

Transportation and Export Report for 6 May 2021

If you read ocean freight news articles, they all believe that “The Stars are all aligned” for big economic growth, and the super cycle in commodities and freight has arrived. After all, the stock market is up, commodity prices are booming, so why not ocean freight? If you are investing in Dogecoin or other crypto currencies, why not freight FFA's ? Emotions and hope are running strong.

I think the missing puzzle piece however is that commodity prices are high because of a tight supply, and consumer buying of commercial goods has accelerated due to people staying at home and receiving big government stimulus checks. But what happens when these come to an end ? Volatility remains.

Freight markets did experience a sell off and some profit taking overnight and are off their highs for the week.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
6-May-2021		This Week	Last Week	Difference	Percent Change
P2A : Gulf/Atlantic - Japan	per day	36486	33400	3,086	9.2%
P3A - PNW/Pacific -Korea	per day	28788	26428	2,360	8.9%
S1C -USGULF-China-So.Japan	per day	26189	26766	-577	-2.2%
P7- Trial- Miss. River - Qingdao	per ton	66.457	62.667	3.8	6.0%
P8- Trial- Santos - Qingdao	per ton	55.514	53.067	2.4	4.6%

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

Four weeks ago:	\$8.90-\$10.35
Three weeks ago:	\$10.55-\$11.50
Two weeks ago:	\$11.40-\$11.75
One week ago:	\$11.55-\$13.00
This week	\$14.00-\$14.80

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

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

Panamax Market Spreads to Asia -China					
6-May-2021	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.66	0.95	0.71	\$27.95	Both
SOYBEANS	1.54	0.83	0.71	\$26.09	Both
OCEAN FREIGHT	\$37.50	\$64.50	.69-.73	\$27.00	June

Current Grain Vessel Market Indications:

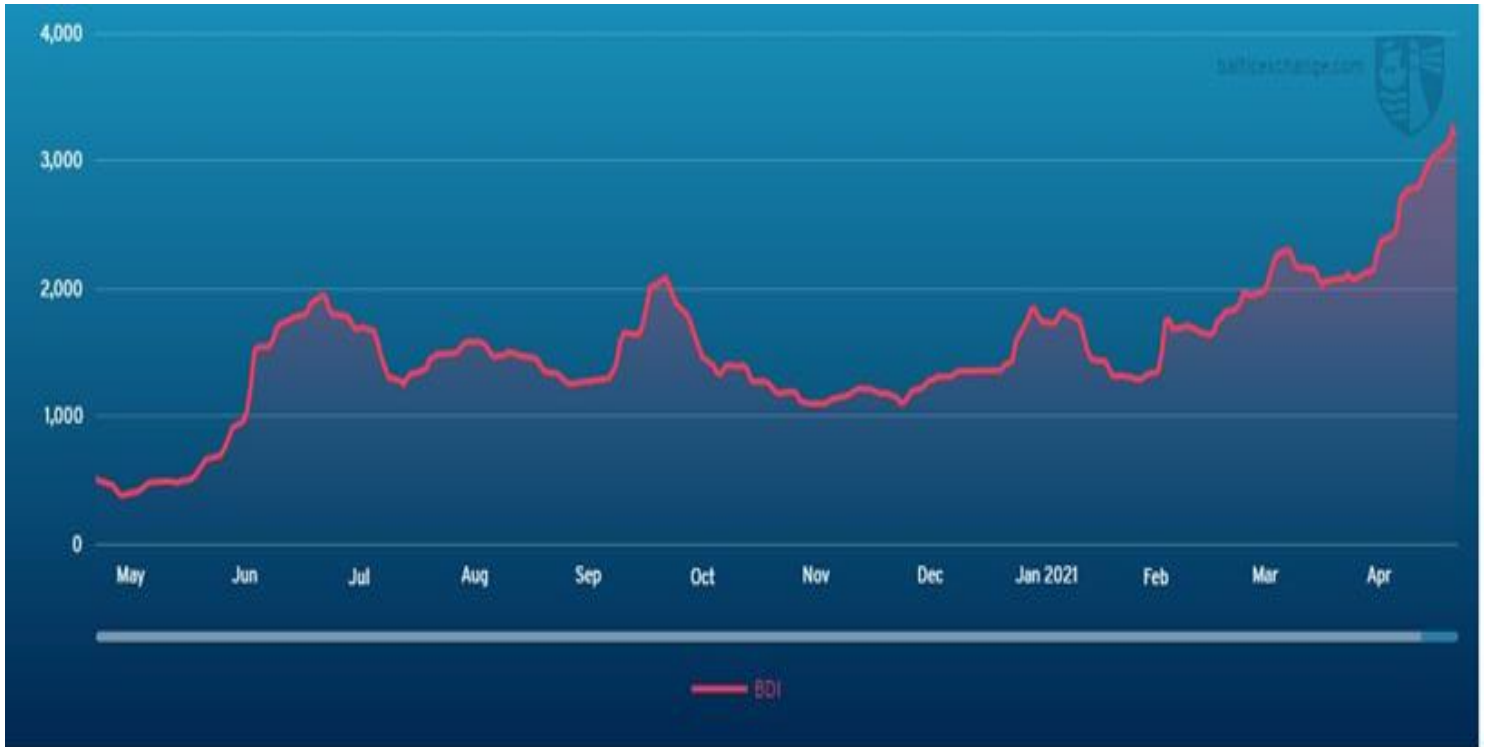
**** Below rates are estimates for the nearby-30-day slots. 60-90 days forward rates will usually be higher.**

Soybean Panamax USG to Spain is running \$39.50 - \$40.50/mt.

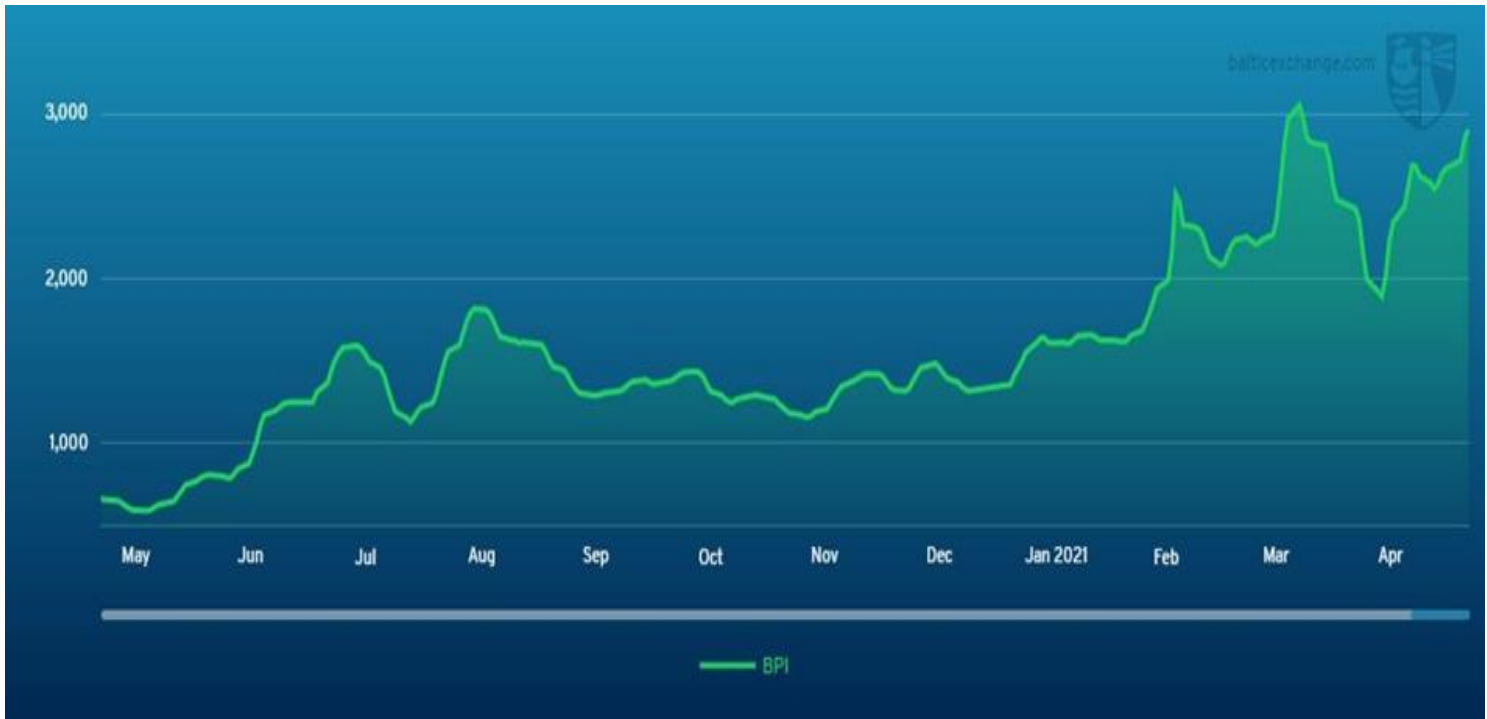
Soybean Brazil to Spain about \$47.50 -48.25/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$65.00	Up \$2.00	Handymax \$63.50 mt
55,000 U.S. PNW- Japan	\$38.00	Up \$1.50	Handymax \$36.50 mt
66,000 U.S. Gulf – China	\$64.50	Up \$2.50	North China
PNW to China	\$37.50	Up \$1.50	
25,000 U.S. Gulf- Veracruz, México	\$27.00	Up \$0.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$23.00	Up \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$36.00	Up \$1.00	<u>West Coast Colombia at \$48.50</u>
50,000 mt USG to E/C Colombia	<u>\$35.00</u>		
From Argentina	\$49.00		
43-45,000 U.S. Gulf - Guatemala	\$42.00	Up \$1.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$50.50 \$53.00	Up \$1.50	8,000 mt daily discharge 3,000 mt daily discharge
26-30,000 US Gulf-Morocco	\$49.00	Up \$1.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$51.00	Up \$1.75	60,000 -55,000 mt -Egypt
PNW to Egypt	\$51.00		Romania- Russia- Ukraine \$18.00-\$18.50 -\$19.00 France \$27.25
60-70,000 U.S. Gulf – Europe – Rotterdam	\$25.50	Up \$1.25	Handymax at +\$1.75-\$2.00 more
Brazil, Santos – China	\$55.50	Up \$1.50	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$54.50		60-66,000 Post Panamax
Northern Coast Brazil	\$56.50		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$60.50	Up \$1.50	Upriver with BB Top Off Plus \$3.75 mt

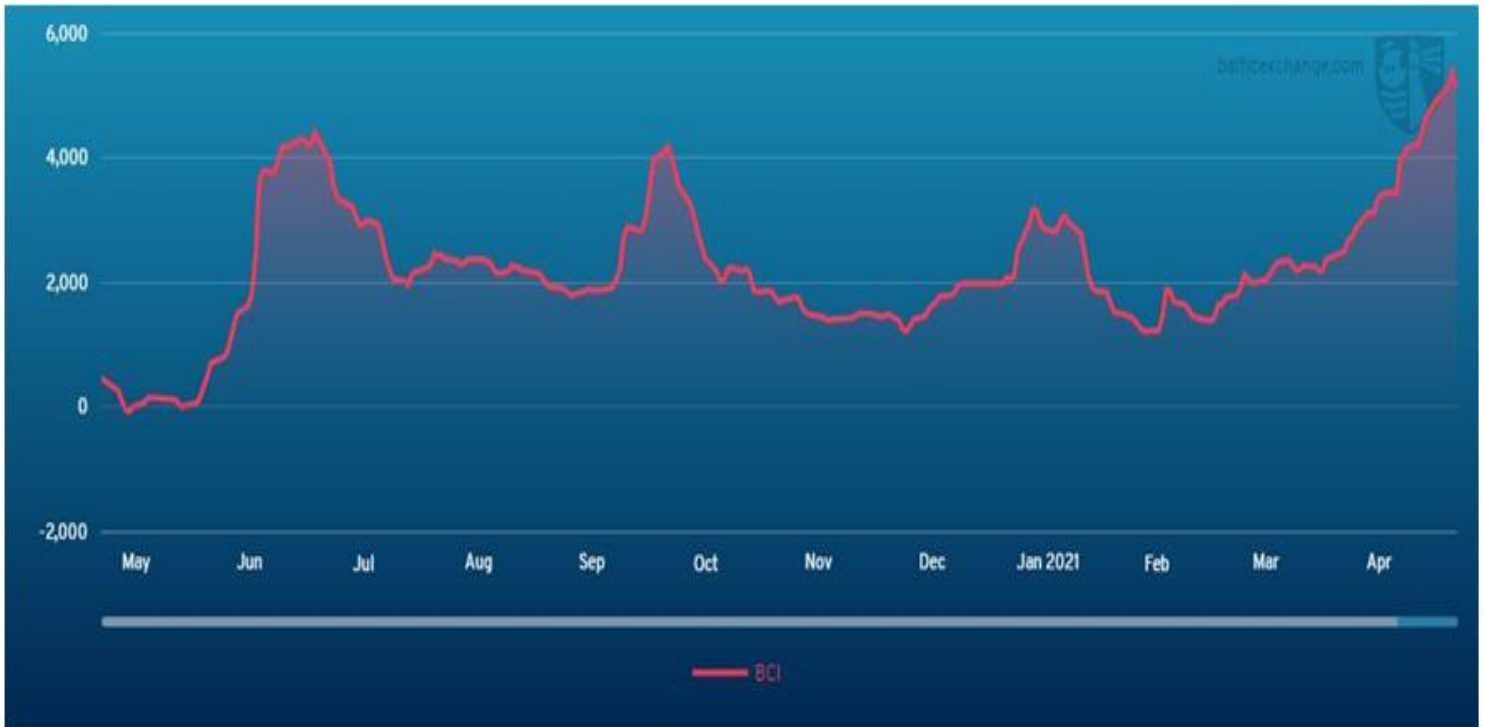
The Baltic Dry Freight Index



Baltic Panamax Index



Capesize Market Chart



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

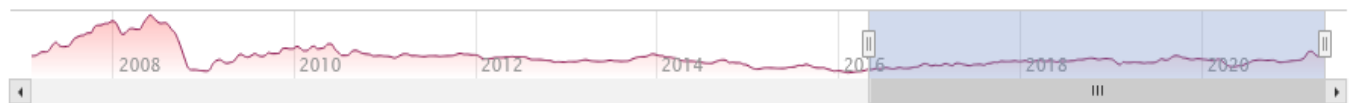
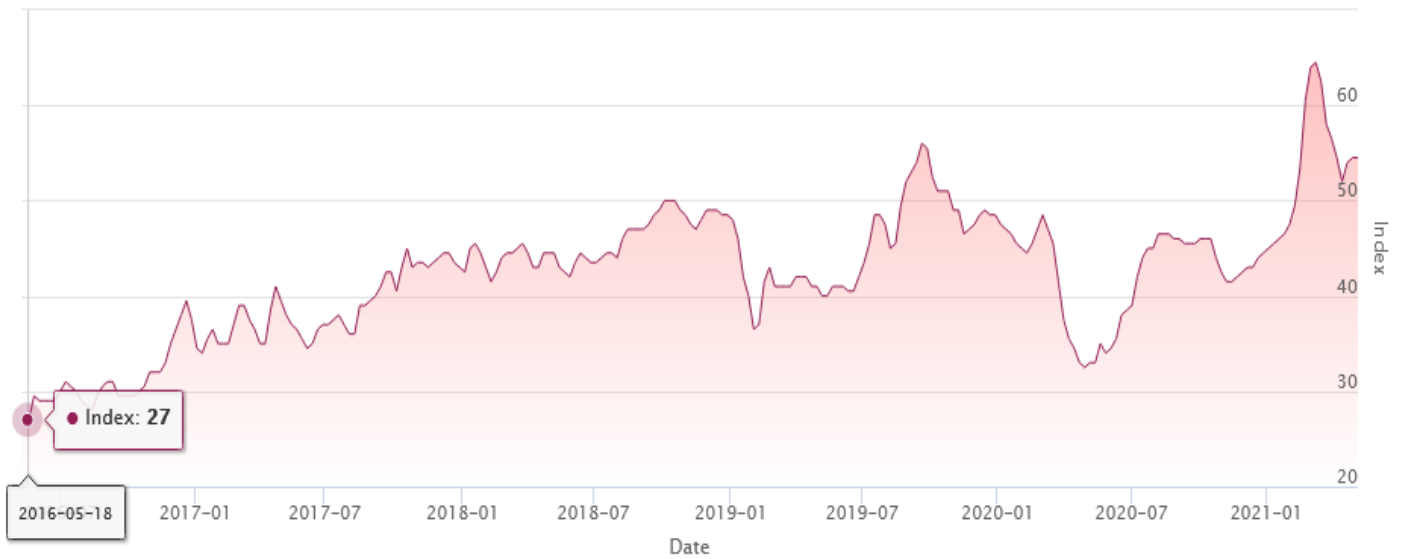


YAMAMIZU Index



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

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



China Import Dry Bulk Freight Index 2021-05-06

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1633.56	98.79
Iron ore Freight Index			Point	1628.84	138.98
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	14.842	1.701
Soybean Freight Index			Point	1534.67	51.55
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	54.292	1.708
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	55.792	1.917
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	37.558	1.225
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	64.433	2.383

6 May 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
June	0.95	\$320.36	1.66	\$348.31
July	0.93	\$319.57	1.63	\$347.13
Aug.	1.60	\$317.11	2.20	\$340.73
Sept.	1.35	\$307.27	2.00	\$332.86
Oct.	1.33	\$298.61	1.95	\$323.01
Nov.	1.28	\$296.64	1.95	\$323.01

**** PLEASE NOTE THAT CORN FUTURES HAVE BEEN VERY VOLATILE AND WHTIH THEM ALSO THE BASIS.**

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
June	3.20	\$408.93
July	3.20	\$408.93
Aug.	3.30	\$384.03
Oct.	2.45	\$342.70
Nov.	2.40	\$340.73

Fob vessel Texas Gulf #2 Sorghum is about 127 % 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	
	June	July	Aug.	Sept.
FOB U.S. GULF	\$313.51	\$308.00	\$308.37	\$308.37
Basis	1.00	0.85	0.85	0.85
WK	7.6425			
WN	7.5325			
WU	7.5425			

6-May-2021	Close	Close	Last Week.	Last Week.	Last Week	
CME Corn Futures	Bushel	MT.	Bushel	Bu. Diff.	MT	MT Diff.
May	\$ 7.5950	\$ 299.00	\$ 6.5050	1.0900	\$ 256.09	\$ 42.91
July	\$ 7.1875	\$ 282.96	\$ 6.3150	0.8725	\$ 248.61	\$ 34.35
Sept.	\$ 6.4550	\$ 254.12	\$ 5.7725	0.6825	\$ 227.25	\$ 26.87
Dec.	\$ 6.2550	\$ 246.25	\$ 5.5325	0.7225	\$ 217.80	\$ 28.44
Mar.	\$ 6.2825	\$ 247.33	\$ 5.5825	0.7000	\$ 219.77	\$ 27.56
May	\$ 6.2775	\$ 247.13	\$ 5.6125	0.6650	\$ 220.95	\$ 26.18

CBOT May 2021 (CK21) CORN Futures Chart –



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



U.S. Soybean and SBM Markets Fob Vessel:

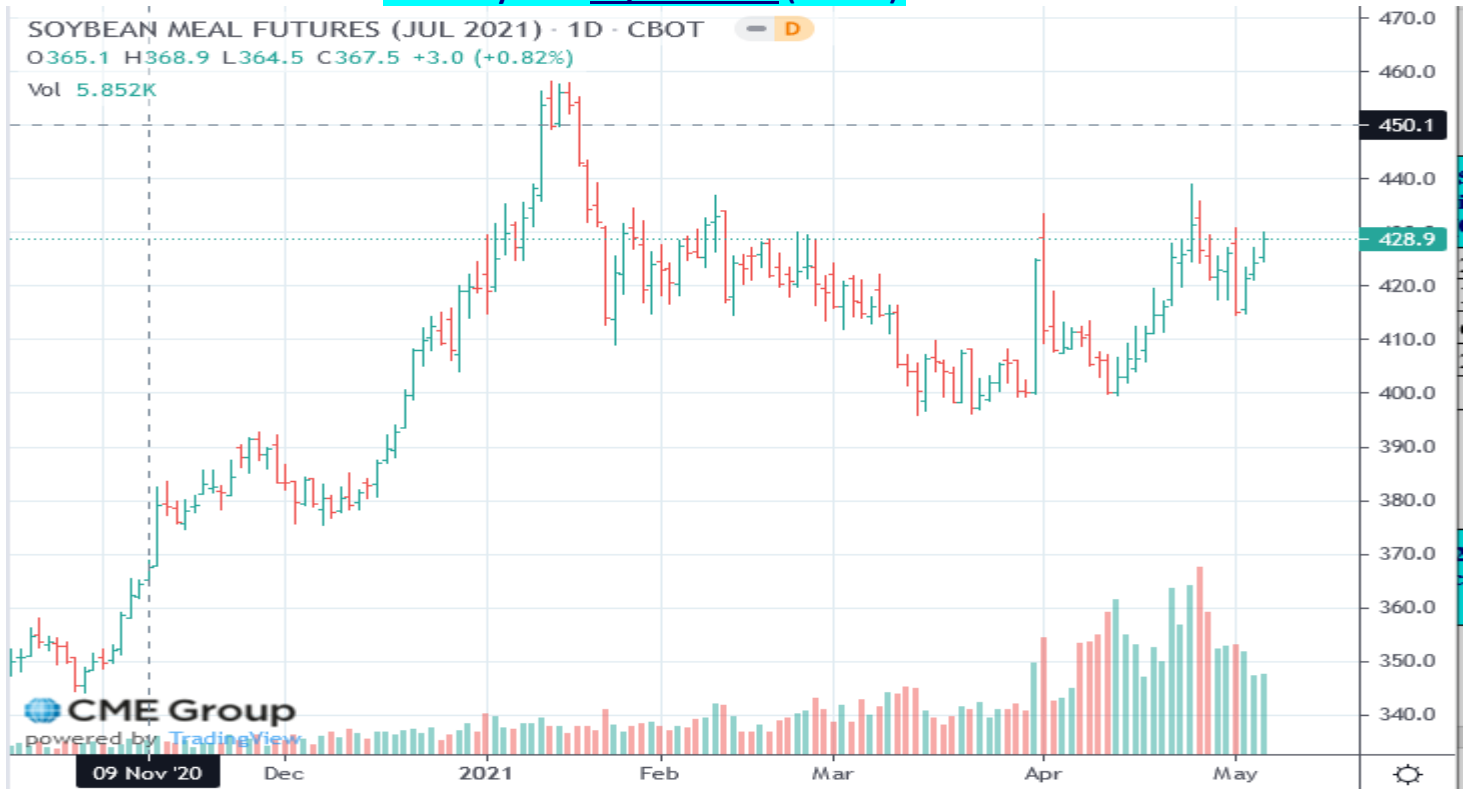
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
June	0.83	\$607.18	1.54	\$633.27
July	0.80	\$606.08	1.50	\$631.80
Aug.	1.21	\$601.40	1.85	\$624.91
Oct.	1.35	\$567.32	1.95	\$589.36
Nov.	1.27	\$564.38	1.85	\$585.69
Soybean Futures				
May	\$ 16.0550			
July	\$ 15.6950			
Aug.	\$ 15.1575			
Sept.	\$ 14.4350			
Nov.	\$ 14.0900			
Jan.	\$ 14.0600			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
June	15.00	\$ 487.64
July	15.00	\$ 487.64
Aug.	15.00	\$ 481.35
Sept.	17.00	\$ 476.72
Oct.	21.00	\$ 472.97
SBM Futures		
SMK	\$ 427.70	
SMN	\$ 427.30	
SMQ	\$ 421.60	
SMU	\$ 415.40	
SMV	\$ 408.00	
SMZ	\$ 407.30	

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 22 April 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	636.6	67,719.6	67,950	100%	2,684.9
Sorghum	113.6	7,158.0	7,490	96%	1,136.0
Soybeans	303.8	61,119.4	62,050	99%	6,630.6
Wheat	231.7	25,593.1	26,810	95%	2,591.9
Barley	0.3	29.5	260	11%	20.2

U.S. EXPORT INSPECTIONS:

Monday's report 03 May 2021 for the Export week ending 29 April 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	2,139,077	1,954,012	43,374,708	23,775,758	182%
Sorghum	235,496	182,614	5,618,016	2,647,538	212%
Soybeans	143,418	284,074	55,458,814	33,778,843	164%
Wheat	509,932	581,087	23,128,846	23,096,816	100%
Barley	499	24	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 03 May 2021 for the Export week ending 29 April 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%	7,566 5%
Gulf	1,157,868	56%	50,531	95%	163,745	70%	30,294 21%
PNW	694,280	33%	122	0%	69,255	29%	3,000 2%
Interior Export Rail	233,781	11%	2,495	5%	2,496	1%	102,558 72%
Metric Tons	2,085,929		53,148		235,496		143,418

Sorghum Shipments: metric tons

24	Un Kingdom
2,496	Mexico
232,976	China
235,496	Total

White Corn metric tons

Shipments:

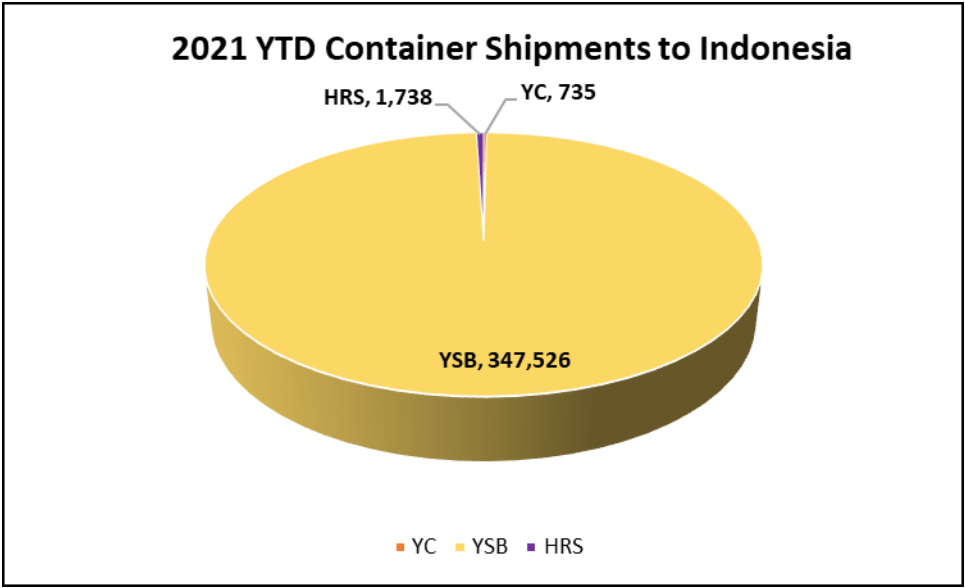
5,001	Colombia
14,030	El Salvador
33,995	Mexico
122	Korea Rep
53,148	Total

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:		29-Apr-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			6,072						6,072
Taiwan	12,904		6,684						19,588
Hong Kong	955								955
Costa Rica									0
Indonesia			13,660						13,660
French Poly									0
Japan			2,104						2,104
Korea Rep.	1,885		3,183						5,068
El Salvador									0
Malaysia			1,273						1,273
Cambodia									0
Philippines			1,395						1,395
Thailand			2,081						2,081
Nepal			1,470						1,470
Ghana			294						294
Bangladesh									0
Burma									0
Vietnam			6,364						6,364
Sub Total:	15,744	0	44,580	0	0	0	0	0	60,324
USDA Corrections/Additions to previous reports:									
Taiwan									0
China			490						490
Hong Kong									0
Korea Rep.									0
Cambodia									0
Japan									0
Philippines									0
Indonesia			637						637
Malaysia									0
Thailand									0
Vietnam									0
Bangladesh									0
Costa Rica									0
Sub Total:	0	0	1,127	0	0	0	0	0	1,127
Mt. Grand Total	15,744	0	45,707	0	0	0	0	0	61,451
Number of Containers	685	0	1,987	0	0	0	0	0	

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



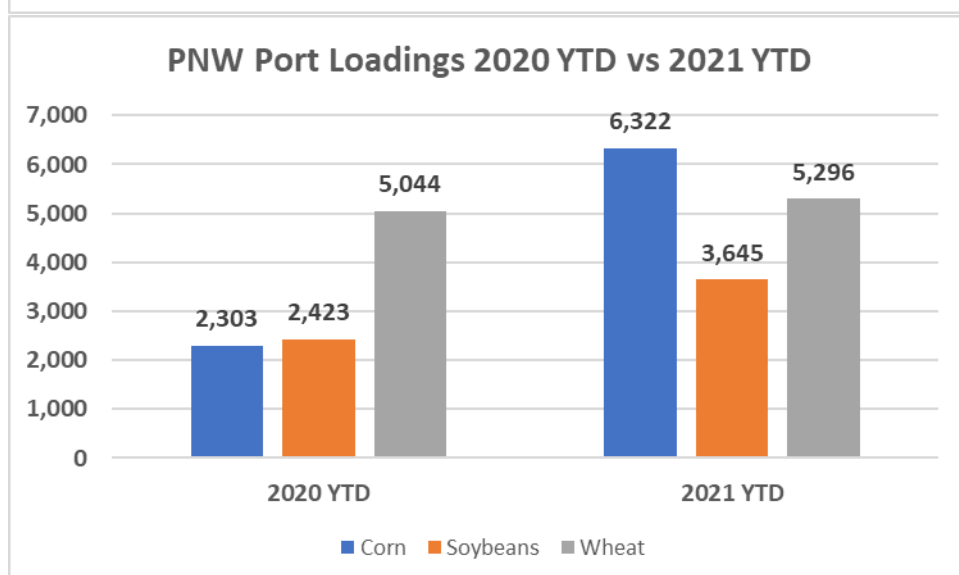
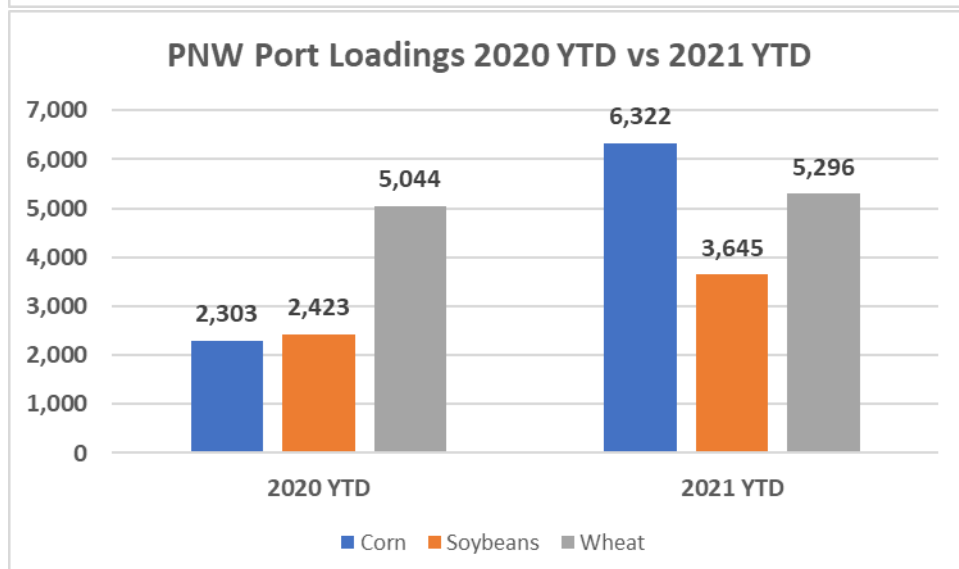
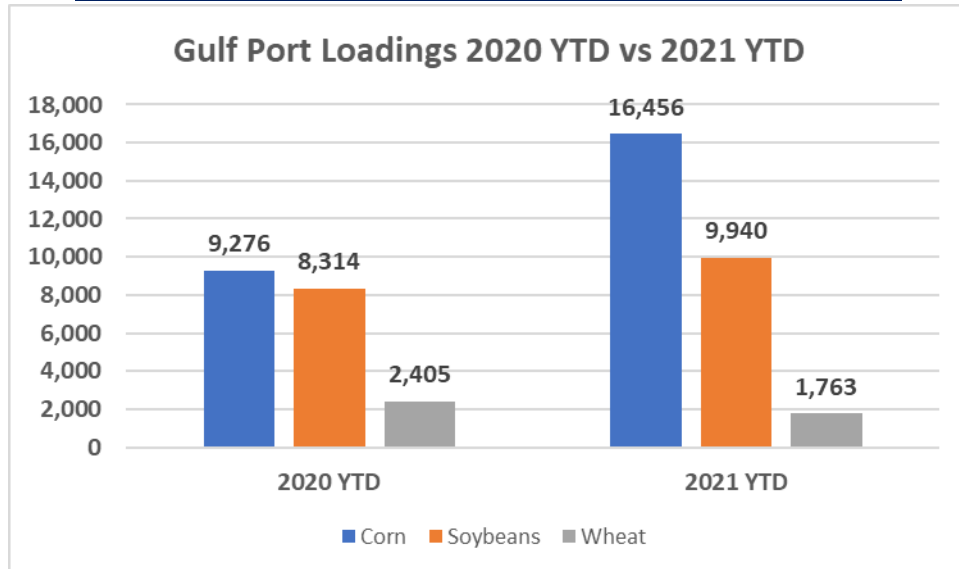
Grain Inspections for Export by U.S. Port Regions:
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD

PORT LOADINGS US Gulf				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
GULF				
2020 YTD	9,276	8,314	2,405	19,995
2021 YTD	16,456	9,940	1,763	28,159
2021 as % of 2020	177%	120%	73%	141%

PORT LOADINGS US PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
PNW				
2020 YTD	2,303	2,423	5,044	9,770
2021 YTD	6,322	3,645	5,296	15,263
2021 as % of 2020	275%	150%	105%	156%

PORT LOADINGS GULF vs. PNW				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2021 Gulf YTD	16,456	9,940	1,763	28,159
2021 PNW YTD	6,322	3,645	5,296	15,263
TOTAL	22,778	13,585	7,059	43,422
Gulf Percentage	72%	73%	25%	65%
PNW Percentage	28%	27%	75%	35%

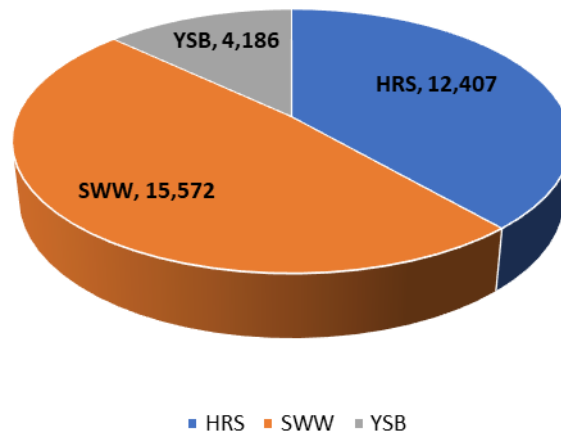
Grain Inspections for Export by U.S. Port Regions (1,000MT):
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD



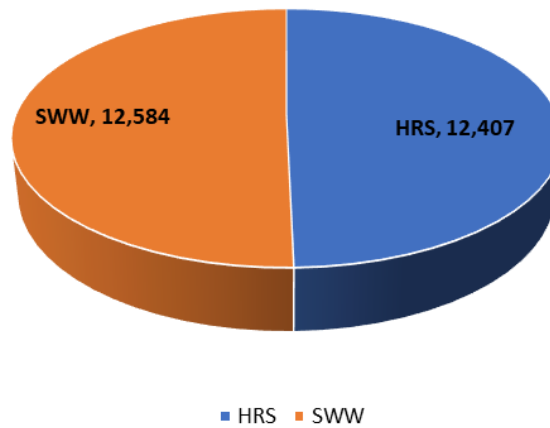
Source: USDA-data

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

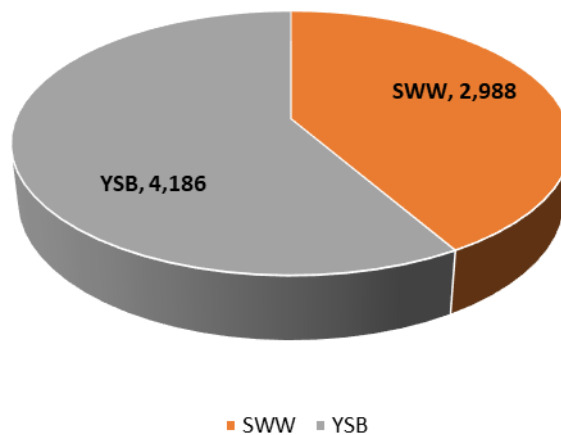
2021 YTD Exports to Burma



YTD Vessel Shipments to Burma



YTD Container Shipments to Burma



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

Shipping News

Peter Sand @BIMCO_PS · 10h

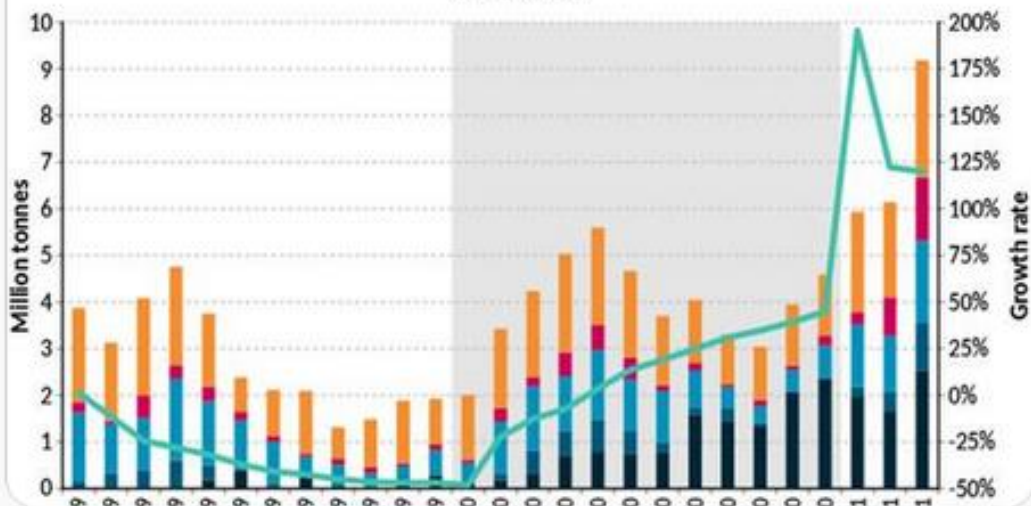
"In March alone, US coarse grain exports required 123 Panamax ships, almost two thirds of which sailed to the Far East, one of the world's longest trades." @BIMCONews @FT



HELLENICSHIPPINGNEWS @HELLENICSHIP · 18h

BIMCO: Tonne mile demand triples as March witnesses US #coarsegrain madness @BIMCONews @BIMCO_PS #drybulk #drybulksector #drybulkshipping #bulkcarriers #bulkshippers #grains #shippingindustry hellenicshippingnews.com/bimco-tonne-mi...

US seaborne exports of coarse grains 2019-2021

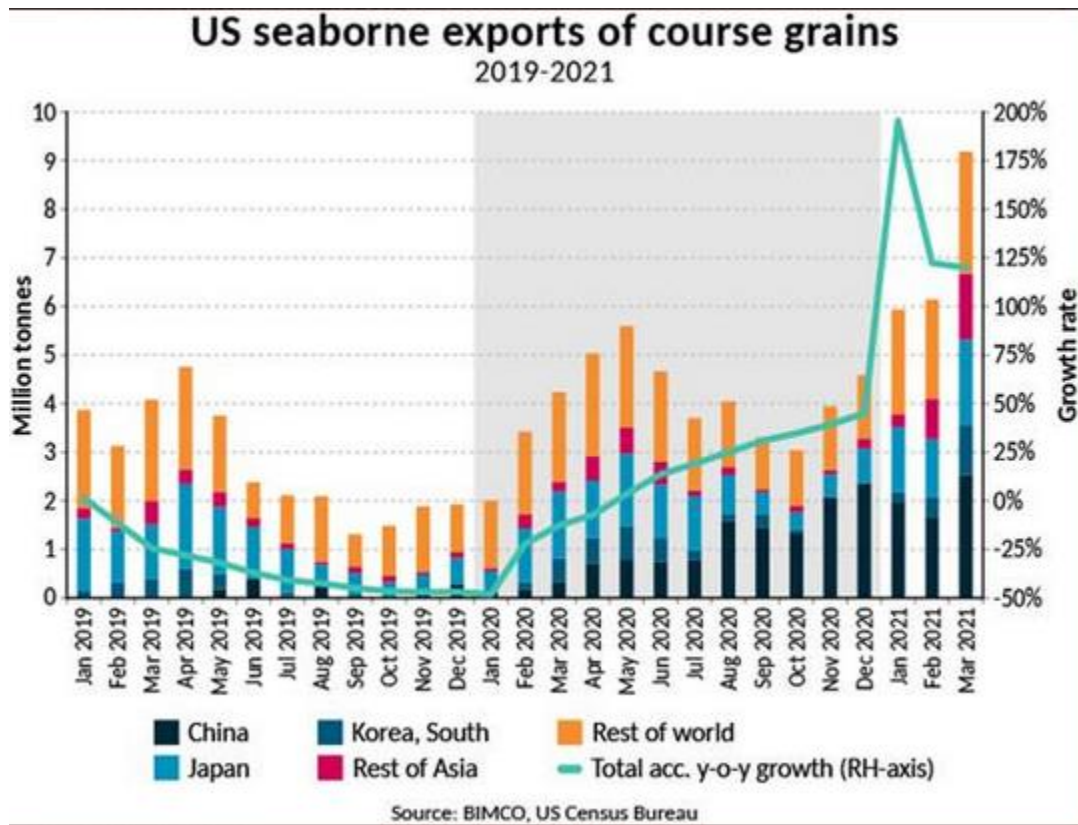


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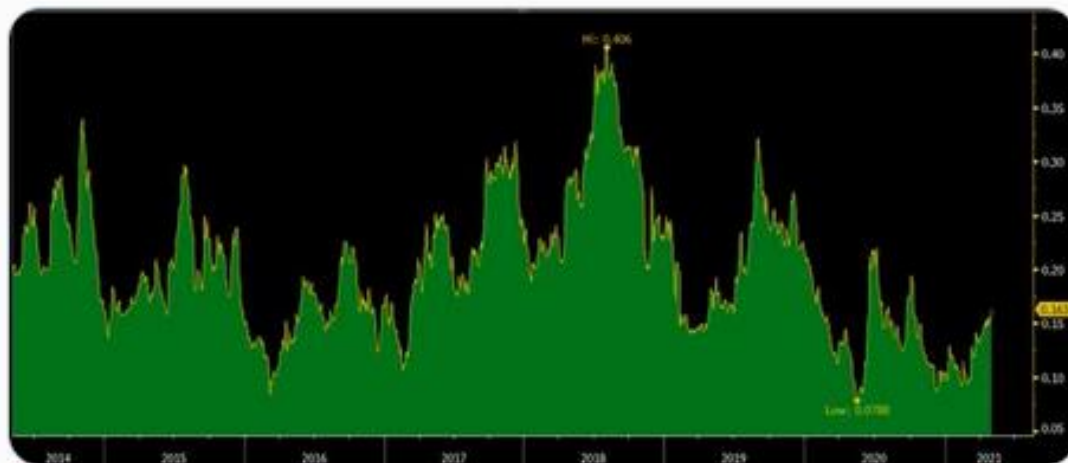




Dry Bulk ETF @DryBulkETF · 15h

The Capesize benchmark route from Brazil to China today exceeded \$30/tonne for the first time in at least seven years. Although by itself this level seem high, when compared to the price of delivered iron ore, it is still below the historical average (16% vs 20%)

#drybulk



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Reuters news-

Low Parana river level 'trims' Argentine farm exports

By Hugh Bronstein, Maximilian Heath

4 MIN READ



BUENOS AIRES (Reuters) -Argentina's Parana River, the grains superhighway that takes soy and corn from the Pampas farm belt to the world, has gotten so shallow that it has started "trimming" international shipments just as the country's export season gets underway.

"“We are loading between 5,500 tonnes to 7,000 tonnes less per cargo ship due to low water levels,” said Guillermo Wade, head of the CAPyM Chamber of Port and Maritime Activities.

Nathan Strang @NavyStrang · 33m

PMSA-ILWU contract is up in 2022. So... stand by for that one.



Dustin Braden @dbrades89 · 34m

Longshore labor pressure is building across North America bit.ly/3ti1N57





Alvin Foo @alvinfoo · 19h

50-80% of the oxygen production on Earth comes from the ocean. The majority of this production is from oceanic plankton ie, drifting plants, algae, and some bacteria that can photosynthesize.



**Trees produce
most of the
oxygen on Earth**



**Oceans produce more
oxygen than all the
trees combined**

MYTH



**Trees produce
most of the
oxygen on Earth**

FACT



**Oceans produce more
oxygen than all the
trees combined**

Splash @Splash_247 · 10h

Yokohama crowned world's most efficient container port dlvr.it/Rz8Xrh



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Just what the market needs- Reddit investors

a Agrimoney

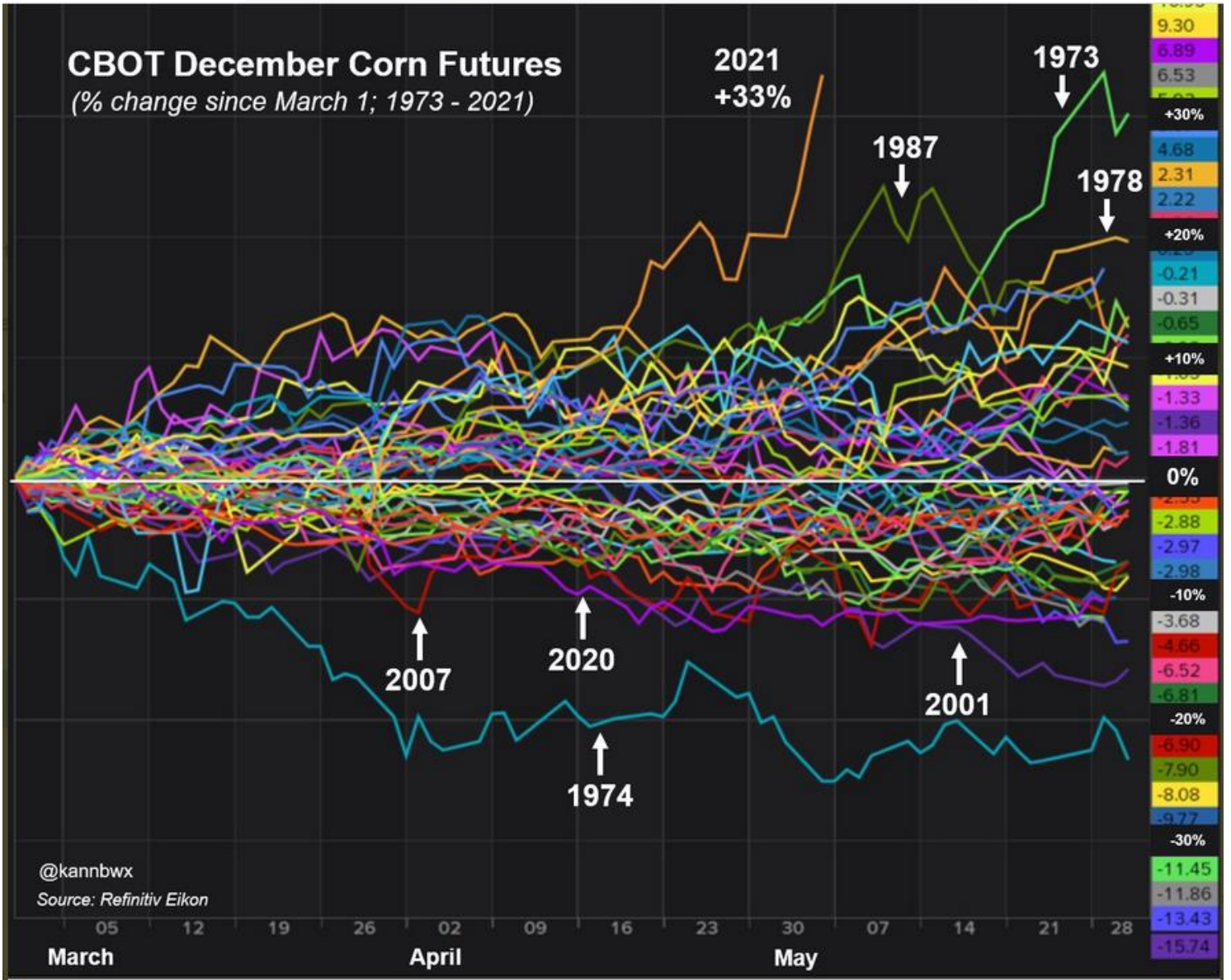
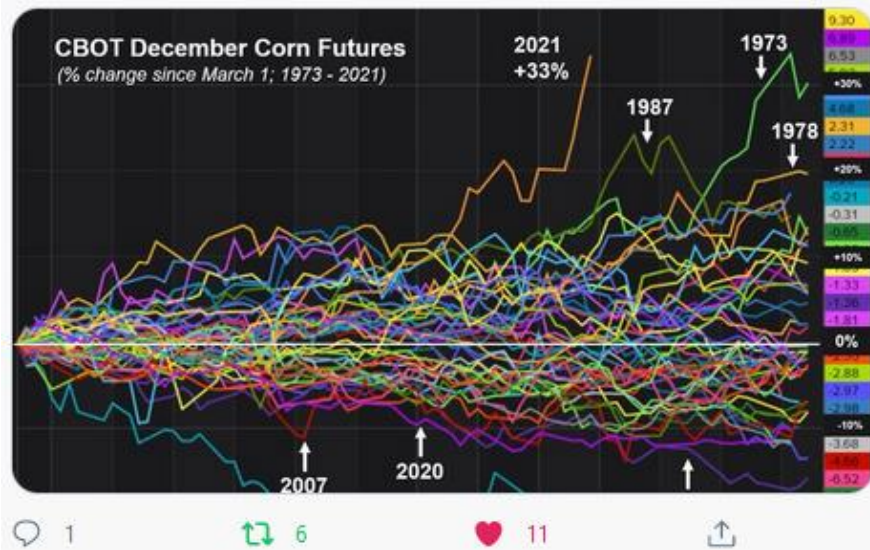
Morning markets: Corn futures ease, as bear spreading gains ...

"Reddit has been talking about \$12.00 corn may be possible," and ... old crop corn prices are getting high enough to shrink demand closer to ...

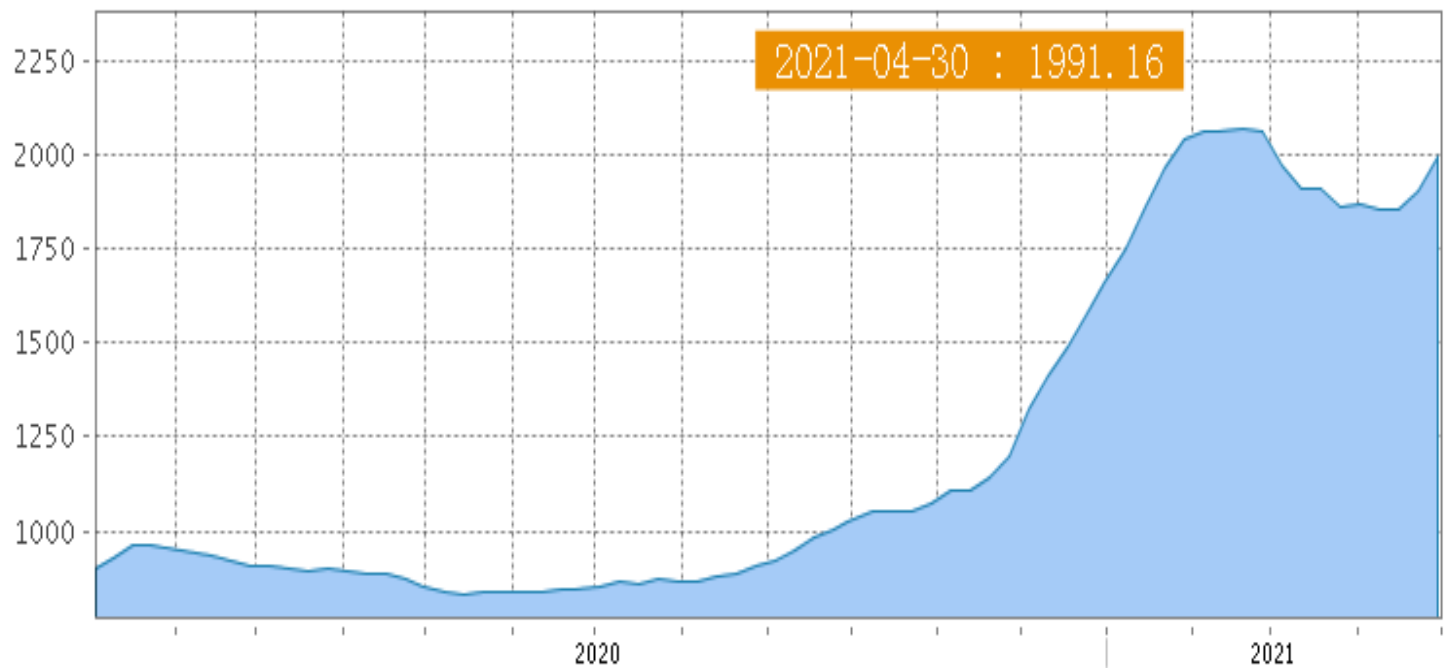
1 day ago

Karen Braun @kannbwx · 15m

Putting some labels on it. Most of the strong outlier years are well in the past.



China Containerized Freight Index



China Import Dry Bulk Freight Index



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

Placement FH June 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	420	\$28.66	0.73	0.78
Illinois River (Pekin and South)	340	\$23.20	0.59	0.63
Mid-Mississippi	350	\$17.21	0.44	0.47
Lower Ohio	265	\$13.03	0.33	0.35
St. Louis	235	\$10.34	0.26	0.28

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

Secondary Rail Car Market Placement FH. June 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (200.00)	\$ (100.00)	\$ (0.05)	\$ (0.03)	\$ (1.97)	\$ (0.98)
UPRR Shuttle Trains	\$ (250.00)	\$ (100.00)	\$ (0.06)	\$ (0.03)	\$ (2.46)	\$ (0.98)

Best Regards,

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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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