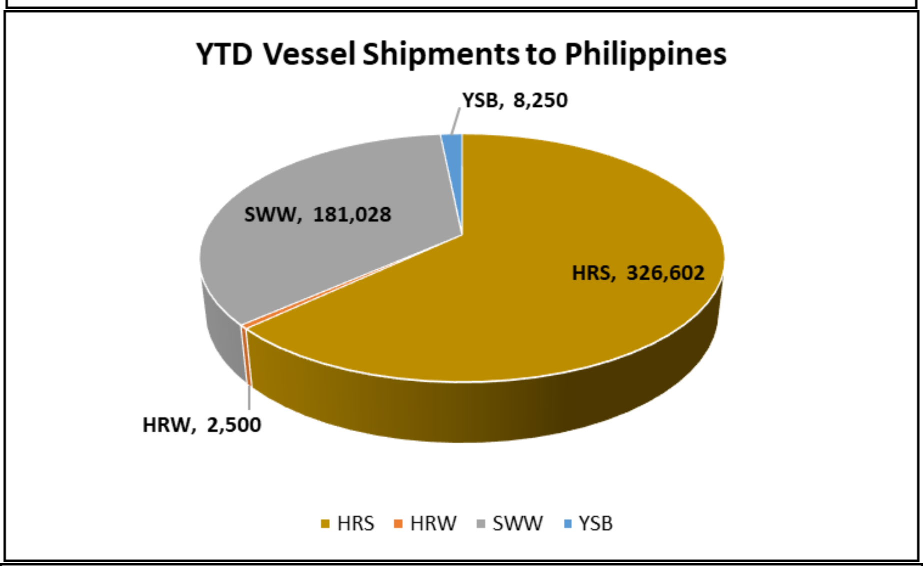


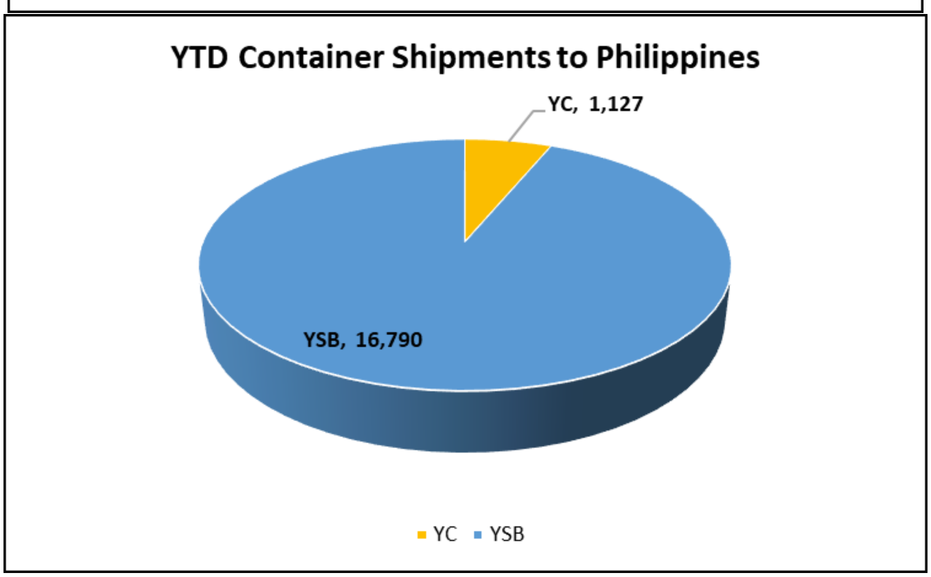


Source: USDA-data

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







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

Search The Guardian US edition

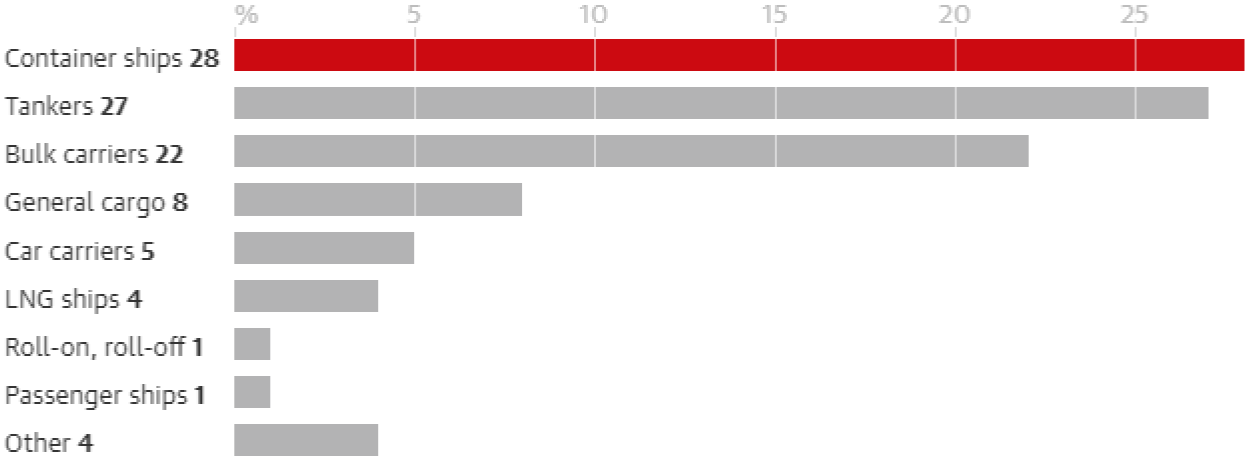
Suez canal container ship partially refloated after blocking trade artery

Tugboats work to free 400-metre 'megaship' as vessels gather at either end of key waterway

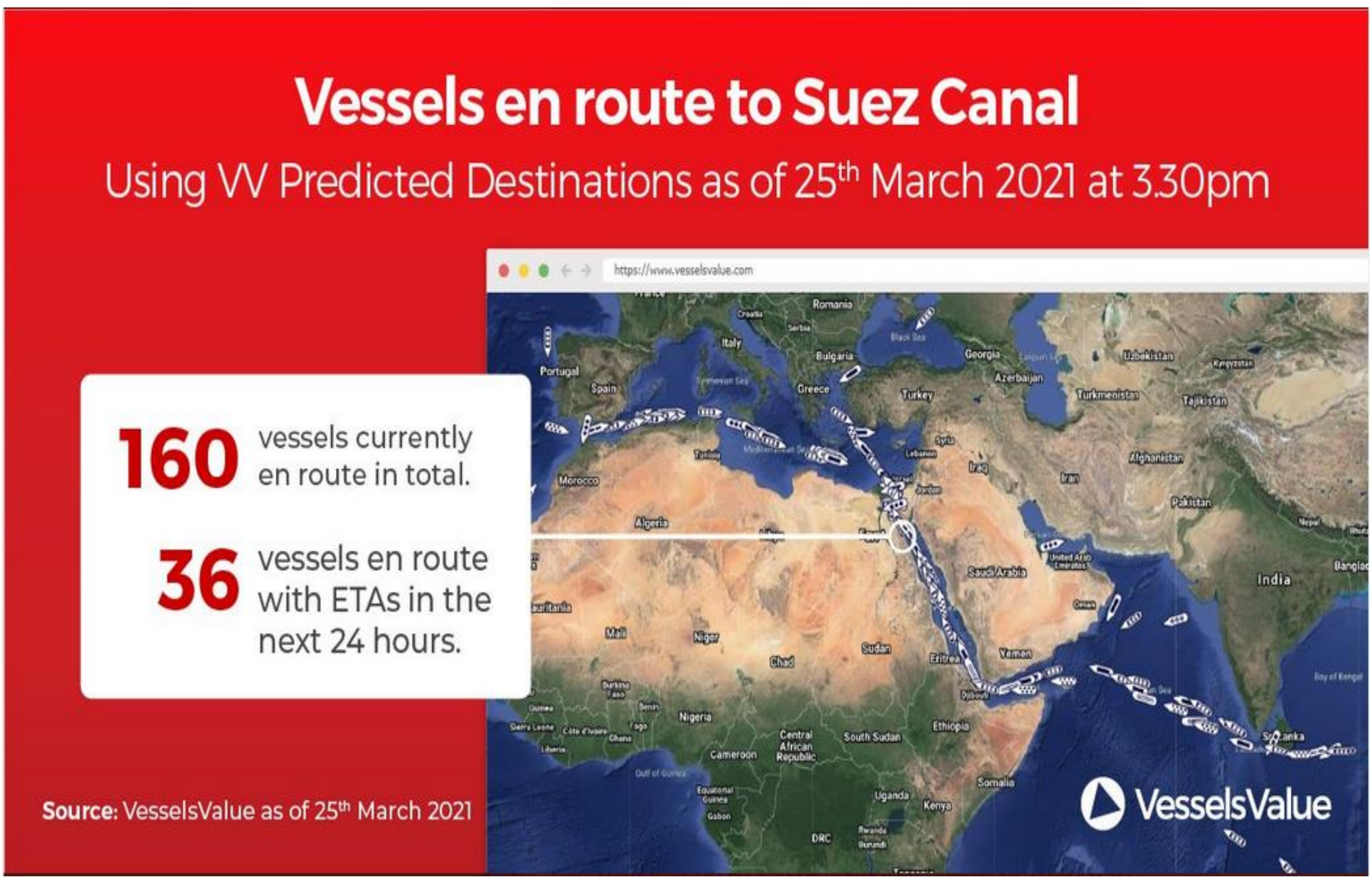
Container ship runs aground in Suez canal causing traffic jam – video

Guardian graphic. Source: Vessel Finder. Snapshot of most recent recorded positions, all ships, taken at 0930 GMT

Container ships such as the Ever Given are the most common type of ship using the Suez canal



Guardian graphic. Source: Suez Canal Authority, 2019 figures



Vessels stranded in Suez and/or at anchor awaiting transit: (methodology – all vessels over 10,000 dwt trading internationally, with tugs, offshore support vessels etc removed)

41 bulk carriers (2.9m dwt) including six capes and 20 panamax and supramaxes. Two bulk ore carriers

24 crude tankers, including three VLCCs and nine suezmaxes

33 boxships, including four of 197,000 dwt-plus (including Ever Given) which puts them in the 20,000 TEU category. Total deadweight: 3.5 million

16 LPG or LNG carriers

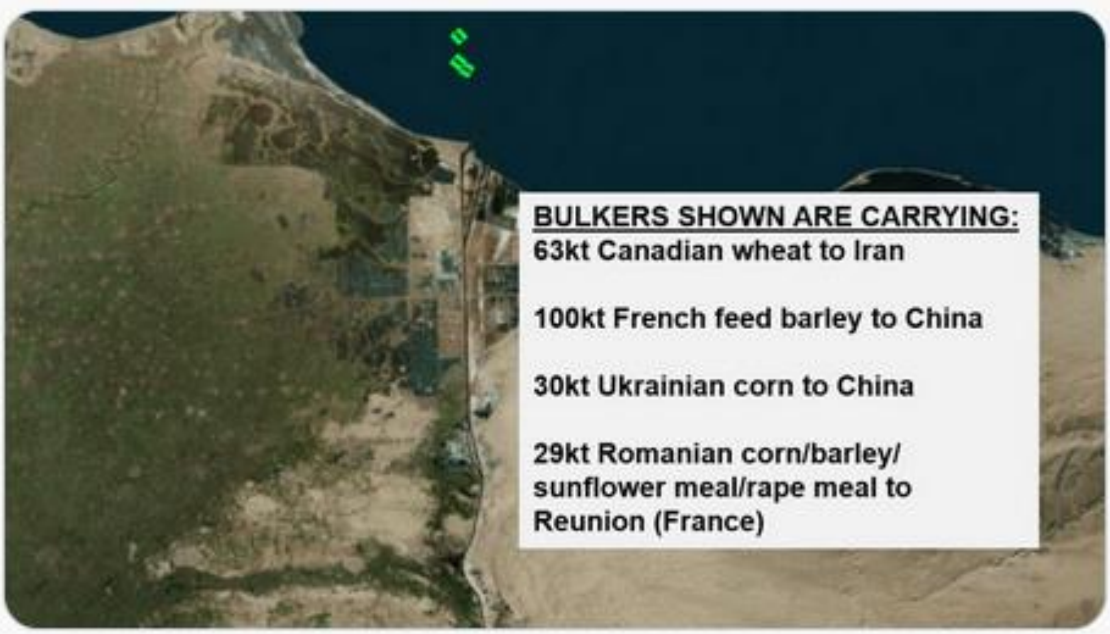
15 product tankers including three long range 2 ships. These likely carrying 90,000-tonne cargoes of jet fuel or diesel to Europe or Med.

Eight vehicle carriers, of which four heading for EU so a few people going to be waiting for new cars

Total 165 ships of 13 million dwt waiting for southbound convoy at Med end of Suez, stranded mid-way while transiting or awaiting northbound transit in Red Sea.

Karen Braun @kannbwx · 3h

Here's some of the agriculture ships involved that I can find, though its very minimal compared with the 156 container ships, tankers and other vessels backed up waiting to pass. Included in the jam is a total of 100,000 tonnes of French feed barley heading to #China.



Javier Blas @JavierBlas · 1h

SUEZ CANAL: A huge backlog of vessels is building at the Suez Canal amid warnings that the salvage team could need days -- or even weeks -- to prise out the giant Ever Given container ship | Our latest story update is here: bloomberg.com/news/articles/... 📷via @AirbusSpace #OOTT

#Suez

Suez Canal - key statistics

50+
Vessels on average navigate the canal daily

18,829
Ships transited the Egyptian shipping artery in 2020

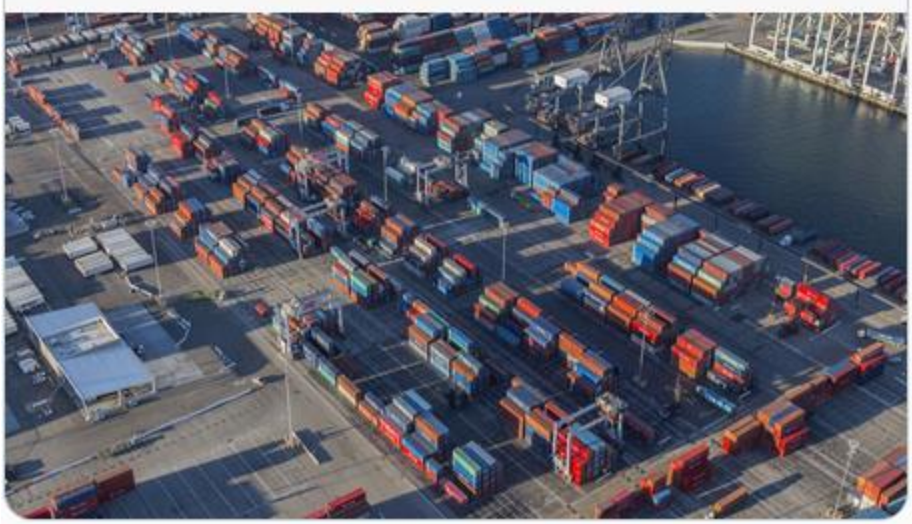
1.2bn
Tonnes of cargo moved through the waterway annually

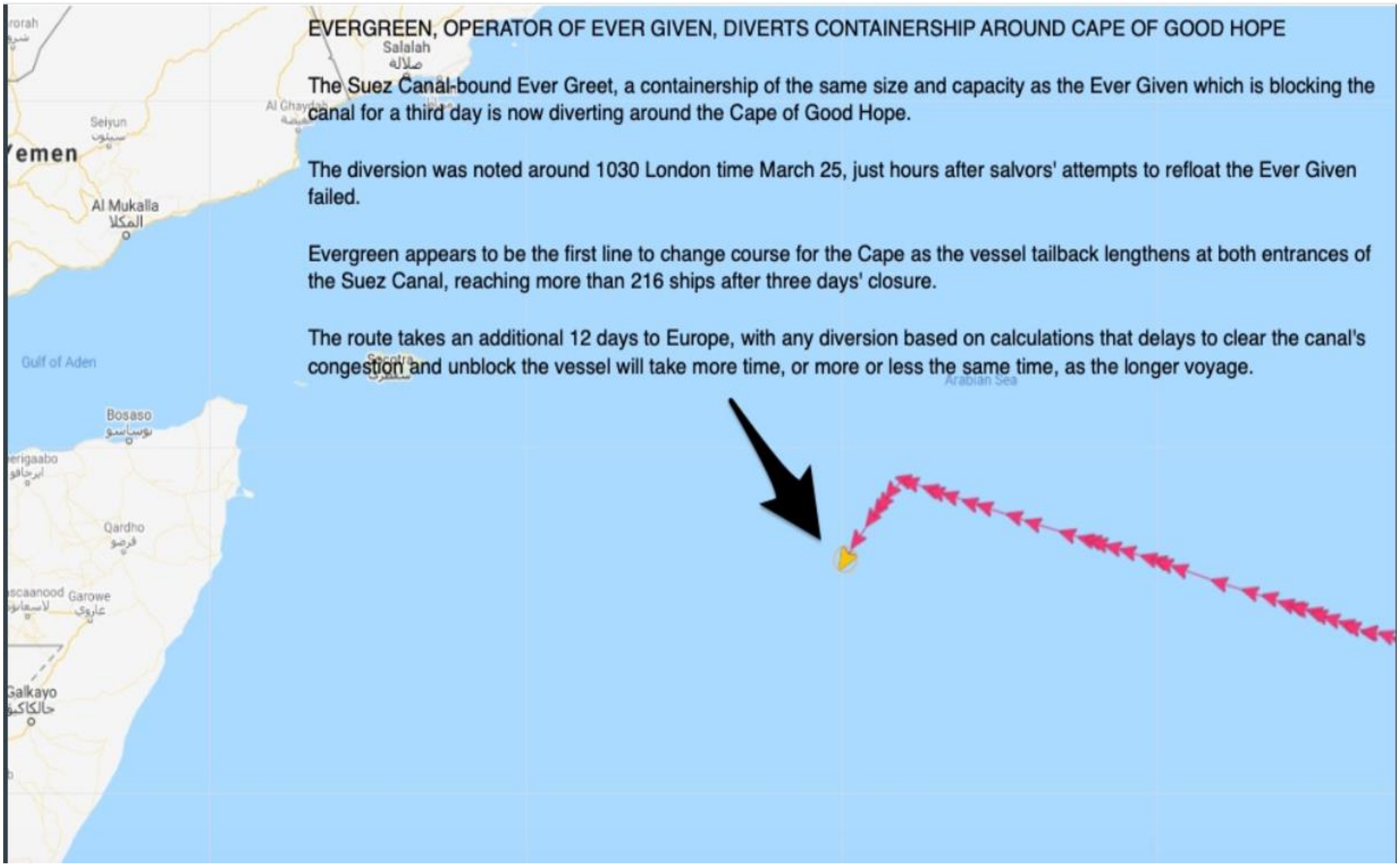
1.9m
Barrels of oil routed through the Suez approximately each day

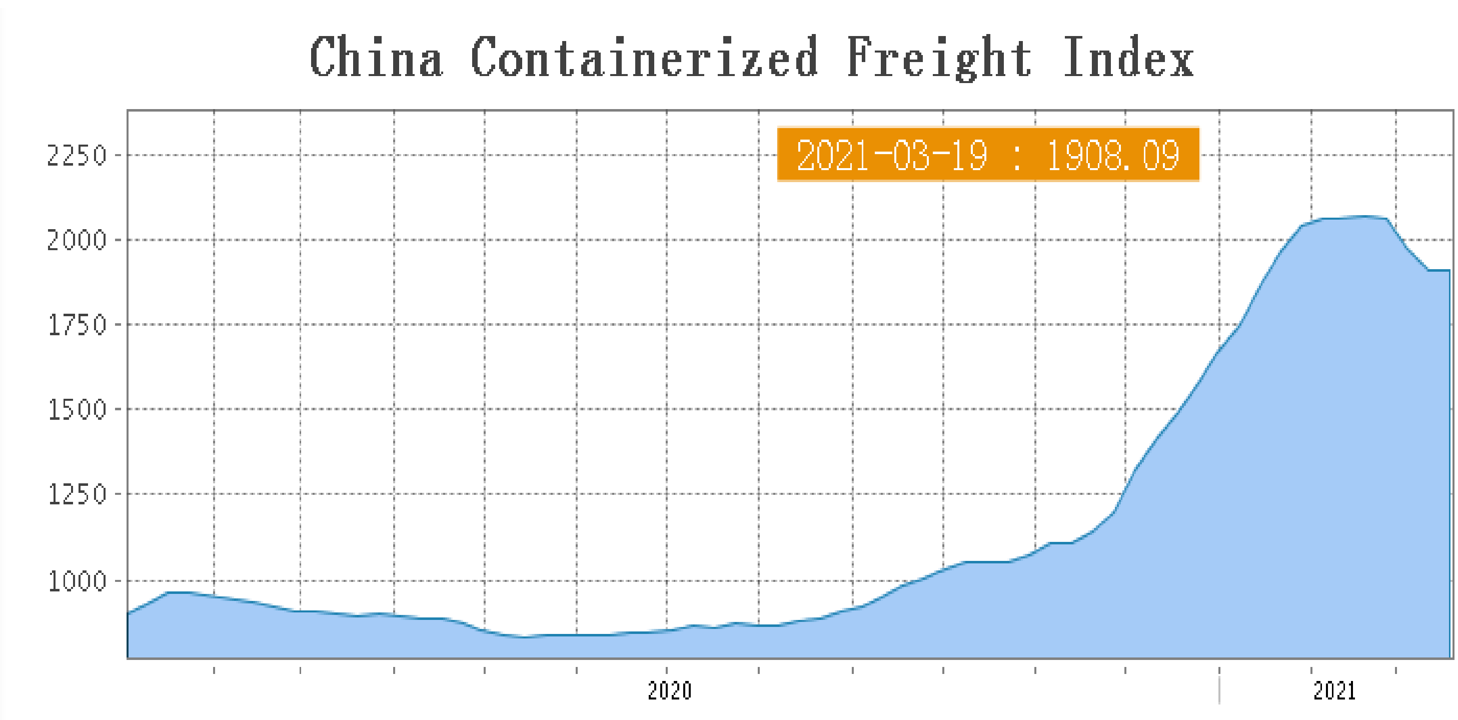
Source: Suez Canal Authority & Lloyd's List Intelligence

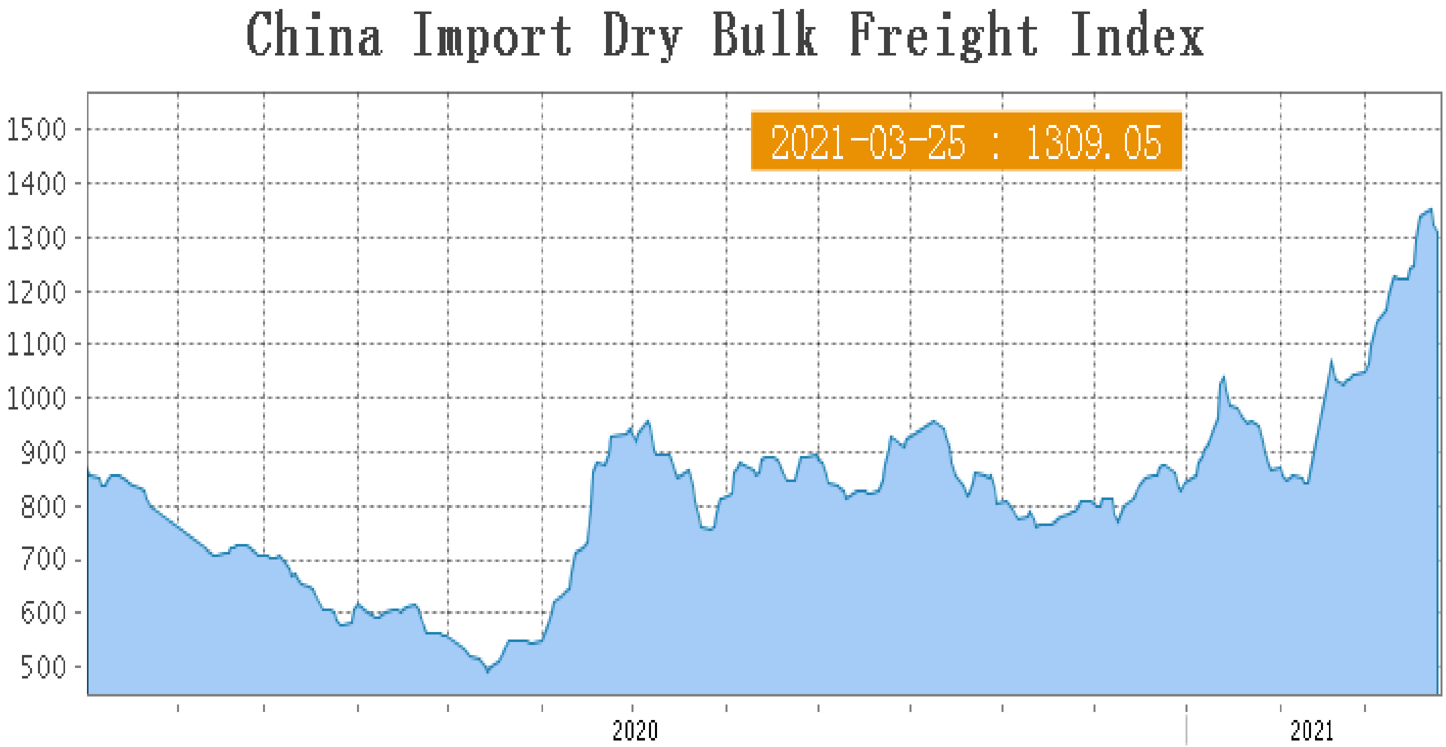
Dustin Braden @dbrades89 · 3h

Jeremy Nixon, CEO of @OceanNetworkExp, told #TPM21 that US #ports will face container #shipping backlogs for at least the next 3-4 months bit.ly/3bVpUjq




EVERGREEN, OPERATOR OF EVER GIVEN, DIVERTS CONTAINERSHIP AROUND CAPE OF GOOD HOPE
The Suez Canal-bound Ever Greet, a containership of the same size and capacity as the Ever Given which is blocking the canal for a third day is now diverting around the Cape of Good Hope.
The diversion was noted around 1030 London time March 25, just hours after salvors' attempts to refloat the Ever Given failed.
Evergreen appears to be the first line to change course for the Cape as the vessel tailback lengthens at both entrances of the Suez Canal, reaching more than 216 ships after three days' closure.
The route takes an additional 12 days to Europe, with any diversion based on calculations that delays to clear the canal's congestion and unblock the vessel will take more time, or more or less the same time, as the longer voyage.
Salalah
Seiyun
Yemen
Al Mukalla
Gulf of Aden
Bosaso
Qardho
Garowe
Galkayo
Arabian Sea


China Containerized Freight Index
2021-03-19 : 1908.09
2250
2000
1750
1500
1250
1000
2020
2021



U.S. RIVER BARGE FREIGHT

Current Barge Freight for Placement First Half April 2021

Placement FH April 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	485	$33.09	0.84	0.90
Illinois River (Pekin and South)	370	$25.25	0.64	0.69
Mid-Mississippi	395	$19.42	0.49	0.53
Lower Ohio	290	$14.26	0.36	0.39
St. Louis	265	$11.66	0.30	0.32

Secondary Rail Car Market for car placement period: First Half April 2021.

Secondary Rail Car Market Placement FH. April 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shutle Trains	$ 50.00	$ 150.00	$ 0.01	$ 0.04	$ 0.49	$ 1.48
UPRR Shuttle Trains	$ 200.00	$ 400.00	$ 0.05	$ 0.10	$ 1.97	$ 3.94

Best Regards,

Jay
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