

## Transportation and Export Report for 6 October 2022

Given the Golden Week holiday in China (October 1-7) it was a fairly quiet week in Dry Bulk freight markets. Rates did rally slightly early in the week but settled back at weeks end. China demand and the global economic outlook remain the big issues.

The biggest news in U.S. freight markets is the low water situation on the Mississippi River and the restrictions this is causing to south bound barge freight movements. This will push more grain movement to rail and more exports to the PNW for October, and possibly longer if the dry weather persists. Rail and barge freight is getting historically expensive.

The U.S. Railroad tentative labor contract has been voted on by union members, but full results will not be known until November. Rail service to all ports will be critical during the low water conditions on the river system. And rail cars will be trading at big premiums. It is going to be a very challenging U.S. harvest season.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
6-Oct-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	30282	24,100	6,182	25.7%
P3A: PNW/Pacific - Korea	Index	17396	20,273	-2,877	-14.2%
S1C: US GULF-China-So.Japan	Index	24532	23293	1,239	5.3%
P7: Trial- Miss. River - Qingdao	per ton	63.50	58.40	5.10	8.7%
P8: Trial- Santos - Qingdao	per ton	52.56	48.53	4.03	8.3%

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

Four weeks ago:	\$7.50-\$7.85
Three weeks ago:	\$8.25-\$7.85
Two weeks ago:	\$8.40-\$9.82
One week ago:	\$8.85-\$9.75
This week	\$9.50- \$8.15

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

Mississippi River:	(9 elevators)	3-9 days
Mid-Stream loaders:	(6+ Rigs)	1-2 days
Texas Gulf	(5 elevators)	0-6 days (4 facilities at zero days)
Pacific Northwest:	(9 elevators)	3-10 days (2 facilities at zero days)

Panamax Market Spreads to Asia -China					
6-Oct-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	2.10	2.40	0.30	\$11.81	PNW
SOYBEANS	2.25	2.99	0.74	\$27.19	GULF
OCEAN FREIGHT	\$60.00	\$35.50	.62-.67	\$24.50	November

### 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 \$44.00 -\$45.00/mt.

Soybean Brazil to Spain about \$49.00 -\$50.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$61.25	Up \$0.25	Handymax \$61.50 mt
55,000 U.S. PNW- Japan	\$36.00	Unchanged	Handymax at \$33.50 mt
65,000 U.S. Gulf – China	\$60.25	Up \$0.25	North or South China
PNW to China	\$35.50	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$25.50	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$22.00	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$35.25	Up \$0.25	<u>West Coast Colombia at \$39.75</u>
50,000 USG- E/C Colombia	\$32.50		
<u>East Coast Colombia</u> From Argentina	\$42.75		
40-45,000 U.S. Gulf - Guatemala	\$42.00	Up \$0.25	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$59.25	Up \$0.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$58.25	Up \$0.25	55,000-60,000 mt Egypt
PNW to Egypt	\$59.00		Romania - Russia- Ukraine \$26.50 -\$27.00 - \$.40.00 - France \$41.00, Bulgaria \$29.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$29.00	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$51.50	Up \$0.25	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$49.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$58.50		55-60,000 mt
56-60,000 Argentina-China	\$55.00	Up \$0.25	Up-River with Top Off Plus \$3.85-\$4.75
Deep draft			

## The Baltic Dry Bulk Freight Index



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

### Baltic Average of the Time Charter routes per Segment

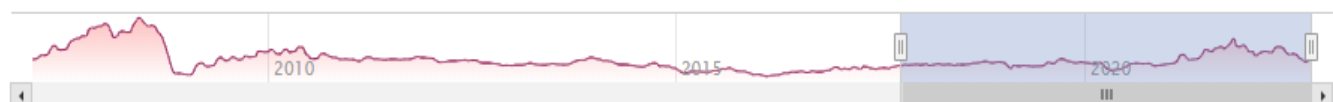


# YAMAMIZU Index



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

From 2017-10-05 To 2022-10-05



## China Import Dry Bulk Freight Index 2022-09-30

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1222.8	-22.38
Iron ore Freight Index			Point	1054.7	-38.93
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.162	-0.61
Soybean Freight Index			Point	1407.31	10.76
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	48.75	0.35
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	35.58	0.1
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	60.2	0.6

**Low water conditions on the Mississippi River and restricted barge movements have created a No offer situation in CIF Corn, Soybean and SRW Wheat markets to the U.S. Gulf/NOLA. Grain values are therefore not exactly known and very much of a wild guess at this time.**

**6 October 2022 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>					CORN	FUTURES
#2 YC	<b>GULF # 2 YC</b>		<b>PNW # 3 YC</b>		Z =	6.7550
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	6.8325
<b>Nov.</b>	2.10	<b>\$348.60</b>	2.40	<b>\$360.41</b>	K =	6.8475
<b>Dec.</b>	1.65	<b>\$330.89</b>	2.01	<b>\$345.06</b>	N =	6.8000
<b>Jan.</b>	1.35	<b>\$322.13</b>	1.94	<b>\$345.35</b>	U =	6.3300
<b>Feb.</b>	1.22	<b>\$317.01</b>	1.90	<b>\$343.78</b>	Z =	6.2075
<b>Mar.</b>	1.17	<b>\$315.04</b>	1.90	<b>\$343.78</b>		
<b>Apr.</b>	1.17	<b>\$315.63</b>	1.90	<b>\$344.37</b>		

The Gulf spread between #2 YC & #3 YC is currently about .03 cents per bushel (1.09/mt) at USG but is out to .06/bushel in the PNW.

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	<b>TEXAS Gulf</b>	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>Nov.</b>	2.40	<b>\$360.41</b>
<b>Dec.</b>	2.40	<b>\$360.41</b>
<b>Jan.</b>	2.35	<b>\$361.50</b>
<b>Feb.</b>	2.35	<b>\$361.50</b>
<b>Mar.</b>	2.35	<b>\$361.50</b>

Fob vessel Texas Gulf #2 Sorghum is about 104 % the value of #2 Yellow Corn at NOLA.

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

<b>SRW Wheat</b>	<b>USD/MT</b>	<b>Fob Vessel</b>	<b>US Gulf</b>	
	<b>Nov.</b>	<b>Dec.</b>	<b>Jan.</b>	<b>Feb.</b>
FOB U.S. GULF	\$383.60	\$376.25	\$377.63	\$377.63
Basis	1.65	1.45	1.35	1.35
WZ	8.7900			.
WH	8.9275			
WK	9.0050			

**Low water conditions on the Mississippi River and restricted barge movements have created a No offer situation in CIF Corn, Soybean and SRW Wheat markets to the U.S. Gulf/NOLA. Grain values are therefore not exactly known and very much of a wild guess at this time.**

<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>Nov.</b>	2.25	<b>\$581.65</b>	2.99	<b>\$608.84</b>
<b>Dec.</b>	1.75	<b>\$567.87</b>	2.60	<b>\$599.10</b>
<b>Jan.</b>	1.50	<b>\$558.68</b>	2.40	<b>\$591.75</b>
<b>Feb.</b>	1.45	<b>\$560.70</b>	2.35	<b>\$593.77</b>
<b>Mar.</b>	1.45	<b>\$560.70</b>	2.35	<b>\$593.77</b>
<b>Soybean Futures</b>				
<b>Nov.</b>	\$ 13.5800			
<b>Jan.</b>	\$ 13.7050			
<b>Mar.</b>	\$ 13.8100			
<b>May</b>	\$ 13.8975			
<b>July</b>	\$ 13.9475			
<b>Aug.</b>	\$ 13.8425			

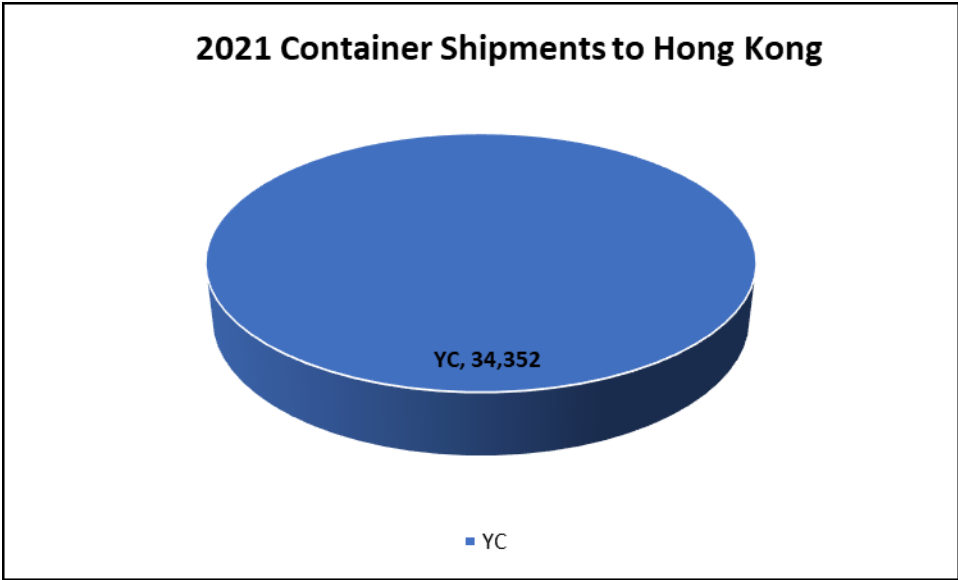
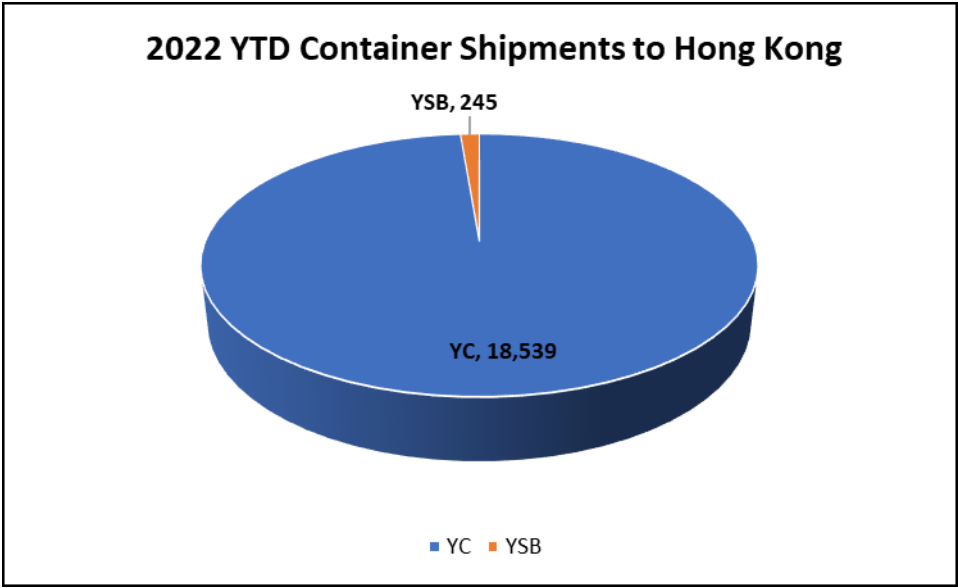
**U.S. Soybean and SBM Markets Fob Vessel:**

<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>Nov.</b>	45.00	<b>\$ 483.34</b>
<b>Dec.</b>	45.00	<b>\$ 482.34</b>
<b>Jan.</b>	45.00	<b>\$ 479.37</b>
<b>Feb.</b>	45.00	<b>\$ 479.37</b>
<b>Mar.</b>	45.00	<b>\$ 478.82</b>
<b>SBM Futures</b>		
<b>SMZ</b>	\$ 393.40	
<b>SMF</b>	\$ 392.50	
<b>SMH</b>	\$ 389.80	
<b>SMK</b>	\$ 389.30	
<b>SMN</b>	\$ 390.60	
<b>SMQ</b>	\$ 388.70	

**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-Sep-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	DUWH	Sorghum	TOTAL
China	2,056		5,045						7,101
Taiwan	2,546		2,742						5,288
Hong Kong									0
Costa Rica									0
Indonesia			3,870	980					4,850
French Poly									0
Japan			440		245				685
Korea Rep.			49	245					294
Dominic Rep									0
Malaysia			2,570	465	220				3,255
Singapore									0
Philippines	94			220					314
Thailand			1,764						1,764
Ireland		96							96
Burma									0
Cambodia									0
Nepal									0
Vietnam			1,616						1,616
Sub Total:	4,696	96	18,096	1,910	465	0	0	0	25,263
USDA Corrections/Additions to previous reports:									
Taiwan			367						367
China									0
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan			563						563
Philippines									0
Indonesia			122						122
Malaysia			98						98
Thailand	98		930						1,028
Vietnam			1,053						1,053
Burma									0
Cambodia			73						73
Sub Total:	98	0	3,206	0	0	0	0	0	3,304
<b>Mt. Grand Total</b>	<b>4,794</b>	<b>96</b>	<b>21,302</b>	<b>1,910</b>	<b>465</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28,567</b>
Number of Containers	208	4	926	83	20	0	0	0	

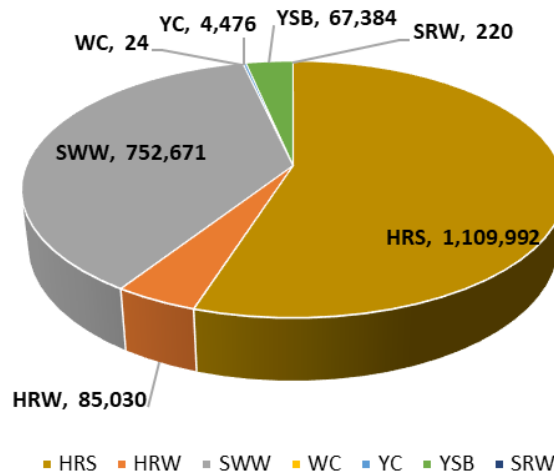
Jan - Dec 2021 Annual Totals versus 2022 YTD Container Shipments (in MT)



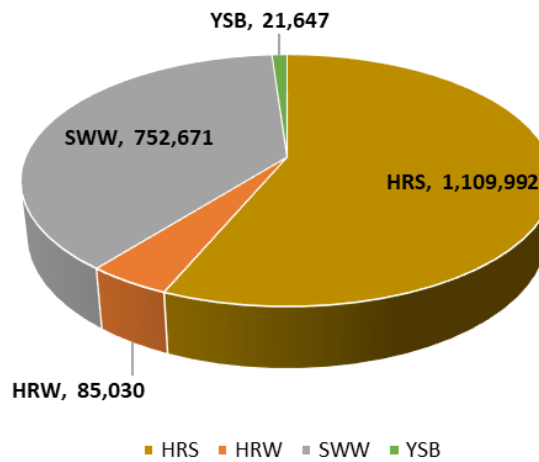


2022 YTD Total Grain Exports reported by USDA (in MT)

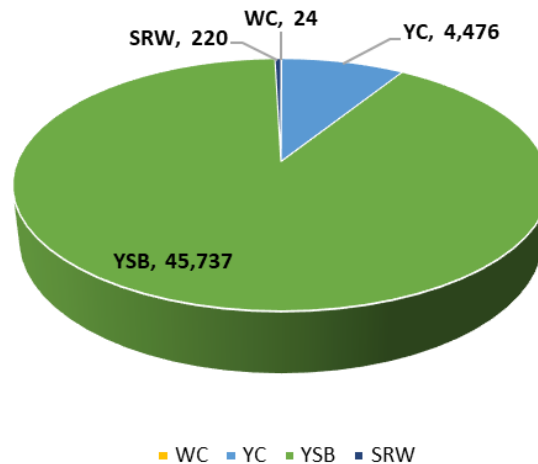
**2022 YTD Exports to Philippines**



**YTD Vessel Shipments to Philippines**



**YTD Container Shipments to Philippines**



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

Source: USDA-data

## Ingram Barge prodding force majeure notice due to low Mississippi River - Reuters News

 06-Oct-2022 09:38:00 AM

To view this story on Refinitiv Workspace, click [here](#)

Oct 6 (Reuters) - Ingram Barge Company, one of the country's largest barge shippers, said Thursday it was "prodding formal notice of a force majeure event" as low water on the Mississippi River disrupted its operations on the major shipping waterway.

The declaration would affect the portion of Ingram's operating network at locations downriver from Baton Rouge, Louisiana, Ingram Barge Chief Executive John Roberts said in an emailed statement.

(Reporting by Karl Plume in Chicago; Editing by Chizu Nomiya)

**Mary Kennedy** @MaryCKenn · 17h

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"Barges at MM484 heading south can go through if drafts below 10' & no more than 5 wide. River still closed upriver at MM681 as work continues to roundup grounded barges & no timeline to reopen."

Spot values up again; St. Louis traded 3000%, lower Ohio at 2500%.  
Buckle Up kids!



 2

 11



**Mary Kennedy** @MaryCKenn · Oct 4

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BNSF secondary shuttle freight Oct bid at \$1800 over against no offers & Nov is bid \$900 over against offers of \$1500 over. UP secondary freight for returns is bid \$2000 over against no offers, Oct bid \$1800 over against no offers & Nov bid \$500 over against offers of \$1100 over.

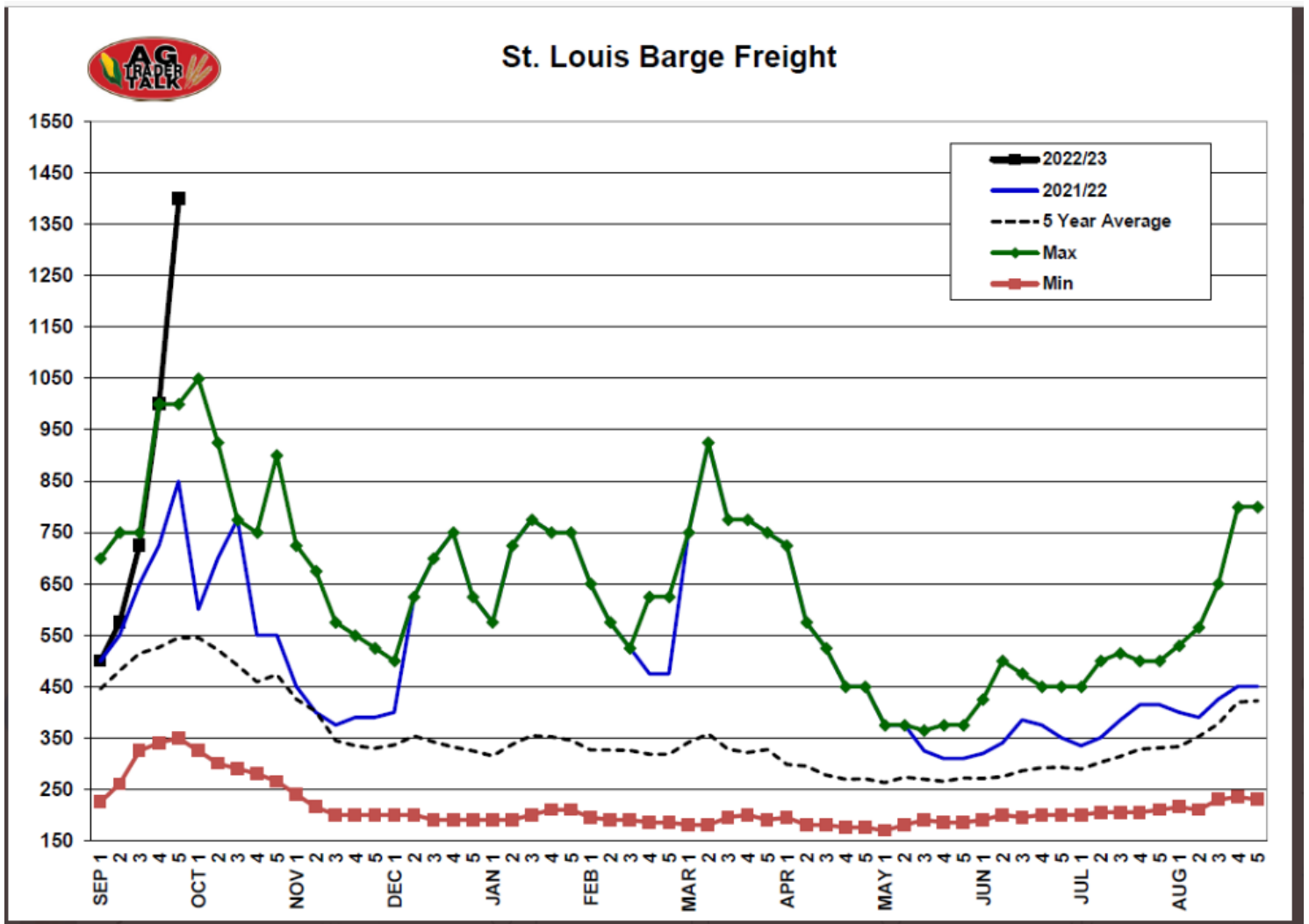
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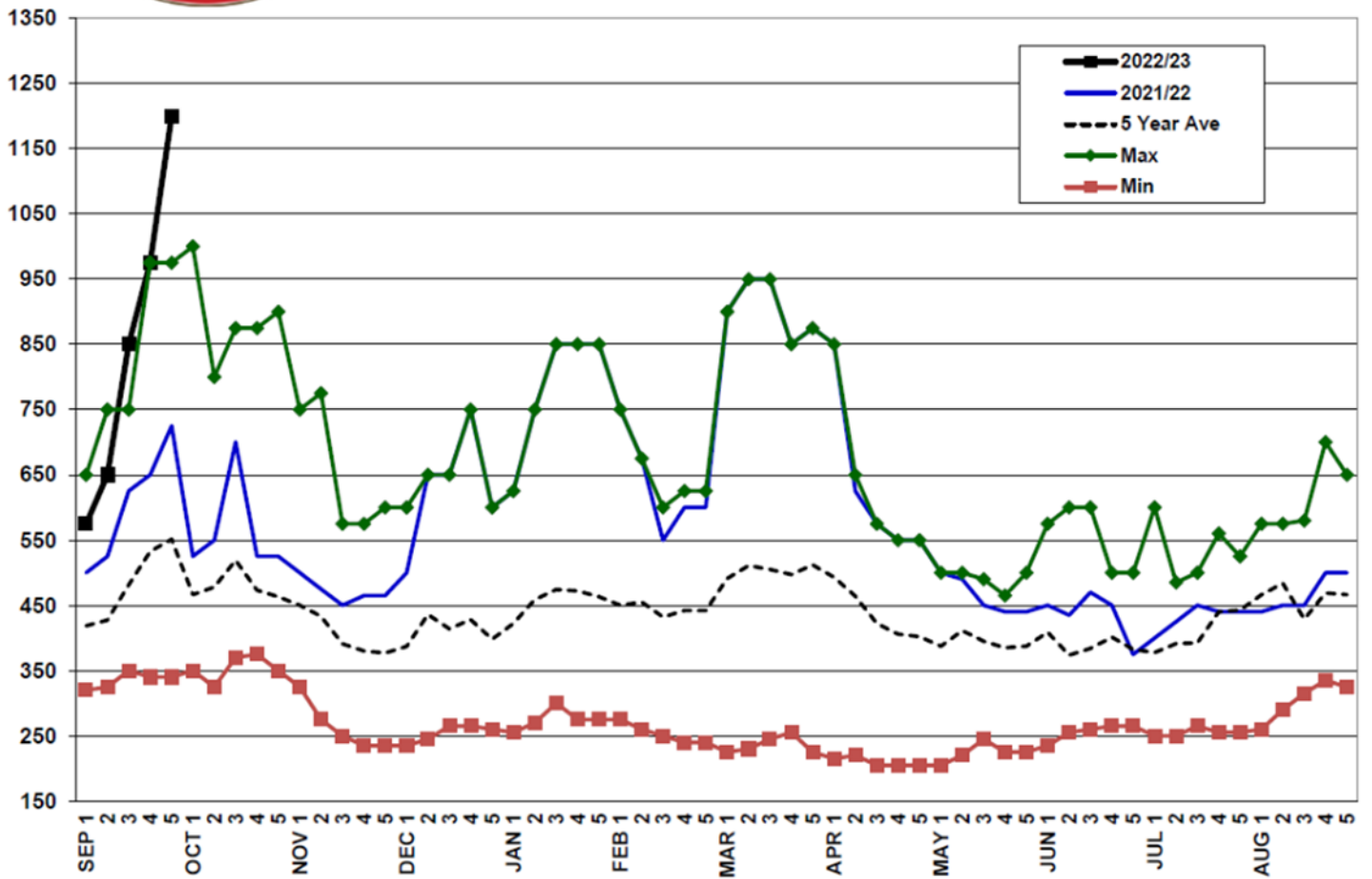


# Illinois and St. Louis Spot Barge Freight Rates from 2004-2022





## Illinois River Barge Freight



**Barge freight** is traded in % of tariff, so its trading 3000% of the tariff rate.  
These are the benchmarks

BENCHMARK	RATE	PORTS INCLUDED.....
TWC TWIN CITIES	619	Minneapolis, St. Paul, Red Wing, Shakopee, Winona, MN
MM MID-MISS	532	Albany, Keithsburg, New Boston, Rock Island, IL Clinton, Davenport, Muscatine, IA
ST. LOUIS	399	Alton, Chester. E. St. Louis, Faults, IL, Cape Girardeau, St Louis, MO
ILLINOIS	464	Beardstown, Florence, Hardin, Havana, Meredosia, IL
CINC	469	Cincinnati
LOWER OHIO	446	Louisville, KY
CAIRO-MEM	314	Birds Point, Linda, New Madrid, MO, Hickman, KY, Cairo, IL

**Mary Kennedy** @MaryCKenn · 22h

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Four down, eight to go including the two biggest who won't have results until next month from what I last saw in their schedule of the process.

Fourth union approves deal with railroads to get 24% raises



news.yahoo.com

Fourth union approves deal with railroads to get 24% raises

Another union has approved the deal it made with the major freight railroads last month that helped prevent a strike to secure 24% raises ...

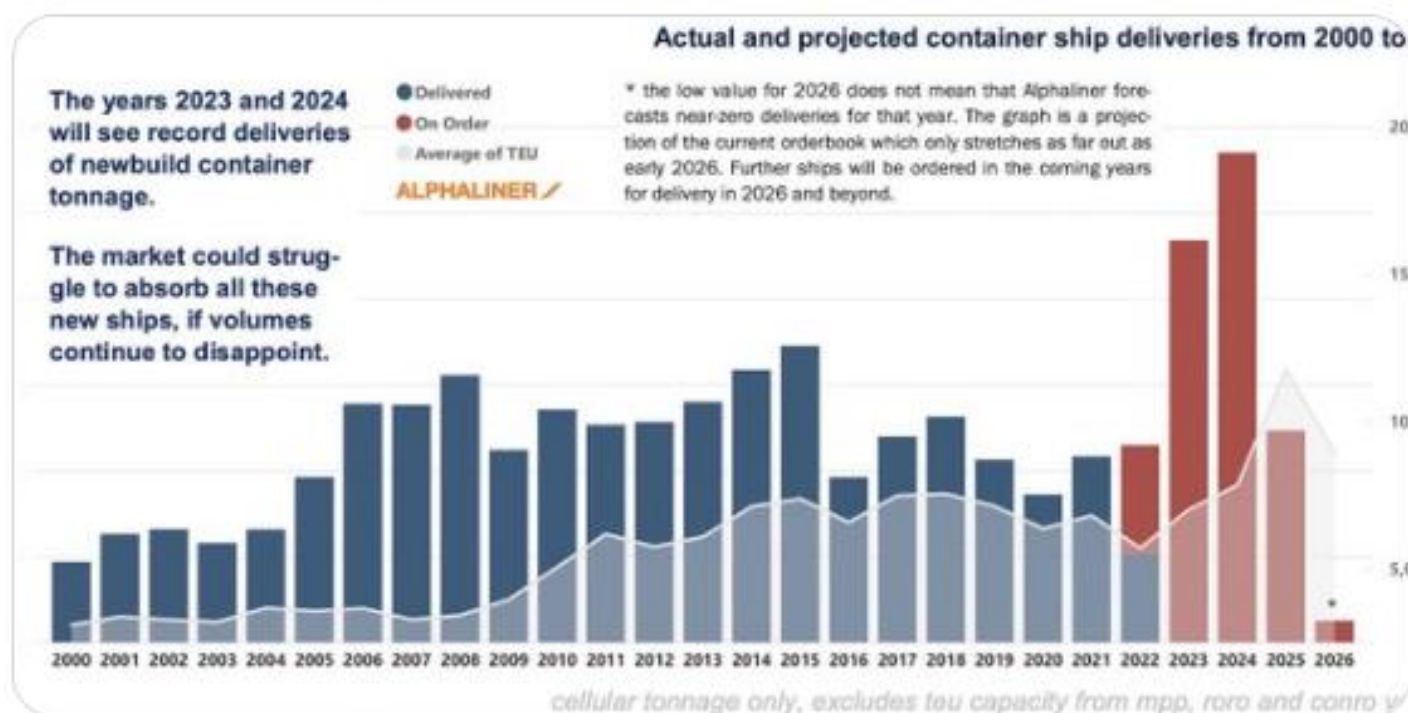


Tom Craig @LTDManagement · Oct 5

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Container lines adding capacity. Too much? Is the real threat a potential contraction in global [#trade](#)? Not short term, but long term. [#Reshore](#). [#Onshore](#). [#maritime](#) [#logistics](#) [#supplychain](#)

[splash247.com/spectre-of-str...](https://splash247.com/spectre-of-str...)



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↑

Keep reading for current FCL and LCL rates on major China-US lanes.

[See latest rates →](#)



40' CONTAINERS

**China Ports to Los Angeles**

**\$2,241+**



LCL: DOOR-TO-DOOR, 2 CBM, 520 KG

**China Cities to Los Angeles**

**\$1,245+**



40' CONTAINERS

**China Ports to New York**

**\$6,948+**

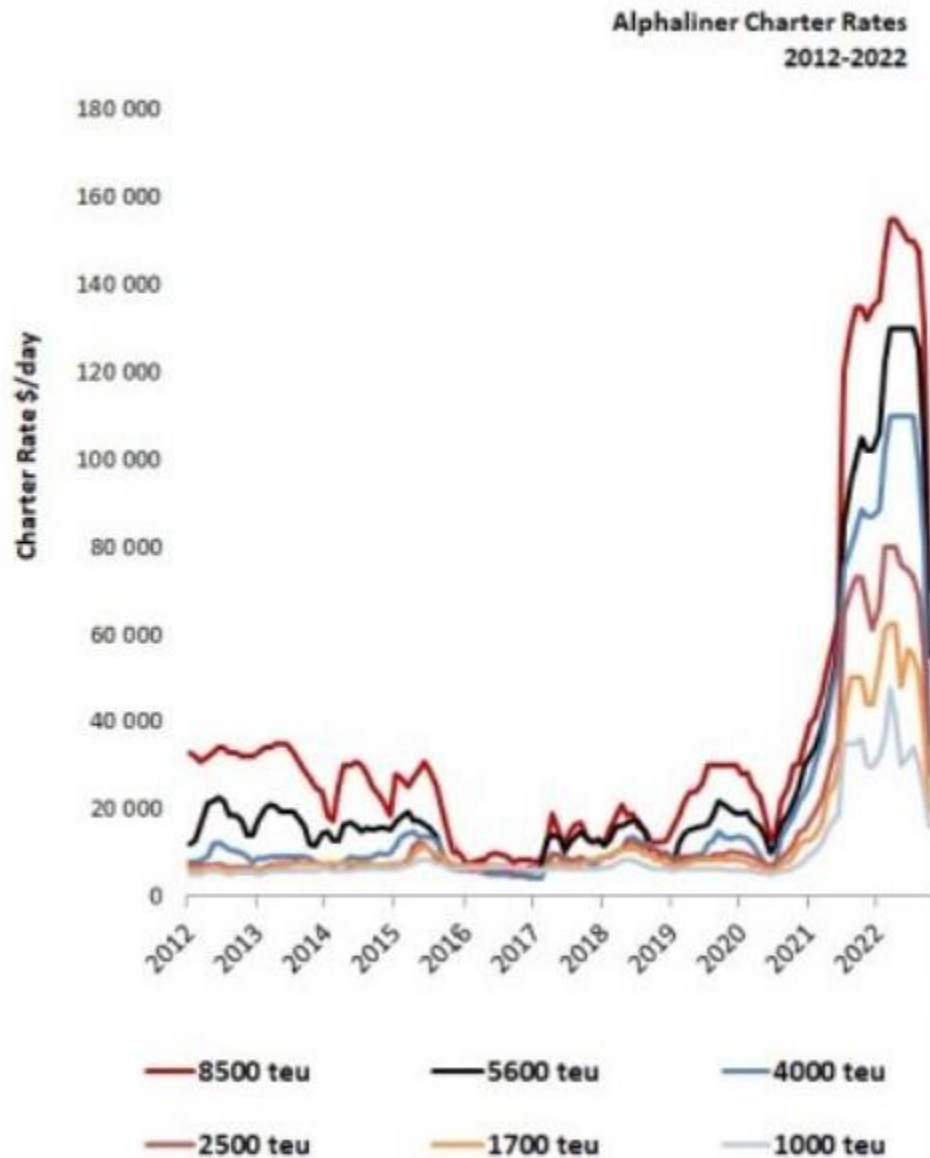


LCL: DOOR-TO-DOOR, 2 CBM, 520 KG

**China Cities to New York**

**\$1,696+**





**BreakWave** @DryBulkETF · 1h

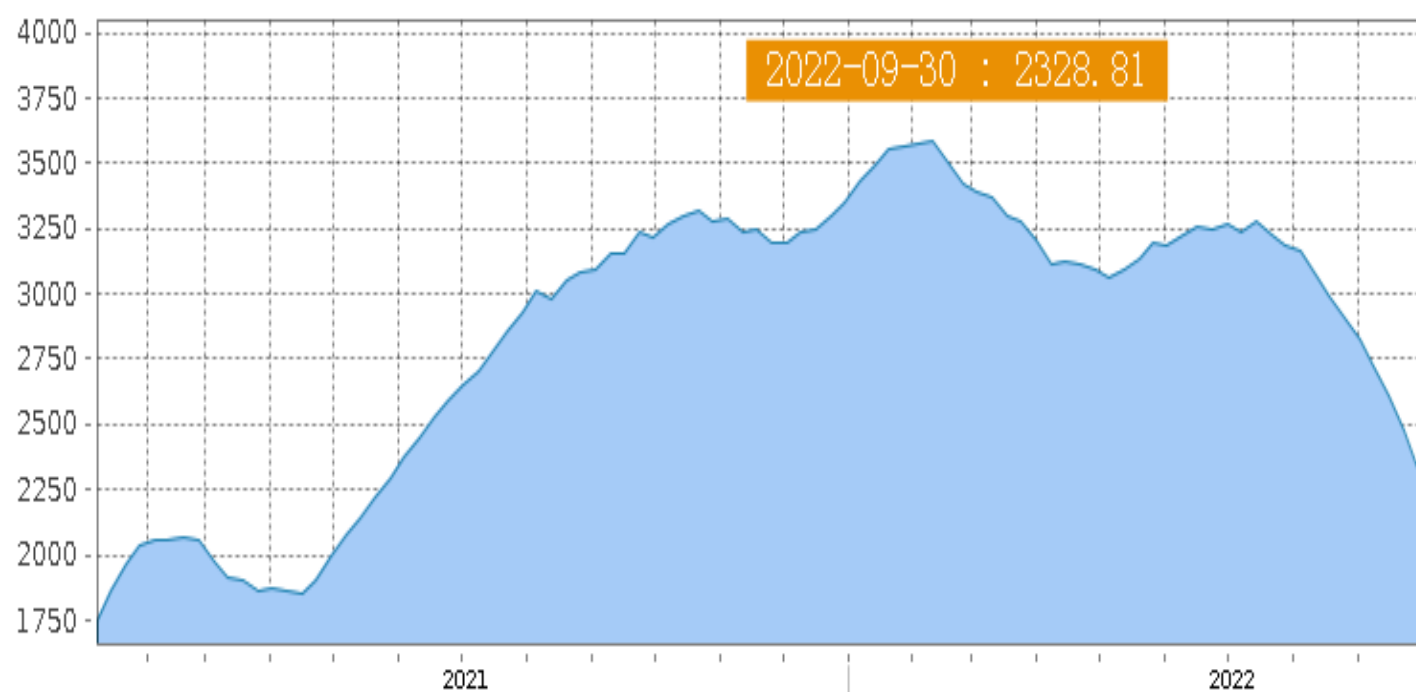
GFI on Capesize: "There is continuing concern with regards to the macro picture with analysts looking for triggers from the sleeping giant that is China which are not forthcoming and this weigh's heavy on sentiment."



4



## China Containerized Freight Index



## China Import Dry Bulk Freight Index



**Secondary Rail Car Market for Car placement period: Last Half October 2022**

Secondary Rail Car Market Placement LH October 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 2,200	\$ 3,000	\$ 0.55	\$ 0.75	\$ 21.65	\$ 29.53
UPRR Shuttle Trains	\$ 2,200	\$ 3,000	\$ 0.55	\$ 0.75	\$ 21.65	\$ 29.53

**U.S. RIVER BARGE FREIGHT**

**Barge Freight for Loading Placement Last Half October 2022**

Placement LH Oct. 2022	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	1700	\$116.00	2.95	3.16
Illinois River (Pekin and South)	1900	\$129.64	3.29	3.53
Mid-Mississippi	1900	\$ 93.41	2.37	2.54
Lower Ohio	2200	\$ 99.31	2.52	2.70
St. Louis	2200	\$ 88.84	2.26	2.42

Best Regards,

Jay

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

[joneil@ksu.edu](mailto:joneil@ksu.edu)

Follow me on Twitter @ **igpjay**



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