

## Transportation and Export Report for 17 June 2021

Paper Traders in the Capesize market decided that the good times are finally here and made their bold move to push things strongly higher. The paper move does appear to be a bit too much too fast but physical traders were forced to scramble to cover their shorts in an effort to manage risk. Panamax and other sectors followed suit. This was the biggest single week jump of the last three years and has lifted rates to levels not experienced since 2010. Commodity markets appear to be questioning the strength of the economic "Super Cycle", but freight markets want to believe it is in full swing.

I frankly do not see the fundamental justification for such a big jump in Dry-Bulk freight values, but the paper traders seem to have control of the helm at the moment.

There is not much new or positive to report in containerized grain export markets. The difficult situation persists, and it is going to be a very bumpy ride for months to come. Buyers simply need to understand this and plan accordingly.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
17-Jun-2021		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	per day	43091	40186	2,905	7.2%
P3A: PNW/Pacific - Korea	per day	32855	28086	4,769	17.0%
S1C: US GULF-China-So.Japan	per day	41475	36656	4,819	13.1%
P7: Trial- Miss. River - Qingdao	per ton	76.464	73.186	3.3	4.5%
P8: Trial- Santos - Qingdao	per ton	62.550	60.004	2.5	4.2%

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

Four weeks ago:	\$12.00-\$12.30
Three weeks ago:	\$12.30-\$13.30
Two weeks ago:	\$10.40-\$11.30
One week ago:	\$9.60-\$10.50
This week	\$11.50-\$12.60

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

Mississippi River:	(10 elevators)	0-7 days ( 1 facility not operating)
Miss. River Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(5 elevators)	0-6 days (1 facility over 4 days)
Pacific Northwest:	(9 elevators)	0-7 days (2 facilities over 5 days)

Panamax Market Spreads to Asia -China					
17-Jun-2021	PNW	GULF	Bushel Spread	MT Spread	Advantage
CORN	1.48	0.82	0.66	\$25.98	PNW
SOYBEANS	1.60	0.75	0.85	\$31.23	Both
OCEAN FREIGHT	\$41.50	\$72.50	.79-.84	\$31.00	July

### Current Grain Vessel Market Indications:

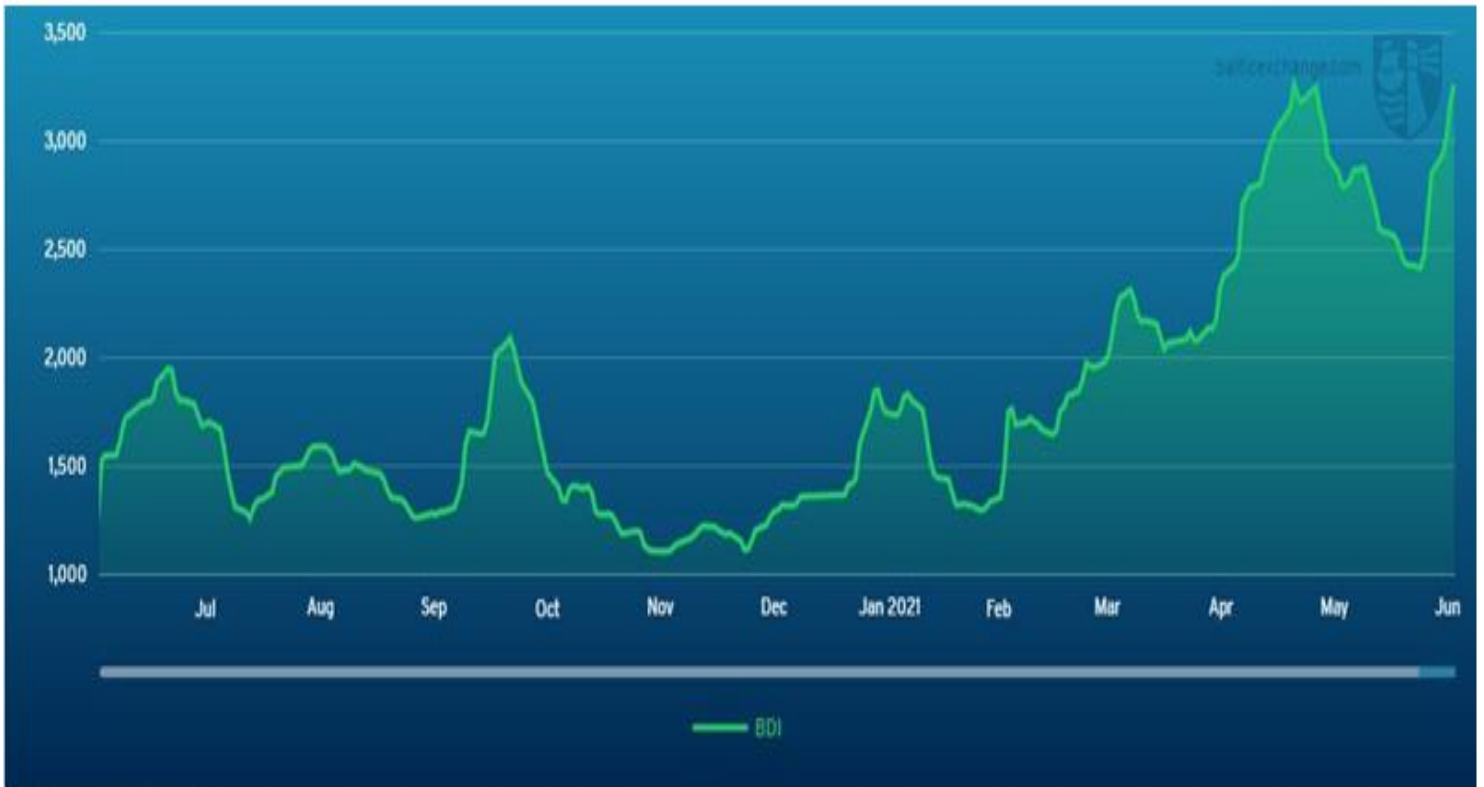
**\*\* Below rates are estimates for the nearby-30-day slots. 60-90 days forward rates will usually be higher.**

Soybean Panamax USG to Spain is running \$45.00 - \$46.50/mt.

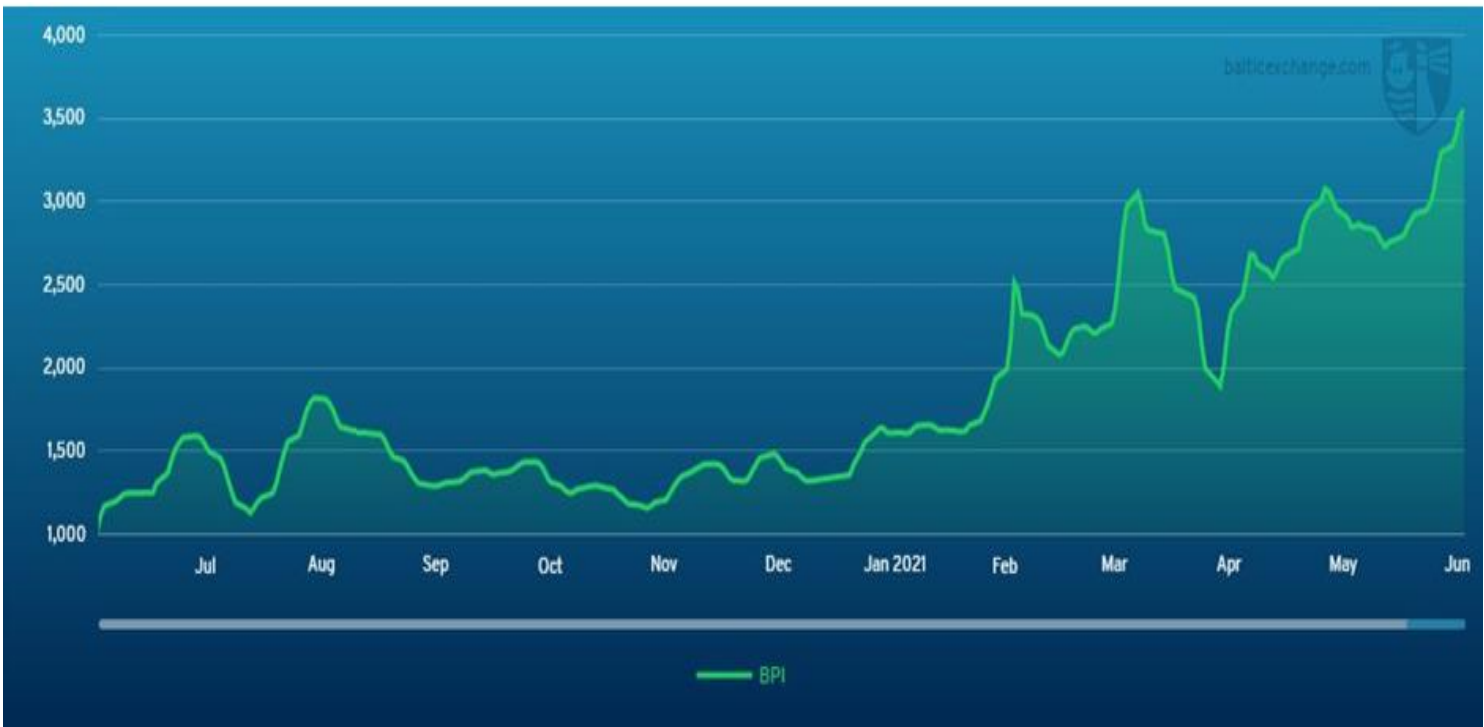
Soybean Brazil to Spain about \$53.00 - \$54.50/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$73.50	Up \$5.50	Handymax \$74.00 mt
55,000 U.S. PNW- Japan	\$42.50	Up \$3.50	Handymax \$43.00 mt
66,000 U.S. Gulf – China	\$72.50	Up \$5.50	North China
PNW to China	\$41.50	Up \$3.00	
25,000 U.S. Gulf- Veracruz, México	\$29.00	Up \$1.50	3,000 MT daily discharge rate
30-36,000+ U.S. Gulf- Veracruz, México	\$26.50	Up \$1.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$39.00	Up \$2.00	<u>West Coast Colombia at \$50.00</u>
50,000 mt USG to E/C Colombia	<u>\$38.00</u>		
From Argentina	\$52.50		
43-45,000 U.S. Gulf - Guatemala	\$44.00	Up \$2.00	Acajutla/Quetzal - 8,000 out
26-30,000 U.S. Gulf – Algeria	\$56.50 \$59.00	UP \$3.50	8,000 mt daily discharge 3,000 mt daily discharge
30,000 US Gulf- Morocco	\$55.00	Up \$3.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$57.00	Up \$3.50	60,000 -55,000 mt -Egypt
PNW to Egypt	\$57.00		Romania- Russia- Ukraine \$28.00- -\$28.00- \$28.00 France \$36.00
60-70,000 U.S. Gulf – Europe – Rotterdam	\$23.00	Down \$1.50	Handymax at +\$1.75-\$2.00 more
Brazil, Santos – China	\$63.00	Up \$3.50	54-59,000 Supramax-Panamax
Brazil, Santos – China	\$62.00		60-66,000 Post Panamax
Northern Coast Brazil	\$63.00		Upriver No. Brazil Plus -55,000 mt Plus \$7.50/mt
56-60,000 Argentina/Rosario- China Deep Draft	\$68.00	Up \$3.50	Upriver with BB Top Off Plus \$3.75 mt

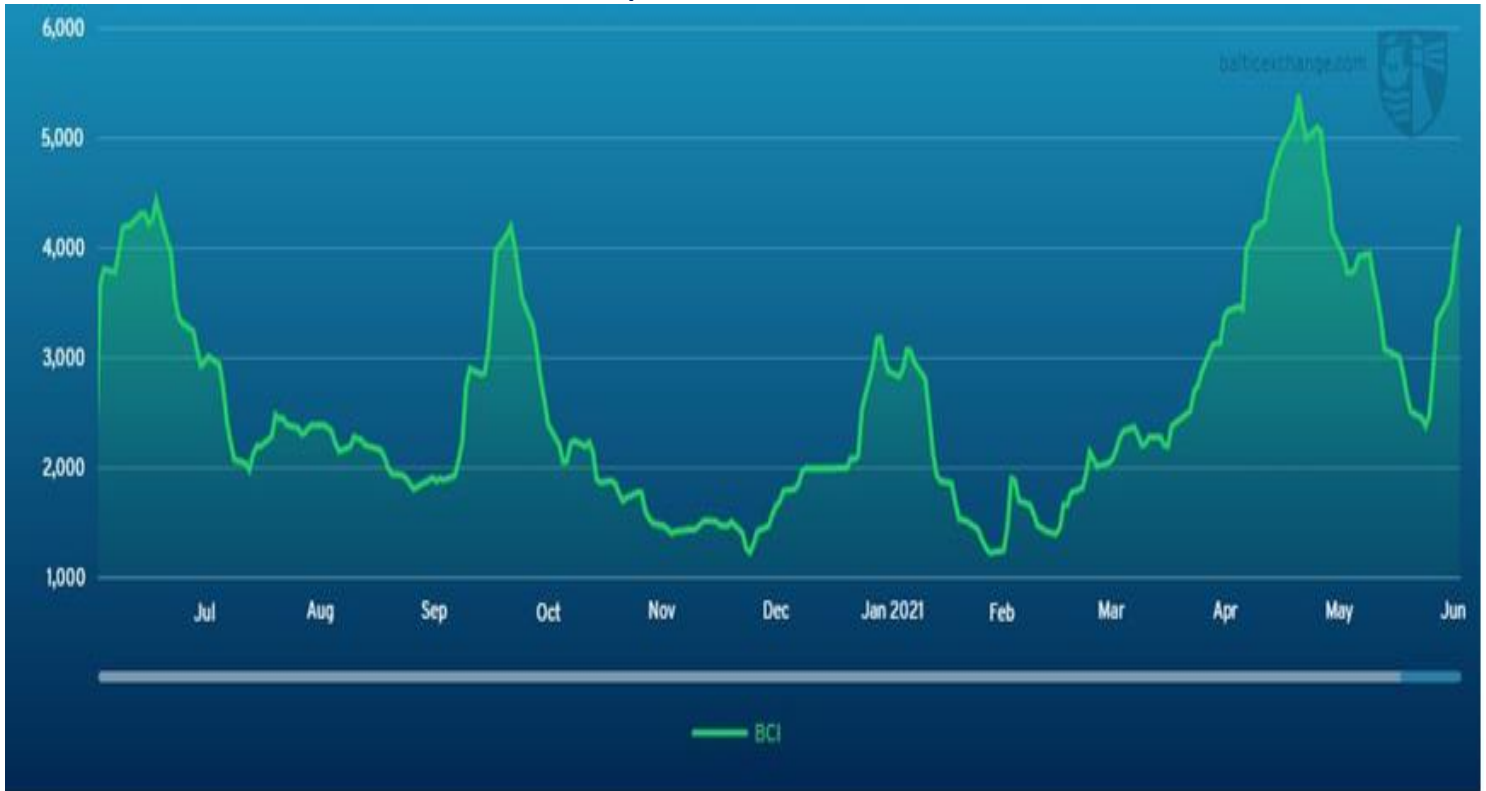
## The Baltic Dry Freight Index



## 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 2016-06-16 To 2021-06-16



## China Import Dry Bulk Freight Index

2021-06-17

Description	Size MT	Cargo/Vessel Size	Unit	Rate	Change
Composite Index			Point	1601.04	43.78
Iron ore Freight Index			Point	1467.07	61.08
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	12.623	0.626
Soybean Freight Index			Point	1736.42	22.43
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	61.73	0.763
Santos(Brazil)—North China	60000/10%	Soybean	\$/ton	62.958	0.708
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	41.675	0.508
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	72.867	1.017

**17 June 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=	6.3300
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	U=	5.4850
<b>July</b>	0.82	<b>\$281.48</b>	1.48	<b>\$307.46</b>	Z=	5.3250
<b>Aug.</b>	1.40	<b>\$271.05</b>	2.08	<b>\$297.82</b>	H=	5.3950
<b>Sept.</b>	1.10	<b>\$259.24</b>	2.00	<b>\$294.67</b>	K=	5.4350
<b>Oct.</b>	1.30	<b>\$260.81</b>	1.93	<b>\$285.61</b>	N=	5.4375
<b>Nov.</b>	1.26	<b>\$259.24</b>	1.70	<b>\$276.56</b>	U=	4.9150
<b>Dec.</b>	1.20	<b>\$256.88</b>	1.60	<b>\$272.62</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 Futures market was down the limit today and above posted values will adjust on tomorrows open.

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>July</b>	3.15	<b>\$373.21</b>
<b>Aug. (Z)</b>	3.90	<b>\$363.17</b>
<b>Oct.</b>	2.95	<b>\$325.77</b>
<b>Nov.</b>	2.85	<b>\$321.83</b>
<b>Dec.</b>	2.85	<b>\$321.83</b>

Fob vessel Texas Gulf #2 Sorghum is about 133 % the value of #2 Yellow Corn at NOLA.  
And is above the price of Fob SRW & 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	
	<b>July</b>	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>
FOB U.S. GULF	\$264.18	\$265.65	\$267.49	\$282.83
Basis	0.80	0.80	0.85	1.20
WN	6.3900			
WU	6.4300			
WZ	6.4975			

### 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>	0.75	<b>\$516.15</b>	1.60	<b>\$547.38</b>
<b>Aug.</b>	1.25	<b>\$521.76</b>	1.90	<b>\$545.64</b>
<b>Oct.</b>	1.24	<b>\$505.86</b>	1.95	<b>\$531.95</b>
<b>Nov.</b>	1.22	<b>\$505.13</b>	1.85	<b>\$528.28</b>
<b>Dec.</b>	1.26	<b>\$508.07</b>	1.88	<b>\$529.38</b>
<b>Soybean Futures</b>				
<b>July</b>	\$ 13.2975			
<b>Aug.</b>	\$ 12.9500			
<b>Sept.</b>	\$ 12.5850			
<b>Nov.</b>	\$ 12.5275			
<b>Jan.</b>	\$ 12.5675			
<b>Mar.</b>	\$ 12.4175			

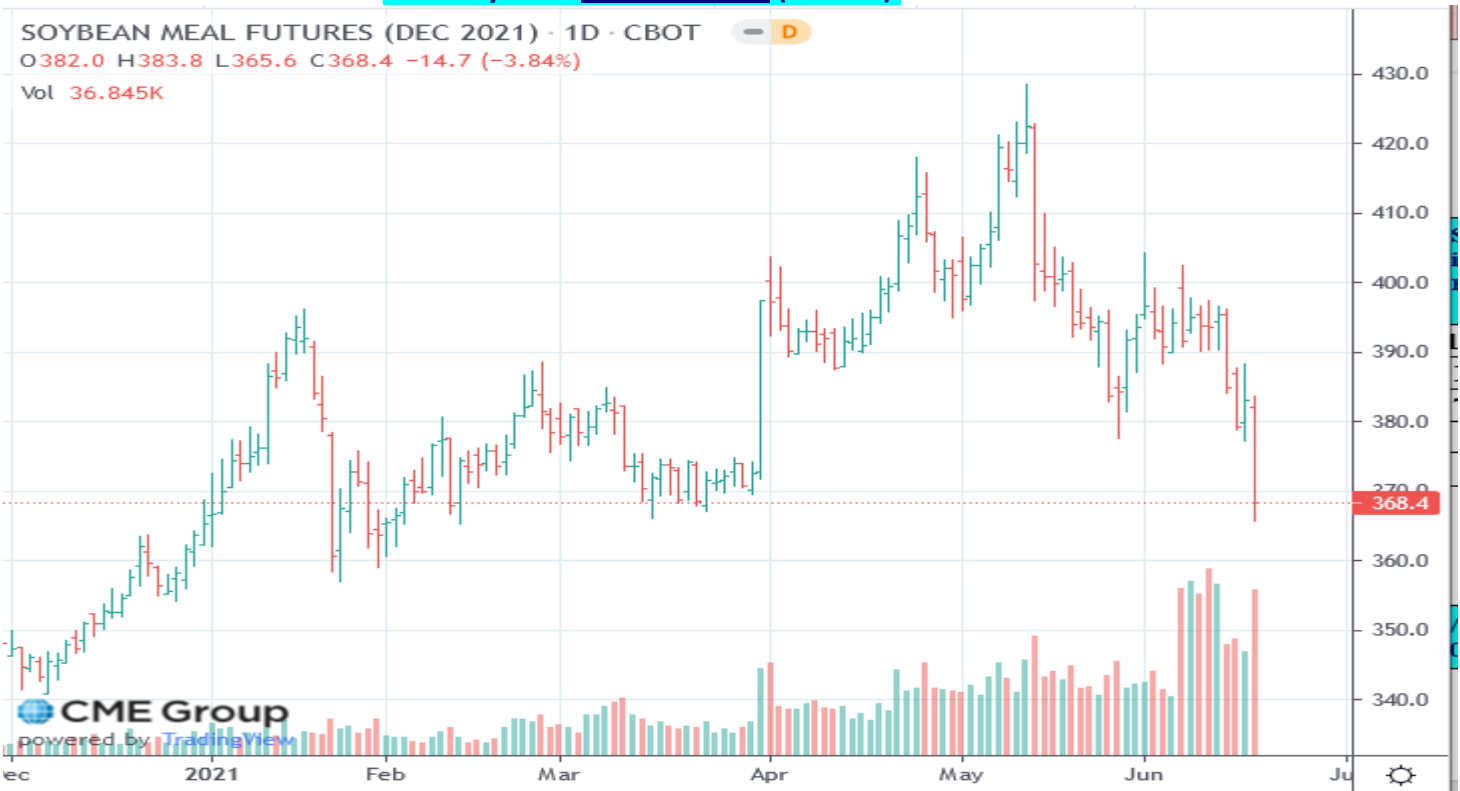
<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	<b>47.5 Pro. SBM</b>	
max 12.5 % moisture	Basis	Flat Price
<b>July</b>	5.00	<b>\$ 404.07</b>
<b>Aug.</b>	9.00	<b>\$ 409.91</b>
<b>Sept.</b>	12.00	<b>\$ 415.31</b>
<b>Oct.</b>	19.00	<b>\$ 424.24</b>
<b>Nov.</b>	19.00	<b>\$ 428.21</b>
<b>SBM Futures</b>		
<b>SMN</b>	\$ 361.50	
<b>SMQ</b>	\$ 362.80	
<b>SMU</b>	\$ 364.70	
<b>SMV</b>	\$ 365.80	
<b>SMZ</b>	\$ 369.40	
<b>SMF</b>	\$ 369.50	



### 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 03 June 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 (Wheat &amp; Barley '22/'23) (000 MT)</b>
Corn	474.6	69,297.8	62,230	111%	15,093.8
Sorghum	0.0	7,231.1	8,890	81%	1,595.0
Soybeans	102.7	61,552.6	56,470	109%	7,555.6
Wheat	1,211.6	5,512.4	24,490	23%	0.0
Barley	2.6	24.8	260	10%	0.0

**U.S. EXPORT INSPECTIONS:**

Monday's report 14 June 2021 for the Export week ending 10 June 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 (Wheat and Barley '21/'22 YTD vs '20/'21 YTD)</b>
	<b>This Week</b>	<b>Previous Week</b>			
Corn	1,544,031	1,426,845	53,968,067	30,797,777	175%
Sorghum	151,716	62,584	6,417,930	3,741,840	172%
Soybeans	128,092	239,384	56,806,815	36,231,175	157%
Wheat	480,341	493,638	673,329	799,558	84%
Barley	710	0	710	367	193%

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

**U.S. EXPORT INSPECTIONS:**

Monday's report 14 June 2021 for the Export week ending 10 June 2021

<b>Last Week</b>							
<b>(Metric Tons)</b>	<b>YC</b>	<b>%</b>	<b>WC</b>	<b>%</b>	<b>Sorghum</b>	<b>%</b>	<b>Soybeans %</b>
Lakes	0	0%	0	0%	0	0%	100 0%
Atlantic	0	0%	0	0%	0	0%	7,330 6%
Gulf	829,962	55%	30,146	68%	151,117	100%	66,089 52%
PNW	439,075	29%	0	0%	0	0%	0 0%
Interior Export Rail	230,630	15%	14,218	32%	599	0%	54,573 43%
<b>Metric Tons</b>	<b>1,499,667</b>		<b>44,364</b>		<b>151,716</b>		<b>128,092</b>

Sorghum Shipments: metric tons

599	Mexico
116,017	China
1,200	Madagascar
33,900	Sudan
151,716	Total

White Corn metric tons

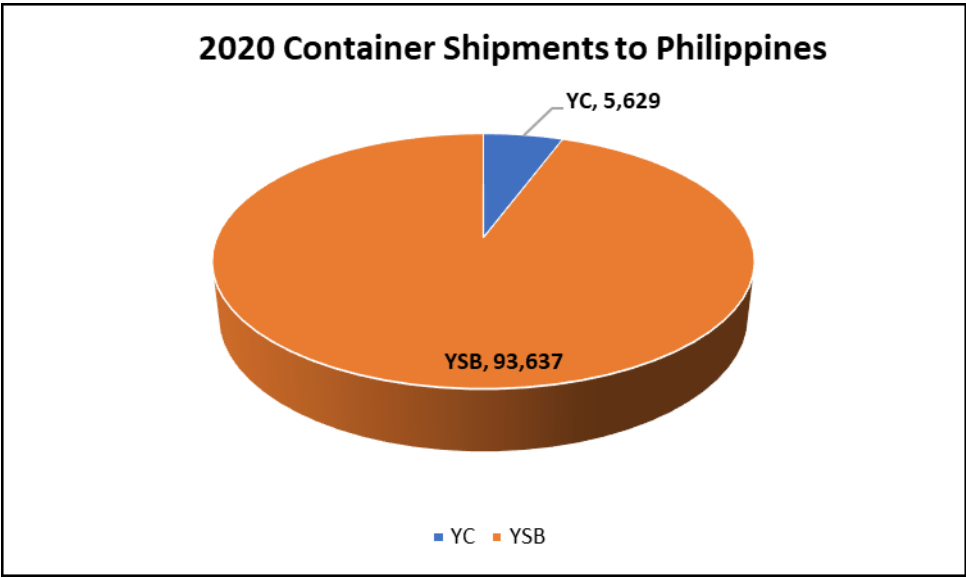
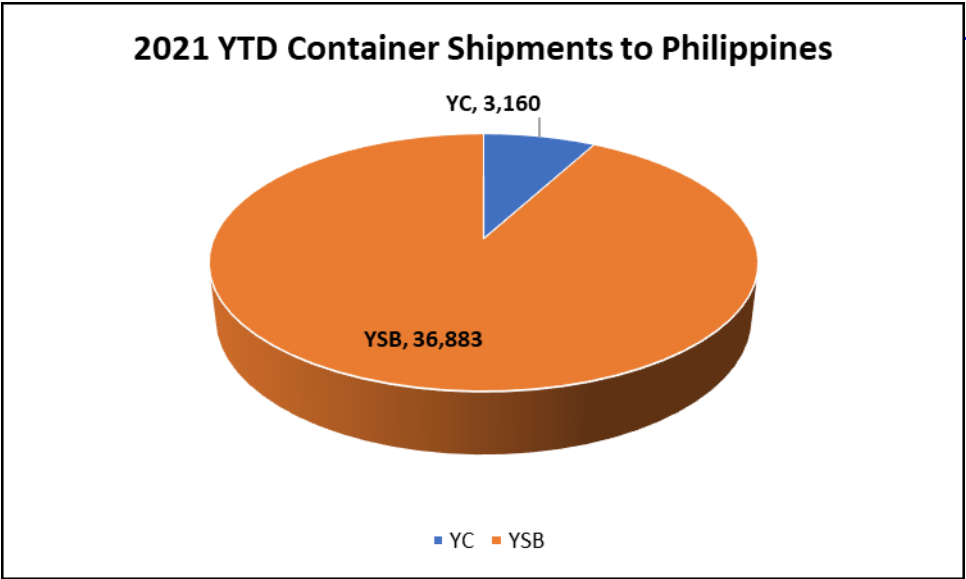
Shipments:	48	Ireland
	44,316	Mexico
	44,364	Total

## 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:		10-Jun-2021							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			1,812						1,812
Taiwan	5,975		1,101						7,076
Hong Kong	489								489
Costa Rica									0
Indonesia			14,274						14,274
French Poly									0
Japan			1,909						1,909
Korea Rep.			2,008	710					2,718
Sri Lanka									0
Malaysia			1,859						1,859
Cambodia									0
Philippines			1,395						1,395
Thailand			2,815						2,815
Nepal									0
Ireland		48							48
Bangladesh									0
Egypt	147								147
Vietnam			6,045						6,045
Sub Total:	6,611	48	33,218	710	0	0	0	0	40,587
USDA Corrections/Additions to previous reports:									
Taiwan									0
China									0
Hong Kong									0
Korea Rep.	(636)								(636)
Cambodia									0
Japan									0
Philippines									0
Indonesia			441						441
Malaysia									0
Thailand									0
Vietnam			73						73
Bangladesh									0
Canada									0
Sub Total:	(636)	0	514	0	0	0	0	0	(122)
<b>Mt. Grand Total</b>	<b>5,975</b>	<b>48</b>	<b>33,732</b>	<b>710</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,465</b>
Number of Containers	260	2	1,467	31	0	0	0	0	

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



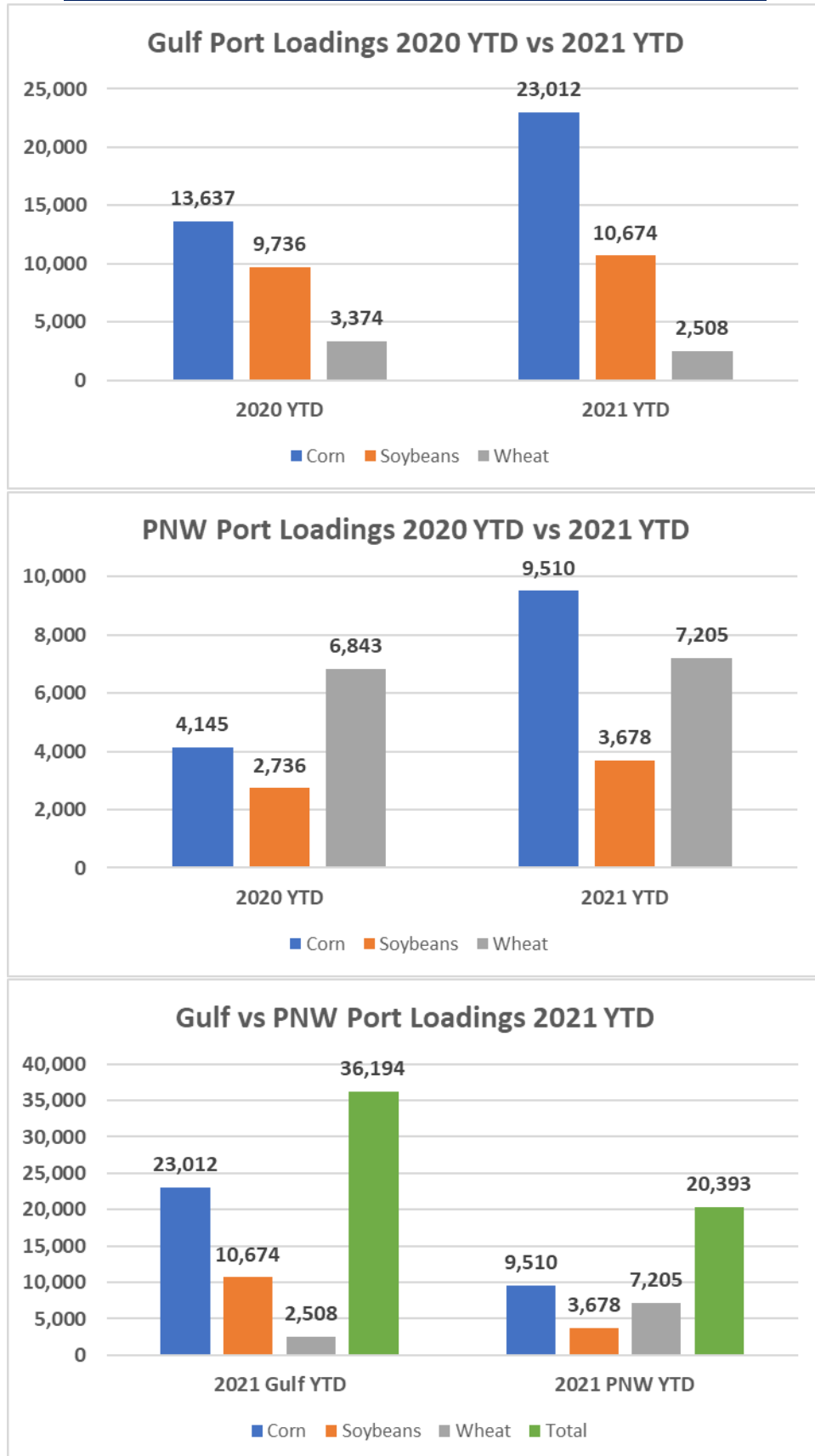
Grain Inspections for Export by U.S. Port Regions:  
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD

<b>PORT LOADINGS US Gulf</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>GULF</b>				
2020 YTD	13,637	9,736	3,374	26,747
2021 YTD	23,012	10,674	2,508	36,194
2021 as % of 2020	169%	110%	74%	135%

<b>PORT LOADINGS US PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
<b>PNW</b>				
2020 YTD	4,145	2,736	6,843	13,724
2021 YTD	9,510	3,678	7,205	20,393
2021 as % of 2020	229%	134%	105%	149%

<b>PORT LOADINGS GULF vs. PNW</b>				
(1,000 MT)	CORN	SOYBEANS	WHEAT	TOTAL
2021 Gulf YTD	23,012	10,674	2,508	36,194
2021 PNW YTD	9,510	3,678	7,205	20,393
TOTAL	32,522	14,352	9,713	56,587
<b>Gulf Percentage</b>	71%	74%	26%	64%
<b>PNW Percentage</b>	29%	26%	74%	36%

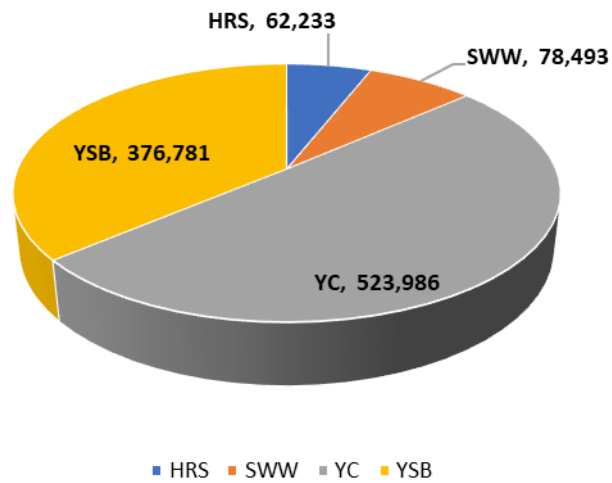
Grain Inspections for Export by U.S. Port Regions (1,000MT):  
U.S. Gulf and Pacific Northwest 2020 YTD vs. 2021 YTD



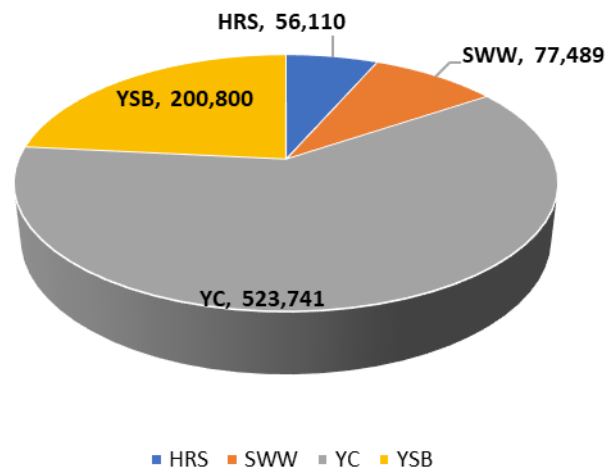
Source: USDA-data

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

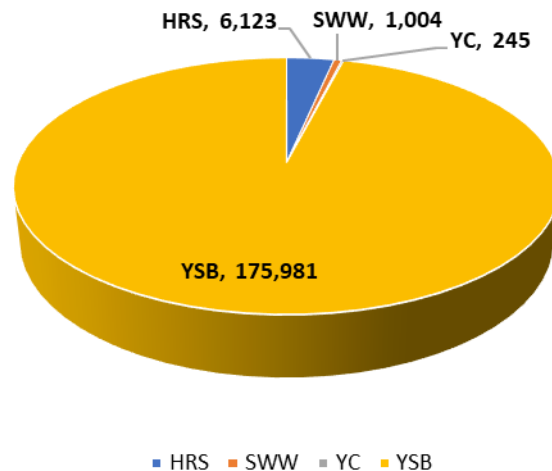
**2021 YTD Exports to Vietnam**



**YTD Vessel Shipments to Vietnam**



**YTD Container Shipments to Vietnam**



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

# Home Depot Charters Boxship to Escape Container Market Woes

by Ship & Bunker News Team

Monday June 14, 2021

[Tweet](#) [Follow @shipandbunker](#)

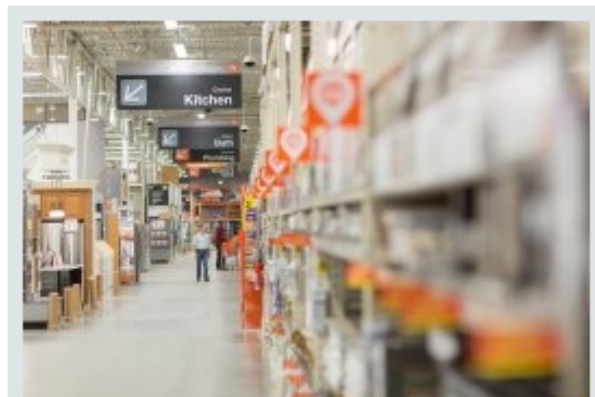
**US** home improvement retailer **Home Depot** has chartered its own whole container ship as a means of getting around the current disruption and spiking spot freight rates in the container market.

The company will be taking on the ship from next month, news provider **CNBC** reported on Monday, citing comments from CEO **Ted Decker**.

"We have a ship that's solely going to be ours and it's just going to go back and forth with 100% dedicated to Home Depot," CNBC cited Decker as saying.

The move is a highly unusual one for an individual shipper, but the incentive is strong with current abnormal conditions in the container freight market. Congestion has built up at container terminals around the world, most notably at **Yantian** in **China** where COVID-19 lockdown measures are slowing operations, while US imports remain strong.

Home Depot is America's third-largest importer by volume of ocean containers, according to the **Journal of Commerce**.



Home Depot is America's third-largest importer by volume of ocean containers, according to the Journal of Commerce. Image Credit: Home Depot





TOP STORY

## **FedEx Freight customer dump shows LTL carriers in driver's seat**

Hundreds of shippers, including ones that supply big-box retailers like Home Depot and Lowe's, are scrambling for transportation after FedEx Freight (NYSE: FDX) on Monday abruptly stopped truck pickups at many locations to help overwhelmed terminals restore productivity levels. [Read More](#)

### **Eastbound trans-Pacific container spot rates hit new high in June**

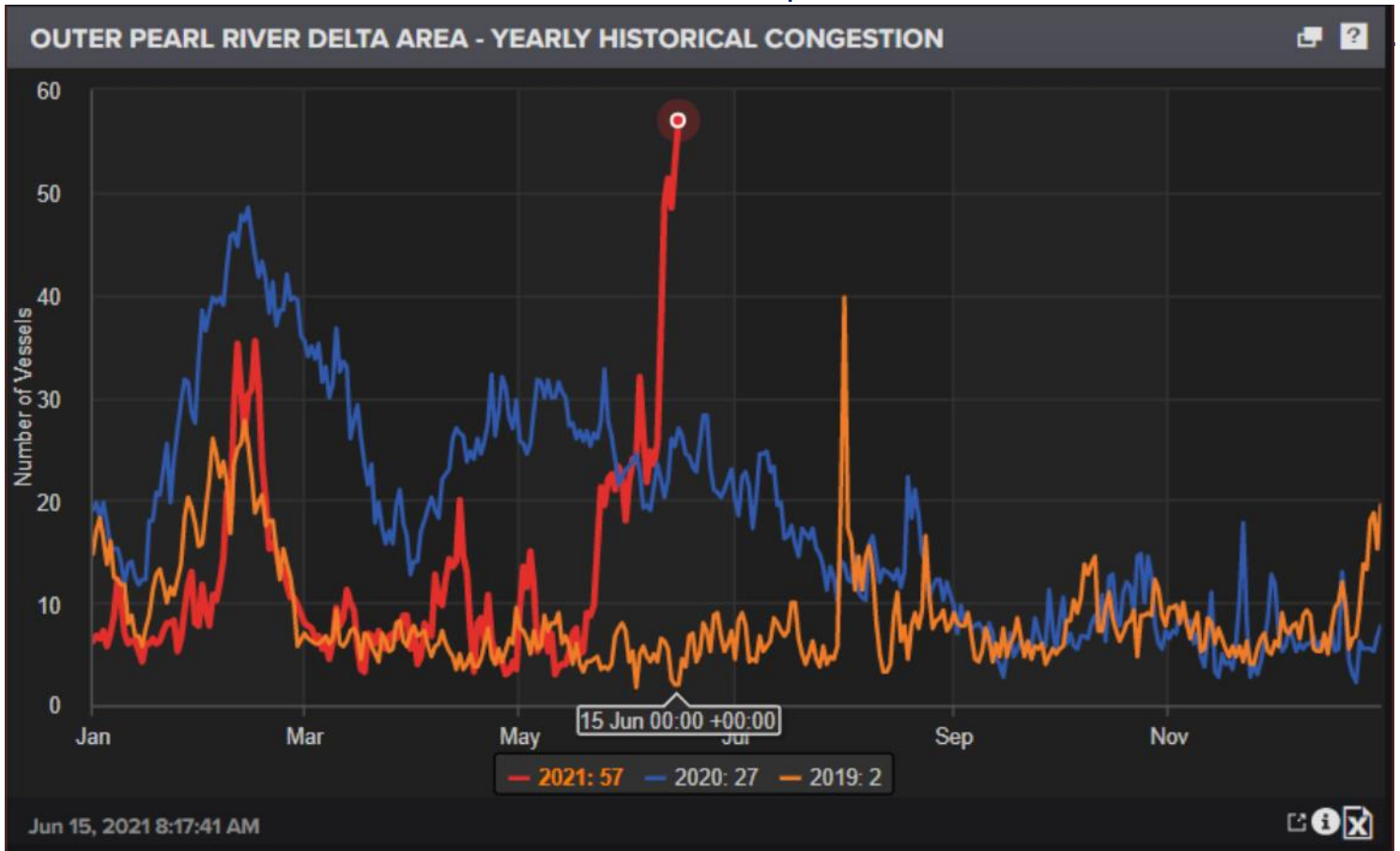
Drewry Hong Kong–Los Angeles container spot rate benchmark, in USD per FEU



Source: Drewry Shipping Consultants

© 2021 IHS Markit

## China Container ports-



## Key global container rates surge to record highs as demand recovers faster than supply

Slower processing of cargoes at key Chinese ports due to fresh COVID-19 outbreaks has further constricted freight flows

FBX CHN EAEUR 11036.67 0.00 (0.00%) FBX CHN EAMED 11116.82 +873.51 (+6.45%) FBX CHNECNA 9317.02 +343.07 (+3.82%) FBX CN EAWCNA 6340.80 +159.60 (+2.58%)

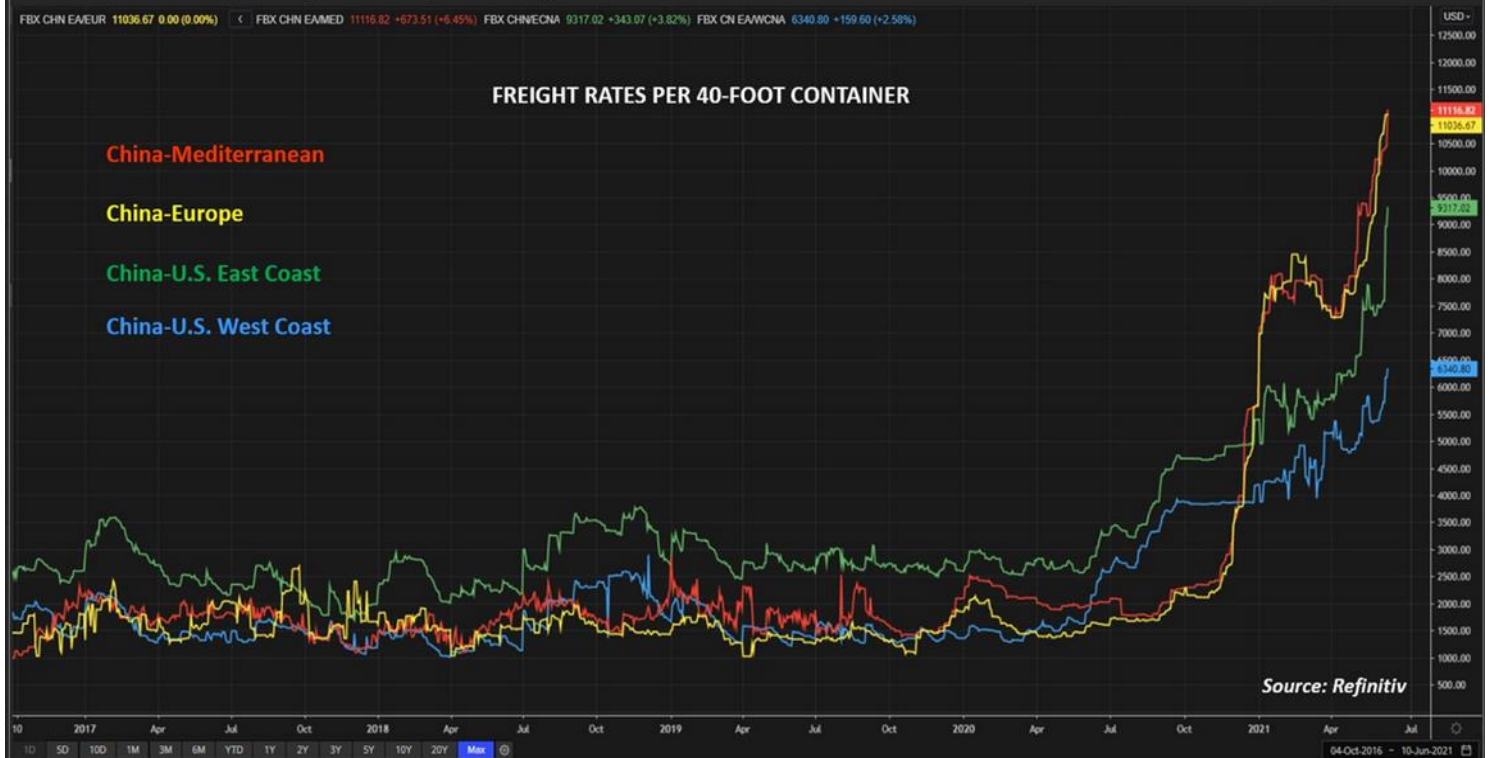
### FREIGHT RATES PER 40-FOOT CONTAINER

China-Mediterranean

China-Europe

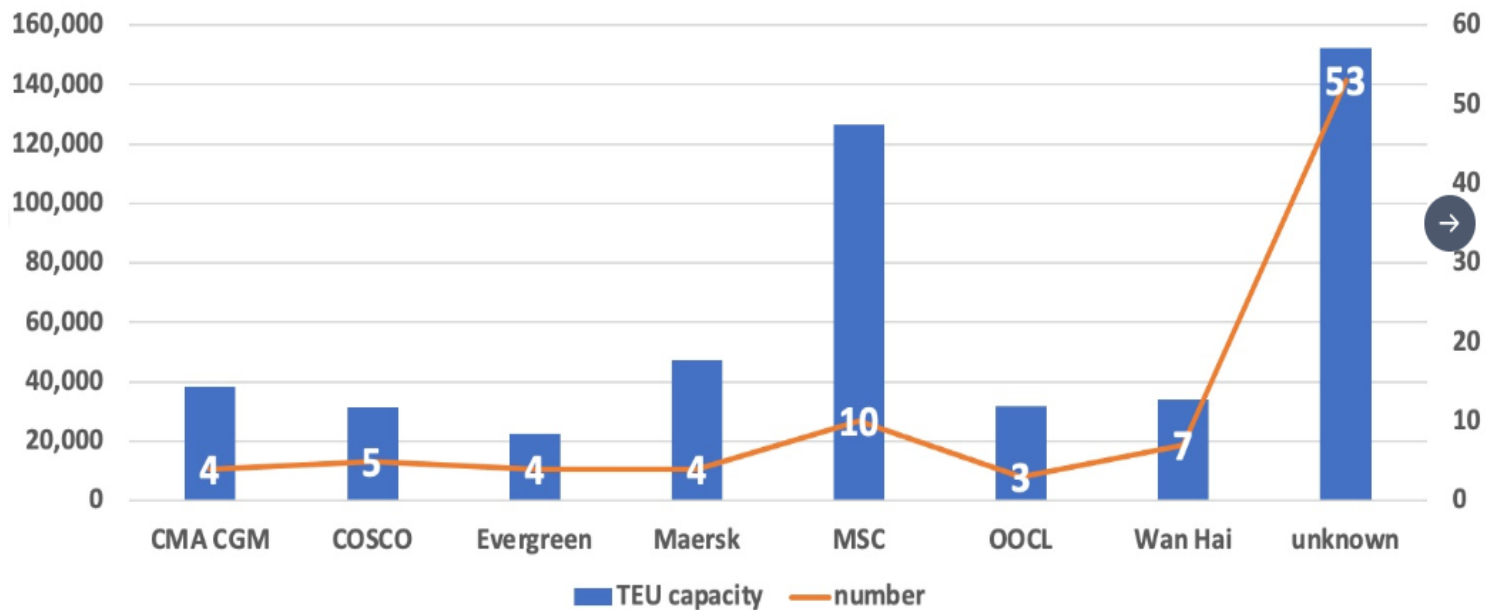
China-U.S. East Coast

China-U.S. West Coast



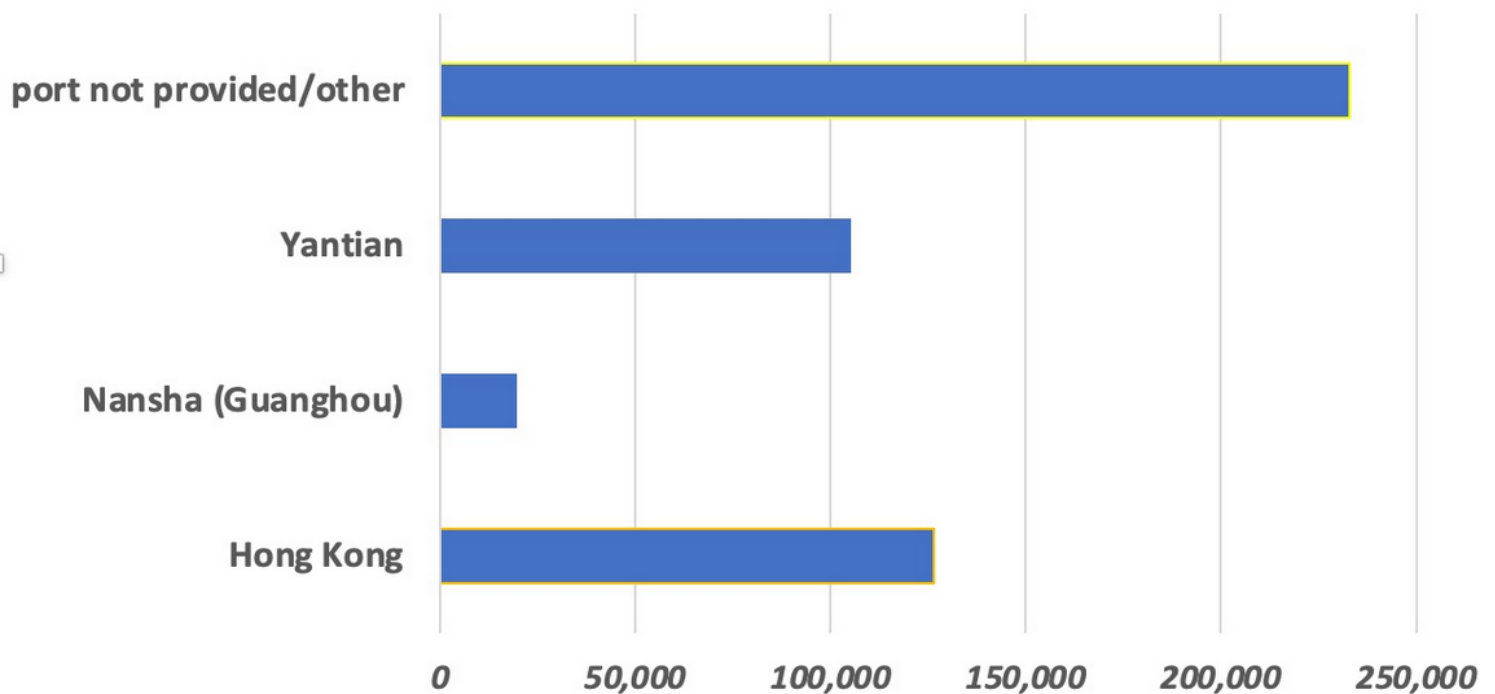
**Containerships at anchor off southern China, by container line (total TEU capacity)  
& number of vessels**

*Source: Lloyd's List Intelligence*



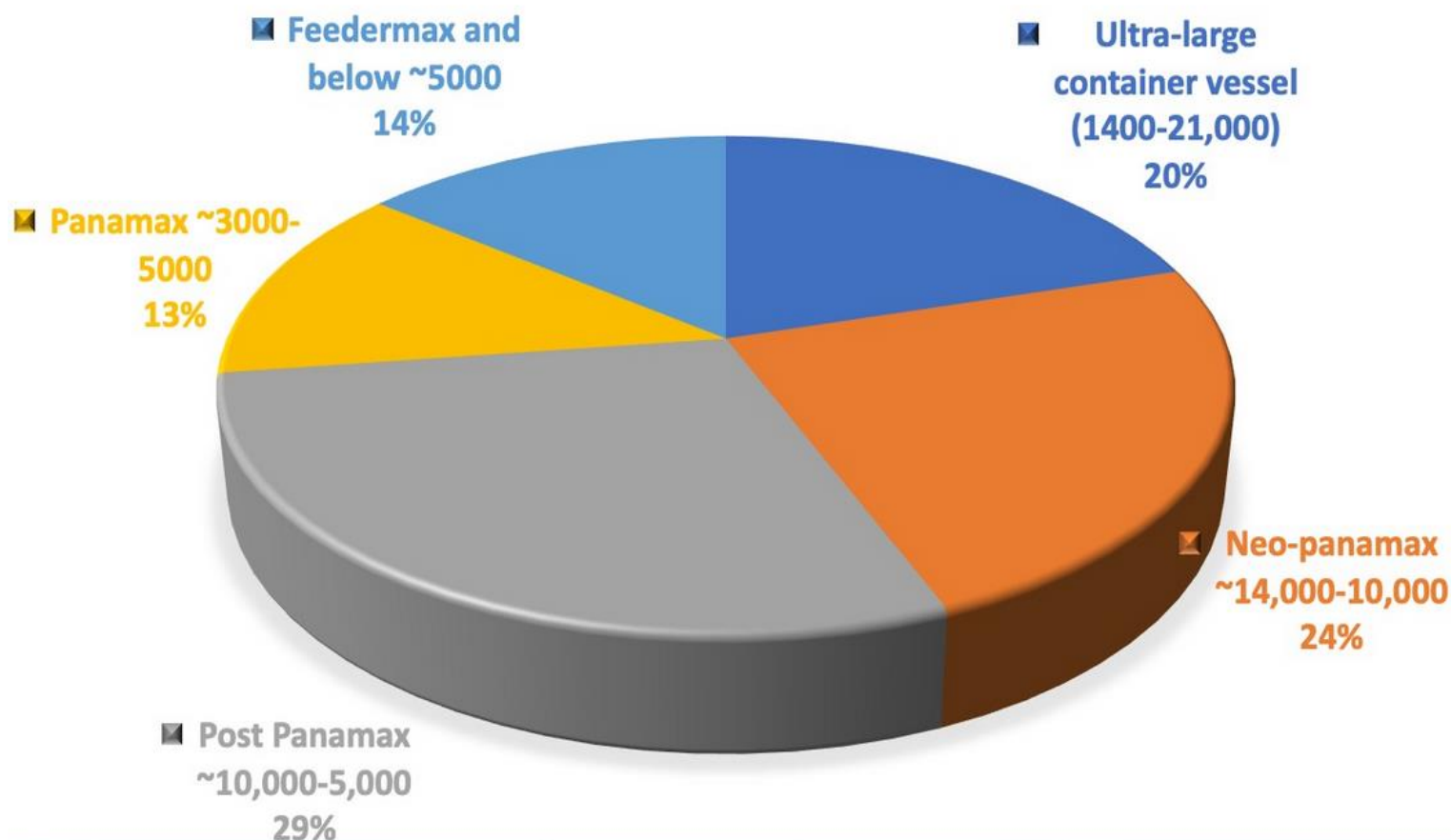
**Containerships at anchor off southern China by total TEU, by next destination**

*Source: Lloyd's List Intelligence*



## CONTAINERSHIPS ANCHORED OFF SOUTHERN CHINA BY VESSEL TYPE

SOURCE: LLOYD'S LIST INTELLIGENCE



**SwitterTM** @RussianGrainTra · 55m

Baguette 🥖 au jambon, anyone? 🐷 🐷

Algeria rejects cargo of French wheat 🌾 but will it go back to France or be resold afloat to another destination? As Feed Wheat for Spain 🇪🇸 maybe?

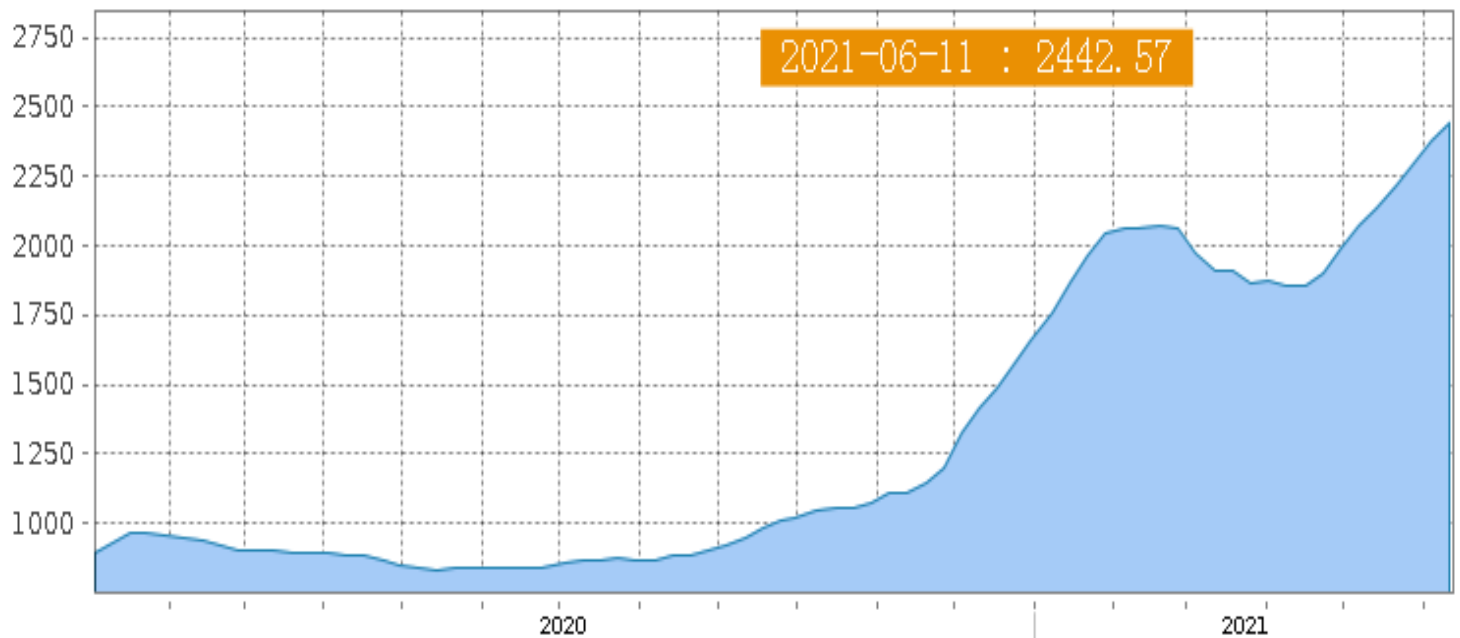
How can you miss 2 pigs (& an oil barrel 🛢️ ?) being loaded 👁️ 👁️ ?



Algeria rejects cargo of French wheat  
Two dead animals were found in the cargo.  
[world-grain.com](https://world-grain.com)



## China Containerized Freight Index



## China Import Dry Bulk Freight Index



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

Placement LH July 2021	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	400	\$27.29	0.69	0.74
Illinois River (Pekin and South)	295	\$20.13	0.51	0.55
Mid-Mississippi	300	\$14.75	0.37	0.40
Lower Ohio	240	\$11.80	0.30	0.32
St. Louis	200	\$ 8.80	0.22	0.24

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

Secondary Rail Car Market Placement LH. July 2021	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (350.00)	\$ (250.00)	\$ (0.09)	\$ (0.06)	\$ (3.44)	\$ (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.  
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