

Transportation and Export Report for 12 January 2023

The Lunar/Chinese New Year will occur on Sunday, January 22; it will be the Year of the Rabbit. Though vessel owners are expecting this to be a good year for freight and freight rates, it currently looks like the rabbit is going down a rabbit hole. I guess we better ask Alice ?

The start of the western new year has not been kind to vessel owners as the indices, rates and shipping stocks have continued to plummet. January-February Panamax daily hire rates slipped to \$8,900/day with Q2 2023 trading at \$13,600/day and Calendar year 2023 at just \$12,600/day.

All hopes for a turnaround still depend on improved Chinese demand.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
12-Jan-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	18950	21,218	-2,268	-10.7%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	6993	8,652	-1,659	-19.2%
S1C: US GULF-China-So.Japan	Index	17693	22179	-4,486	-20.2%
P7: Trial- Miss. River - Qingdao	per ton	50.81	52.68	-1.87	-3.5%
P8: Trial- Santos - Qingdao	per ton	35.77	37.07	-1.30	-3.5%

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

Four weeks ago:	\$9.10-\$8.75
Three weeks ago:	\$8.11-\$8.15
Two weeks ago:	\$8.11-\$8.15
One week ago:	\$8.00-\$7.30
This week	\$7.30- \$7.00

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

Mississippi River:	(9 elevators)	2-10 days (only 2 facility over 6 days)
Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(6 elevators)	0-4 days
Pacific Northwest:	(9 elevators)	1-12 days (6 facilities over 6 days)

Panamax Market Spreads to Asia -China					
12-Jan-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.00	1.55	0.55	\$21.65	BOTH
SOYBEANS	1.34	2.25	0.91	\$33.44	GULF
OCEAN FREIGHT	\$51.50	\$28.00	.60-.64	\$23.50	February

Current Grain Vessel Market Indications:

**** 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 \$33.50 - \$35.00/mt.

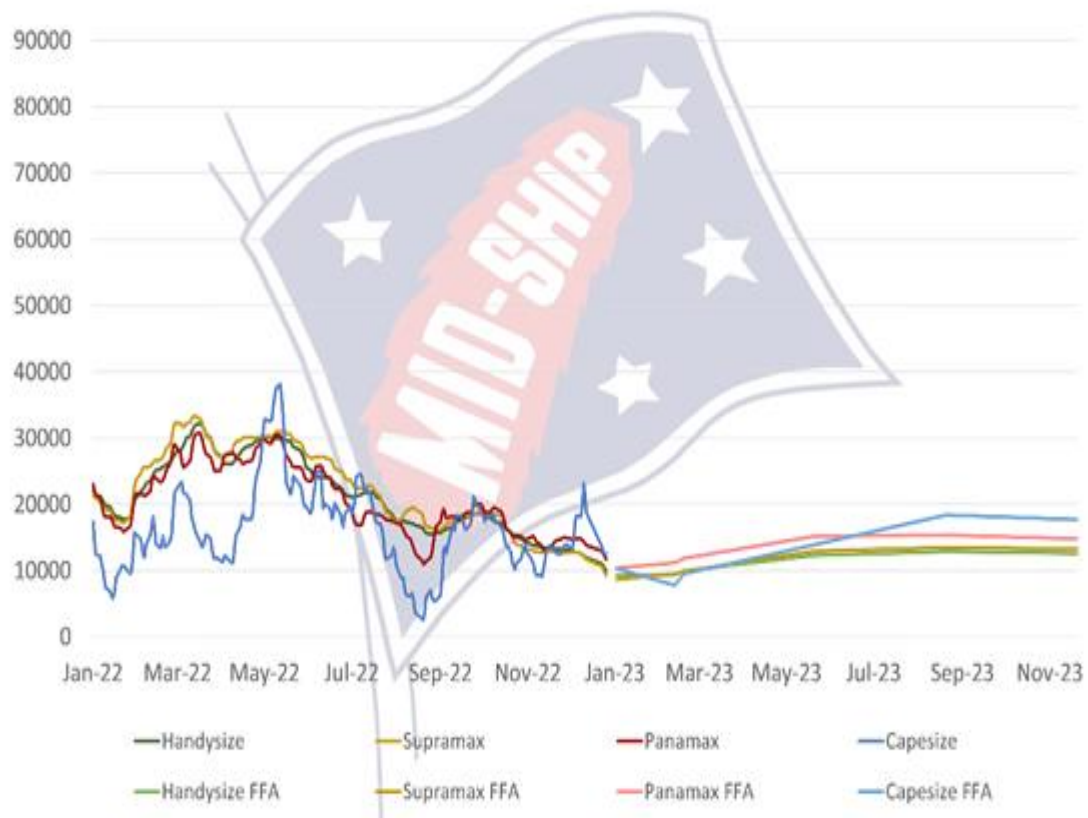
Soybean Brazil to Spain about \$39.00 - \$40.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$52.25	Down \$1.75	Handymax \$52.00 mt
55,000 U.S. PNW- Japan	\$28.25	Down \$2.25	Handymax at \$28.00 mt
65,000 U.S. Gulf – China	\$51.50	Down \$1.50	North or South China
PNW to China	\$28.00	Down \$2.00	
25,000 U.S. Gulf- Veracruz, México	\$22.50	Down \$0.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$18.75	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$29.00	Down \$1.00	<u>West Coast Colombia at \$33.00</u>
50,000 USG- E/C Colombia	\$27.00		
<u>East Coast Colombia</u> From Argentina	\$36.00		
40-45,000 U.S. Gulf - Guatemala	\$36.50	Down \$1.50	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$40.50	Down \$3.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$41.00	Down \$3.75	55,000-60,000 mt Egypt
PNW to Egypt	\$41.50		Romania - Russia- Ukraine \$16.50 - \$24.00 - \$35.00 - France \$25.00, Bulgaria \$17.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$27.25	Down \$1.25	Handymax at +\$2.50 more
Brazil, Santos –China	\$39.75	Down \$2.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$37.50		60-66,000 Post Panamax
Up-River Port North Brazil	\$43.50		55-60,000 mt
56-60,000 Argentina-China	\$42.50	Down \$2.50	Up-River with Top Off Plus \$3.85-\$4.75
Deep draft			

Baltic Dry Bulk Freight Index



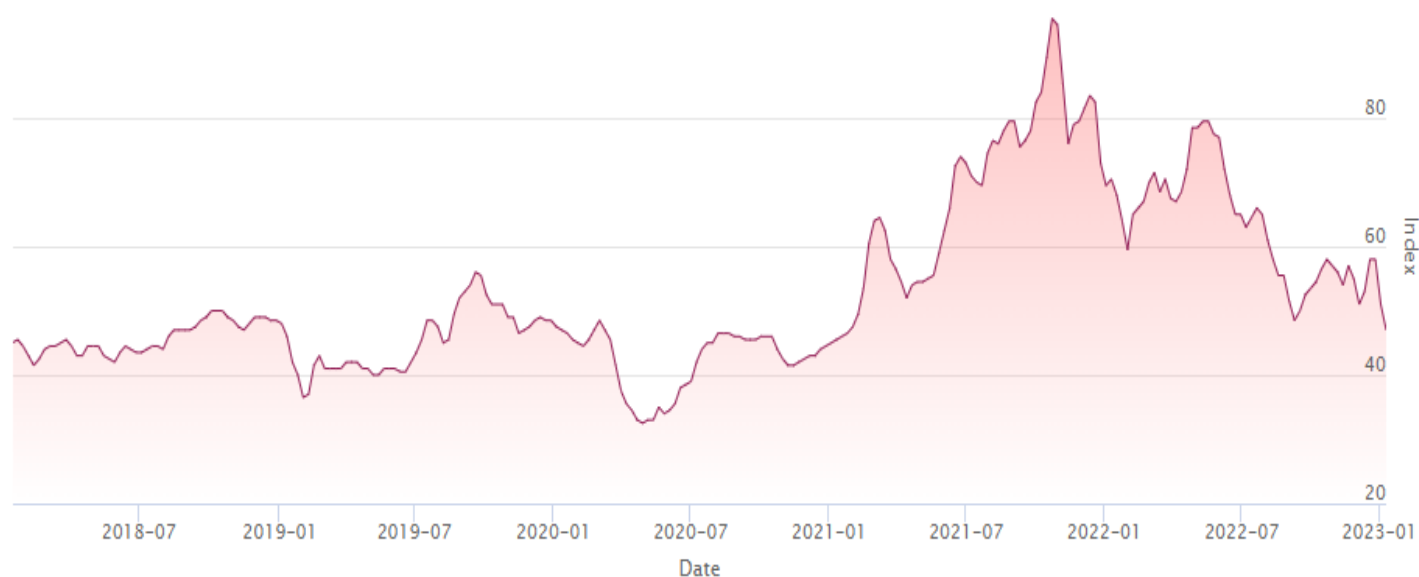
The Baltic Dry Bulk Freight Index- Cape-Panamax-Supra and Handy



YAMAMIZU Index


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

From 2018-01-11 To 2023-01-11



China Import Dry Bulk Freight Index					
2023-01-12					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	923.69	-8.24
Iron ore Freight Index			Point	855.94	-6.12
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	6.959	-0.008
Soybean Freight Index			Point	1139.52	-8.03
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	37.64	-0.33
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	29.07	-0.16
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	51.74	-0.28

12 January 2023 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
Feb.	1.23	\$305.40	1.75	\$325.87
Mar.	1.12	\$301.07	1.75	\$325.87
Apr.	1.00	\$296.24	1.68	\$323.01
May	0.98	\$295.46	1.61	\$320.26
June	1.02	\$294.77	1.60	\$317.60
July	1.00	\$293.98	1.60	\$317.60

The Gulf spread between #2 YC & #3 YC is currently about .03 cents per bushel (1.10/mt) at USG but is out to .04/bushel in the PNW.

SORGHUM (USD/MT) FOB VESSEL		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
Feb.	2.55	\$357.36
Mar.	2.45	\$353.42
Apr.	2.45	\$353.33
May	2.45	\$353.33
June	2.50	\$353.03

Fob vessel Texas Gulf #2 Sorghum is about 116 % 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	
	Feb.	Mar.	Apr.	May
FOB U.S. GULF	\$327.66	\$325.82	\$325.09	\$326.92
Basis	1.45	1.40	1.30	1.35
WH	7.4675			.
WK	7.5475			
WN	7.5925			

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
Feb.	1.45	\$593.68	2.40	\$628.59
Mar.	1.30	\$588.17	2.20	\$621.24
Apr.	1.25	\$588.81	2.10	\$620.04
May	1.25	\$588.81	2.10	\$620.04
June	1.20	\$588.26	2.05	\$619.49
Soybean Futures				
Mar.	\$ 14.7075			
May	\$ 14.7750			
July	\$ 14.8100			
Aug.	\$ 14.5925			
Sept.	\$ 14.0975			
Nov.	\$ 13.8250			

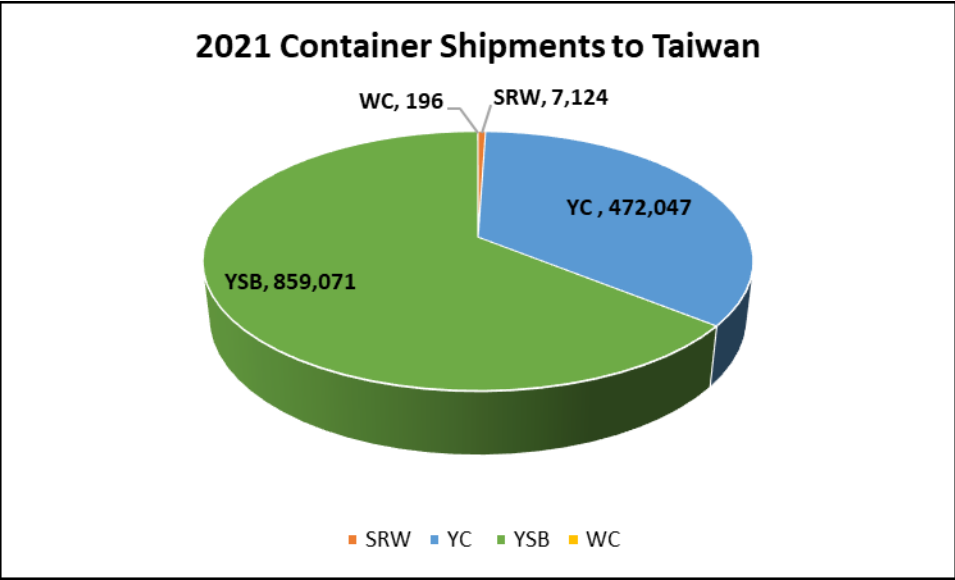
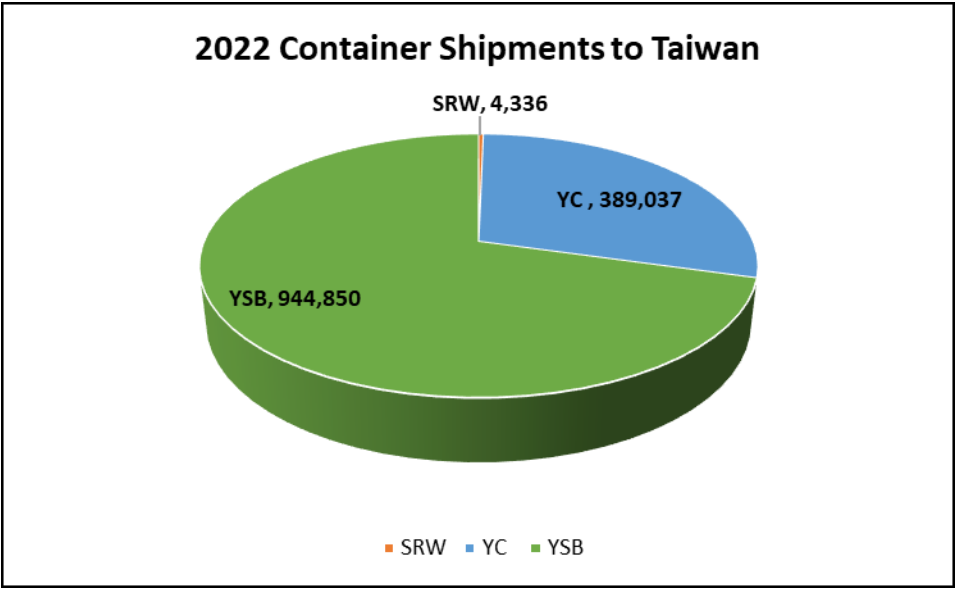
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Feb.	55.00	\$ 573.19
Mar.	50.00	\$ 552.57
Apr.	35.00	\$ 536.04
May	33.00	\$ 526.22
June	34.00	\$ 527.33
SBM Futures		
SMH	\$ 464.90	
SMK	\$ 451.20	
SMN	\$ 444.30	
SMQ	\$ 434.70	
SMU	\$ 422.30	
SMV	\$ 410.20	

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).*

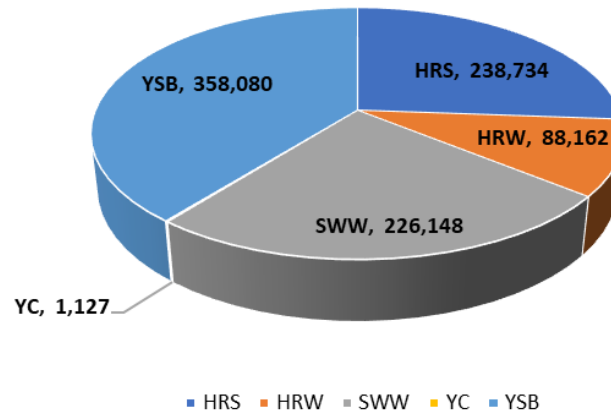
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		5-Jan-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	DUWH	SWH	Sorghum	TOTAL
China			27,052					122	27,174
Taiwan	7,075		5,265	343					12,683
Hong Kong	906								906
Costa Rica									0
Indonesia			13,124						13,124
French Poly									0
Japan			1,395						1,395
Korea Rep.	171			245					416
Dominic Rep									0
Malaysia	416		4,456	196	734				5,802
Senegal									0
Philippines			2,179						2,179
Thailand			2,841						2,841
Nepal			490						490
Burma					196				196
Cambodia									0
Chile									0
Vietnam			4,061						4,061
Sub Total:	8,568	0	60,863	784	930	0	0	122	71,267
USDA Corrections/Additions to previous reports:									
Taiwan	147		1,174						1,321
China			636						636
Hong Kong									0
Korea Rep.			490						490
Un Kingdom									0
Japan									0
Philippines									0
Indonesia			832						832
Malaysia			98						98
Thailand			490						490
Vietnam			979						979
Burma									0
Cambodia									0
Sub Total:	147	0	4,699	0	0	0	0	0	4,846
Mt. Grand Total	8,715	0	65,562	784	930	0	0	122	76,113
Number of Containers	379	0	2,851	34	40	0	0	5	

2021 Annual Totals versus 2022 Annual Totals Container Shipments (in MT)

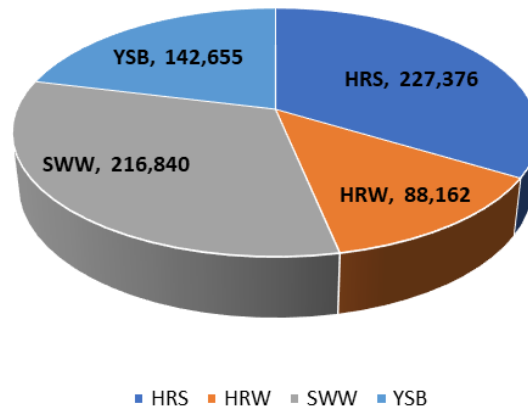


2022 Total Grain Exports reported by USDA (in MT)

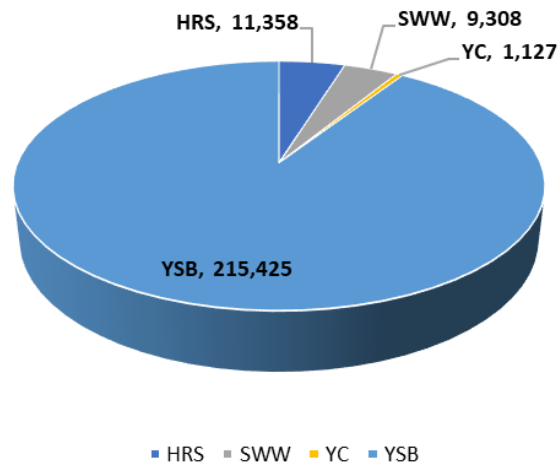
2022 Exports to Thailand



2022 Vessel Shipments to Thailand



2022 Container Shipments to Thailand



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

Source: USDA-data

E. Finley-Richardson @ed_fin · 6h

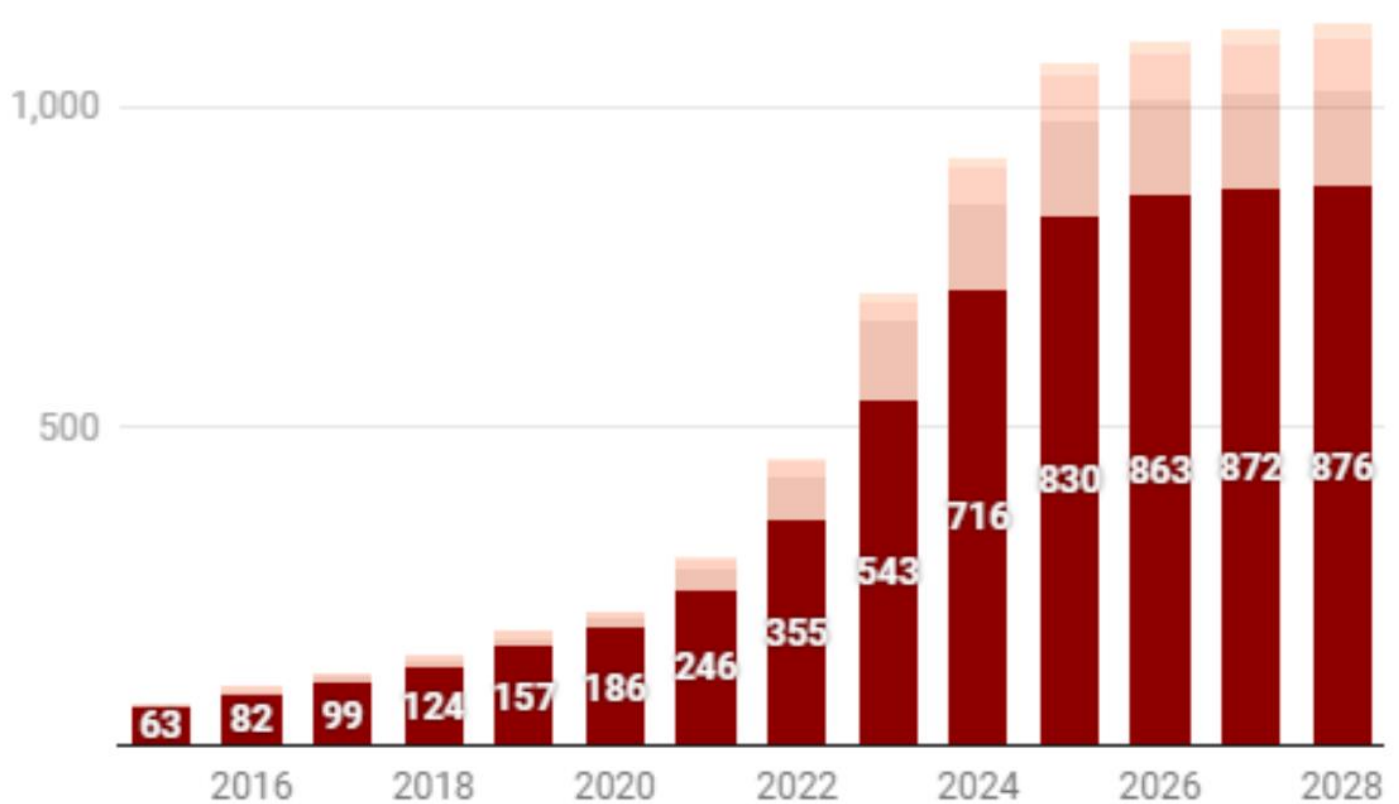
...

🇳🇴 DNV: “Among 275 vessels built to sail on alternative fuels contracted in 2022, 81% are being built to sail on liquefied natural gas.”

Carriers choose natural gas for newbuilds

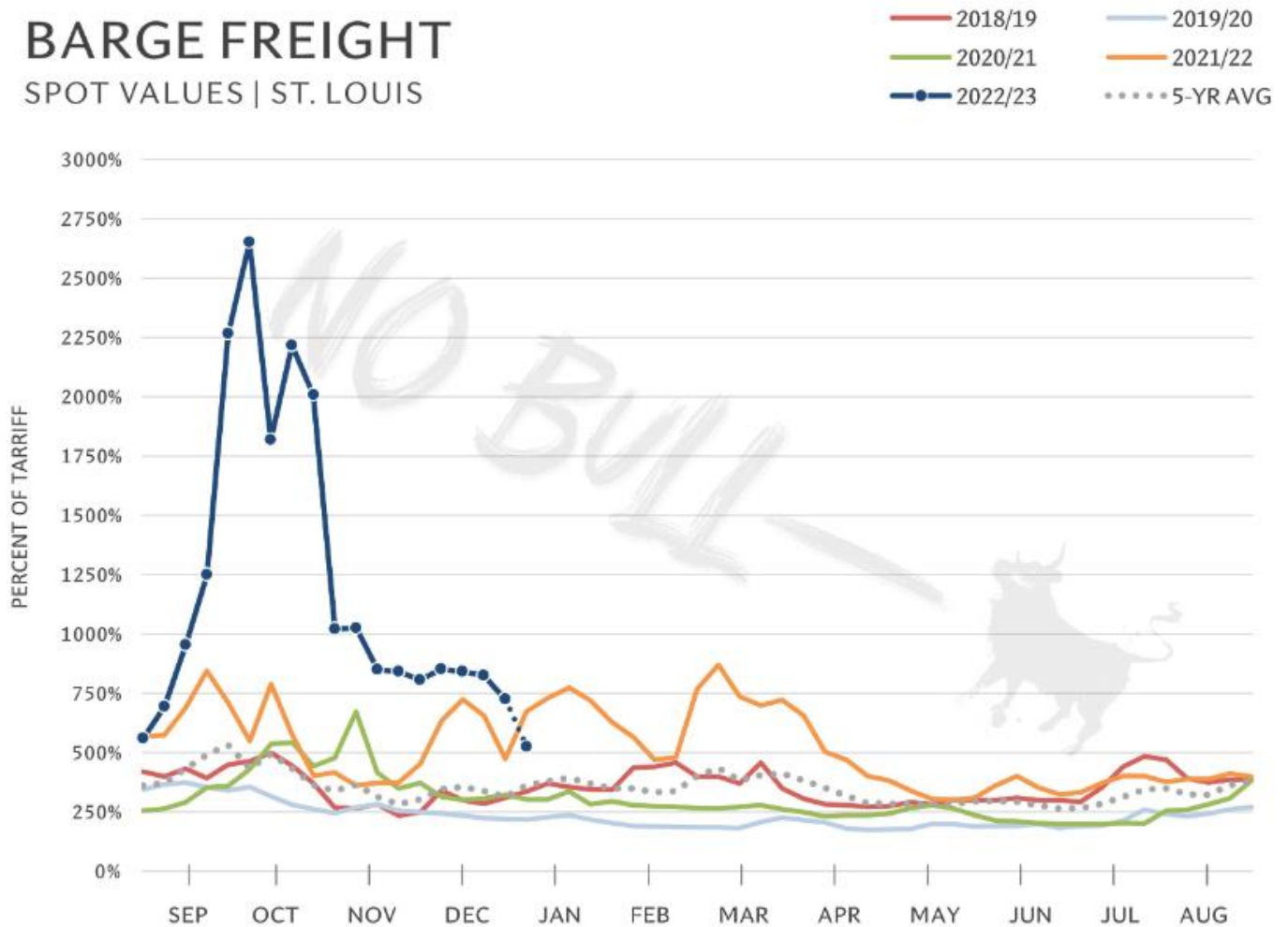
Carriers choose LNG when ordering new ships to sail on alternative fuels

■ LNG ■ LPG ■ Methanol ■ Hydrogen



BARGE FREIGHT

SPOT VALUES | ST. LOUIS

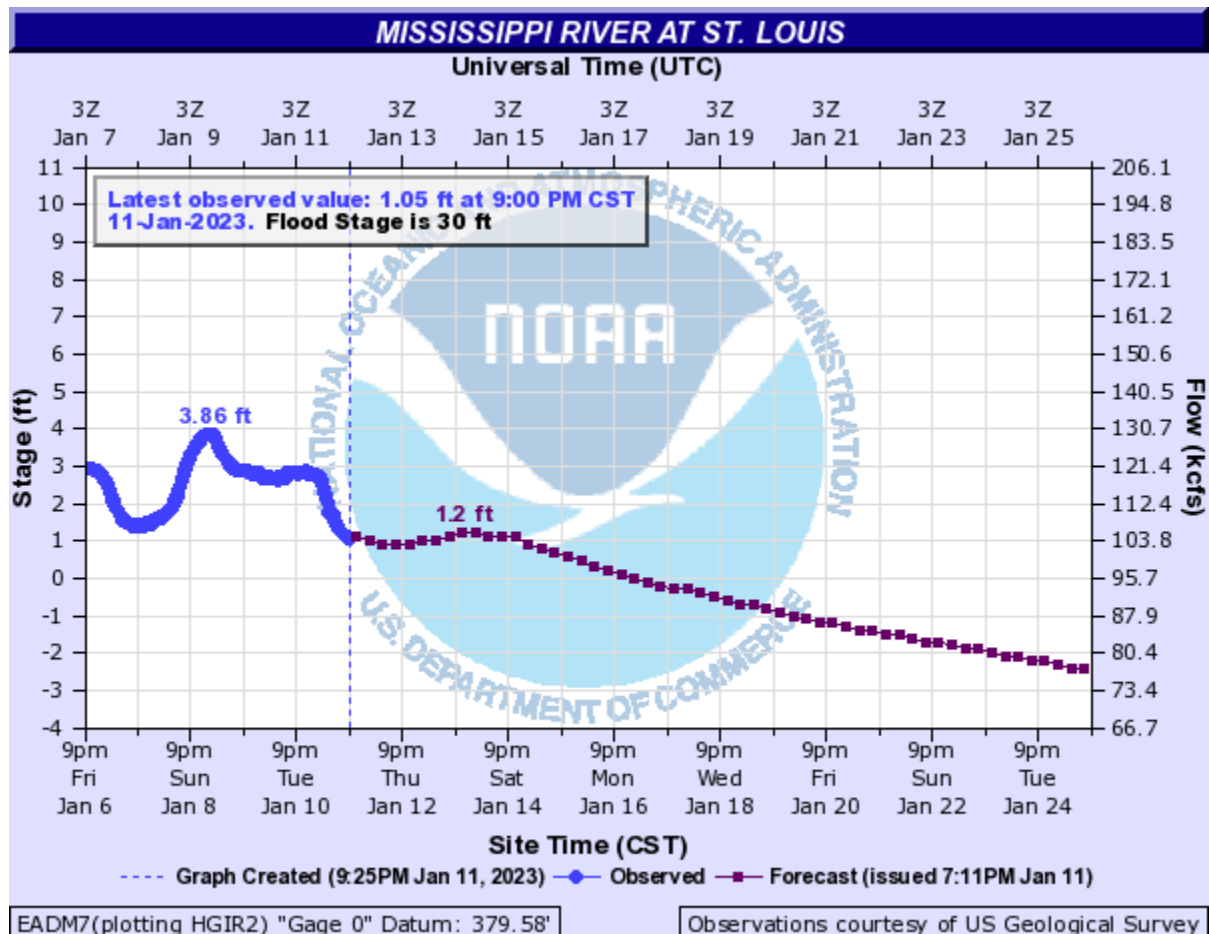


SOURCE: USDA AMS

Mary Kennedy @MaryCKenn · 28m

...

River update: ACBL "Dry loading drafts to 11' SBD for barges loading St. Louis through Cairo and will reevaluate Wednesday 1/11. Drafts currently 9' for NBD barges transiting to/through the St. Louis area; roughly 25-32% below normal drafts."

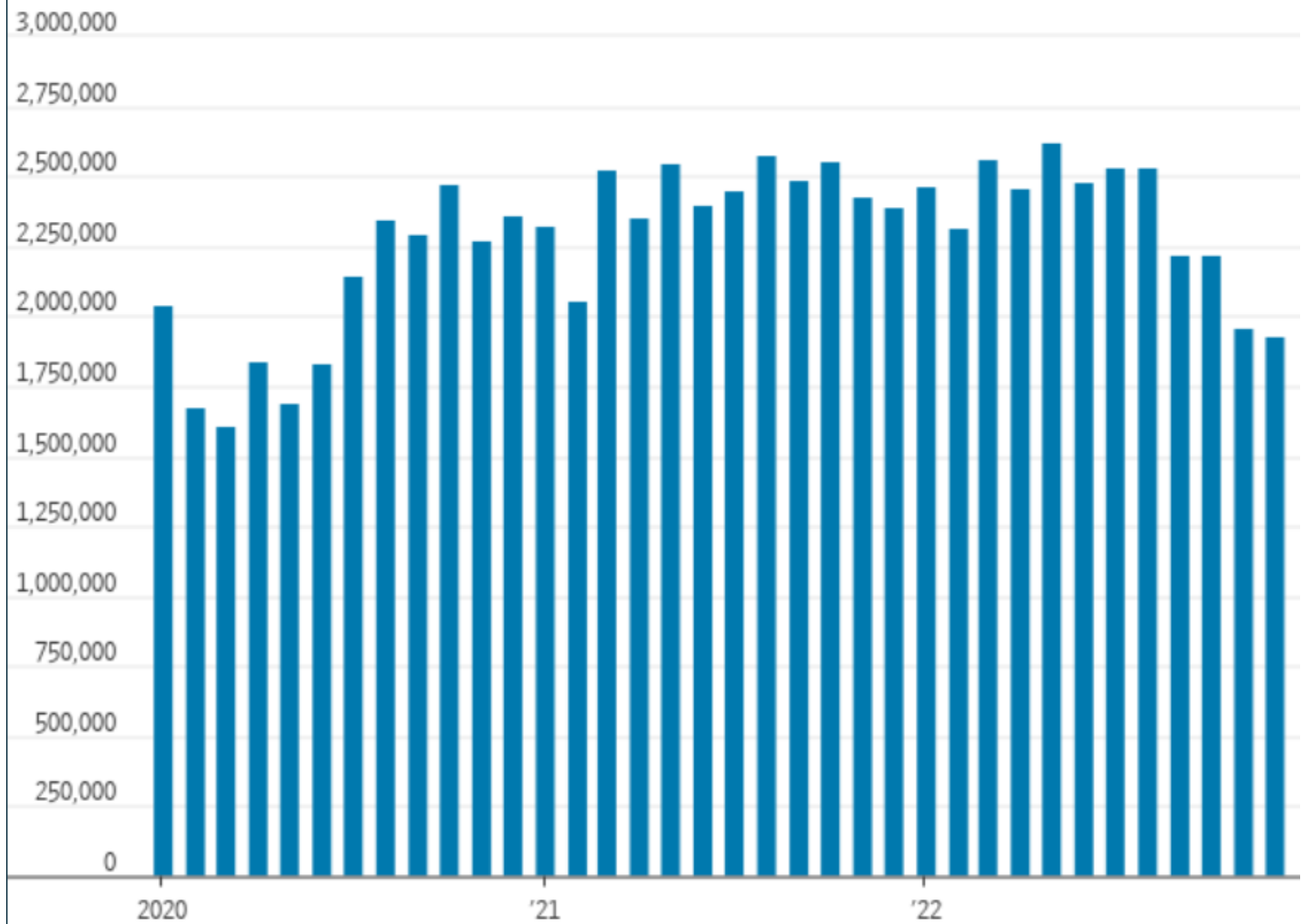


Area Hydrograph

U.S. Rail Freight Markets -

U.S. Container Freight Markets –

Monthly container imports into U.S. ports in 20-foot equivalent units, or TEUs.



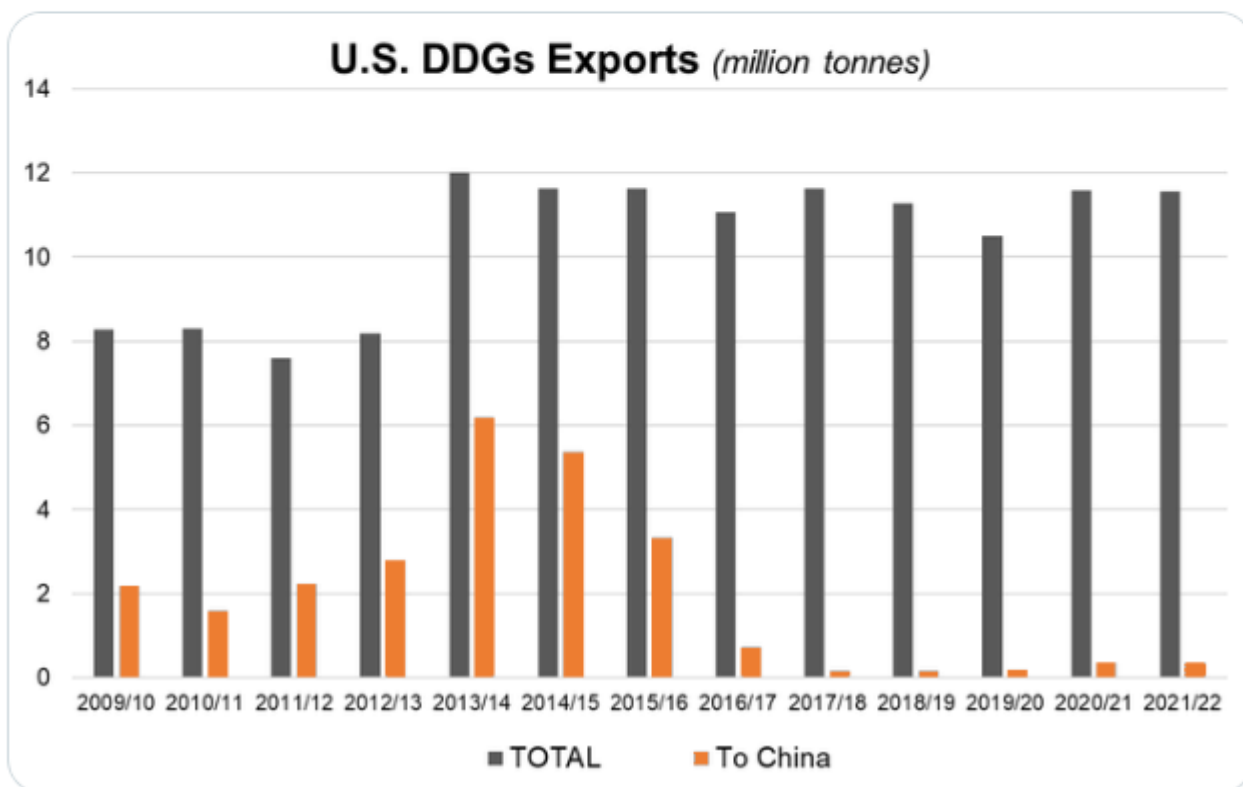
Source: Descartes Datamyne



Karen Braun ✓
@kannbwx

...

[#China](#) will continue imposing anti-dumping & anti-subsidy tariffs on U.S. distillers dried grains (DDGs), a high protein animal feed ingredient, for another five years. U.S. DDGs exports stayed steady in the last few years even w/ China's departure, tho rises were likely capped.



Sam Chambers @SamChambers · 9h

...

Growing number of boxships taking the long, non-Suez way from Europe to Asia to soak up capacity. The diversion around the African continent adds about 3,500 nautical miles of steaming distance to the route. The massive detours are CII-neutral!

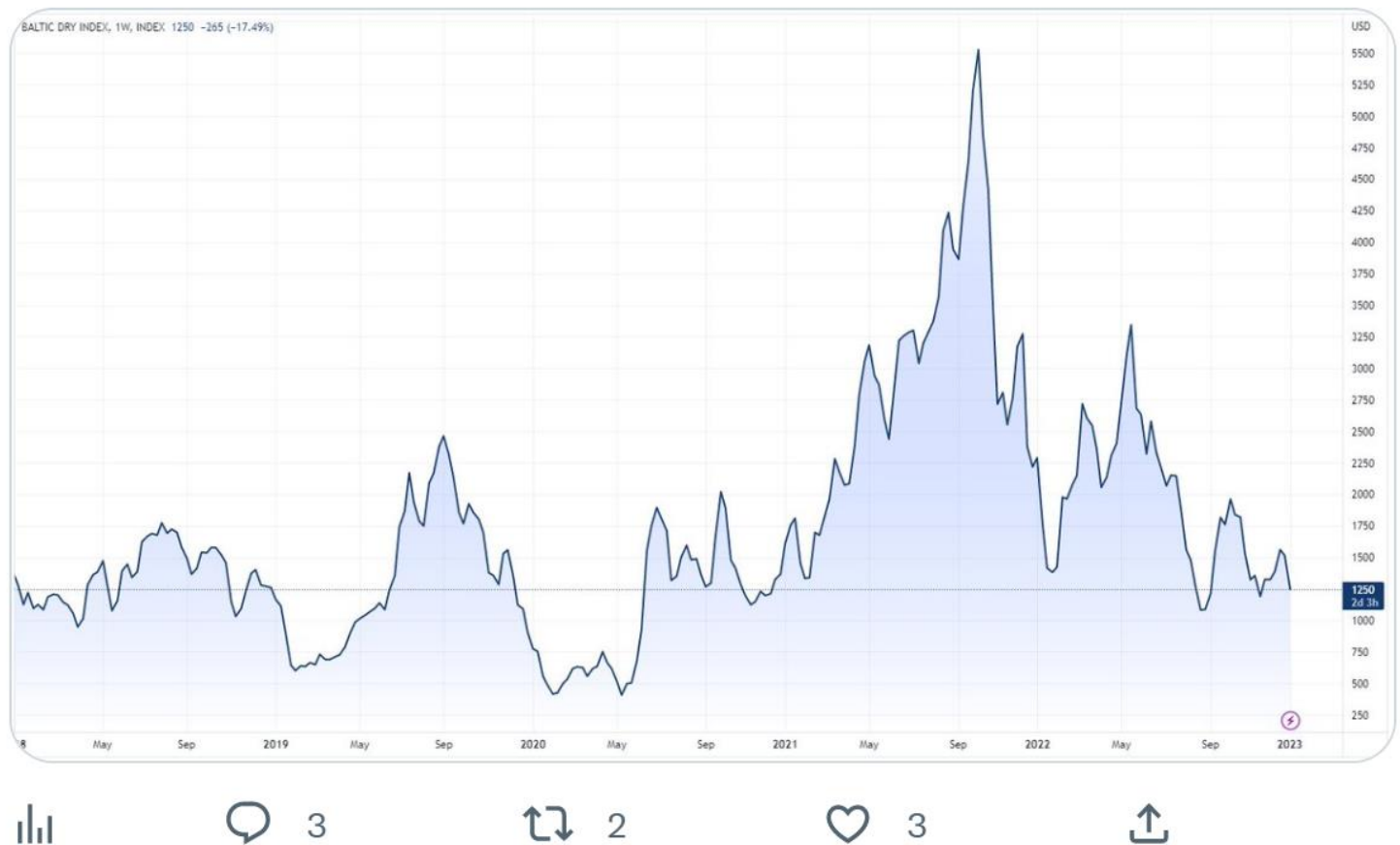
DRY-Bulk Freight Markets

Market Index @MarketIndexAU · 2h

...

Baltic **Dry** Index falls -17.5% overnight – The largest one-day decline since 1984.

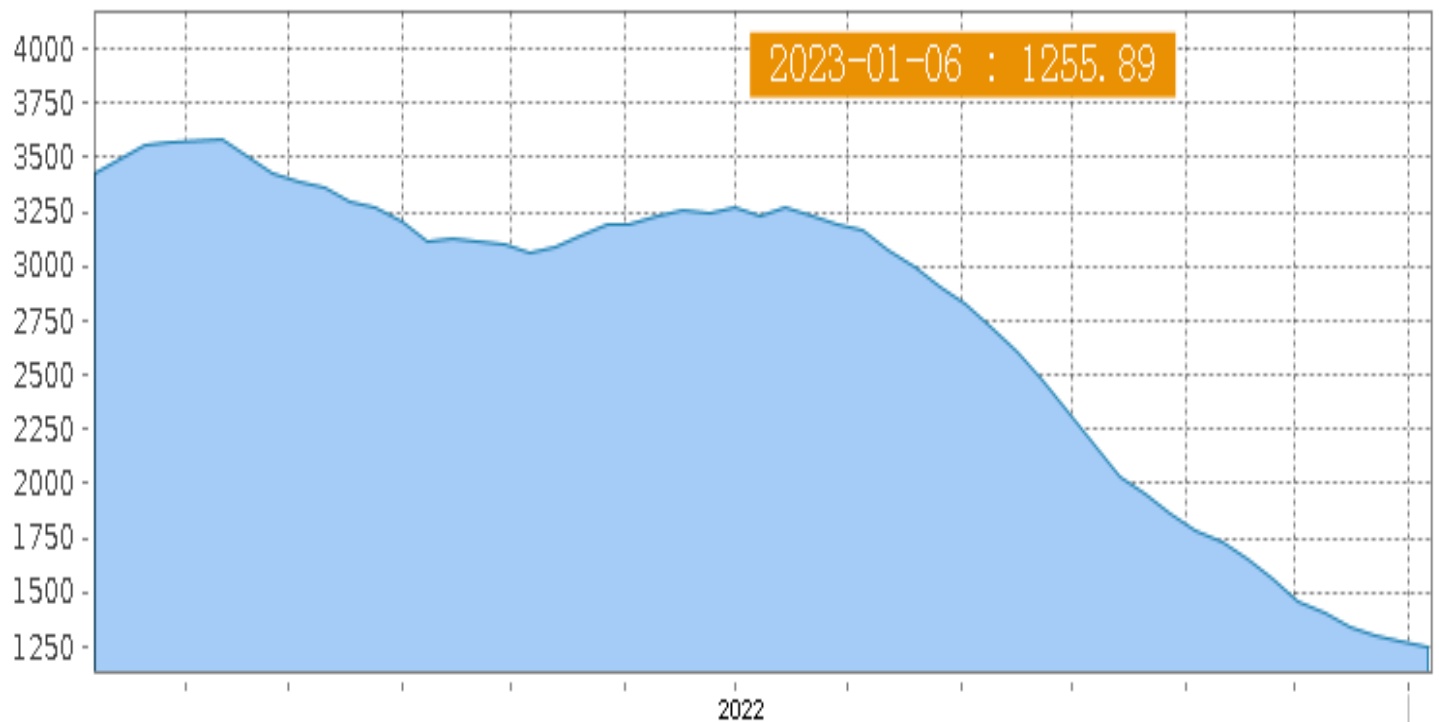
BDI measures the going rates for **shipping** vessels carrying **dry bulk** commodities.



China Import Dry Bulk Freight Index



China Containerized Freight Index



Secondary Rail Car Market for Car placement period: First Half February 2023

Secondary Rail Car Market Placement FH February 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 200	\$ 600	\$ 0.05	\$ 0.15	\$ 1.97	\$ 5.91
UPRR Shuttle Trains	\$ 200	\$ 450	\$ 0.05	\$ 0.11	\$ 1.97	\$ 4.43

U.S. RIVER BARGE FREIGHT

Barge Freight for Loading Placement First Half February 2023

Placement FH February 2023	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed	\$ -	0.00	0.00
Illinois River (Pekin and South)	565	\$ 38.55	0.98	1.05
Mid-Mississippi	Closed	\$ -	0.00	0.00
Lower Ohio	475	\$ 23.35	0.59	0.64
St. Louis	475	\$ 20.89	0.53	0.57

Best Regards,

Jay

Jay O'Neil
HJ O'Neil Commodity Consulting
785-410-2303 (cell)

joneil@ksu.edu

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.

All market data is subject to change with market conditions and Trader's opinions. Please obtain market updates and reconfirm all values with your regular freight supplier before making any trading decisions based on this data. This message and any attachments may contain confidential or privileged information and are only for the use of the intended recipient of this message. If you are not the intended recipient, please notify the sender by return email, and delete or destroy this and all copies of this message and all attachments. Any unauthorized disclosure, use, distribution, or reproduction of this message or any attachments is prohibited and may be unlawful.

This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§2510-2521, and is confidential.