

Transportation and Export Report for 16 March 2023

Dry Bulk markets are trying to maintain some momentum in an effort to keep the rally going but have encountered some profit taking in the FFA paper markets which has provided some resistance. All-in-All this was a fairly quiet week with some weakness in the Capesize sector limiting the upside market potential. Freight traders remain hopefully optimistic that growing tonne miles in Capesize Iron Ore markets and growing vessel congestion at Chinese ports will eventually support higher vales as we move forward. Q2 Panamax daily hire rates remained mostly steady at \$16,300/day, with Q3 trading at \$16.600/day and calendar year 2024 paper trading at just \$13,250/day. The U.S. Great Lakes shipping/navigation season is closed January 1 to March 20, but is scheduled to open up next week

The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
16-Feb-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	23423	21,768	1,655	7.6%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	16553	15,620	933	6.0%
S1C: US GULF-China-So.Japan	Index	18975	18350	625	3.4%
P7: Trial- Miss. River - Qingdao	per ton	52.81	51.66	1.15	2.2%
P8: Trial- Santos - Qingdao	per ton	43.08	42.27	0.81	1.9%

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

Four weeks ago:	\$6.15-\$6.10
Three weeks ago:	\$6.10-\$6.30
Two weeks ago:	\$6.50-\$7.50
One week ago:	\$7.80-\$8.15
This week	\$8.25-\$8.90

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

Mississippi River:	(9 elevators)	2-6 days
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-7 days
Pacific Northwest:	(9 elevators)	0-5 days

Panamax Market Spreads to Asia -China					
16-Feb-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.98	1.56	0.58	\$22.83	BOTH
SOYBEANS	1.00	2.10	1.10	\$40.42	GULF
OCEAN FREIGHT	\$53.00	\$30.00	.58-.63	\$23.00	APRIL

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 \$32.00 - \$33.00/mt.

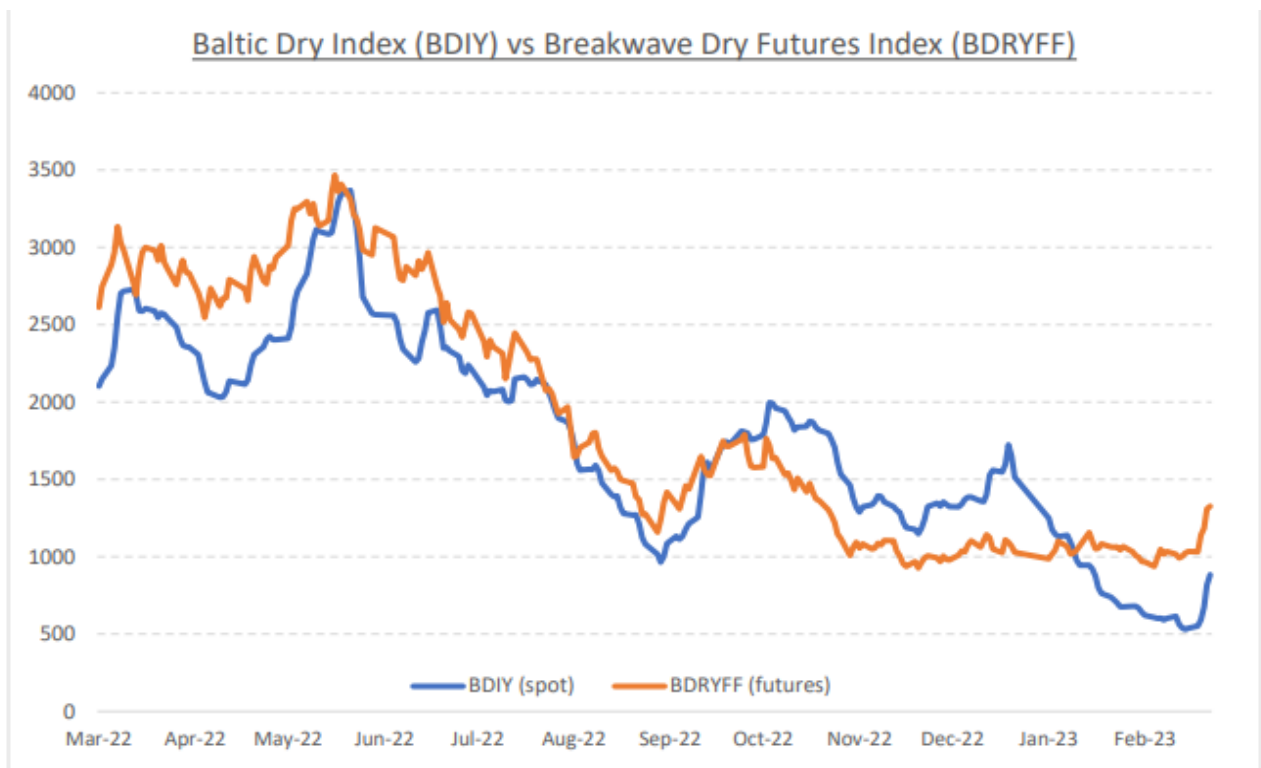
Soybean Brazil to Spain about \$39.50 - \$40.50/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$53.50	Up \$1.00	Handymax \$53.50 mt
55,000 U.S. PNW- Japan	\$30.50	Up \$1.00	Handymax at \$30.50 mt
65,000 U.S. Gulf – China	\$53.00	Up \$1.00	North or South China
PNW to China	\$30.00	Up \$1.00	
25,000 U.S. Gulf- Veracruz, México	\$23.00	Up \$0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$19.25	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$30.50	Up \$0.50	<u>West Coast Colombia at \$34.00</u>
50,000 USG- E/C Colombia	\$28.50		
<u>East Coast Colombia</u> From Argentina	\$38.50		
40-45,000 U.S. Gulf - Guatemala	\$38.50	Up \$0.50	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$36.50	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$33.50	Up \$0.50	55,000-60,000 mt Egypt
PNW to Egypt	\$34.00		Romania - Russia- Ukraine \$14.50 - \$17.00 - \$32.00 - France \$23.00, Bulgaria \$15.50
58-74,000 U.S. Gulf – Europe – Rotterdam	\$27.00	UP \$0.50	Handymax at +\$2.50 more
Brazil, Santos –China	\$45.25	Up \$0.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$43.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$49.00		55-60,000 mt
56-60,000 Argentina-China	\$48.00	Up \$0.50	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 2018-03-15 To 2023-03-15



China Import Dry Bulk Freight Index					
2023-03-16					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1128.16	-13.81
Iron ore Freight Index			Point	1043.72	-26.35
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.887	-0.289
Soybean Freight Index			Point	1239.39	-5.41
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	43.23	-0.28
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	30.2	-0.09
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	53.17	-0.1

16 March 2023 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		K =	6.3275
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	N =	6.1625
Apr.	0.98	\$287.68	1.56	\$310.51	U =	5.6750
May	0.94	\$286.11	1.56	\$310.51	Z =	5.58.5
June	1.00	\$281.97	1.60	\$305.59	H =	5.6750
July	0.94	\$279.61	1.55	\$303.62	K =	5.7275
Aug.	1.35	\$276.56	1.95	\$300.18		
Sept.	1.20	\$270.65	1.85	\$296.24		

PNW rail markets for March-April are extremely thin. PNW Fob vessel values are therefore a bit of a guessing game.

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
Apr.	2.30	\$339.65
May	2.25	\$337.68
June	2.25	\$331.18
July	2.25	\$331.18
Aug.	2.25	\$311.99

Fob vessel Texas Gulf #2 Sorghum is about 118 % 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	
	Apr.	May	June	July
FOB U.S. GULF	\$297.25	\$292.84	\$289.90	\$282.56
Basis	1.10	0.98	0.80	0.60
WK	6.9900			.
WN	7.0900			
WU	7.1875			

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
Apr.	1.00	\$584.77	2.10	\$625.19
May	0.99	\$584.40	2.06	\$623.72
June	1.06	\$581.28	2.02	\$616.55
July	1.05	\$580.91	2.00	\$615.82
Aug.	0.96	\$561.44	1.94	\$597.45
Soybean Futures				
May	\$ 14.9150			
July	\$ 14.7600			
Aug.	\$ 14.3200			
Sept.	\$ 13.5950			
Nov.	\$ 13.2450			
Jan.	\$ 13.2875			

Soybean cargo demand at PNW ports is declining and rail delivery markets there are very thin and difficult to accurately pinpoint. The above Fob vessel values in the PNW are therefore based on best guesses.

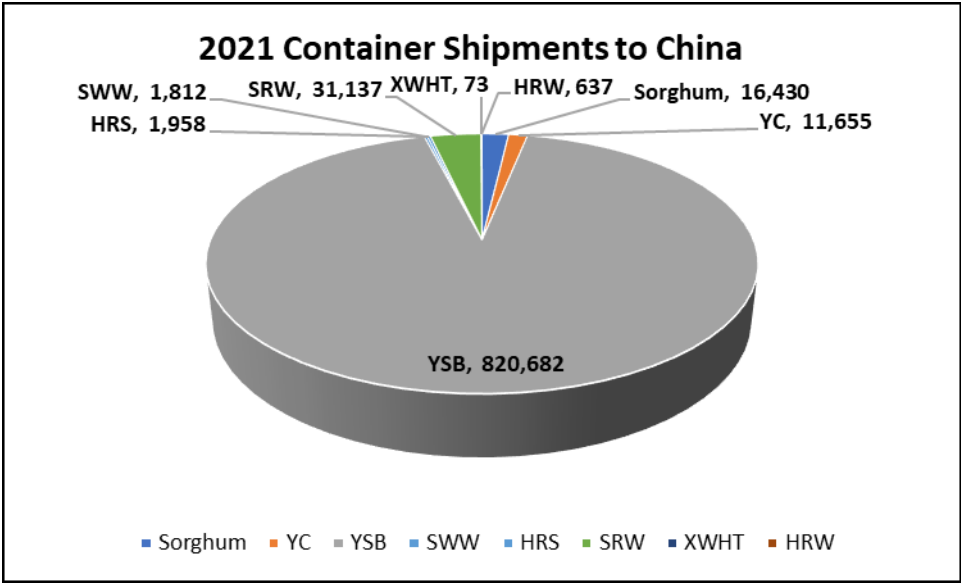
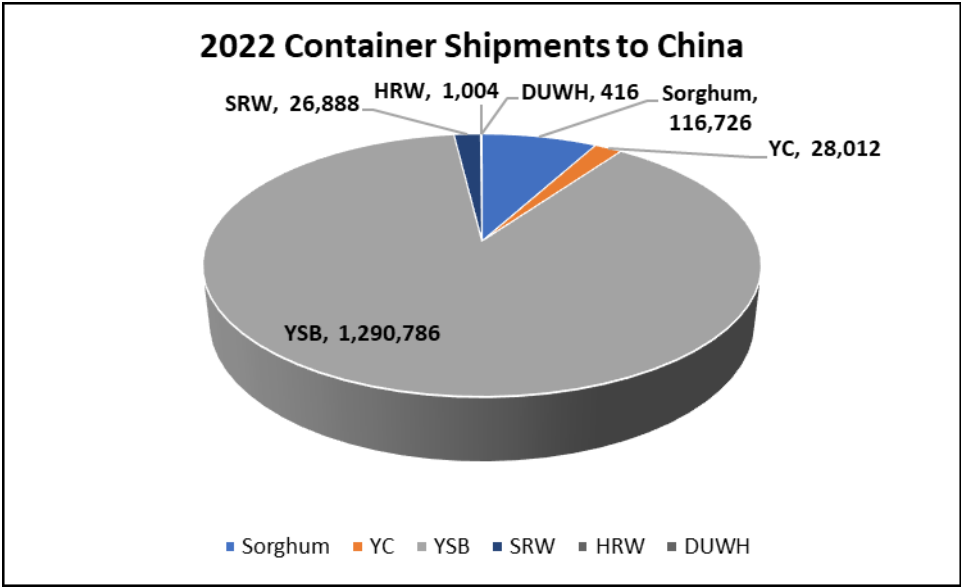
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Apr.	50.00	\$ 568.89
May	42.00	\$ 560.07
June	40.00	\$ 541.88
July	40.00	\$ 541.88
Aug.	45.00	\$ 527.99
SBM Futures		
SMK	\$ 474.00	
SMN	\$ 466.00	
SMQ	\$ 451.50	
SMU	\$ 433.90	
SMV	\$ 420.40	
SMZ	\$ 417.40	

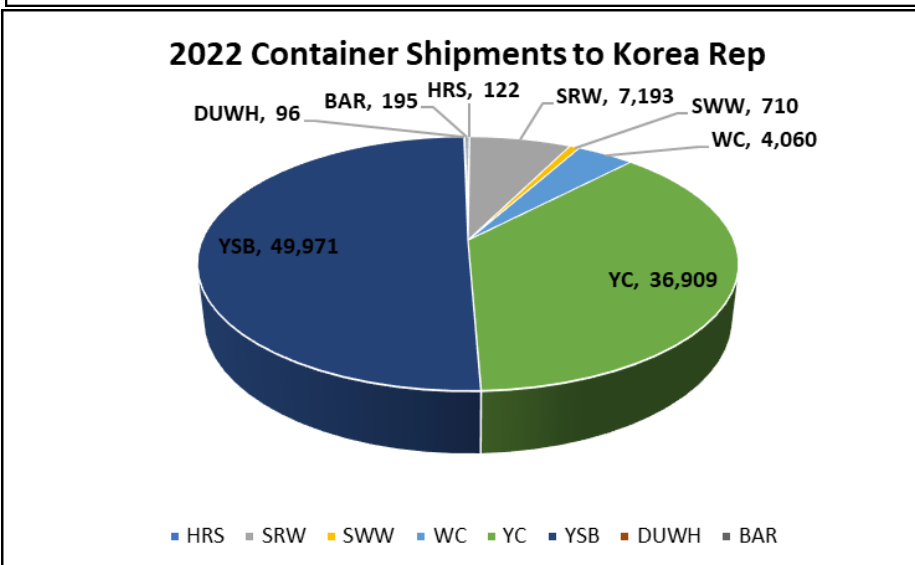
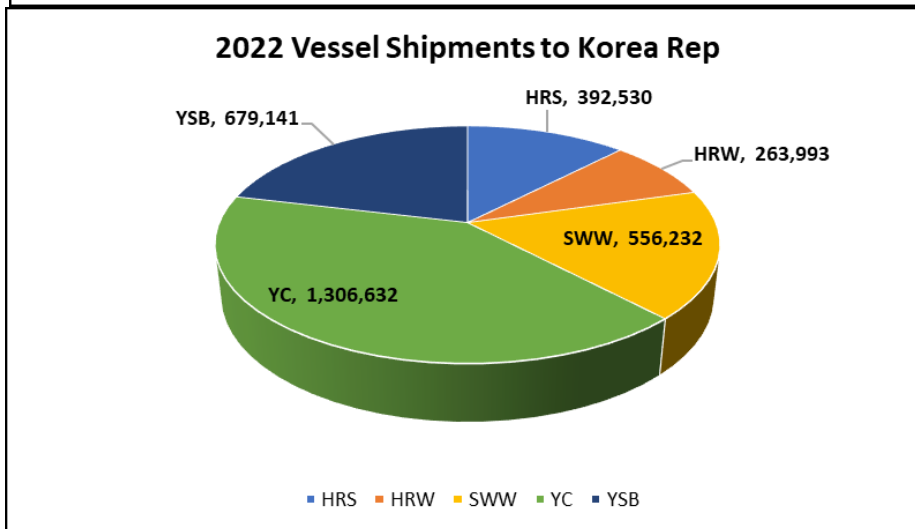
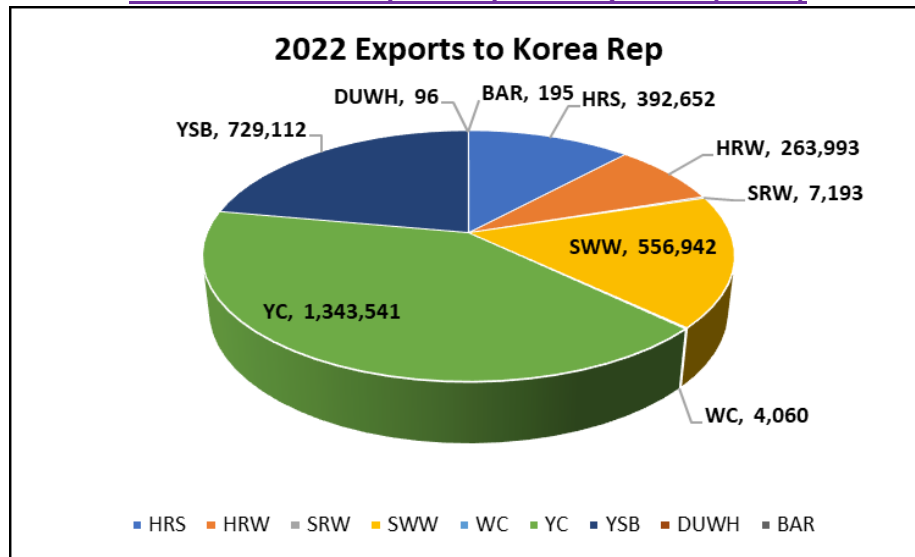
Data sheet below: *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:			9-Mar-2023						
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	DUWH	SWH	Sorghum	TOTAL
China			29,292						29,292
Taiwan	11,696		4,529						16,225
Hong Kong	268		220						488
Costa Rica									0
Indonesia			22,035						22,035
French Poly									0
Japan			1,443						1,443
Korea Rep.			1,886						1,886
Cameroon									0
Malaysia			2,205	490					2,695
Netherlands	2,863								2,863
Philippines			1,268						1,268
Thailand			5,336						5,336
Nepal									0
Burma									0
India			980						980
Cambodia			416						416
Vietnam			5,141						5,141
Sub Total:	14,827	0	74,751	490	0	0	0	0	90,068
USDA Corrections/Additions to previous reports:									
Taiwan	98		147						245
China			416						416
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan									0
Philippines									0
Indonesia			24						24
Malaysia			122						122
Thailand			294						294
Vietnam			49						49
Burma									0
Cambodia									0
Sub Total:	98	0	1,052	0	0	0	0	0	1,150
Mt. Grand Total	14,925	0	75,803	490	0	0	0	0	91,218
Number of Containers	649	0	3,296	21	0	0	0	0	

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



2022 Total Grain Exports reported by USDA (in MT)

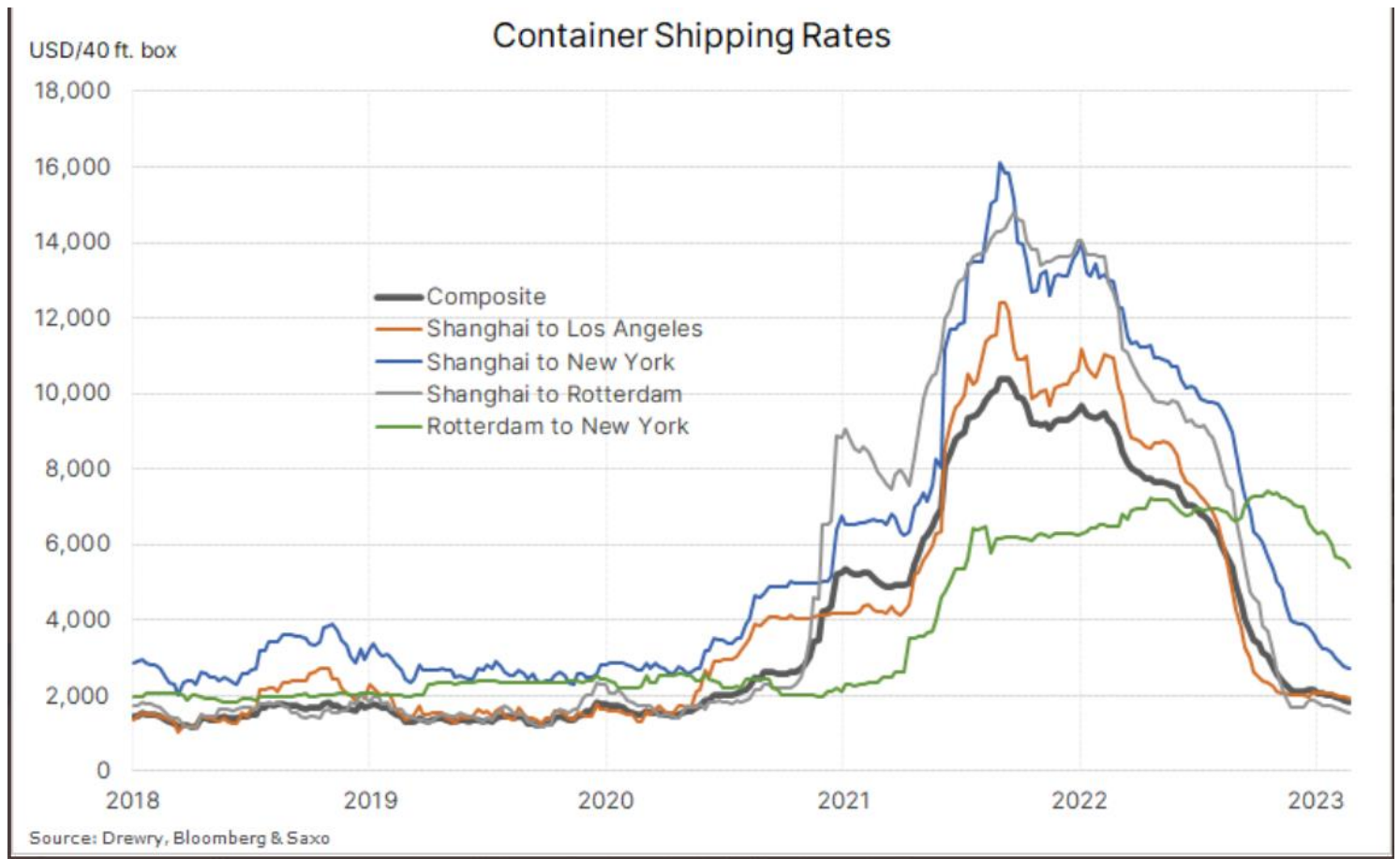


*Please keep in mind that USDA does not report DDGS sales

Source: USDA-data

Shipping News

U.S. Container Freight Markets



Mary Kennedy @MaryCKenn · 19h

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STB Approves Canadian Pacific-KC Southern Merger With Conditions



dtnpf.com

STB Approves Canadian Pacific-KC Southern Merger With Conditions

The announcement Wednesday that federal regulators have conditionally approved the marriage of Canadian Pacific and Kansas...

NGFA declares opening of Mid-Mississippi River

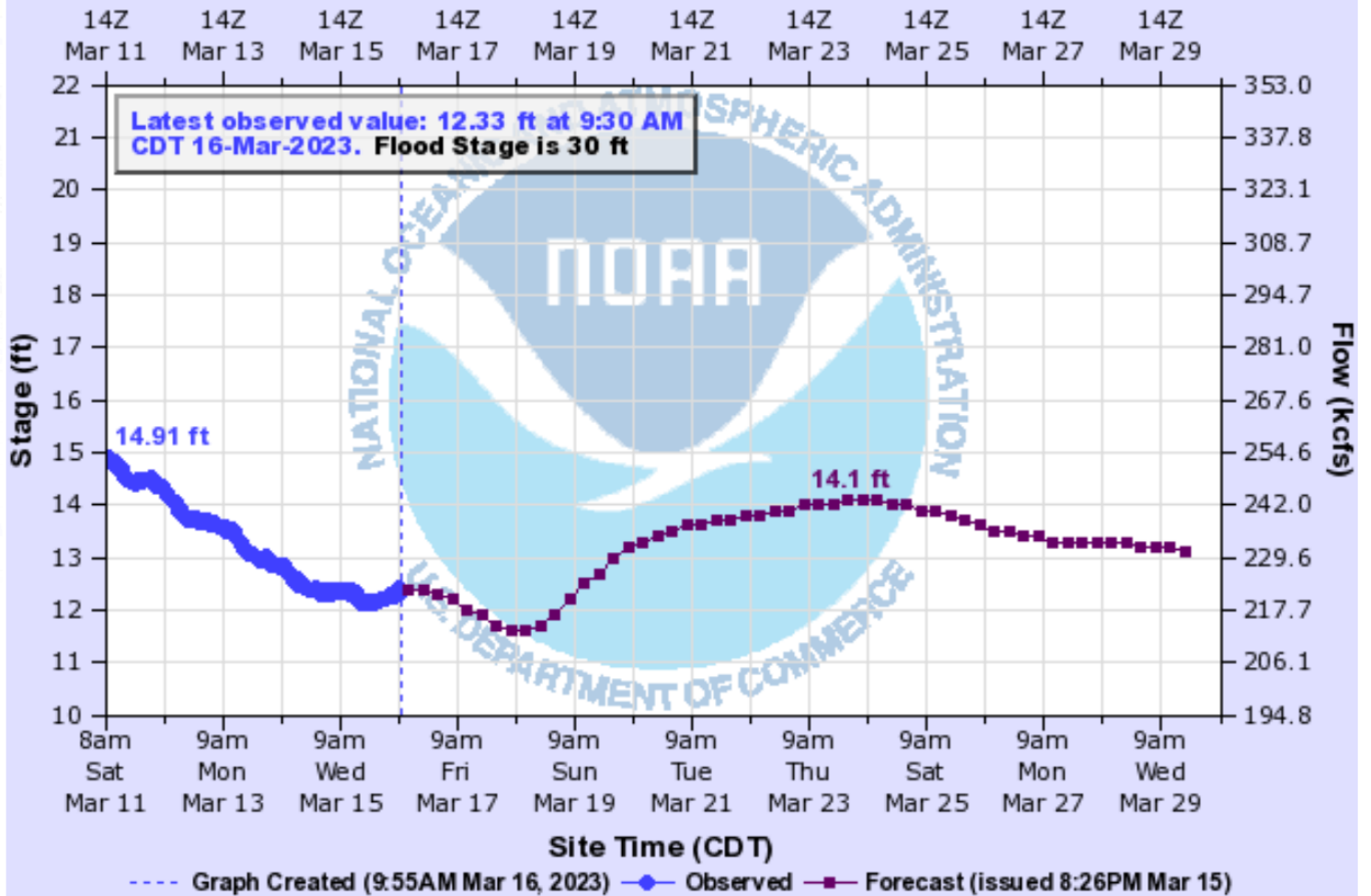
Pursuant to the NGFA Trade Rules, NGFA has declared that the Mid-Mississippi River opened for navigation as of 7 a.m. on Tuesday, March 7, 2023.

NGFA Barge Freight Trading Rule 18(J) provides as follows: “The Dubuque and South (Mid-Mississippi) opening commences the first 07:00 hours of the first business day after the first empty dry cargo covered barge suitable for loading, originating at or below Winfield, Mo., reaches Dubuque, Iowa. The Mid-Miss opening shall be determined by a majority vote of a three-person committee appointed by the NGFA Chairman and shall be announced by publishing the committee’s confirmation of the opening on the NGFA website.”

As set forth in the rule, the special three-person committee determined that the Mid-Mississippi River was opened at 7 a.m. on Tuesday, March 7, 2023, after the *M/V Dennis T Delaney* reached Dubuque at 12:45 p.m. on Monday, March 6, with at least one empty dry cargo covered barge suitable for loading. Serving on the special committee are: Jeff Webb, chairperson, president, Cargill Marine and Terminal, Minneapolis, Minn.; Jamie Clendenin, commercial manager, Viserion Grain, LLC, Denver, Colo.; and Matt Tomayko, AVP, Agriculture and Dry Bulk Sales, Ingram Barge Co., Nashville, Tenn.

MISSISSIPPI RIVER AT ST. LOUIS

Universal Time (UTC)



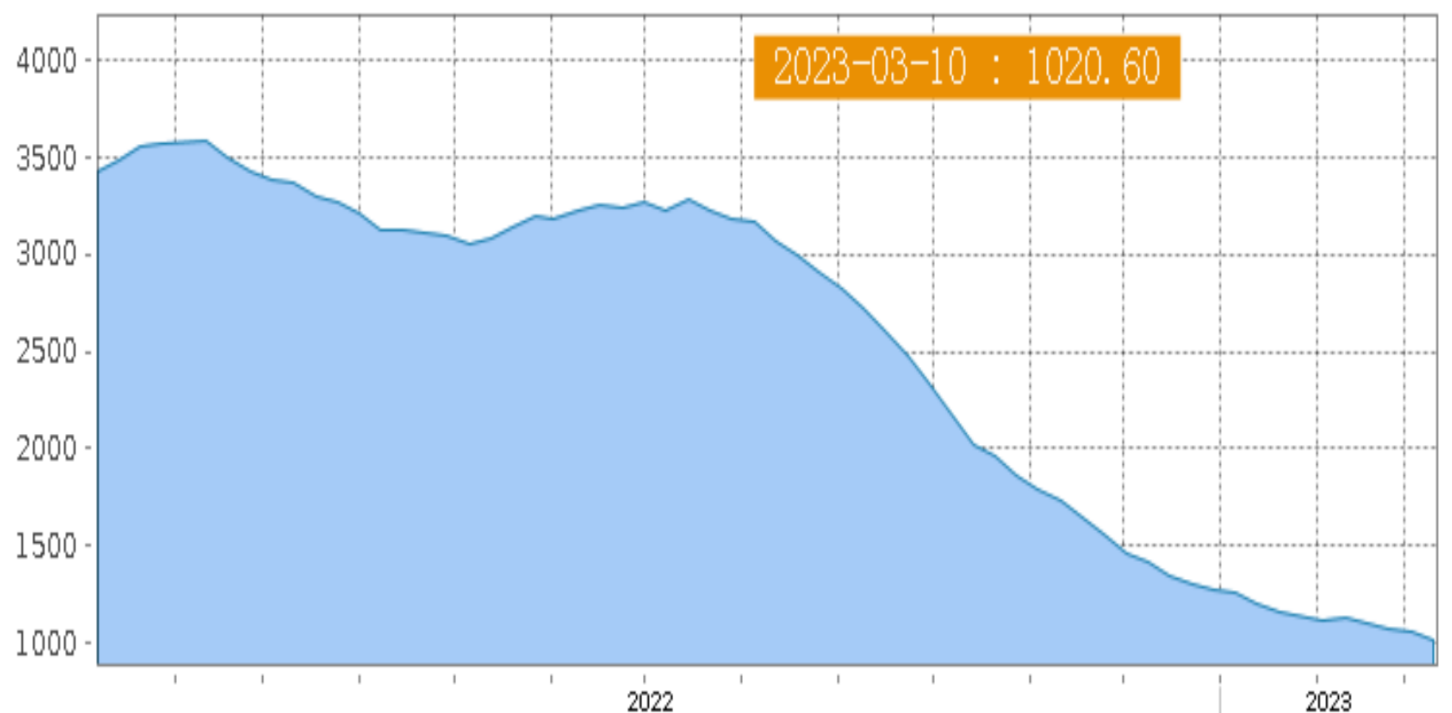
EADM7(plotting HGIR2) "Gage 0" Datum: 379.58'

Observations courtesy of US Geological Survey

China Import Dry Bulk Freight Index



China Containerized Freight Index



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

Secondary Rail Car Market Placement FH April 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (150)	\$ (25)	\$ (0.04)	\$ (0.01)	\$ (1.48)	\$ (0.25)
UPRR Shuttle Trains	\$ (200)	\$ (50)	\$ (0.05)	\$ (0.01)	\$ (1.97)	\$ (0.49)

U.S. RIVER BARGE FREIGHT

Barge Freight for Loading Placement First Half April 2023

Placement FH April 2023	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	540	\$ 36.85	0.94	1.00
Illinois River (Pekin and South)	485	\$ 33.09	0.84	0.90
Mid-Mississippi	500	\$ 24.58	0.62	0.67
Lower Ohio	410	\$ 20.16	0.51	0.55
St. Louis	385	\$ 16.93	0.43	0.46

Best Regards,

Jay

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