

## Transportation and Export Report for 27 May 2021

Dry-Bulk markets are a bit softer at weeks end with the Capesize markets again leading the way. Paper traders have tried to keep rates up, but the physical market has not supported such. Capesize vessel owners are disappointed that the current market is allowing just \$30,000 per day as they still have the early May high of \$40,000/day in their heads. Panamax owners are now getting \$23,500/day verses the \$27,000/day just a few weeks ago. The Supramax sector has been holding up well and is getting \$27,100/day, as good or slightly better than the Panamax size.

From a buyer's perspective, the only sector not improving is containers where rates remain high and service poor. Basic inbound rates on 40-foot containers from Shanghai to the U.S. West Coast remain high at \$6,135/TEU verses \$1,400 one year ago. Yesterday I heard that one buyer paid \$15,000/TEU for special expedited service. This certainly emphasized why Shipping Lines are anxious to return containers empty rather than wait for backhaul loads.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
27-May-2021		This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	per day	33368	35836	-2,468	-6.9%
P3A - PNW/Pacific -Korea	per day	27079	28244	-1,165	-4.1%
S1C -USGULF-China-So.Japan	per day	31064	28344	2,720	9.6%
P7- Trial- Miss. River - Qingdao	per ton	65.693	55.524	10.2	18.3%
P8- Trial- Santos - Qingdao	per ton	54.629	55.829	-1.2	-2.1%

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

Four weeks ago:	\$11.55-\$13.00
Three weeks ago:	\$14.00-\$14.80
Two weeks ago:	\$14.00-\$15.00
One week ago:	\$12.00-\$12.30
This week	\$12.30-\$13.20

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

Mississippi River:	(10 elevators)	3-6 days (1 facility not operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(5 elevators)	2-7days (1 facilities over 3 days)
Pacific Northwest:	(9 elevators)	0-9 days (2 facilities over 6 days)

Panamax Market Spreads to Asia -China					
27-May-2021	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.64	1.00	0.64	\$25.20	PNW
SOYBEANS	1.68	0.98	0.70	\$25.72	PNW
OCEAN FREIGHT	\$37.50	\$65.00	.70-75	\$27.50	July

### Current Grain Vessel Market Indications:

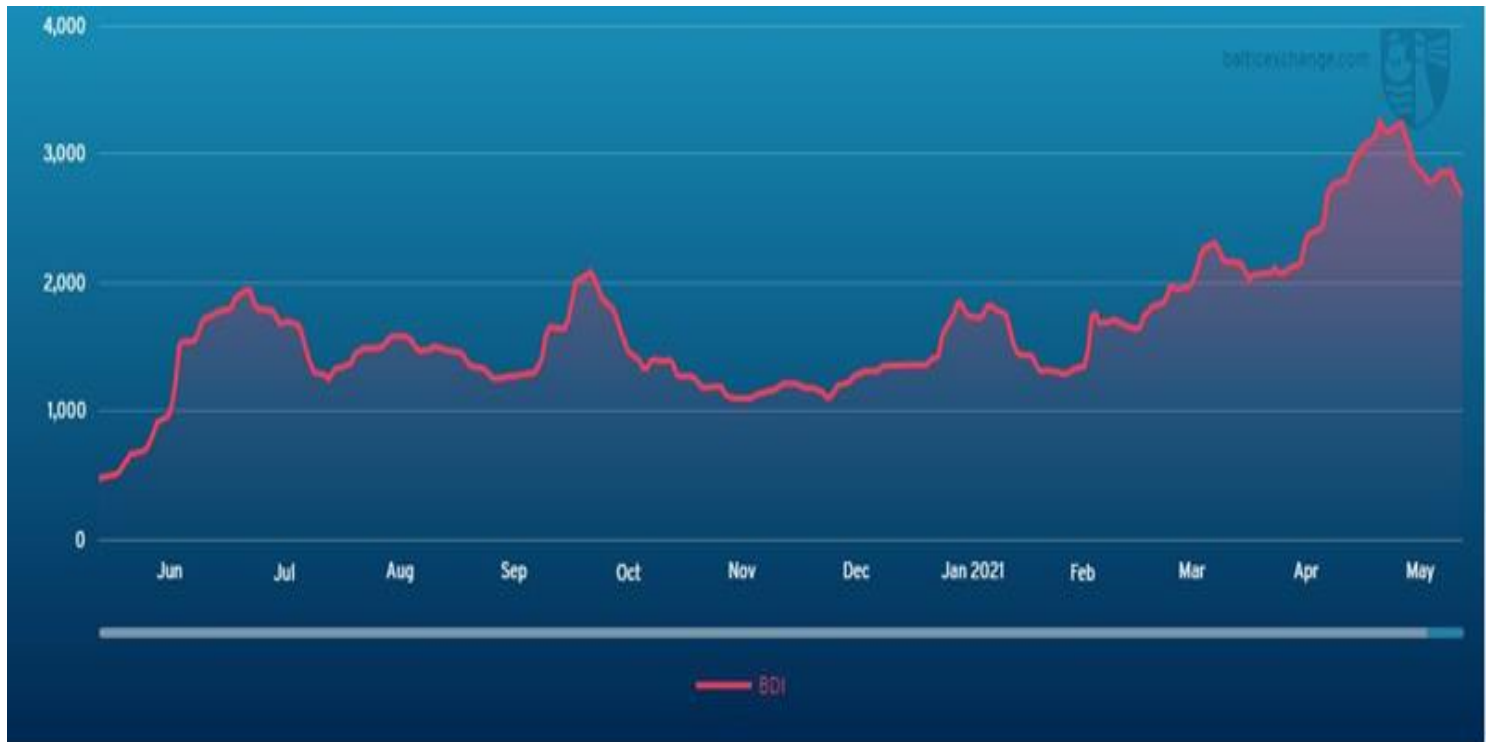
**\*\* Below rates are estimates for the nearby-30-day slots. 60-90 days forward rates will usually be higher.**

Soybean Panamax USG to Spain is running \$40.00 - \$41.00/mt.

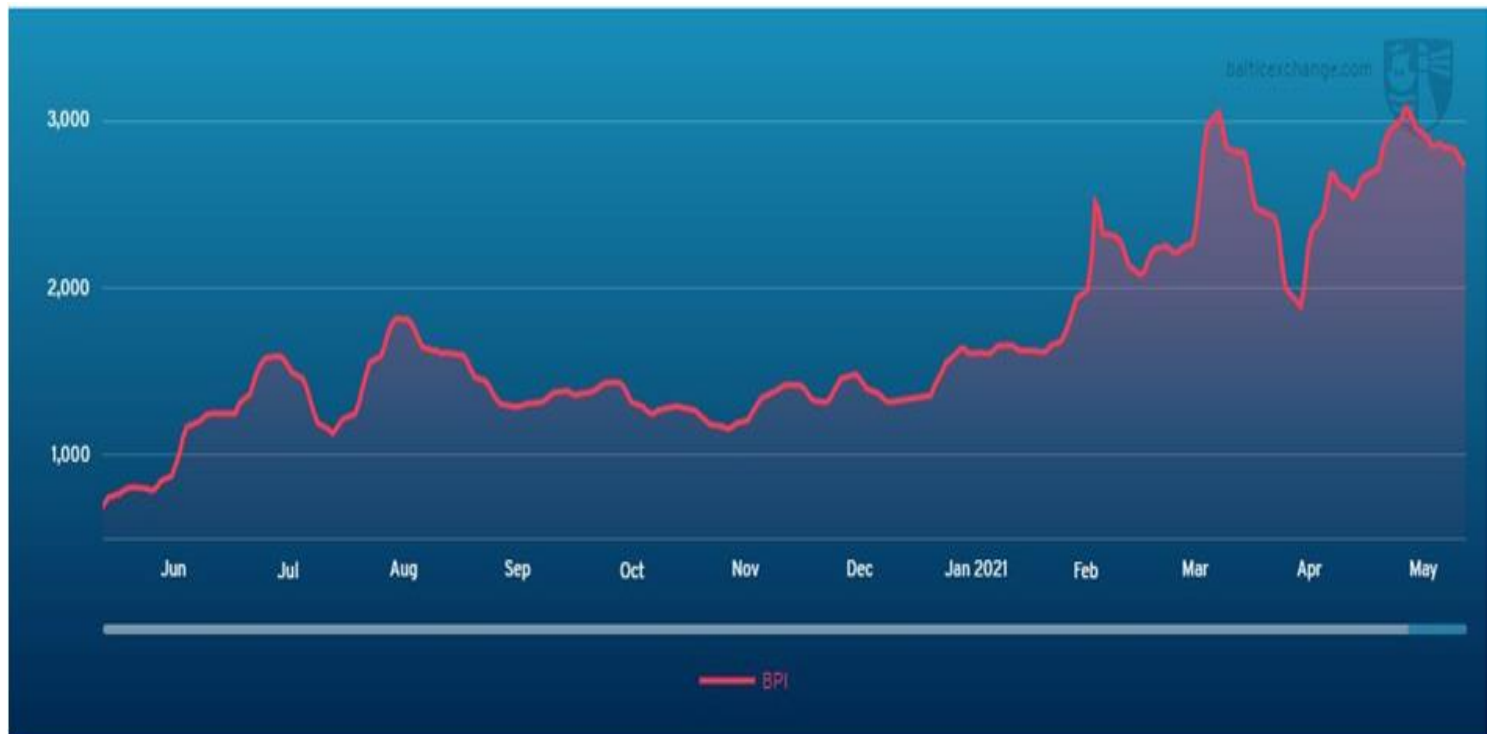
Soybean Brazil to Spain about \$48.00 -49.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$66.00	Unchanged	Handymax \$66.75 mt
55,000 U.S. PNW- Japan	\$38.50	Unchanged	Handymax \$39.00 mt
66,000 U.S. Gulf – China	\$65.00	Unchanged	North China
PNW to China	\$37.75	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$27.00	Unchanged	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$24.00	Up \$1.00	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$36.00	Unchanged	<u>West Coast Colombia at \$47.50</u>
50,000 mt USG to E/C Colombia	<u>\$35.00</u>		
From Argentina	\$49.50		
43-45,000 U.S. Gulf - Guatemala	\$41.00	Unchanged	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$51.00 \$53.50	Unchanged	8,000 mt daily discharge 3,000 mt daily discharge
30,000 US Gulf- Morocco	\$49.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$51.50	Unchanged	60,000 -55,000 mt -Egypt
PNW to Egypt	\$51.50		Romania- Russia- Ukraine \$19.00-\$19.50 -\$19.50 France \$28.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$23.50	Down \$2.00	Handymax at +\$1.75-\$2.00 more
Brazil, Santos – China	\$56.00	Unchanged	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$55.00		60-66,000 Post Panamax
Northern Coast Brazil	\$56.00		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$61.00	Unchanged	Upriver with BB Top Off Plus \$3.75 mt

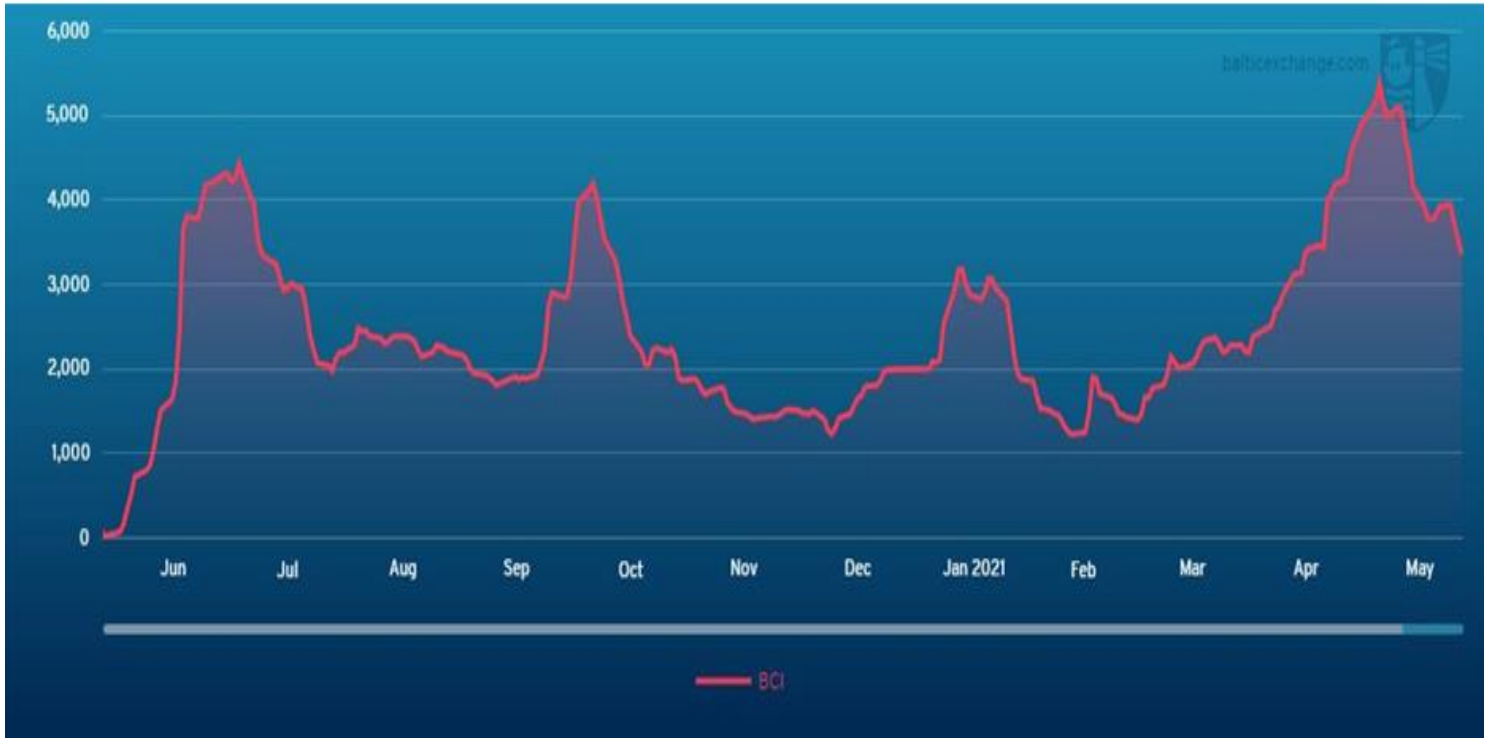
## The Baltic Dry Freight Index



## Baltic Panamax Index



## Capesize Market Chart



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

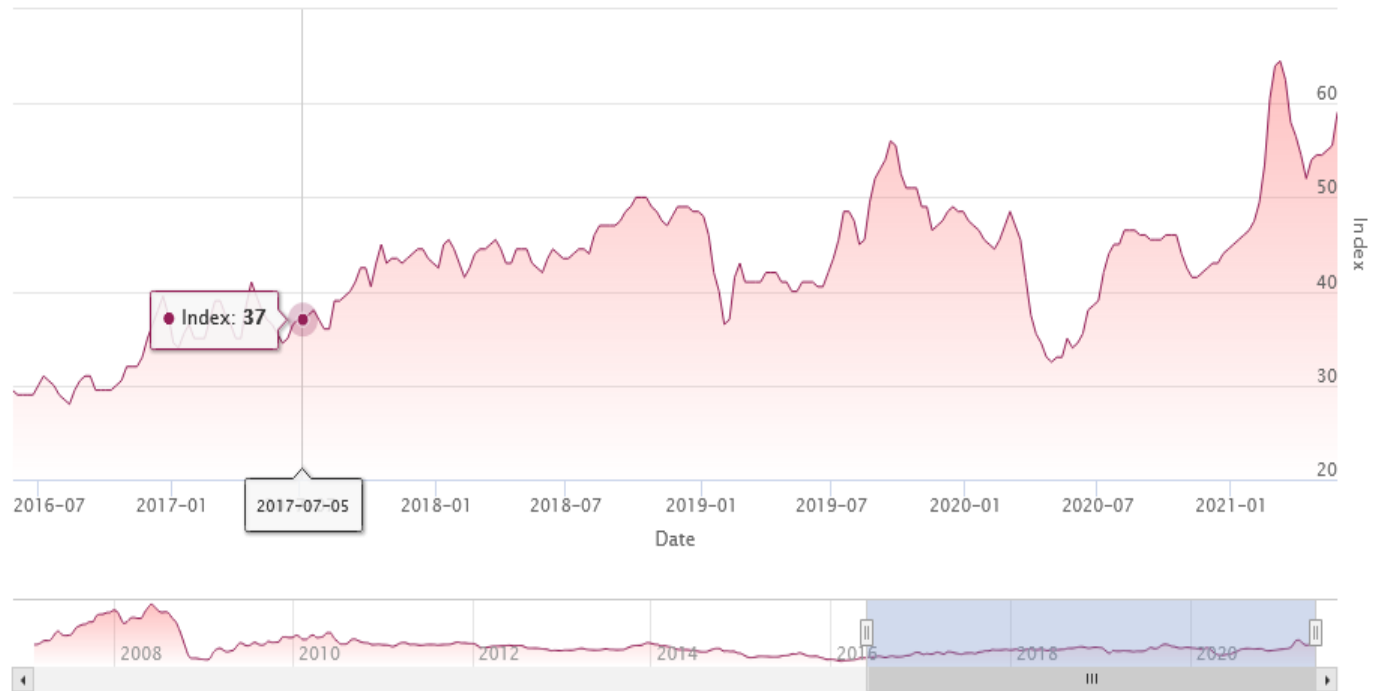


# YAMAMIZU Index



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

From 2016-05-26 To 2021-05-26



## China Import Dry Bulk Freight Index 2021-05-27

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1490.08	-36.61
Iron ore Freight Index			Point	1347.69	-52.01
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	12.266	-0.712
Soybean Freight Index			Point	1548.16	-10.43
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	55.017	-0.383
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	56.15	-0.64
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	37.817	-0.203
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	64.617	-0.443

**27 May 2021 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>					CORN	FUTURES
#2 YC	GULF # 2 YC		PNW # 3 YC		N=	6.6450
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	U=	5.8550
<b>July</b>	1.00	<b>\$300.97</b>	1.64	<b>\$326.16</b>	Z=	5.5500
<b>Aug.</b>	1.77	<b>\$300.18</b>	2.40	<b>\$324.98</b>	H=	5.6150
<b>Sept.</b>	1.30	<b>\$281.68</b>	2.05	<b>\$311.20</b>	K=	5.6400
<b>Oct.</b>	1.38	<b>\$272.82</b>	2.00	<b>\$297.23</b>	N=	5.6300
<b>Nov.</b>	1.28	<b>\$268.88</b>	1.65	<b>\$283.45</b>	U=	5.1100
<b>Dec.</b>	1.26	<b>\$268.10</b>	1.66	<b>\$283.84</b>		

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.

Please note that the CBOT July Corn Futures traded limit up today. Synthetics indicate an additional 3 cents/bushed upside.

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>July</b>	3.20	<b>\$387.58</b>
<b>Aug. (Z)</b>	3.95	<b>\$373.99</b>
<b>Oct.</b>	2.90	<b>\$332.66</b>
<b>Nov.</b>	2.85	<b>\$330.69</b>
<b>Dec.</b>	2.85	<b>\$330.69</b>

Fob vessel Texas Gulf #2 Sorghum is about 129 % the value of #2 Yellow Corn at NOLA.  
And is above the price of Fob SRW 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	
	<b>July</b>	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>
FOB U.S. GULF	\$279.89	\$280.90	\$280.90	\$296.24
Basis	0.85	0.85	0.85	1.20
WN	6.7675			.
WU	6.7950			
WZ	6.8625			

### CME/CBOT July 2021 (CN21) Corn Futures Chart



### CME/CBOT July 2021 (WN21) SRW Wheat Futures Chart



### **U.S. Soybean and SBM Markets Fob Vessel:**

<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	<b>U.S. Gulf #2 YSB</b>		<b>PNW #2 YSB</b>	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>July</b>	0.98	<b>\$600.75</b>	1.68	<b>\$626.47</b>
<b>Aug.</b>	1.25	<b>\$592.39</b>	1.95	<b>\$618.11</b>
<b>Oct.</b>	1.35	<b>\$556.02</b>	1.95	<b>\$578.06</b>
<b>Nov.</b>	1.25	<b>\$552.34</b>	1.85	<b>\$574.39</b>
<b>Dec.</b>	1.26	<b>\$552.71</b>	1.88	<b>\$575.49</b>
<b>Soybean Futures</b>				
<b>July</b>	\$ 15.3700			
<b>Aug.</b>	\$ 14.8725			
<b>Sept.</b>	\$ 14.1150			
<b>Nov.</b>	\$ 13.7825			
<b>Jan.</b>	\$ 13.7825			
<b>Mar.</b>	\$ 13.5425			

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	<b>47.5 Pro. SBM</b>	
max 12.5 % moisture	Basis	Flat Price
<b>July</b>	30.00	<b>\$ 463.38</b>
<b>Aug.</b>	40.00	<b>\$ 476.06</b>
<b>Sept.</b>	40.00	<b>\$ 475.95</b>
<b>Oct.</b>	25.00	<b>\$ 457.54</b>
<b>Nov.</b>	25.00	<b>\$ 459.41</b>
<b>SBM Futures</b>		
<b>SMN</b>	\$ 390.30	
<b>SMQ</b>	\$ 391.80	
<b>SMU</b>	\$ 391.70	
<b>SMV</b>	\$ 390.00	
<b>SMZ</b>	\$ 391.70	
<b>SMF</b>	\$ 390.60	



### CME July 2021 Soybean (SN21) Futures Chart:



### CME July 2021 Soybean Meal (SMN21) Futures Chart



**U.S. EXPORT STATISTICS: Report Activity as of Week Ending 13 May 2021**

**Thursday-Weekly U.S. Export Sales**

<b>Commodity</b>	<b>New Sales (000 MT)</b>	<b>YTD Export Commitments **(000 MT)</b>	<b>Total Projected Export Program for Year (000 MT)</b>	<b>Percent of Export Projection</b>	<b>Total Sales for Next Marketing Year '21-22 (000 MT)</b>
Corn	564.1	68,021.2	62,230	109%	8,936.6
Sorghum	125.0	7,349.1	8,890	83%	1,244.0
Soybeans	112.9	61,463.2	56,470	109%	7,022.0
Wheat	159.0	25,648.8	24,490	105%	3,577.3
Barley	0.0	28.6	260	11%	22.2

**U.S. EXPORT INSPECTIONS:**

Monday's report 24 May 2021 for the Export week ending 20 May 2021

	<b>Export Inspections</b>		<b>Current Market Year YTD</b>	<b>Previous Year to Date</b>	<b>2020/21 YTD as Percent of 2019/20 YTD</b>
	<b>This Week</b>	<b>Previous Week</b>			
Corn	1,727,878	1,983,459	48,874,544	27,462,759	178%
Sorghum	163,649	59,949	5,966,627	3,195,576	187%
Soybeans	193,912	310,408	56,217,013	35,069,776	160%
Wheat	573,912	660,298	24,949,747	24,396,866	102%
Barley	0	0	33,143	30,548	108%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 24 May 2021 for the Export week ending 20 May 2021

<b>Last Week</b>								
(Metric Tons)	<b>YC</b>	<b>%</b>	<b>WC</b>	<b>%</b>	<b>Sorghum</b>	<b>%</b>	<b>Soybeans</b>	<b>%</b>
Lakes	7,135	0%	0	0%	0	0%	0	0%
Atlantic	0	0%	0	0%	0	0%	7,174	4%
Gulf	1,018,010	59%	7,700	100%	100,690	62%	118,089	61%
PNW	462,013	27%	0	0%	62,599	38%	0	0%
Interior Export Rail	232,996	14%	24	0%	360	0%	68,649	35%
Metric Tons	1,720,154		7,724		163,649		193,912	

Sorghum Shipments: metric tons

360	Mexico
30,087	Eritrea
133,202	China
163,649	Total

White Corn metric tons

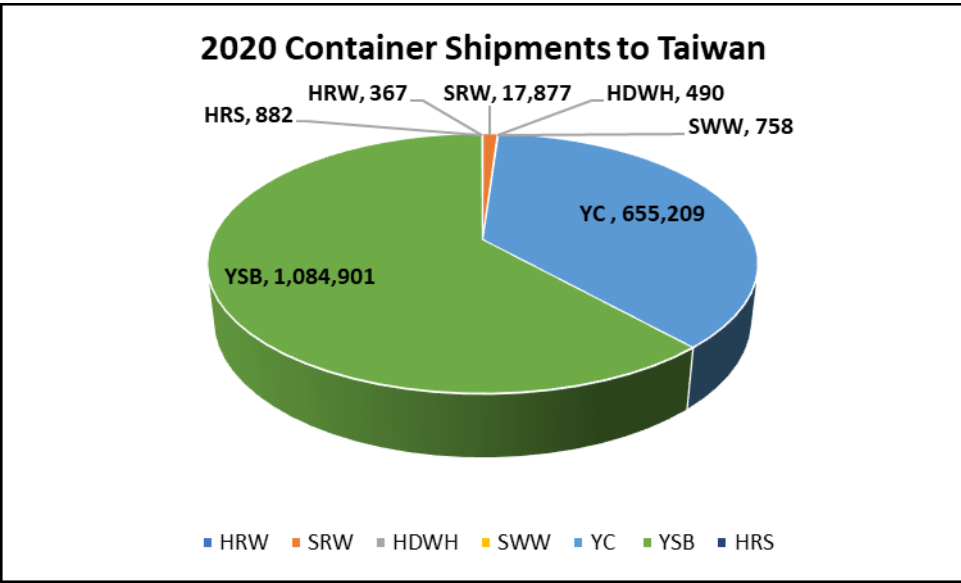
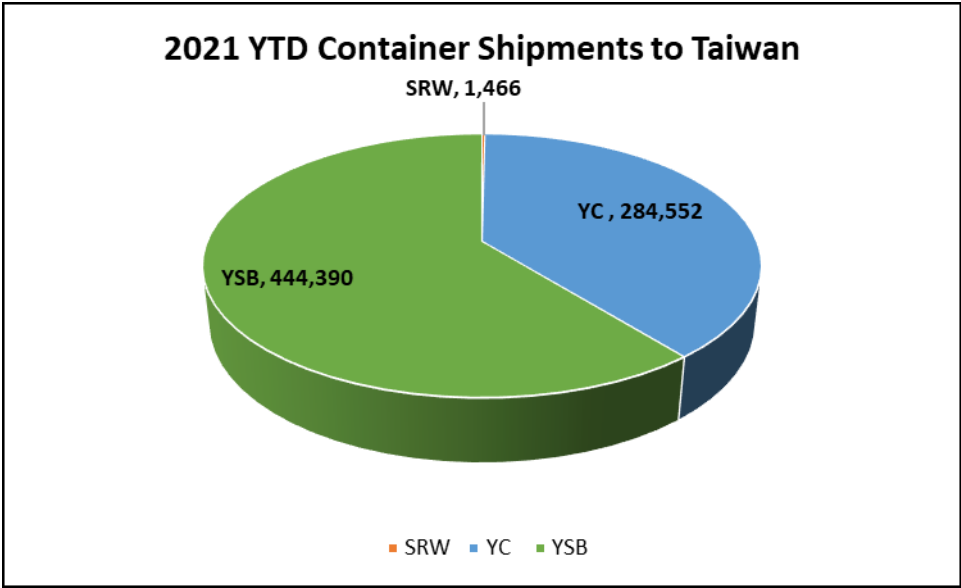
Shipments:	7,700	Colombia
	24	Ireland
	7,724	Total

## 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:		20-May-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			7,468	1,224					8,692
Taiwan	10,939		4,992						15,931
Hong Kong	808								808
Costa Rica									0
Indonesia			21,379						21,379
French Poly									0
Japan			195						195
Korea Rep.			4,749						4,749
Sri Lanka			245						245
Malaysia			2,816						2,816
Cambodia			269						269
Philippines			587						587
Thailand			1,787						1,787
Nepal			196						196
Ireland		24							24
Bangladesh									0
Oman	808								808
Vietnam			5,409						5,409
Sub Total:	12,555	24	50,092	1,224	0	0	0	0	63,895
USDA Corrections/Additions to previous reports:									
Taiwan	122		611						733
China								343	343
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan									0
Philippines									0
Indonesia			954						954
Malaysia									0
Thailand			881						881
Vietnam			490						490
Bangladesh									0
Canada									0
Sub Total:	122	0	2,936	0	0	0	0	343	3,401
<b>Mt. Grand Total</b>	<b>12,677</b>	<b>24</b>	<b>53,028</b>	<b>1,224</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>343</b>	<b>67,296</b>
Number of Containers	551	1	2,306	53	0	0	0	15	

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



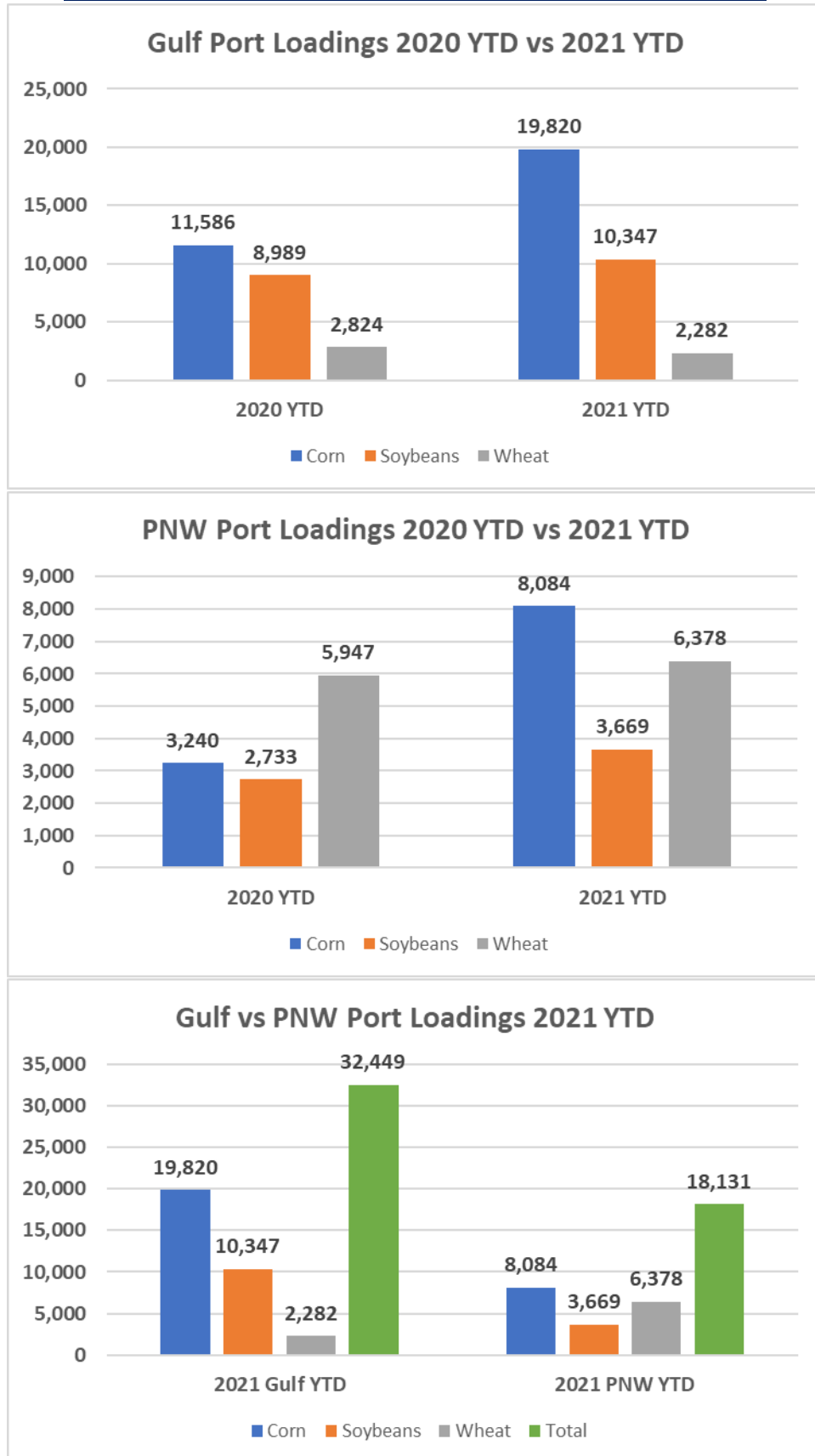
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD

<b>PORT LOADINGS US Gulf</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2020 YTD	11,586	8,989	2,824	23,399
2021 YTD	19,820	10,347	2,282	32,449
2021 as % of 2020	171%	115%	81%	139%

<b>PORT LOADINGS US PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2020 YTD	3,240	2,733	5,947	11,920
2021 YTD	8,084	3,669	6,378	18,131
2021 as % of 2020	250%	134%	107%	152%

<b>PORT LOADINGS GULF vs. PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2021 Gulf YTD	19,820	10,347	2,282	32,449
2021 PNW YTD	8,084	3,669	6,378	18,131
TOTAL	27,904	14,016	8,660	50,580
<b>Gulf Percentage</b>	71%	74%	26%	64%
<b>PNW Percentage</b>	29%	26%	74%	36%

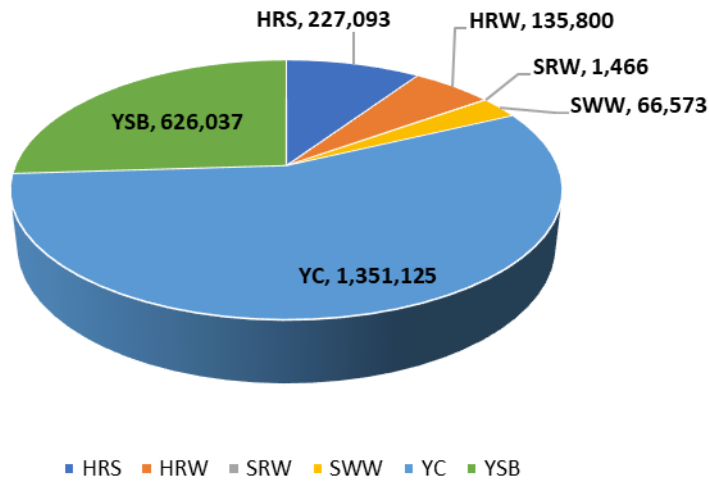
Grain Inspections for Export by U.S. Port Regions (1,000MT):  
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD



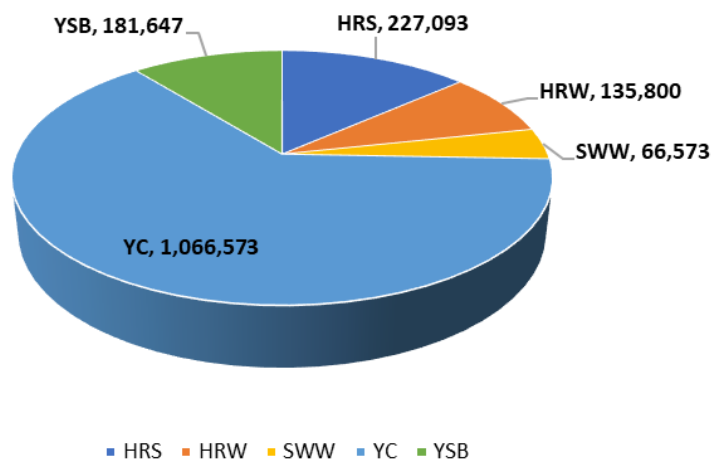
Source: USDA-data

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

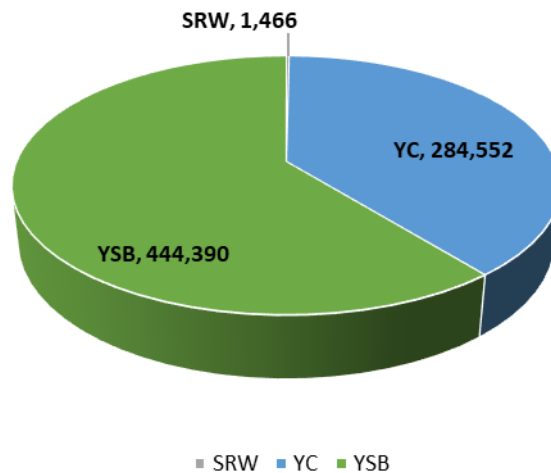
**2021 YTD Exports to Taiwan**



**YTD Vessel Shipments to Taiwan**



**YTD Container Shipments to Taiwan**



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

## Shipping News



Kim Biggar · May 20, 2021

0 9 1 minute read



Port of Los Angeles

The US Federal Maritime Commission has voted to establish a National Shipper Advisory Committee, made up equally of importers and exporters, to “advise the Federal Maritime Commission on policies relating to the competitiveness, reliability, integrity, and fairness of the international ocean freight delivery system.”

**Dustin Braden** @dbrades89 · 6m

Efforts to automate a container #shipping terminal in the @portoflongbeach have drawn the ire of the @ILWU [bit.ly/3fKB9gD](https://bit.ly/3fKB9gD)





# 50 GLOBAL STEEL PRODUCTION VISUALIZED

YEARS OF

Steel is an essential building block of our material world.



Highly durable



Energy-efficient to produce



Infinitely recyclable

Global crude steel production has more than tripled in the last 50 years, with China dominating since the turn of the century.



**2017**  
China's annual steel production (870.9Mt) eclipsed the rest of the world (865.0Mt) in 2017.



**1993**  
China overtook U.S. steel production in 1993, and took Japan's place as the top producer in 1996.

1 Mt = 1 Million Metric Tons

14.0Mt  
165.1Mt  
175.4Mt  
102.2Mt  
62.2Mt  
2.5Mt  
6.3Mt  
6.7Mt  
0.5Mt  
11.8Mt  
4.0Mt  
6.4Mt

EUROPE

U.S.

RUSSIA

JAPAN

CHINA

1 Mt = 1 Million Metric Tons

105.3Mt

177.6Mt

72.7Mt

73.4Mt

28.4Mt

83.2Mt

139.1Mt

99.6Mt

38.2Mt

45.4Mt

28.4Mt

17.2Mt

6.1Mt

**1974-1984**  
A decline in steel demand saw U.S. steel production and industry employment numbers drop by 50%.



During this time, the USSR became the world's top crude steel producer.



**2009**  
The global financial crisis resulted in an 8% drop in overall steel production YoY.

▼35% U.S.   ▼27% Europe   ▼26% Japan   ▲13% China



**2020**  
Despite the COVID-19 pandemic, global steel production fell by less than 1% YoY. Some nations were hit harder than others:

▼17% U.S.   ▼16% Japan   ▼9% Europe   ▲5% China

1965 1970 1975 1980 1985 1990 1995 2000 2005 2010 2015 2020

SOURCE: World Steel Association  
**ELEMENTS**

The Earth's natural resources power our everyday lives. VC Elements breaks down the building blocks of the universe.

We live in a material world.

**Greg Miller** @GMJournalist · 3h

...

Maersk revealed that 20% of its West Coast capacity YTD canceled b/c ships fell behind schedule due to congestion. It said wait at anchor in Oakland up to 3 weeks! Good for ship lessors, not so good for liners, terrible for importers: [#shipping](#) [#containers](#)

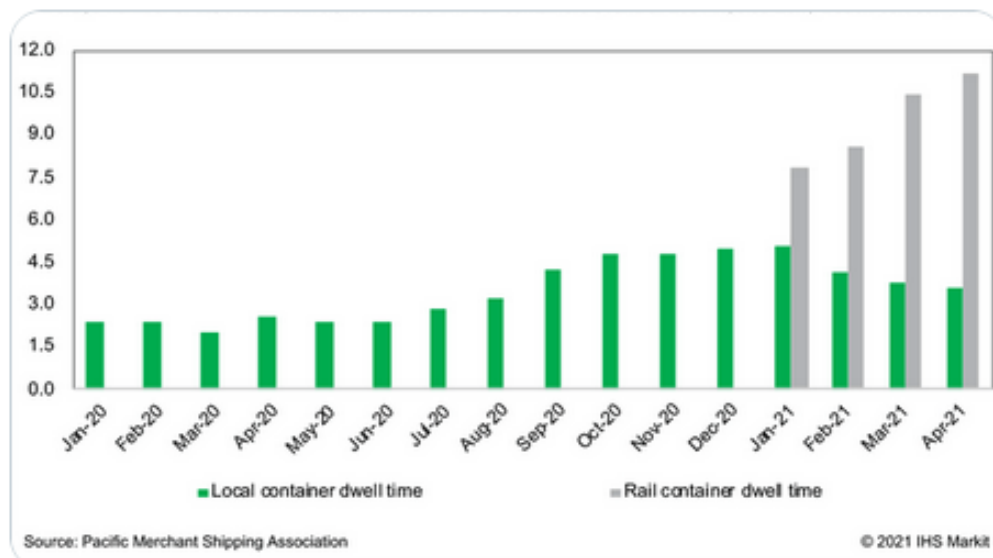


California's massive container-ship traffic jam is still really jammed - Frei...  
Ships at anchor are unlikely to clear by peak season. Congestion is forcing wide-scale voyage cancellations.  
[freightwaves.com](#)

**Dustin Braden** @dbrades89 · 4h

...

Container [#shipping](#) terminals in the [#ports](#) of Los Angeles and Long Beach are worried about railroads' ability to evacuate containers quickly enough to prevent congestion as the peak season looms [bit.ly/3bPMT06](https://bit.ly/3bPMT06)



1

4

9

↑



**Lars Jensen** • 2nd

Leading expert in the container shipping industry

10h •



Chinese CU Lines provides an example of just how extreme the current market is.

They have just announced the introduction of a fortnightly Asia-North Europe liner service using 4200 TEU vessels. They have been doing a few ad-hoc sailings with these vessels the past few months but are now making a more frequent service.

Under pre-pandemic market circumstances it would not be economically feasible to compete against 20,000+ TEU vessels with 4200 TEU vessels. Not unless the smaller vessels could be had at extremely low charter rates and if the oil price was at an all-time low. But now it is the opposite.

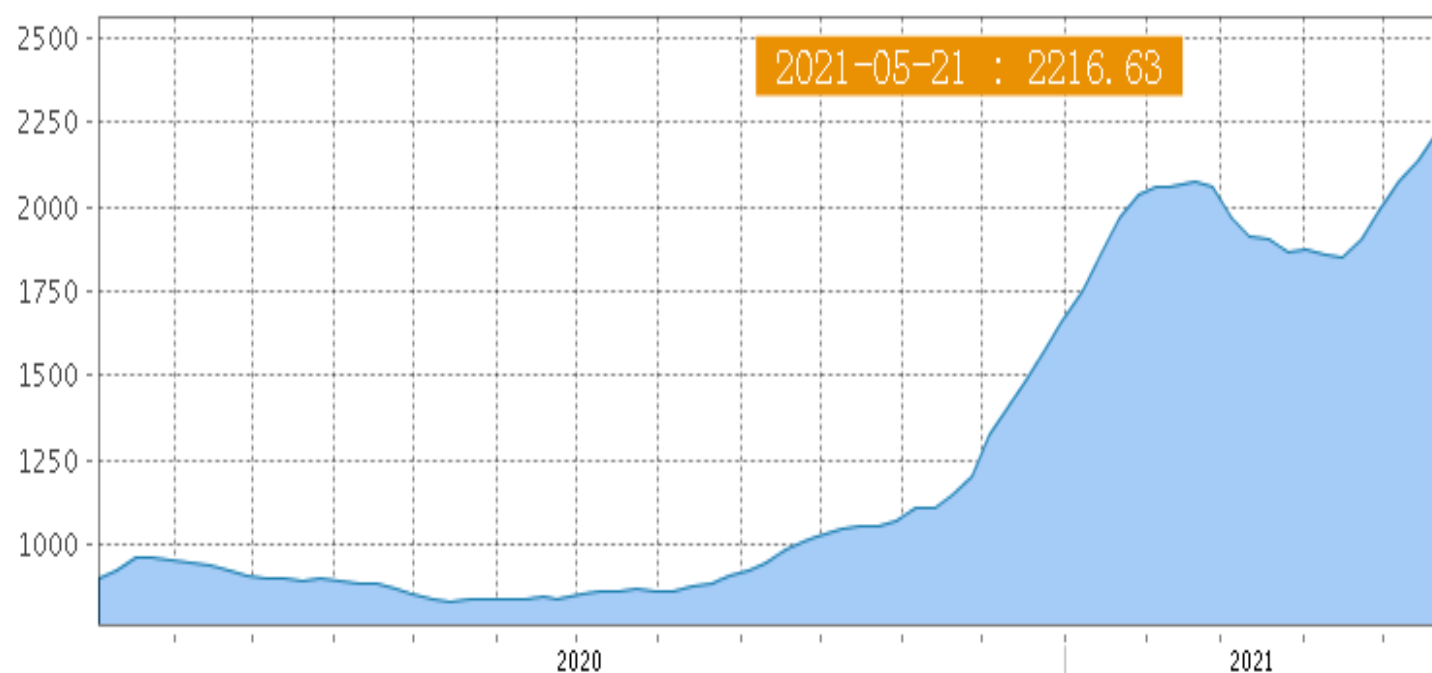
Charter rates as per the New ConTex index for a 4250 TEU vessel right now is 48,000 USD/day. One year ago the rate was at 7,500 USD/day. Even in the spike in 2010 after the financial crisis the ConTex index for this vessel type stayed below 30,000 USD/day.

Whereas this is a viable service in a market where there is a shortage of capacity it might be more questionable what will happen when markets normalize. Either the service will disappear – or CU Lines will be able to build a customer base allowing them to upsize the vessels in a next step. This might be particularly of interest for shippers keen to see an alternative emerge to the 3 alliances in essence controlling the trade.



161 • 11 comments

## China Containerized Freight Index



## China Import Dry Bulk Freight Index



**U.S. RIVER BARGE FREIGHT**  
**Current Barge Freight for Placement First Half July 2021**

Placement FH July 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	415	\$28.32	0.72	0.77
Illinois River (Pekin and South)	325	\$22.18	0.56	0.60
Mid-Mississippi	340	\$16.72	0.42	0.45
Lower Ohio	245	\$12.04	0.31	0.33
St. Louis	240	\$10.56	0.27	0.29

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

Secondary Rail Car Market Placement FH. July 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (300.00)	\$ (250.00)	\$ (0.08)	\$ (0.06)	\$ (2.95)	\$ (2.46)
UPRR Shuttle Trains	\$ (350.00)	\$ (250.00)	\$ (0.09)	\$ (0.06)	\$ (3.44)	\$ (2.46)

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.  
All market data is subject to change with market conditions and Traders opinions.  
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