



Transportation and Export Report for 3 March 2023

Dry Bulk markets wanted to show other markets that they too can be volatile. Paper FFA traders got excited by last weeks turn around and caused Dry Bulk Futures markets to gap higher this week. At least freight markets are starting to create better trading volumes. The big question however is, have things jumped too high too fast? Physical markets trying to determine how much of this rally is truly warranted relative to the not as robust picture in cargo demand.

Q2 Panamax daily hire rates jumped up another \$3,000/day this week to \$17,000/day.

The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
2-Mar-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	21373	14,955	6,418	42.9%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	14107	8,157	5,950	72.9%
S1C: US GULF-China-So.Japan	Index	19139	11557	7,582	65.6%
P7: Trial- Miss. River - Qingdao	per ton	50.98	46.06	4.92	10.7%
P8: Trial- Santos - Qingdao	per ton	41.89	33.21	8.68	26.1%

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

Four weeks ago:	\$6.70-\$6.35
Three weeks ago:	\$6.30-\$6.15
Two weeks ago:	\$6.15-\$6.10
One week ago:	\$6.10-\$6.30
This week	\$6.50- \$7.50

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	(6 elevators)	0-6 days (3 Facilities at 1 day or less)
Pacific Northwest:	(9 elevators)	0-2 days

Panamax Market Spreads to Asia -China					
2-Mar-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.90	1.63	0.73	\$28.74	GULF
SOYBEANS	1.05	2.15	1.10	\$40.42	GULF
OCEAN FREIGHT	\$52.00	\$28.50	.60-.64	\$23.50	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 \$31.50 - \$32.50/mt.

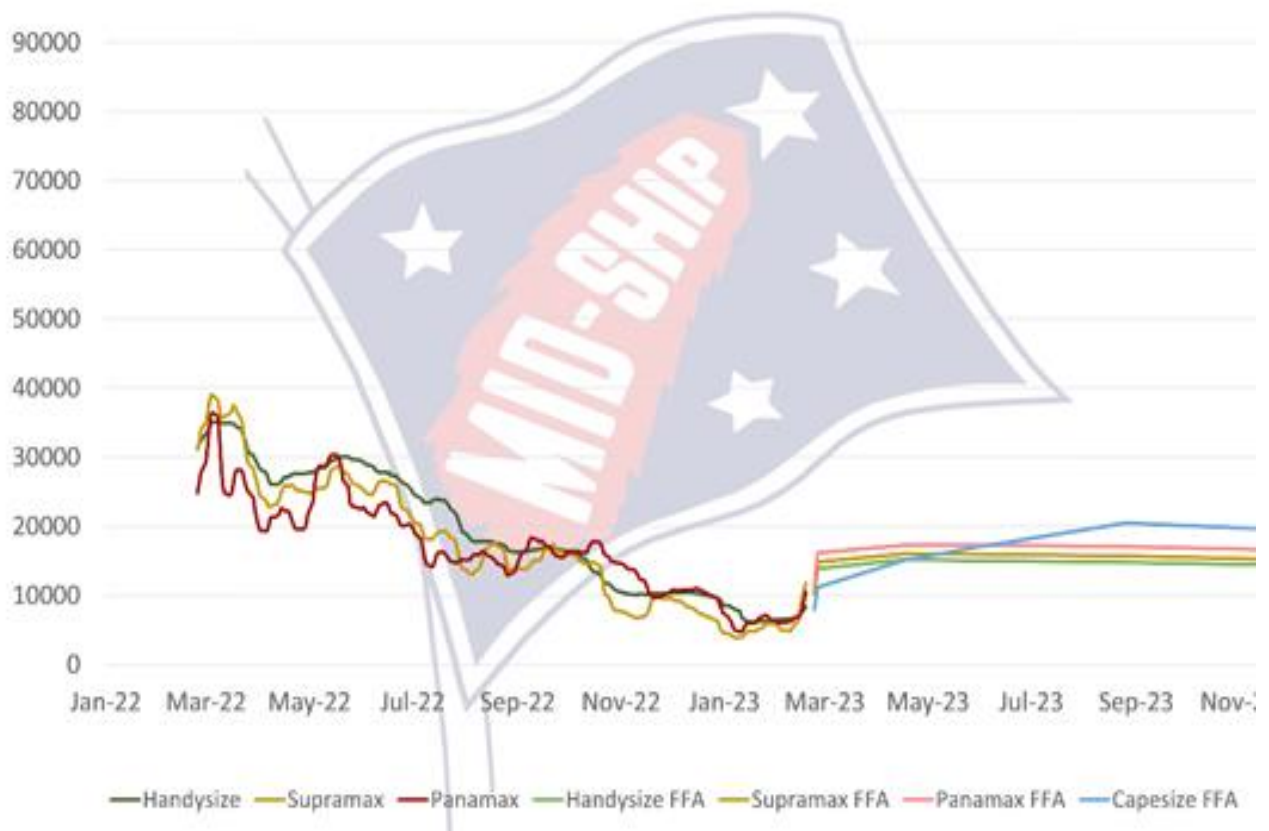
Soybean Brazil to Spain about \$39.00 - \$40.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$52.50	Up \$4.00	Handymax \$52.00 mt
55,000 U.S. PNW- Japan	\$29.00	Up \$2.50	Handymax at \$29.00 mt
65,000 U.S. Gulf – China	\$52.00	Up \$4.00	North or South China
PNW to China	\$28.50	Up \$2.50	
25,000 U.S. Gulf- Veracruz, México	\$23.00	Up \$1.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$19.50	Up \$1.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$30.00	Up \$3.00	<u>West Coast Colombia at \$34.00</u>
50,000 USG- E/C Colombia	\$28.00		
<u>East Coast Colombia</u> From Argentina	\$38.00		
40-45,000 U.S. Gulf - Guatemala	\$38.00	Up \$3.50	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$36.00	Up \$3.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$33.00	Up \$3.50	55,000-60,000 mt Egypt
PNW to Egypt	\$33.50		Romania - Russia- Ukraine \$14.50 - \$17.00 - \$32.00 - France \$23.00, Bulgaria \$15.50
58-74,000 U.S. Gulf – Europe – Rotterdam	\$26.00	UP \$2.00	Handymax at +\$2.50 more
Brazil, Santos –China	\$44.25	Up \$6.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$42.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$48.00		55-60,000 mt
56-60,000 Argentina-China	\$47.00	Up \$6.50	Up-River with Top Off Plus \$3.85-\$4.75
Deep draft			

Baltic Dry Bulk Freight Index



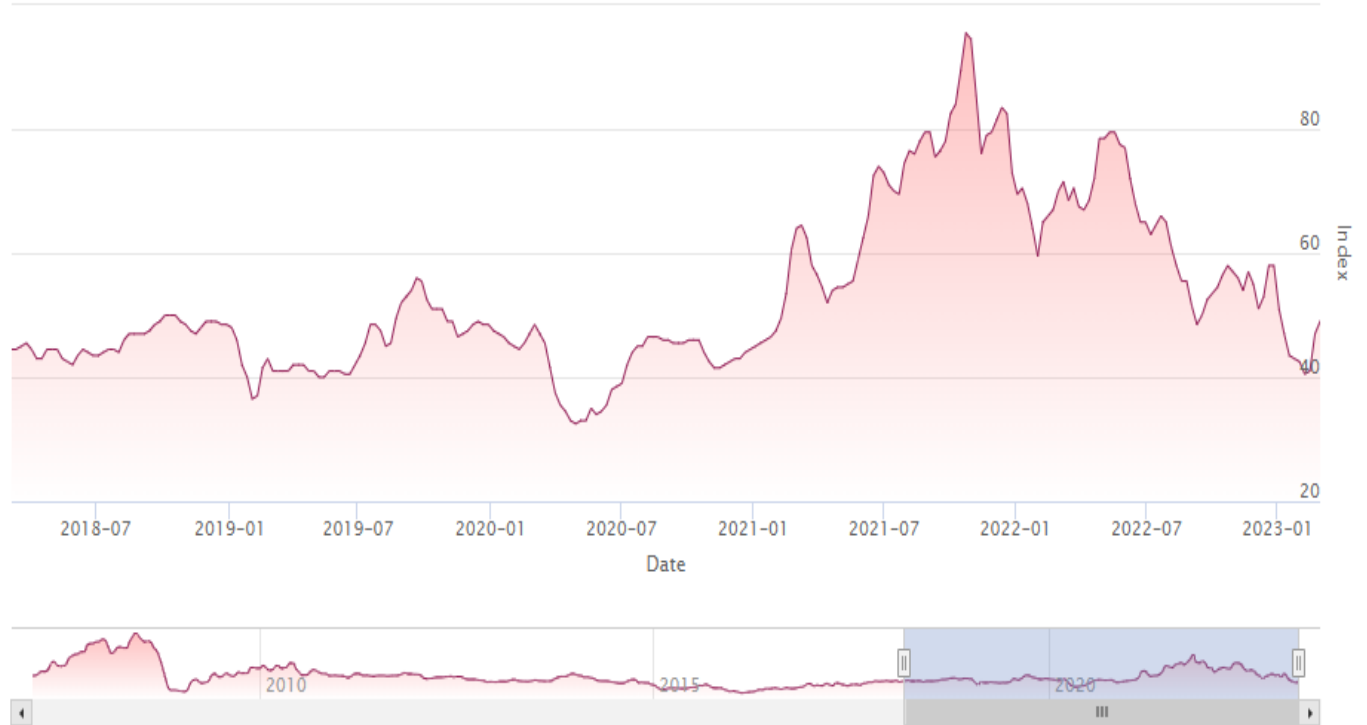
The Baltic Dry Bulk Freight Index- Cape-Panamax-Supra and Handy



YAMAMIZU Index

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

From 2018-03-01 To 2023-03-01

China Import Dry Bulk Freight Index
2023-03-02

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1008.23	21.29
Iron ore Freight Index			Point	881.66	27.35
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.431	0.281
Soybean Freight Index			Point	1192.88	21.74
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	41.38	0.93
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	28.58	0.8
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	51.85	0.48

3 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		H =	6.3775
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	6.3375
Mar.	0.88	\$285.71	1.62	\$314.84	N=	6.2400
Apr.	0.90	\$284.92	1.63	\$313.66	U =	5.8325
May	0.88	\$284.14	1.60	\$312.48	Z=	5.7050
June	0.97	\$283.84	1.67	\$311.40	H =	5.7850
July	0.90	\$281.09	1.62	\$309.43		
August	1.31	\$281.18	2.03	\$309.53		

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
Mar.	2.50	\$349.49
Apr.	2.50	\$347.91
May	2.50	\$347.91
Jun.	2.45	\$342.11
July	2.45	\$342.11

Fob vessel Texas Gulf #2 Sorghum is about 122 % 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	\$303.04	\$297.90	\$293.85	\$284.67
Basis	1.12	0.98	0.80	0.55
WH	7.0125			.
WK	7.1275			
WN	7.1975			

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
Mar.	1.05	\$596.99	2.15	\$637.40
Apr.	1.03	\$592.39	2.10	\$631.71
May	0.99	\$590.92	2.00	\$628.04
June	1.02	\$587.89	1.99	\$623.53
July	0.95	\$585.32	1.91	\$620.59
Soybean Futures				
Mar.	\$ 15.1975			
May	\$ 15.0925			
July	\$ 14.9800			
Aug.	\$ 14.6250			
Sept.	\$ 13.9725			
Nov.	\$ 13.6750			

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.

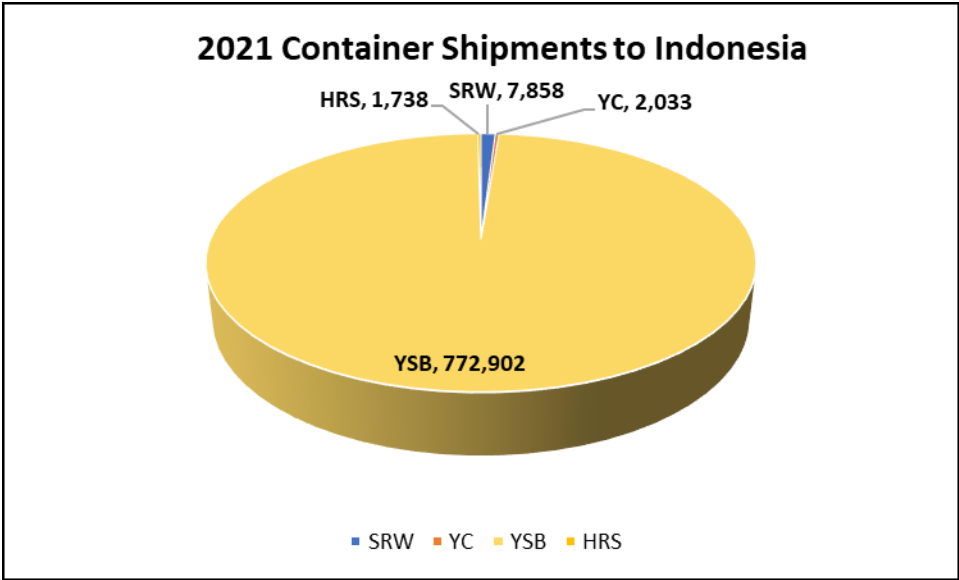
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Apr.	55.00	\$ 581.35
May	39.00	\$ 563.71
June	39.00	\$ 554.12
July	36.00	\$ 550.81
Aug.	45.00	\$ 546.73
SBM Futures		
SMH	\$ 489.30	
SMK	\$ 472.30	
SMN	\$ 463.60	
SMQ	\$ 450.90	
SMU	\$ 434.90	
SMV	\$ 421.60	

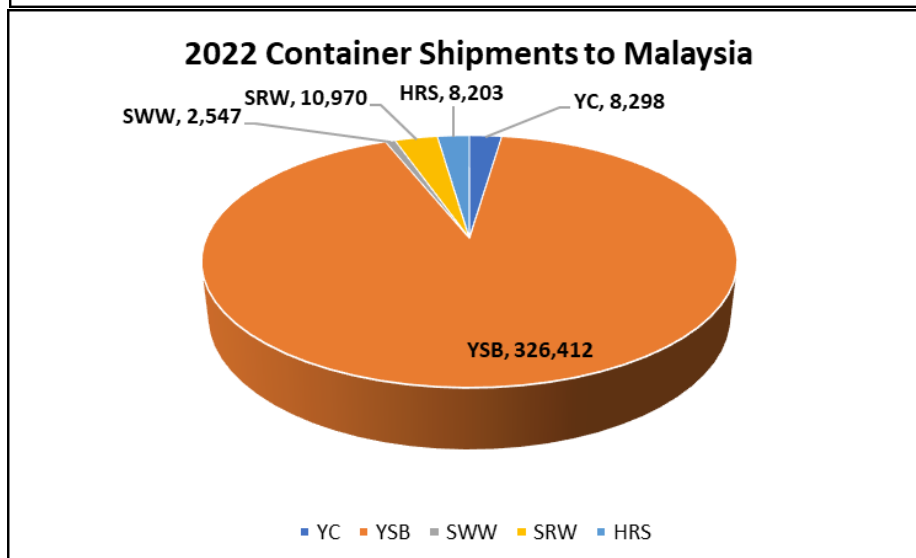
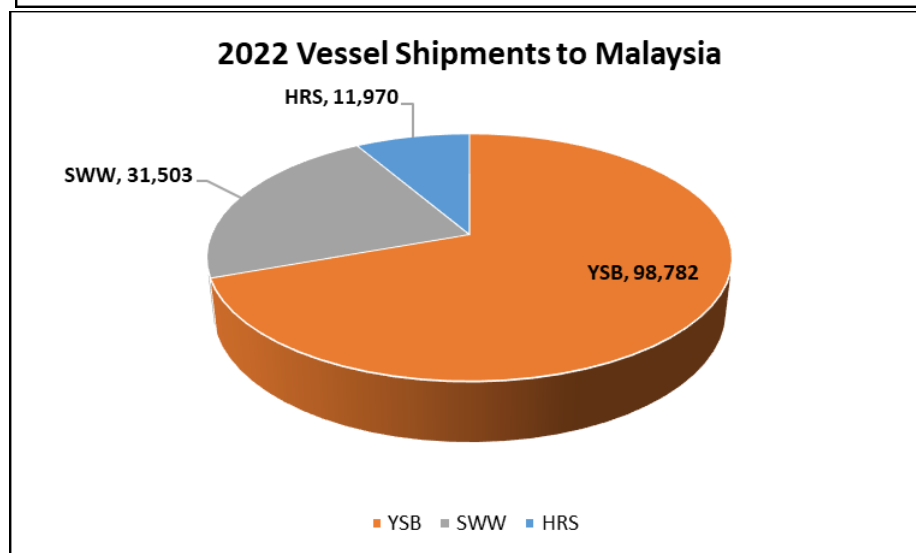
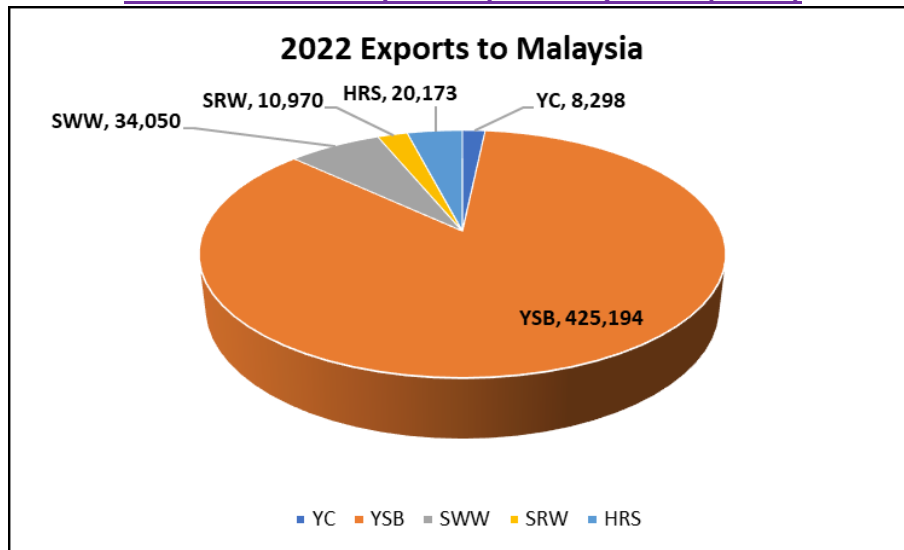
Data sheet below: *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		23-Feb-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	DUWH	SWH	Sorghum	TOTAL
China			33,605						33,605
Taiwan	10,426		8,934						19,360
Hong Kong	343								343
Costa Rica									0
Indonesia	367		14,375						14,742
French Poly									0
Japan			2,251						2,251
Korea Rep.	1,959		244						2,203
Dominic Rep									0
Malaysia			3,502						3,502
Netherlands									0
Philippines	73		1,639						1,712
Thailand			3,550						3,550
Nepal			856						856
Burma			882						882
Panama									0
Cambodia			318						318
Vietnam			10,771						10,771
Sub Total:	13,168	0	80,927	0	0	0	0	0	94,095
USDA Corrections/Additions to previous reports:									
Taiwan	490		49						539
China			539						539
Hong Kong									0
Korea Rep.	24		637						661
Un Kingdom									0
Japan			73						73
Philippines									0
Indonesia			538						538
Malaysia			122						122
Thailand			98						98
Vietnam									0
Burma									0
Cambodia									0
Sub Total:	514	0	2,056	0	0	0	0	0	2,570
Mt. Grand Total	13,682	0	82,983	0	0	0	0	0	96,665
Number of Containers	595	0	3,608	0	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

E. Finley-Richardson @ed_fin · 10h

...

Lorentzen: "The geared dry bulk market is on fire, with seemingly little stopping the frenetic upturn. Pacific activity is strong, as is business out of the USG and East Coast South America. Minor bulks and major bulks like grain and coal are being moved."

via Splash

[\\$EGLE](#) [\\$GNK](#)



Mike Lee @GreenSquareAC · 2h

...

Russia will compensate part of the cost of transporting agricultural products. Manufacturers & suppliers of ag products, including exporters, will be able to claim up to 25% of the costs of transporting agricultural products, delivered in Q3 & 4 2022 and Q1 & II of 2023.





FOR IMMEDIATE RELEASE: February 23, 2023

Contacts:

PMA: news@pmanet.org, 415-576-3244

ILWU Coast Longshore Division: Jennifer Sargent Bokaie, jennifer@ilwu.org, 503-703-2933

ILWU-PMA Update on Contract Talks

SAN FRANCISCO, CA (February 23, 2023) – The International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) announced today that they continue to negotiate and remain hopeful of reaching a deal soon. The parties have agreed not to discuss negotiations in the media as collective bargaining continues.

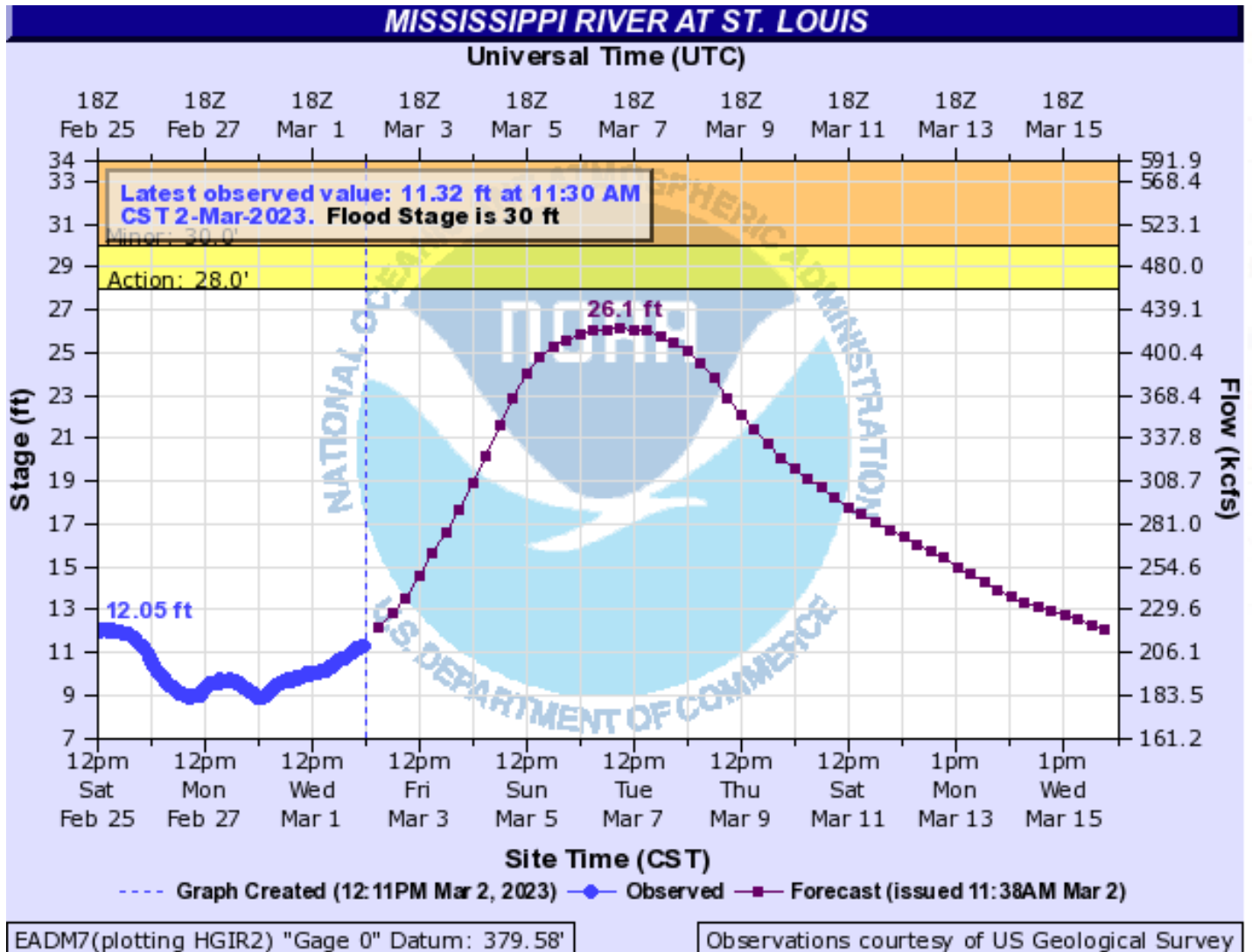
Negotiations for a new collective bargaining agreement covering more than 22,000 dockworkers at 29 West Coast ports began on Tuesday, May 10, 2022, in San Francisco. The parties have reached a tentative agreement on certain key issues, including health benefits, and remain committed to resolving remaining issues as expeditiously as possible. Talks are continuing on an ongoing basis until an agreement is reached.

Negotiations are not open to the media or the public, and news articles purporting to know what is happening at the bargaining table are speculative at best. During negotiations, West Coast ports have continued to operate.

###

U.S. River Markets -

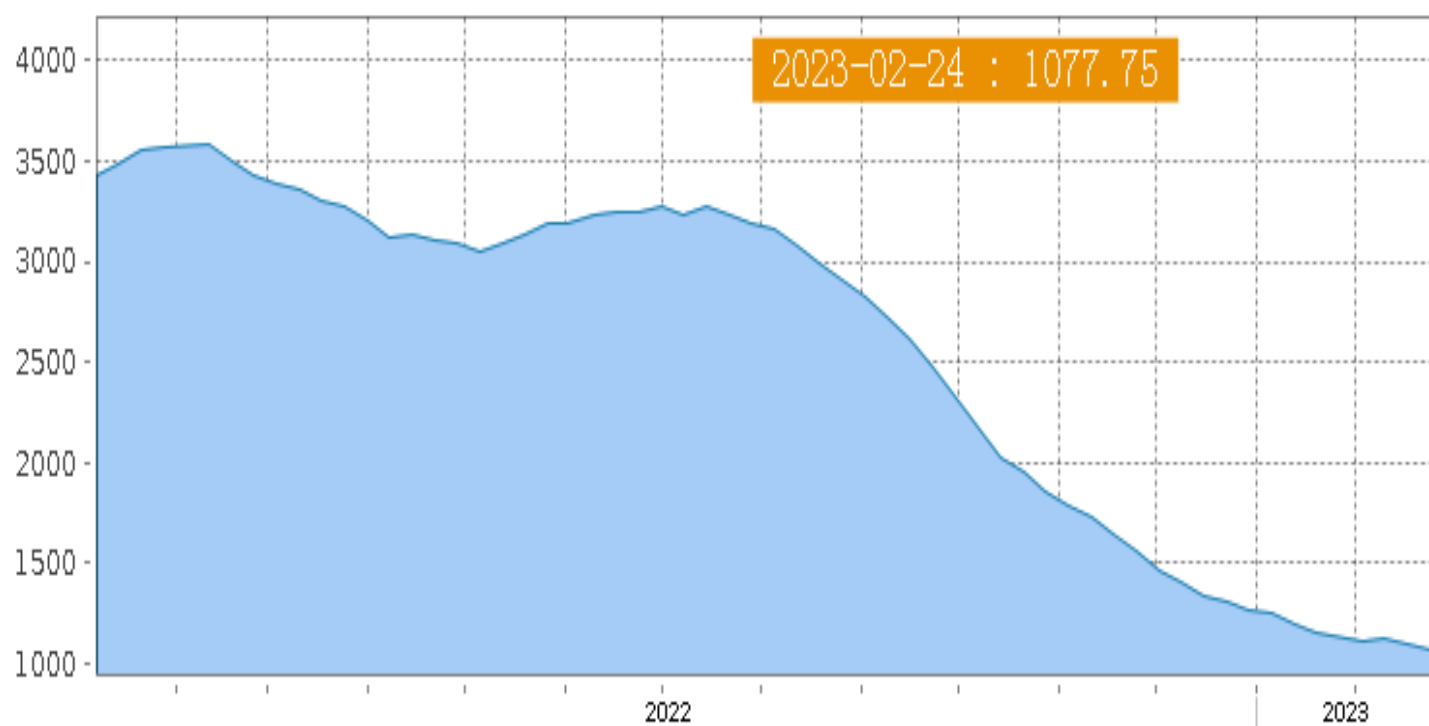
Okay for now, but going to need more rain to get through March



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	\$ (200)	\$ (125)	\$ (0.05)	\$ (0.03)	\$ (1.97)	\$ (1.23)
UPRR Shuttle Trains	\$ (250)	\$ (100)	\$ (0.06)	\$ (0.03)	\$ (2.46)	\$ (0.98)

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	515	\$ 35.14	0.89	0.96
Illinois River (Pekin and South)	470	\$ 32.07	0.81	0.87
Mid-Mississippi	500	\$ 24.58	0.62	0.67
Lower Ohio	400	\$ 19.67	0.50	0.54
St. Louis	340	\$ 14.95	0.38	0.41

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.