

Transportation and Export Report for 15 December 2022

Dry bulk markets continue to sail in stormy seas. It is an up and down market every day without much change at weeks end. Each time vessel owners think markets are finally improving, they fizzle out a day or two later. Markets have simply not found sufficient physical cargo improvement to support a true rally. The key factor continues to be the Chinese economy. A weak Capesize market is weighing on all other sectors. Daily hire rates for Panamax vessels sits at \$12,500 for December with Calendar year 2023 at \$13,250/day. Markets are getting quite thin as we head into the Christmas , and then Lunar New Year holiday period.

The low water situation on the Mississippi River has further improved. Barges are now loading to 9.5-10.0 ft. drafts. The West coast ILWU union container port contract negotiations are continuing without resolution and talks are expected to go into early 2023. The Rail strike threat has been resolved but slow service situation has not.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
15-Dec-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	24655	23,682	973	4.1%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	10958	11,588	-630	-5.4%
S1C: US GULF-China-So.Japan	Index	31246	25229	6,017	23.8%
P7: Trial- Miss. River - Qingdao	per ton	56.11	55.75	0.36	0.6%
P8: Trial- Santos - Qingdao	per ton	41.74	43.38	-1.64	-3.8%

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

Four weeks ago:	\$8.50-\$9.10
Three weeks ago:	\$8.50-\$8.30
Two weeks ago:	\$9.10-\$8.50
One week ago:	\$9.00-\$8.75
This week	\$8.11- \$8.15

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

Mississippi River:	(9 elevators)	2-9 days
Mid-Stream loaders:	(6+ Rigs)	0-2 days
Texas Gulf	(6 elevators)	0-14 days (only 1 facility over 4 days)
Pacific Northwest:	(9 elevators)	1-6 days

Panamax Market Spreads to Asia -China					
15-Dec-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.35	1.75	0.40	\$15.75	PNW
SOYBEANS	1.60	2.35	0.75	\$27.56	GULF
OCEAN FREIGHT	\$56.25	\$31.50	.63-.67	\$24.75	January

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 \$40.00 - \$41.00/mt.

Soybean Brazil to Spain about \$43.00 - \$44.00/mt.

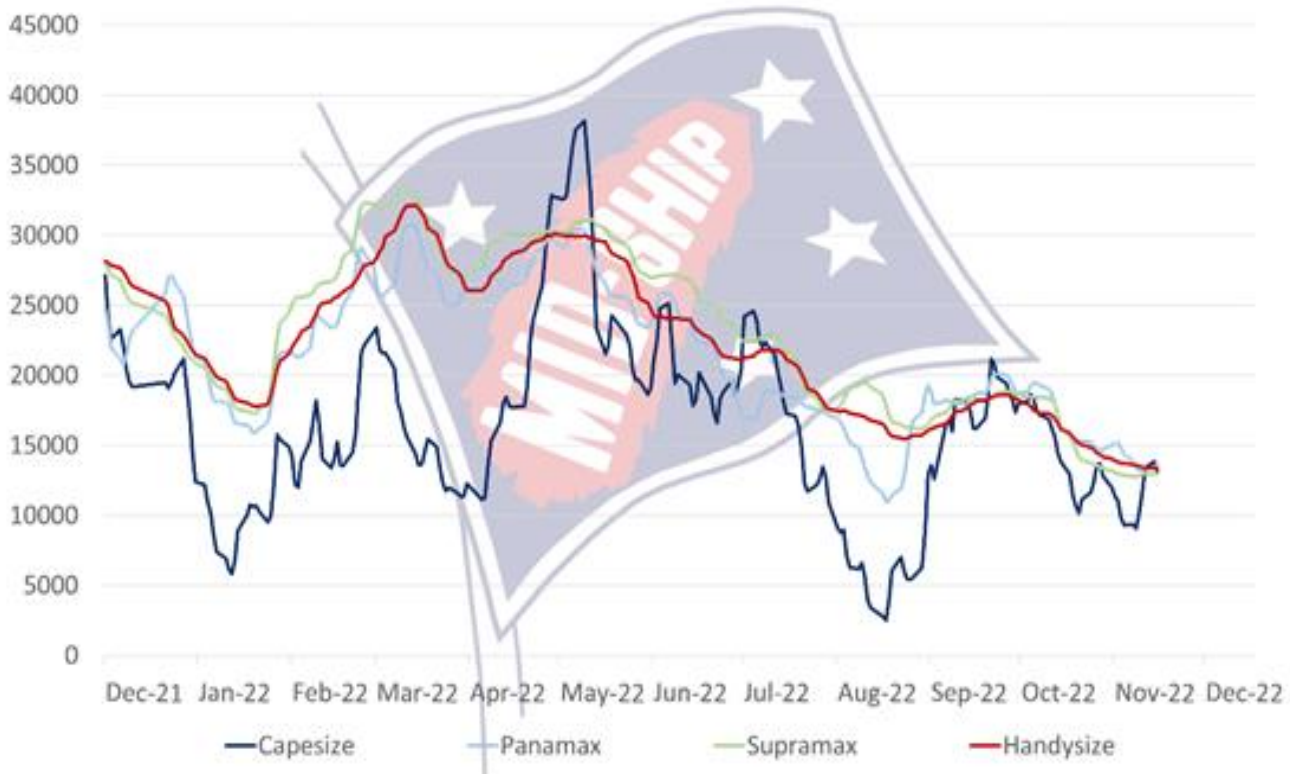
Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$57.00	Down \$0.25	Handymax \$57.25 mt
55,000 U.S. PNW- Japan	\$32.00	Unchanged	Handymax at \$32.00 mt
65,000 U.S. Gulf – China	\$56.25	Down \$0.25	North or South China
PNW to China	\$31.50	Down \$0.25	
25,000 U.S. Gulf- Veracruz, México	\$23.50	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$19.75	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$32.00	Unchanged	<u>West Coast Colombia at \$36.50</u>
50,000 USG- E/C Colombia	\$29.75		
<u>East Coast Colombia</u> From Argentina	\$39.00		
40-45,000 U.S. Gulf - Guatemala	\$39.00	Unchanged	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$49.25	Down \$0.25	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$47.25	Down \$0.25	55,000-60,000 mt Egypt
PNW to Egypt	\$48.00		Romania - Russia- Ukraine \$18.50 - \$27.00 - \$37.00 - France \$29.00, Bulgaria \$19.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$29.25	Up \$0.25	Handymax at +\$2.50 more
Brazil, Santos –China	\$45.25	Down \$1.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$43.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$48.75		55-60,000 mt
56-60,000 Argentina-China	\$48.00	Down \$1.00	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

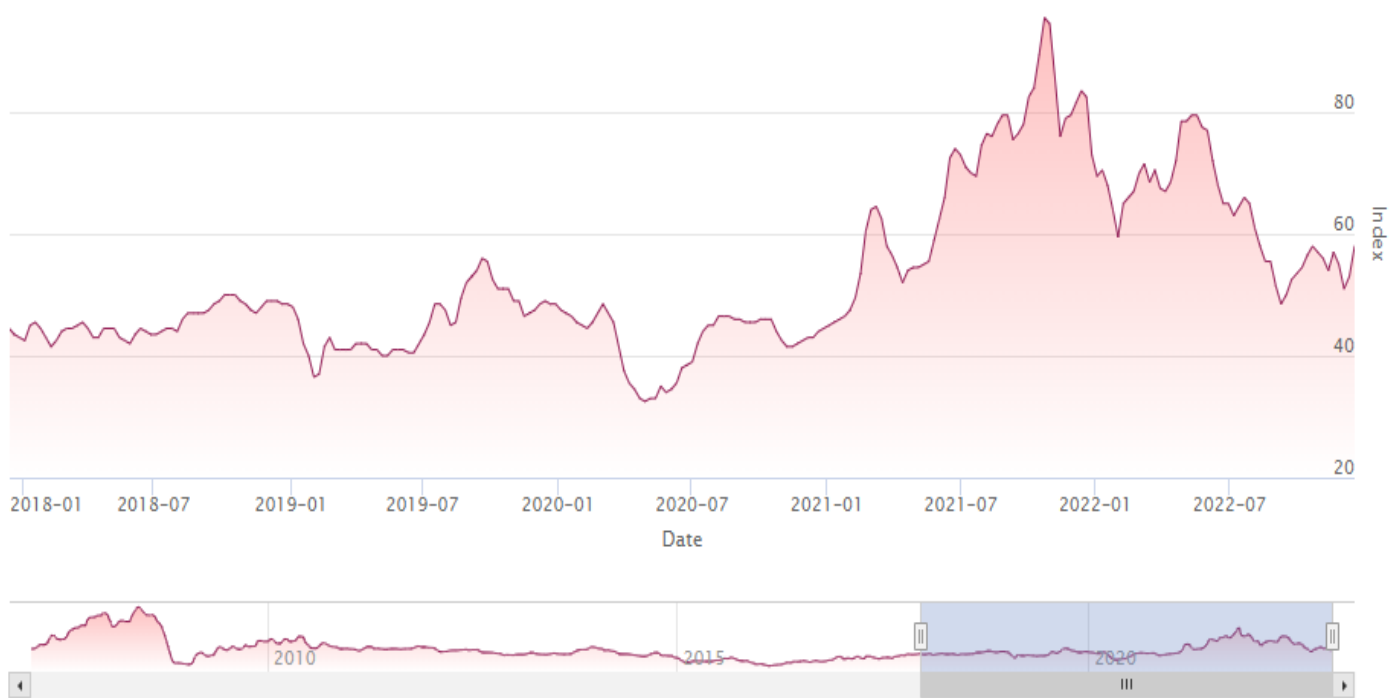


YAMAMIZU Index



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

From 2017-12-14 To 2022-12-14



China Import Dry Bulk Freight Index					
2022-12-15					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1055.63	8.54
Iron ore Freight Index			Point	960.26	18.64
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.11	0.052
Soybean Freight Index			Point	1274.1	-0.41
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	43.11	-0.18
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	31.89	0.07
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	56.45	0.22

15 December 2022 U.S. FOB Vessel Export Market Values:

U.S. Yellow Corn (USD/MT) FOB Vessel					CORN	FUTURES
#2 YC	GULF # 2 YC		PNW # 3 YC		H =	6.5350
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	6.5375
Jan.	1.35	\$310.42	1.75	\$326.16	N=	6.4900
Feb.	1.30	\$308.45	1.74	\$325.87	U =	6.1125
Mar.	1.20	\$304.51	1.73	\$325.47	Z=	5.9800
Apr.	1.14	\$302.25	1.68	\$323.51	H =	6.0600
May	1.07	\$297.62	1.62	\$319.27		
June	1.06	\$297.23	1.60	\$318.49		

The Gulf spread between #2 YC & #3 YC is currently about .03 cents per bushel (1.10/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
Jan.	2.60	\$359.63
Feb.	2.60	\$359.63
Mar.	2.60	\$359.63
Apr.	2.60	\$359.72
May	2.60	\$359.72

Fob vessel Texas Gulf #2 Sorghum is about 115 % 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	
	Jan.	Feb.	Mar.	Apr.
FOB U.S. GULF	\$337.03	\$331.52	\$329.68	\$329.22
Basis	1.60	1.45	1.40	1.30
WH	7.5725			
WK	7.6600			
WN	7.7050			

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
Jan.	1.60	\$600.20	2.35	\$627.76
Feb.	1.45	\$595.88	2.30	\$627.12
Mar.	1.35	\$592.21	2.15	\$621.61
Apr.	1.30	\$591.48	2.10	\$620.87
May	1.33	\$592.58	2.10	\$620.87
Soybean Futures				
Jan.	\$ 14.7350			
Mar.	\$ 14.7675			
May	\$ 14.7975			
July	\$ 14.8350			
Aug.	\$ 14.6250			
Sept.	\$ 14.1250			

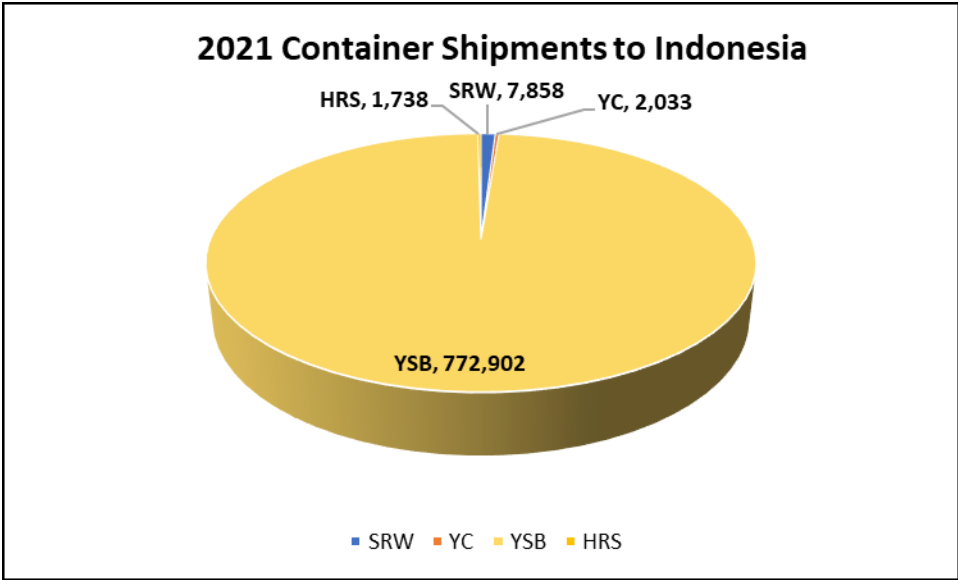
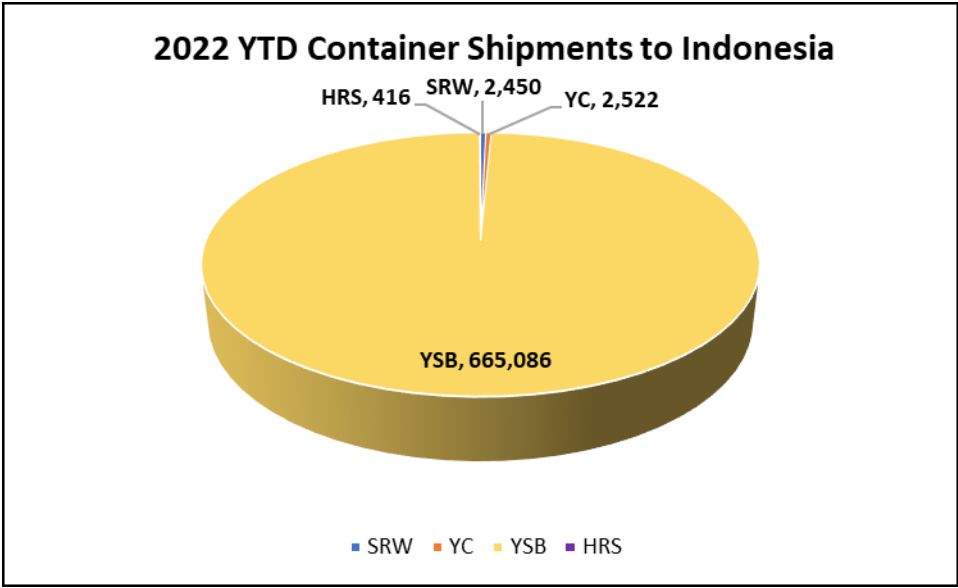
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Jan.	35.00	\$ 540.56
Feb.	35.00	\$ 537.58
Mar.	35.00	\$ 537.58
Apr.	35.00	\$ 530.52
May	35.00	\$ 530.52
SBM Futures		
SMF	\$ 455.30	
SMH	\$ 452.60	
SMK	\$ 446.20	
SMN	\$ 441.70	
SMQ	\$ 434.20	
SMU	\$ 424.00	

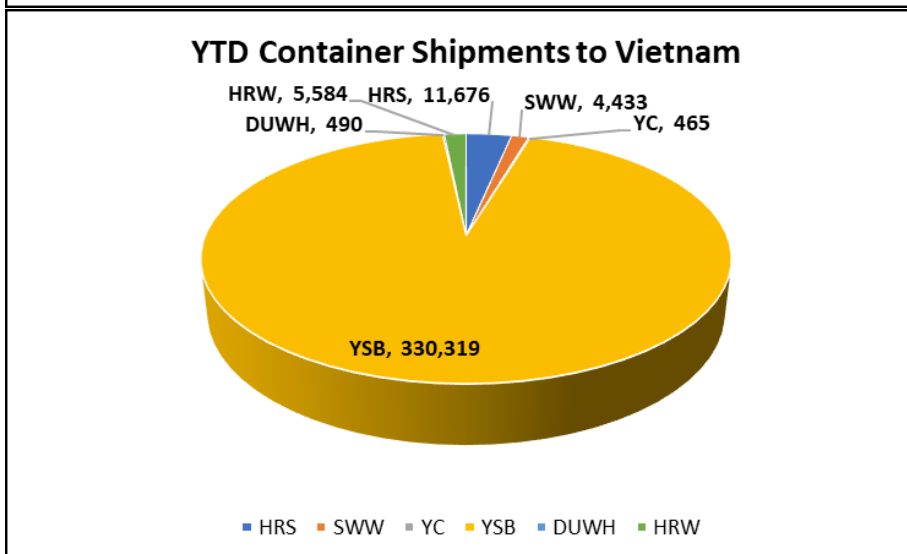
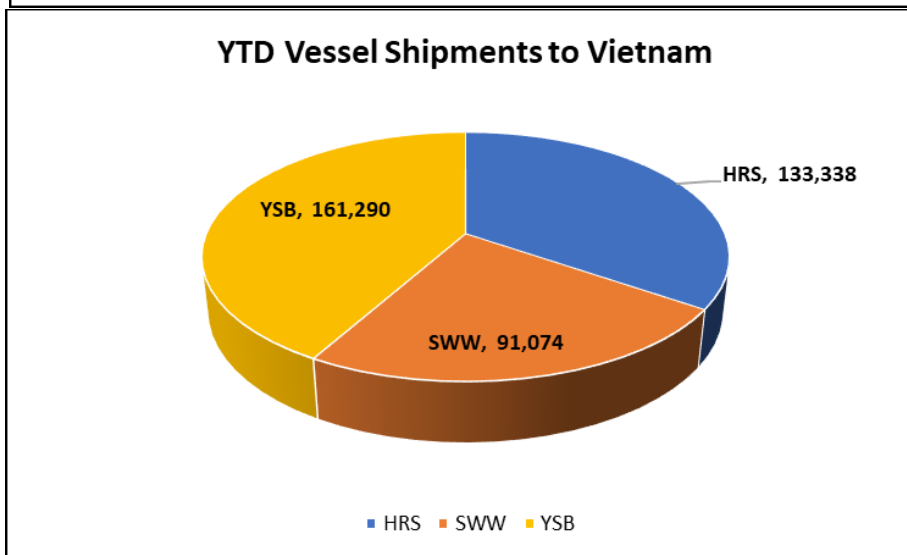
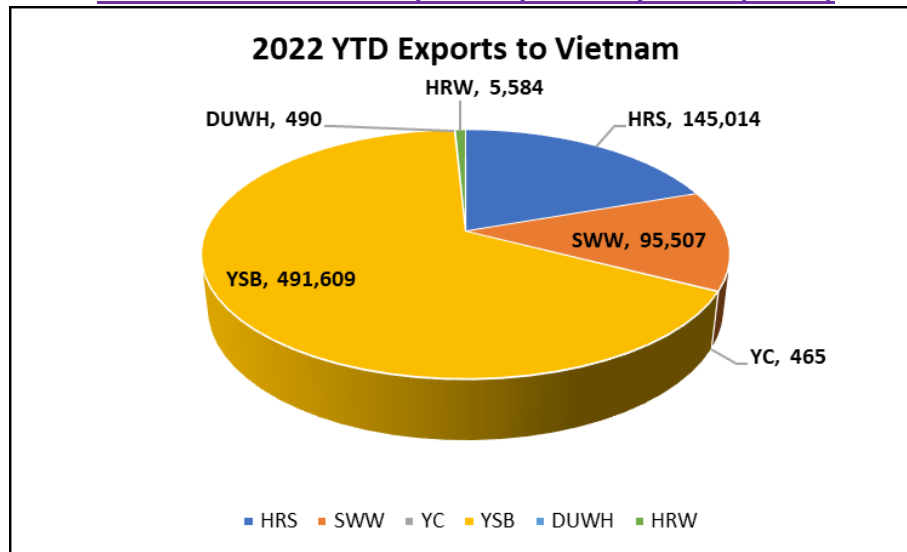
Data sheet below: *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		8-Dec-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	DUWH	SWH	Sorghum	TOTAL
China			36,305						36,305
Taiwan	1,836		14,833						16,669
Hong Kong	367								367
Costa Rica	196								196
Indonesia	490		8,114						8,604
French Poly	147								147
Japan			269						269
Korea Rep.	245		612						857
Dominic Rep									0
Malaysia			7,641						7,641
Senegal									0
Philippines	147		1,419						1,566
Thailand			3,697						3,697
Nepal									0
Burma			318						318
Cambodia			73						73
Chile									0
Vietnam			11,846						11,846
Sub Total:	3,428	0	85,127	0	0	0	0	0	88,555
USDA Corrections/Additions to previous reports:									
Taiwan			147						147
China			489						489
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan									0
Philippines									0
Indonesia			661						661
Malaysia									0
Thailand									0
Vietnam			1,004						1,004
Burma									0
Cambodia									0
Sub Total:	0	0	2,301	0	0	0	0	0	2,301
Mt. Grand Total	3,428	0	87,428	0	0	0	0	0	90,856
Number of Containers	149	0	3,801	0	0	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)



*Please keep in mind that USDA does not report DDGS sales
Source: USDA-data

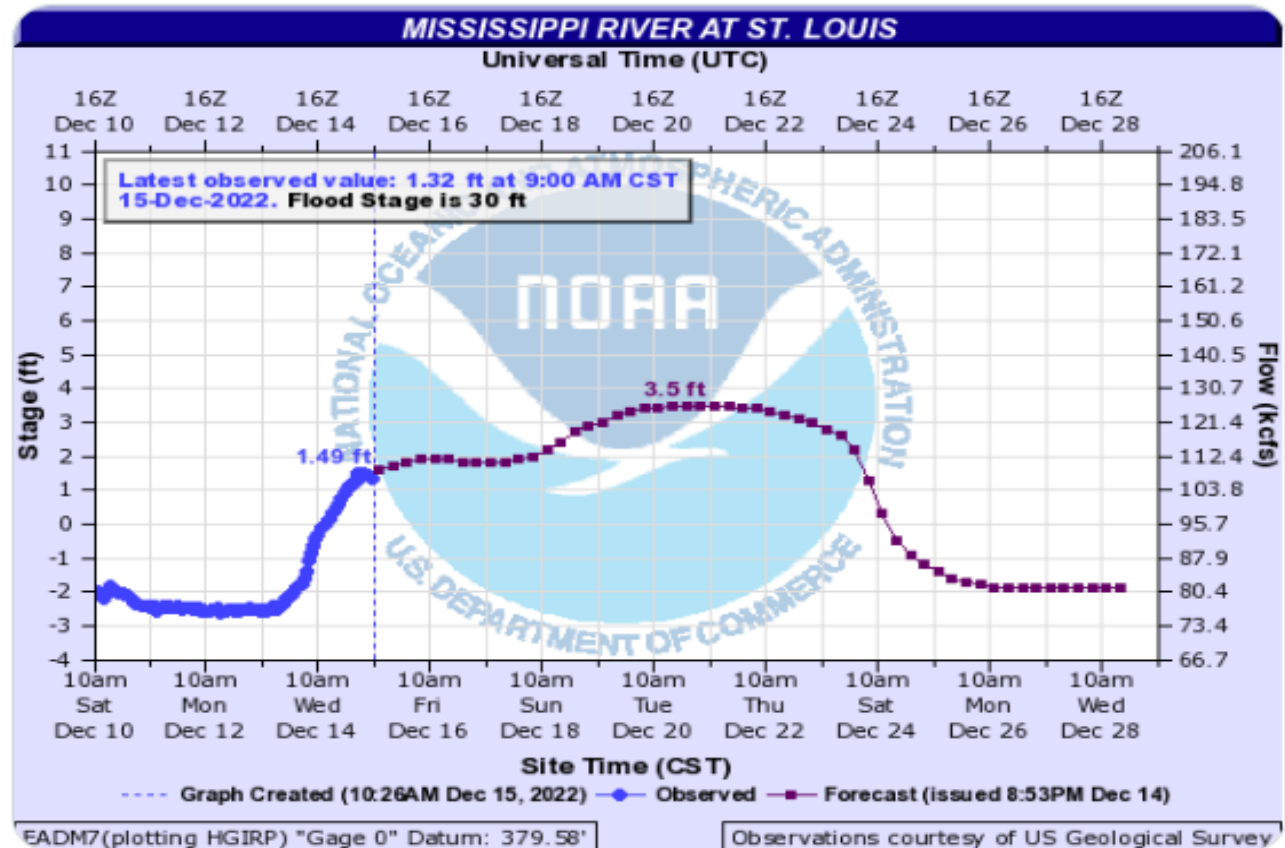
Shipping News

U.S. River Markets -

Mary Kennedy @MaryCKenn · 1h

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River Update: St. Louis has bragging rights at least until Christmas, but readings above zero until then are a gift! Other good news is drafts on the Ohio went to 11'6 & Cairo south went to 12'6. The major headache right now is Fog and rain slowing tows. Then extreme cold NW.



U.S. Rail Freight Markets -

Rachel Premack  @rrpre · 10m ...

America's freight railroads got rich by becoming ultra-efficient. They also lost employees and potential customers

Now, they want to rethink their playbook to streamline everything... if Wall Street doesn't punish them



freightwaves.com

Railroad barons are reconsidering the playbook that made them rich
America's freight railroads descended into chaos this year. Their best
way out might be reconsidering their operational style — but Wall Stre...

U.S. Container Freight Markets -

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!



Lori Ann LaRocco
@LORIANNLAROCO

CNBC

With the sustained pullback in orders, statistics released by BIMCO show global container volumes have fallen 9.3% year over year, leading to [an overcapacity situation](#).

justin stares @EUMaritimewatch · 44m

...

People on this network told me the newbuild frenzy would not end in a bust. Seems to be that it always ends in a bust. This time is never different.



Tom Craig @LTDMangement · 20h

WSJ #logistics

\$1,426

Average spot rate, per 40-foot equivalent unit, for container transport from Asia to the USWC in the first week of December, down 25% from the week before and 90% from the year-ago level, according to the Freightos Baltic Index.

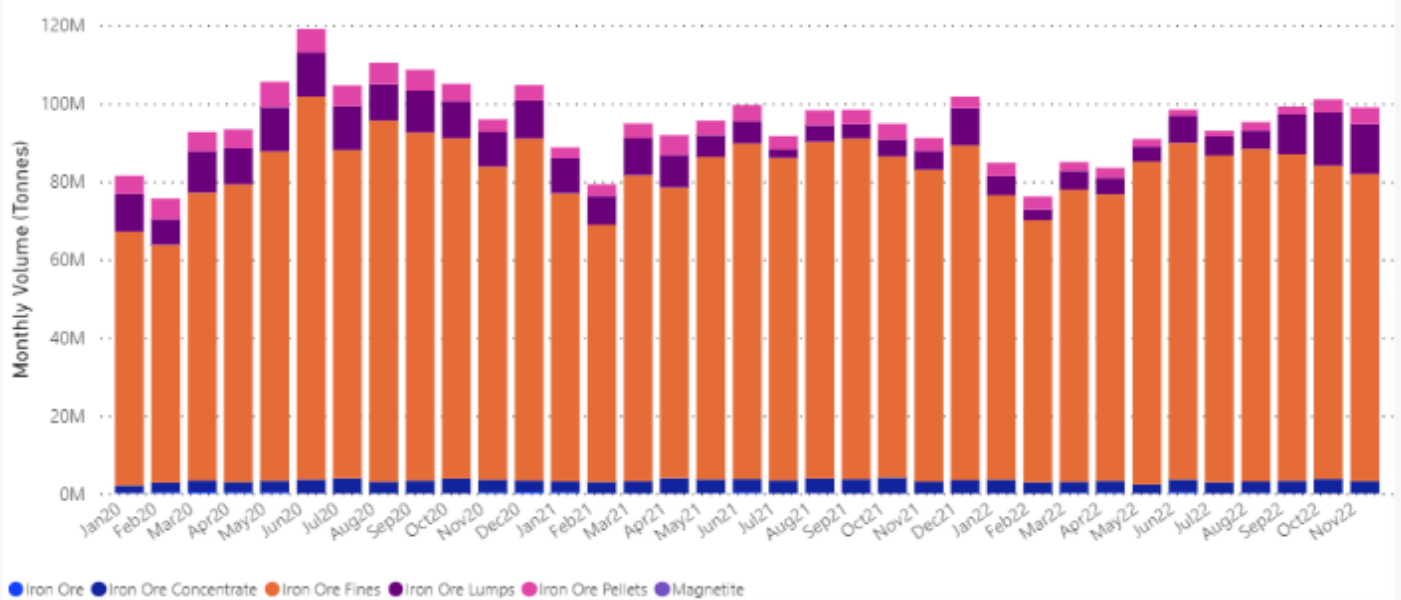
Rates--neverending story

DRY-Bulk Freight Markets -DTN

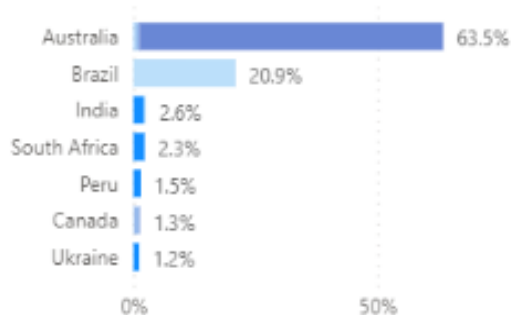
Breakwave

Chart of the Week Dry Bulk: Iron Ore Flows to China

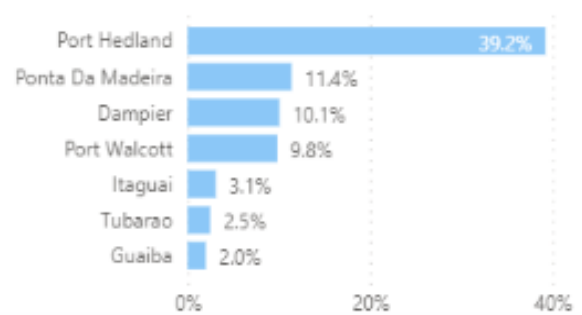
Steady strength of Chinese iron ore imports, 64% comes from Australia



Origin Countries



Origin Ports



Panama Canal wait times

GENERAL TRAFFIC INFORMATION:

	Today	Tomorrow	48 hours
NEOPANAMAX ARRIVALS	12	9	12
PANAMAX PLUS ARRIVALS	0	0	0
PANAMAX ARRIVALS	16	13	29
SMALL ARRIVALS	7	11	8
VESSELS SCHEDULED	35	37	-
PROJECTED BACKLOG AT 0001	108	108	104

ESTIMATED DAYS AWAITING TRANSIT (VESSELS WITHOUT RESERVATION/NON-BOOKED)

NORTHBOUND

LNG	20
NEOPANAMAX	20
PANAMAX PLUS	20
PANAMAX	6
SMALL	2

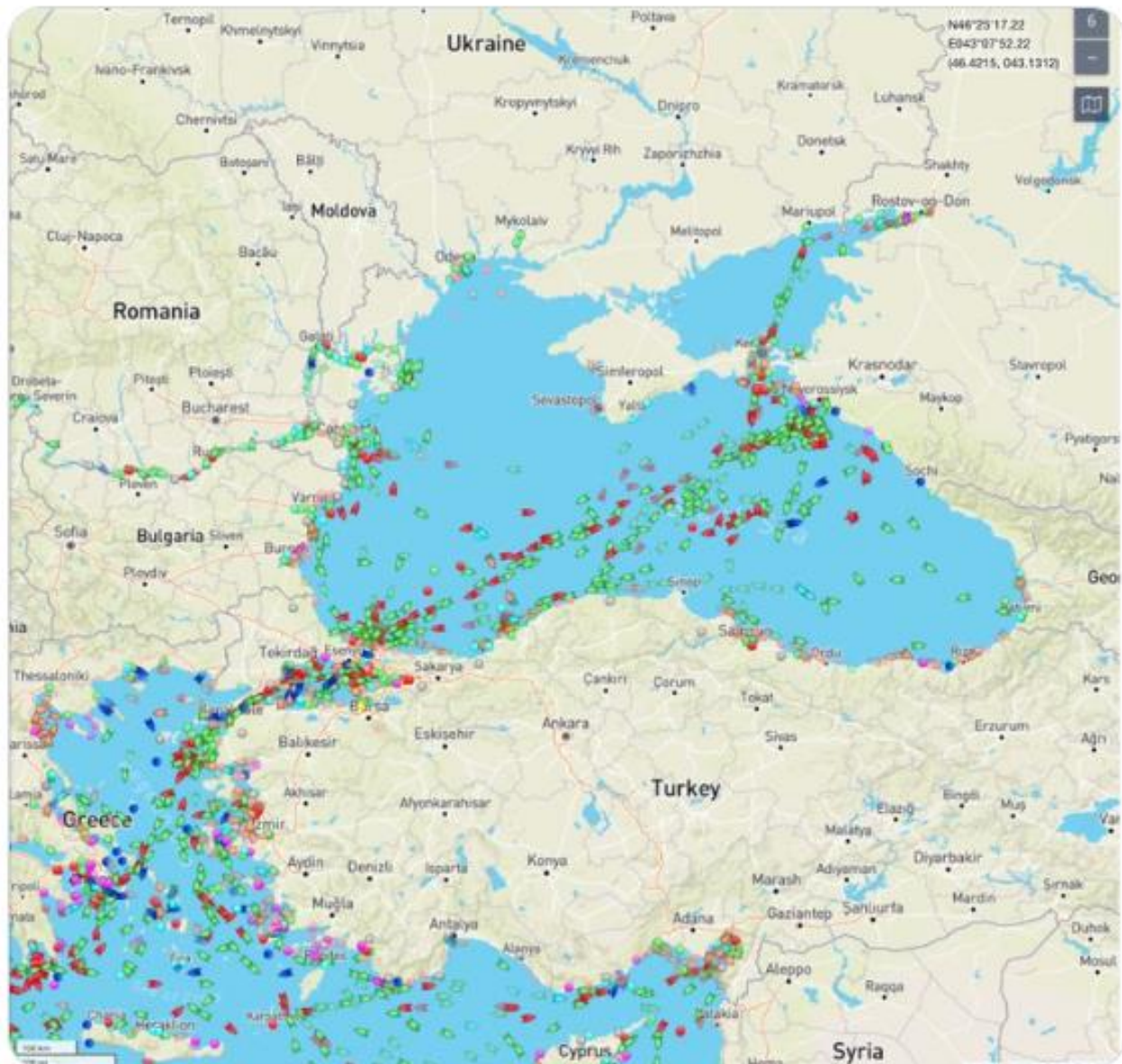
SOUTHBOUND

LNG	8
NEOPANAMAX	8
PANAMAX PLUS	27
PANAMAX	6
SMALL	2

Allen Motew @QTweather · 2h

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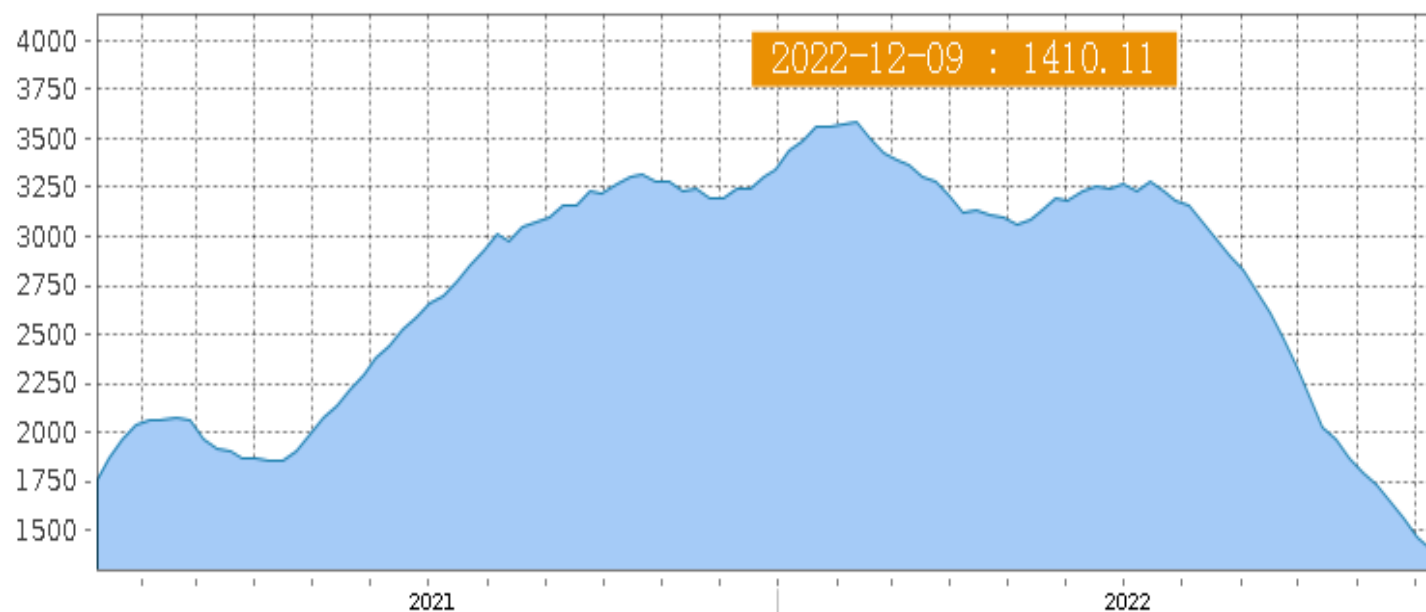
Current Black Sea ship traffic as seen minutes ago on qtinfo.com platform. For this and more sign up with qtinfo.com.



China Import Dry Bulk Freight Index



China Containerized Freight Index



Secondary Rail Car Market for Car placement period: First Half January 2022

Secondary Rail Car Market Placement FH January 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 750	\$ 1,000	\$ 0.19	\$ 0.25	\$ 7.38	\$ 9.84
UPRR Shuttle Trains	\$ 750	\$ 1,200	\$ 0.19	\$ 0.30	\$ 7.38	\$ 11.81

U.S. RIVER BARGE FREIGHT

Barge Freight for Loading Placement First Half January 2022

Placement FH January 2022	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed	\$ -	0.00	0.00
Illinois River (Pekin and South)	875	\$ 59.70	1.52	1.62
Mid-Mississippi	Closed	\$ -	0.00	0.00
Lower Ohio	775	\$ 38.10	0.97	1.04
St. Louis	775	\$ 34.09	0.87	0.93

Best Regards,

Jay

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