

Transportation and Export Report for 3 March 2022

Freight and commodity markets have a lot on their minds; war, higher fuel prices, economic sanctions, the re-routing of logistical supply chains for many cargo types; and of course, much uncertainty. Uncertainty normally motivates market players to move to the side lines until the picture becomes clearer. But these are very different and unusual times and as such, Trades of all descriptions have decided to seek safety by obtaining coverage for their needs. And this has pushed markets higher.

As mentioned last week, things are going to be quite jumbled for a while and this will add to market volatility. Fob vessel Grain Basis levels are simply a wild guess this week.

Container markets are showing some improvement; meaning slightly lower rates and slight improvement in some logistics; this might be temporary ? We still face the risk of a global economic downturn.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
3-Mar-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	32264	33227	-963	-2.9%
P3A: PNW/Pacific - Korea	Index	30379	25473	4,906	19.3%
S1C: US GULF-China-So.Japan	Index	32929	32929	0	0.0%
P7: Trial- Miss. River - Qingdao	per ton	72.32	69.24	3.1	4.4%
P8: Trial- Santos - Qingdao	per ton	62.47	58.14	4.3	7.4%

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

Four weeks ago:	\$6.100-\$7.30
Three weeks ago:	\$7.00-\$8.45
Two weeks ago:	\$7.00-\$8.00
One week ago:	\$8.50-\$10.40
This week	\$10.30-\$10.40

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

Mississippi River:	(10 elevators)	3-12 days (9 facilities operating.)
Mid-Stream loaders:	(6+ Rigs)	4-5 days
Texas Gulf	(5 elevators)	0-14 days
Pacific Northwest:	(9 elevators)	4 - 12 days

AGP Grays Harbor/PNW is loading soymeal via a temporary mobile conveyor system. Expects to be back up with full repairs by June.

Panamax Market Spreads to Asia -China					
3-Mar-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.75	2.40	0.65	\$25.59	PNW
SOYBEANS	1.70	2.70	1.00	\$36.74	GULF
OCEAN FREIGHT	\$70.00	\$38.50	.80 -.86	\$31.50	APRIL

Current Grain Vessel Market Indications:

** Below 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 \$46.50 - \$48.00/mt.

Soybean Brazil to Spain about \$58.00 - \$59.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$71.00	Up \$2.50	Handymax \$66.50 mt
55,000 U.S. PNW- Japan	\$39.25	Up \$1.00	Handymax at \$37.00 mt
65,000 U.S. Gulf – China	\$70.00	Up \$2.50	North or South China
PNW to China	\$38.50	Up \$1.00	
25,000 U.S. Gulf- Veracruz, México	\$26.50	Up \$1.00	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$23.00	Up \$0.75	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$38.75	Up \$2.25	<u>West Coast Colombia at \$45.00</u>
50,000 USG- E/C Colombia	\$38.00		
<u>East Coast Colombia</u> From Argentina	\$50.50		
40-45,000 U.S. Gulf - Guatemala	\$47.00	Up \$2.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$60.50	Up \$3.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$60.00	Up \$3.00	55,000-60,000 mt Egypt
PNW to Egypt	\$60.00		Romania - Russia- Ukraine \$26.00-\$27.000- ? France \$40.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$26.50	Up \$1.00	Handymax at +\$2.50 more
Brazil, Santos –China	\$62.50	Up \$3.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$60.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$68.50		55-60,000 mt
56-60,000 Argentina-China Deep draft	\$67.50	Up \$3.00	Up-River with Top Off Plus \$3.75-\$4.00

The Baltic Dry Bulk Freight Index



Baltic Panamax Index

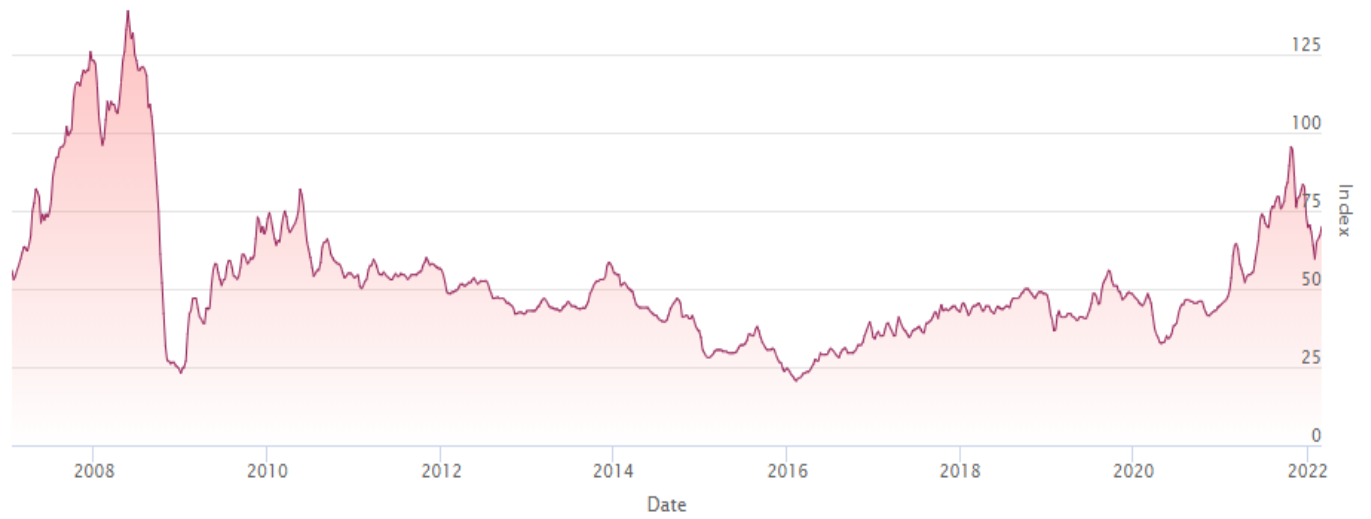


YAMAMIZU Index



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

From 2007-01-29 To 2022-03-02



China Import Dry Bulk Freight Index 2022-03-03

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1433.9	41.38
Iron ore Freight Index			Point	1190.94	27.7
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.298	0.301
Soybean Freight Index			Point	1624.19	17.13
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	57.7	0.7
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	38	0.45
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	68.8	0.54

3 March 2022 U.S. FOB Vessel Export Market Values:
Fob Vessel Grain Basis levels are simply a wild guess this week.

U.S. Yellow Corn (USD/MT) FOB Vessel					CORN	FUTURES
#2 YC	GULF # 2 YC		PNW # 3 YC		H=	7.5125
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	7.4775
April	1.75	\$363.27	2.40	\$388.86	N =	7.0350
May	1.70	\$361.30	2.40	\$388.86	U =	6.3175
June	1.70	\$343.88	2.40	\$371.44	Z=	6.1200
July	1.70	\$343.88	2.45	\$373.40	H =	6.1125
Aug.	1.85	\$321.54	2.50	\$347.13		
Sept.	1.80	\$319.57	2.50	\$347.13		

The Gulf spread between #2 & #3 YC is currently about .04 cents per bushel (1.60/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
April	2.95	\$410.51
May	2.90	\$408.54
June	2.85	\$389.15
July	2.80	\$387.18
Aug.	2.80	\$358.94

Fob vessel Texas Gulf #2 Sorghum is about 113 % the value of #2 Yellow Corn at NOLA.

U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf
Wheat futures locked up the Limit today!

SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	Apr.	May	Jun.	July
FOB U.S. GULF	\$475.46	\$473.62	\$467.10	\$467.10
Basis	1.60	1.55	1.55	1.55
WH	12.8900			.
WK	11.3400			
WN	11.1625			

Fob Vessel Grain and Soy Basis levels are simply a wild guess this week.

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
April	1.90	\$682.60	2.70	\$711.99
May	1.85	\$680.76	2.60	\$708.32
June	1.85	\$667.90	2.55	\$693.62
July	1.80	\$666.06	2.55	\$693.62
Aug.	1.90	\$649.44	2.65	\$677.00
Soybean Futures				
Mar.	\$ 16.8025			
May	\$ 16.6775			
July	\$ 16.3275			
Aug.	\$ 15.7750			
Sept.	\$ 14.9700			
Nov.	\$ 14.5400			

U.S. Soybean and SBM Markets Fob Vessel:

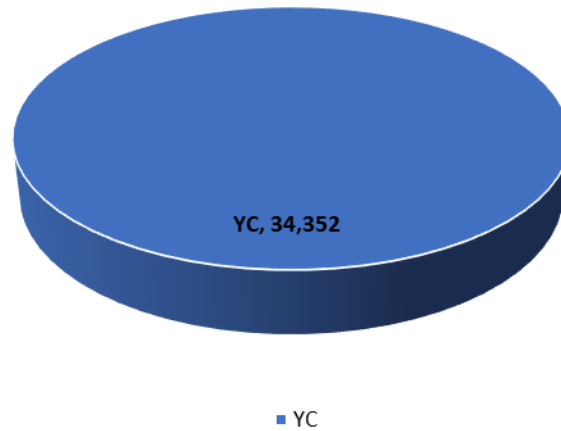
U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
April	40.00	\$ 543.97
May	35.00	\$ 538.46
June	40.00	\$ 536.37
July	40.00	\$ 536.37
Aug.	48.00	\$ 528.98
SBM Futures		
SMH	\$ 461.40	
SMK	\$ 453.40	
SMN	\$ 446.50	
SMQ	\$ 431.80	
SMU	\$ 419.50	
SMV	\$ 409.00	

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).*

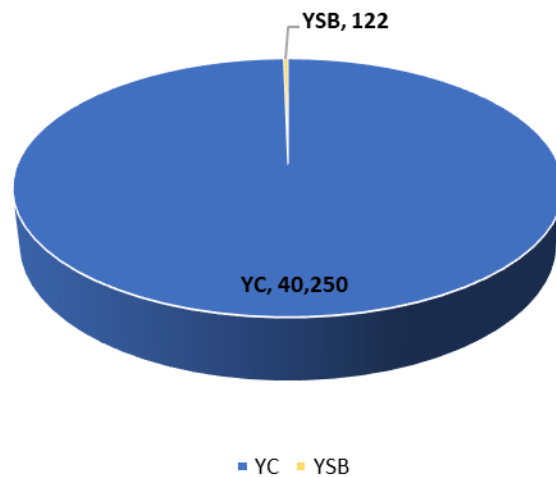
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		24-Feb-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	HRW	Sorghum	TOTAL
China			23,951					5,658	29,609
Taiwan	12,287		5,607						17,894
Hong Kong	24								24
Costa Rica									0
Indonesia			21,304						21,304
French Poly									0
Japan			1,247						1,247
Korea Rep.	49		196						245
Dominican Rep	48								48
Malaysia			5,950						5,950
Colombia									0
Philippines			686						686
Thailand			4,041		784	490			5,315
Cambodia									0
Burma									0
Bahrain	465								465
Nepal			2,302						2,302
Vietnam			4,479		1,078				5,557
Sub Total:	12,873	0	69,763	0	1,862	490	0	5,658	90,646
USDA Corrections/Additions to previous reports:									
Taiwan	1,150								1,150
China			637					735	1,372
Hong Kong	440								440
Korea Rep.				98					98
French Poly									0
Japan									0
Philippines									0
Indonesia			1,224						1,224
Malaysia									0
Thailand			24						24
Vietnam									0
Bangladesh									0
Un Arab Em									0
Sub Total:	1,590	0	1,885	98	0	0	0	735	4,308
Mt. Grand Total	14,463	0	71,648	98	1,862	490	0	6,393	94,954
Number of Containers	629	0	3,115	4	81	21	0	278	

Jan - Dec 2020 Annual Totals versus 2021 Annual Total Container Shipments (in MT)

2021 Container Shipments to Hong Kong

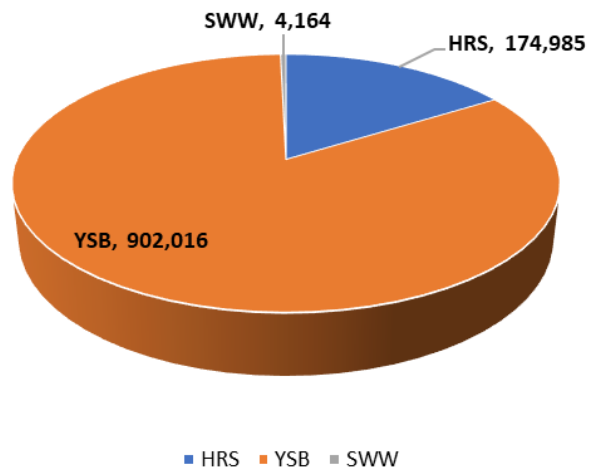


2020 Container Shipments to Hong Kong

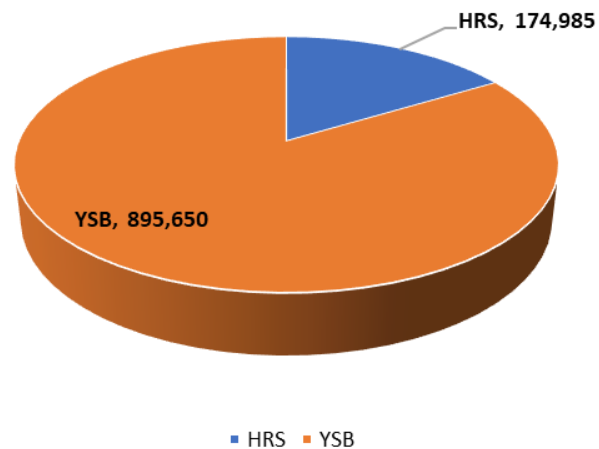


2021 Total Grain Exports reported by USDA (in MT)

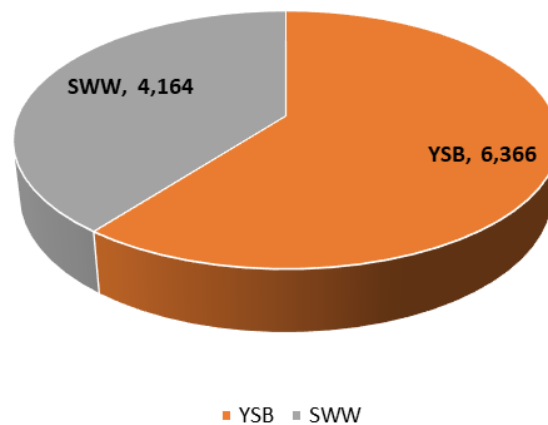
2021 Exports to Bangladesh



2021 Vessel Shipments to Bangladesh



2021 Container Shipments to Bangladesh



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

Source: USDA-data

Shipping News

Sal Mercogliano 🚢 ⚓ 🌊 🏠 🇺🇸 ☠️ @mercoglianos · 14h

Most people do not realize the size of modern commercial ships to that of the largest ships in the US Navy.

🌐 WarshipCam @WarshipCam · Feb 28

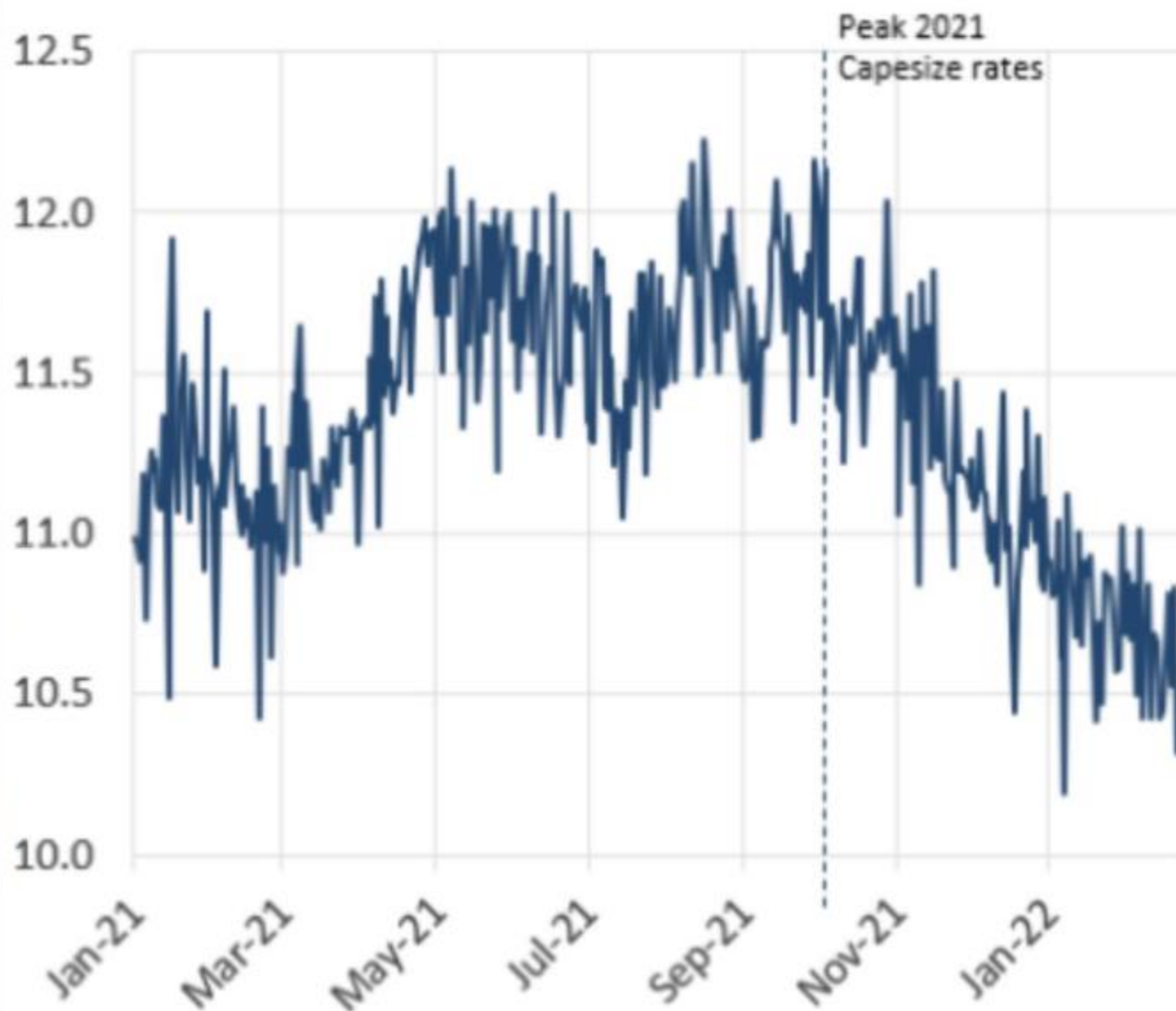
USS Nimitz (CVN 68) Nimitz-class aircraft carrier leaving San Diego - February 28, 2022 #ussnimitz #cvn68



@SanDiegoWebCam

02-28-2022

Average daily capesize voyage speeds *knots*



Source: AIS tracking

Peter Tirschwell @PeterTirschwell · 44m

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Positive trends: A nearly 40% reduction in ships awaiting berth at LA-LB (66 now), according to [@MXSOCAL](#) and inbound laden dwell times down nearly 20% from an all-time high in November, according to [@PMSAship](#). Hope as [#TPM22](#) begins?



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Bloomberg @business · 31m

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The carrier transporting thousands of Porsches, Lamborghinis and other Volkswagen vehicles is still on fire almost a full week after the crew abandoned ship



[bloomberg.com](https://www.bloomberg.com)

Porsche Car Carrier Fire Drags On Days After Crew Abandoned Ship

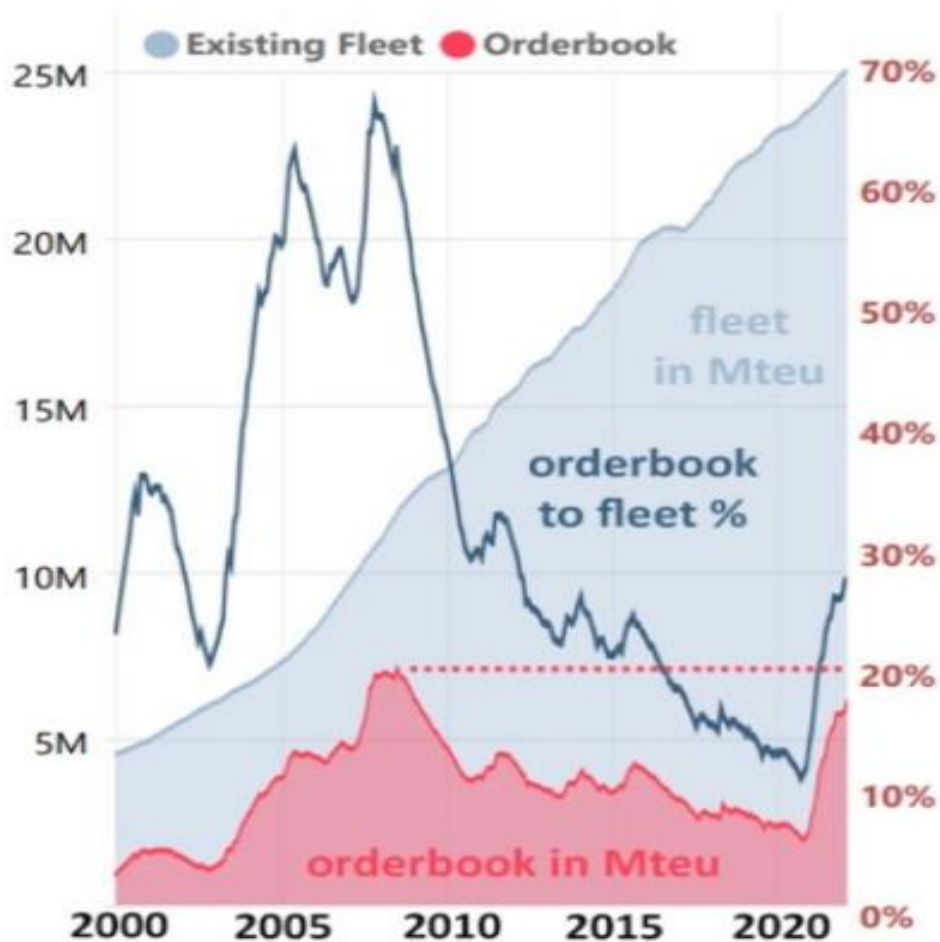
The operator of Felicity Ace, the ship transporting thousands of Porsches, Lamborghinis and other Volkswagen AG vehicles, said ...

The containership orderbook is about to hit an all-time high, elbowing out most other ship types, bar LNG, to take the lion's share of building slots at leading yards across Asia.

Alphaliner's data of confirmed containership orders shows more than 6.22m teu worth of vessels are now on order. Once a number of reported orders are confirmed, the orderbook will topple the heights experienced in 2008 when the orderbook-to-fleet ratio hit 65%.

Because the global box fleet has doubled in size since 2008, the orderbook-to-fleet ratio currently stands at 25%. Including orders under negotiation, and pending confirmation it stands at 27%.

According to Clarksons, only the LNG shipping sector now has a higher orderbook-to-fleet ratio, closing in on the 30% mark.



Source: Alphaliner

1 of 6

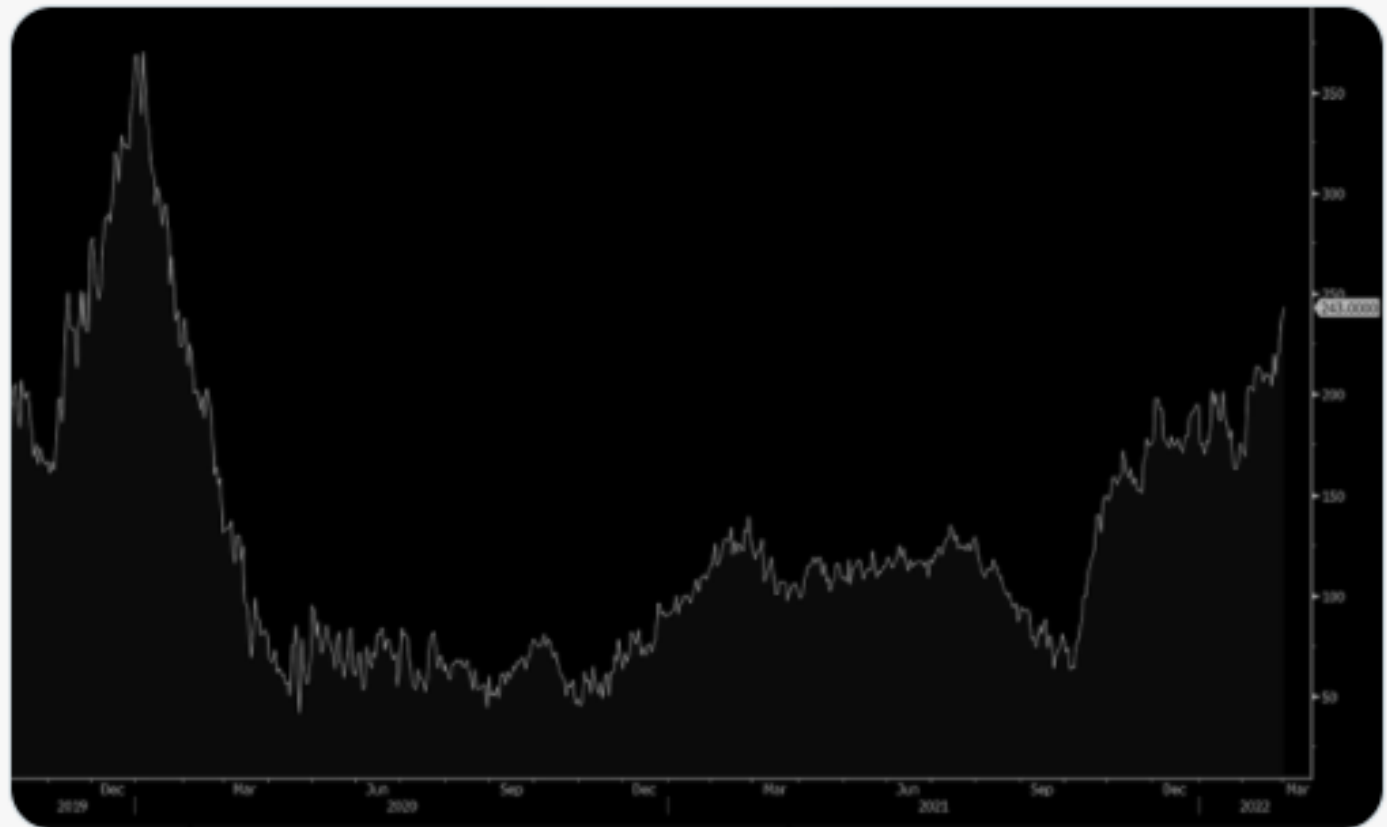
Throughput growth at the world's 30 largest [#container](#) ports exceeded 6.5% in 2021, as gains offset last year's losses for many individual ports. The 30 leading [#ports](#) handled 450 Mteu during the year, versus 421 Mteu in 2020.

Rank	Port Name	Country	2021	2020	2019	Growth 21/20%	Growth 20/19%
1 (1)	Shanghai	China	47,025,000	43,501,400	43,303,000	8.1%	0.5%
2 (2)	Singapore	Singapore	37,467,700	36,870,940	37,195,636	1.6%	-0.9%
3 (3)	Ningbo-Zhoushan	China	31,080,000	28,734,300	27,535,000	8.2%	4.4%
4 (4)	Shenzhen	China	28,760,000	26,553,000	25,771,700	8.3%	3.0%
5 (5)	Guangzhou-Nansha	China	24,180,000	23,191,500	23,236,200	4.3%	-0.2%
6 (6)	Qingdao	China	23,700,000	22,004,700	21,010,000	7.7%	4.7%
7 (7)	Busan	S Korea	22,690,258	21,823,995	21,992,000	4.0%	-0.8%
8 (8)	Tianjin	China	20,260,000	18,356,100	17,300,700	10.4%	6.1%
9 (10)	Los Angeles/Long Beach	US	20,061,978	17,326,718	16,969,666	15.8%	2.1%
10 (9)	Hong Kong	China	17,788,000	17,326,720	18,303,000	2.7%	-5.3%
11 (11)	Rotterdam*	Netherlands	15,300,000	14,349,446	14,810,804	6.6%	-0.03%
12 (12)	Dubai/Jebel Ali	UAE	13,700,000	13,484,600	14,111,000	1.6%	-4.4%
13 (13)	Port Kelang*	Malaysia	13,700,000	13,244,414	13,580,717	3.4%	-2.5%
14 (15)	Xiamen	China	12,030,000	11,410,000	11,122,180	5.4%	2.6%
15 (14)	Antwerp	Belgium	12,020,245	12,031,467	11,860,204	-0.1%	1.4%

BreakWave @DryBulkETF · Mar 2

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With crude oil at multi-year highs, the spread between low sulphur fuel oil and high sulphur fuel oil (VLSFO-HFO) stands now above \$240/t, the highest since the implementation of IMO 2020 in early 2020. The savings for scrubber-fitted Capesizes are around \$13,000/d (Index-adj).



Russia-Ukraine News

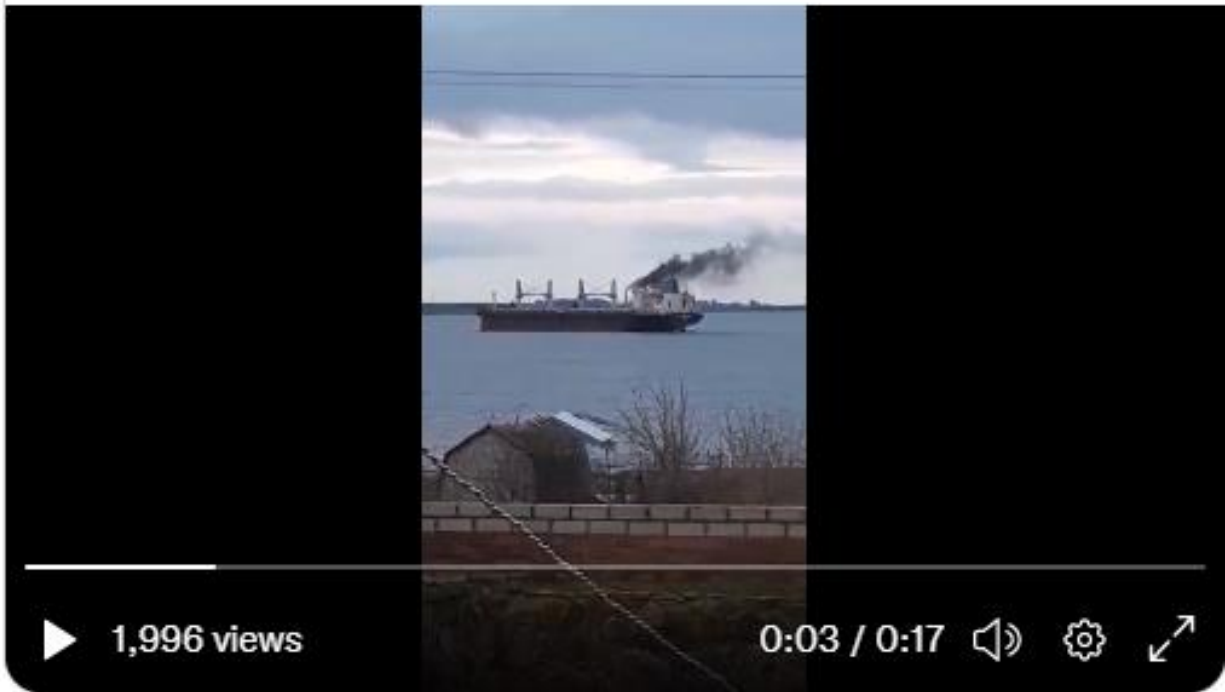
John Konrad V 🇺🇸🇺🇦 @johnkonrad · 40m

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Bangladesh flagged bulk carrier BANGLAR SAMRIDDHI burning after being struck with a missile whilst anchored at Olvia port.

10 апреля @buch10_04 · 1h

Судно Banglar Samriddhi після влучання ракети РФ.



Karen Braun  @kannbwX · 15m

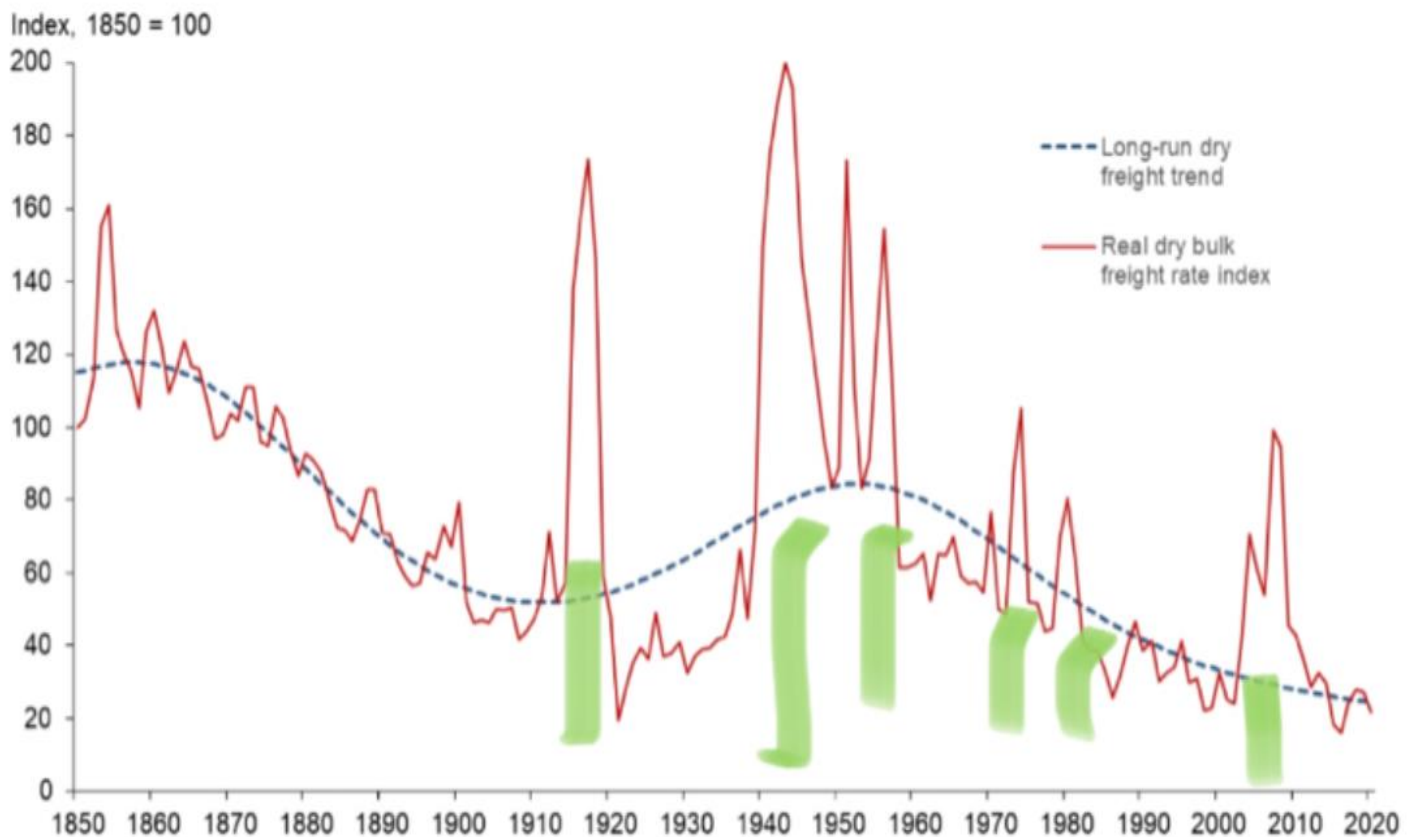
 [#Ukraine](#) &  [#Russia](#) together account for 29% of world [#wheat](#) exports compared with 15% a decade ago.

Among their top wheat buyers are Egypt, Turkey, Indonesia, Bangladesh, Pakistan, Azerbaijan and Yemen.

Ukraine & Russia Share of World Wheat Exports



Real Dry Bulk Freight Rate Index and Its Trend, 1850-2020



NOTES: The solid red line represents the real dry bulk freight rate index, constructed from 10,488 observations of maritime freight rates. The dotted blue line is an estimate of the long-run trend.

SOURCE: "Dry Bulk Shipping and the Environment: Maritime Freight Rates, 1850-2020" by David Jacks and Martin Stuermer, Dallas

 **BenAris** @bneeditor · 2h

trending on German twitter

**As a German I just wanna get
some things straight.**

**The entire western world wants
us to:**

- Build up a huge army**
- March through Poland**
- Fight the Russians if needed**

**Just writing it down, so there is
no misunderstanding in the
future.**

Leth Agencies @AgenciesLeth · 18h

*** BREAKING NEWS ***

With effect from 1st March, the Suez Canal Authority (SCA) has decided to increase the canal tolls by adding 5, 7 or 10% on the canal tolls for both laden and ballast vessels transiting in north- or southbound direction!

lethagencies.com/uploads/files/...

ETH

Changes in Suez Canal Tariffs from 1st March 2022

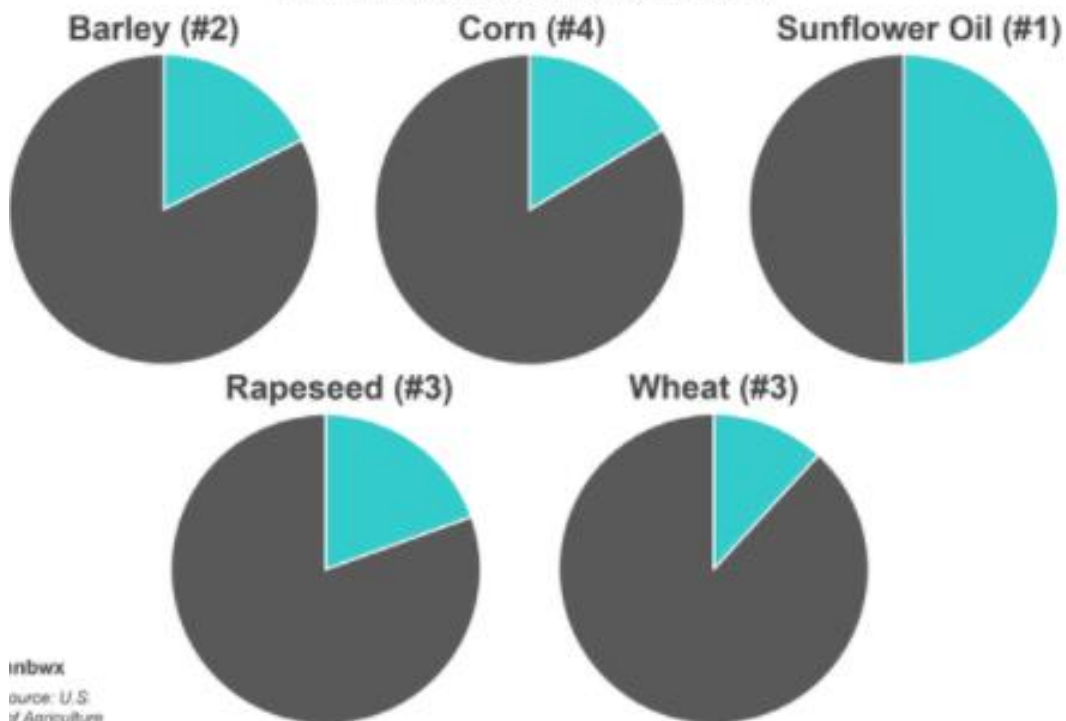
Category	Tariff	Vessel Status	Direction	Tariff change	Links to Circular from SCA
Carrier	3	Laden + Ballast	Both	+ 5%	Circular 3/2022
Oil Carriers	1	Laden + Ballast	Both	+ 5%	Circular 1/2022
General Purpose Product Tankers	2	Laden + Ballast	Both	+ 5%	Circular 2/2022
General Purpose and other Liquid Bulk Tanker	6	Laden + Ballast	Both	+ 10%	Circular 6/2022
General Purpose Tankers	4	Laden + Ballast	Both	+ 10%	Circular 4/2022
General Purpose Tankers	5	Laden + Ballast	Both	+ 7%	Circular 5/2022
General Purpose Tankers	Per tier of container on weatherdeck	Per Tier	Northbound Only	Please see below table	Circular 7/2022
General Purpose Tankers	8	Laden + Ballast	Both	+ 7%	Circular 8/2022
General Purpose Tankers	9	Laden + Ballast	Both	+ 7%	Circular 9/2022
General Purpose Tankers	10	Laden + Ballast	Northbound Only	+ 7%	Circular 10/2022
General Purpose Tankers	12	Laden + Ballast	Both	+ 7%	Circular 11/2022
General Purpose Tankers	13	Laden + Ballast	Both	+ 7%	Circular 12/2022

Baltic Dry-Bulk Ocean Freight Index- US Gulf- Japan



Ukraine's Projected Share of World Exports 2021/22

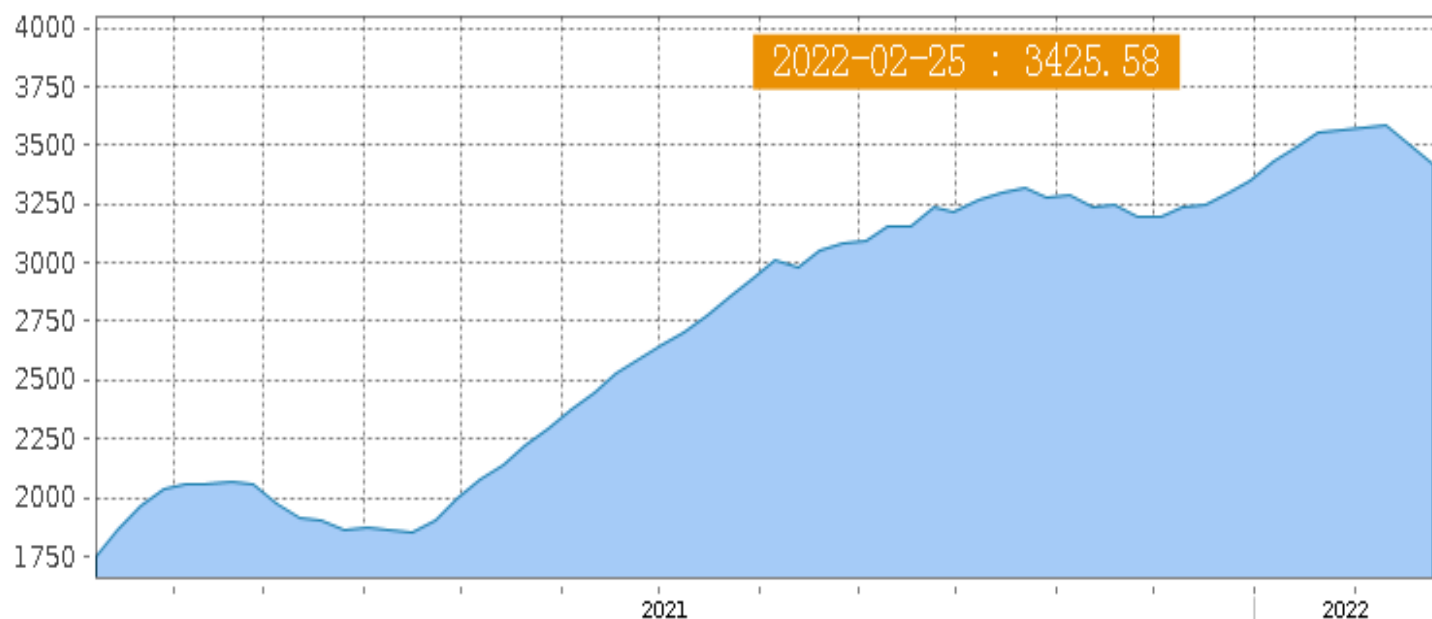
(Shown in teal; product ranking in parentheses)



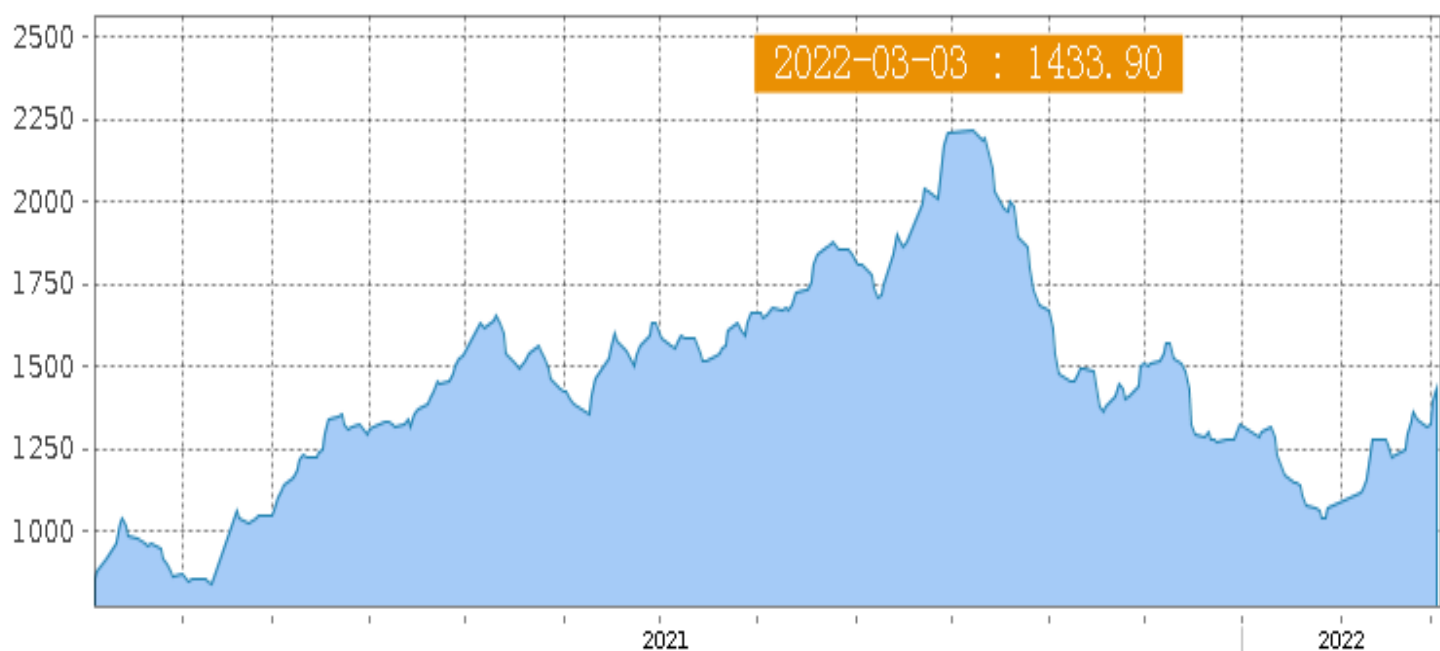
inbwx

Source: U.S.
Dept of Agriculture

China Containerized Freight Index



China Import Dry Bulk Freight Index



Secondary Rail Car Market for Car placement period: Last Half March 2022

Secondary Rail Car Market Placement LH. March 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 600.00	\$ 1,300.00	\$ 0.15	\$ 0.33	\$ 5.91	\$ 12.79
UPRR Shuttle Trains	\$ 600.00	\$ 1,300.00	\$ 0.15	\$ 0.33	\$ 5.91	\$ 12.79

U.S. RIVER BARGE FREIGHT

Barge Freight for Loading Placement Last Half March 2022

Placement LH. March 2022	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			
Illinois River (Pekin and South)	680	\$46.40	1.18	1.26
Mid-Mississippi	725			
Lower Ohio	600	\$29.50	0.75	0.80
St. Louis	575	\$25.29	0.64	0.69

Best Regards,

Jay

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HJ O'Neil Commodity Consulting
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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.

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