

Transportation and Export Report for 9 March 2023

Dry Bulk markets are still excited about having finally hit bottom and getting a bounce up in rates. As with most markets, those who are long believe the bounce will turn into a new up cycle and they are reluctant sellers as they wait for even better times ahead. Tanker freight markets remain hot as are some Capesize markets. But last week's strong action seems to have been enough for the Panamax sector as that market is rather flat this week. China demand has not yet rebounded but freight markets are expecting future construction growth there to create demand and push values higher as we move into Q2 of 2023. For now, it is all about anticipation rather than substance. Q2 Panamax daily hire rates appear to be stable at \$16,500/day.

The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
9-Mar-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	21768	21,373	395	1.8%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	15620	14,107	1,513	10.7%
S1C: US GULF-China-So.Japan	Index	18350	19139	-789	-4.1%
P7: Trial- Miss. River - Qingdao	per ton	51.66	50.98	0.68	1.3%
P8: Trial- Santos - Qingdao	per ton	42.27	41.89	0.38	0.9%

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

Four weeks ago:	\$6.3-\$6.15
Three weeks ago:	\$6.15-\$6.10
Two weeks ago:	\$6.10-\$6.30
One week ago:	\$6.50-\$7.50
This week	\$7.80-\$8.15

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

Mississippi River:	(9 elevators)	2-7 days
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-7 days (4 Facilities at zero days)
Pacific Northwest:	(9 elevators)	2-5 days (4 facilities at zero days)

Panamax Market Spreads to Asia -China					
9-Mar-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.92	1.63	0.71	\$27.95	GULF
SOYBEANS	1.06	2.15	1.09	\$40.05	GULF
OCEAN FREIGHT	\$52.00	\$29.00	.60-.64	\$23.00	APRIL

Current Grain Vessel Market Indications:

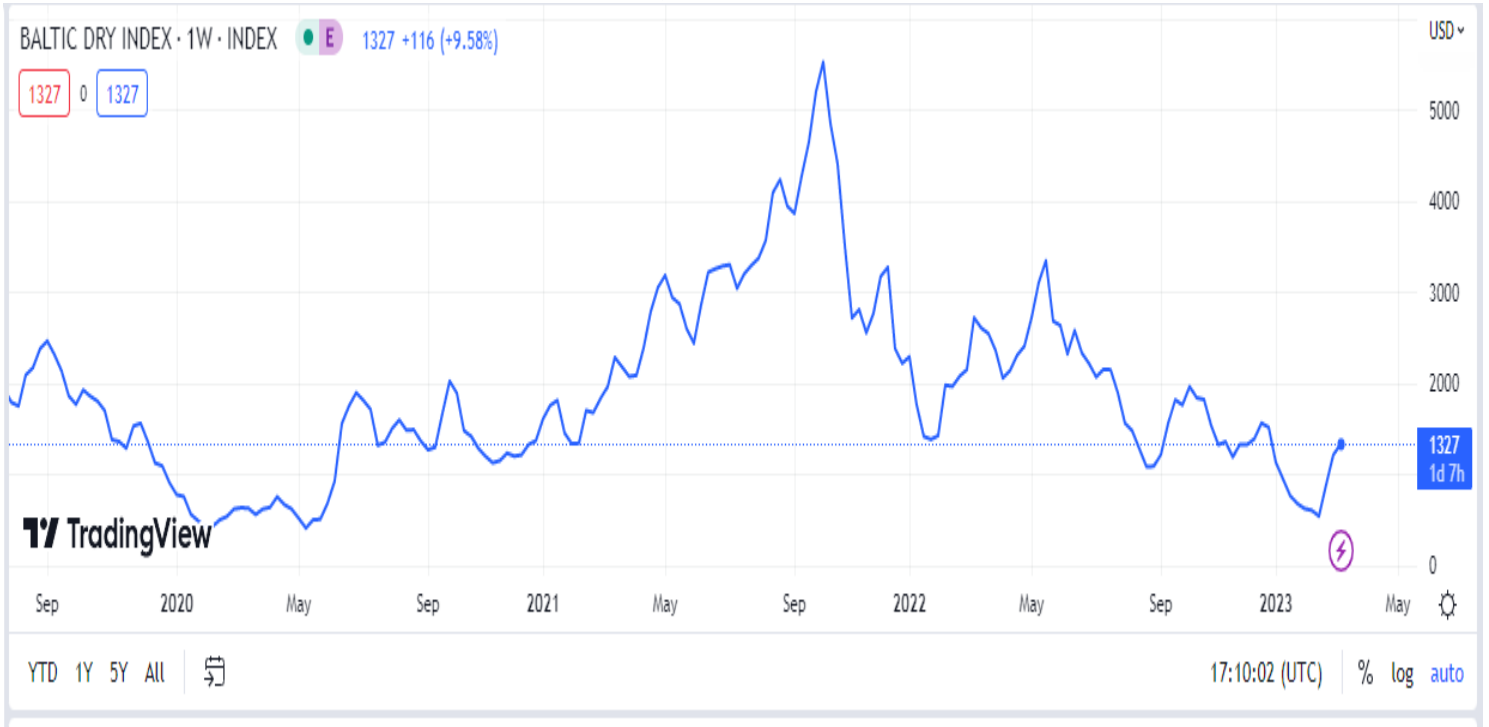
**** Rates are estimates for the nearby-30-day period. 60-90 days forward physical rates will usually be higher.**

Soybean Panamax USG to Spain is running \$31.50 - \$32.50/mt.

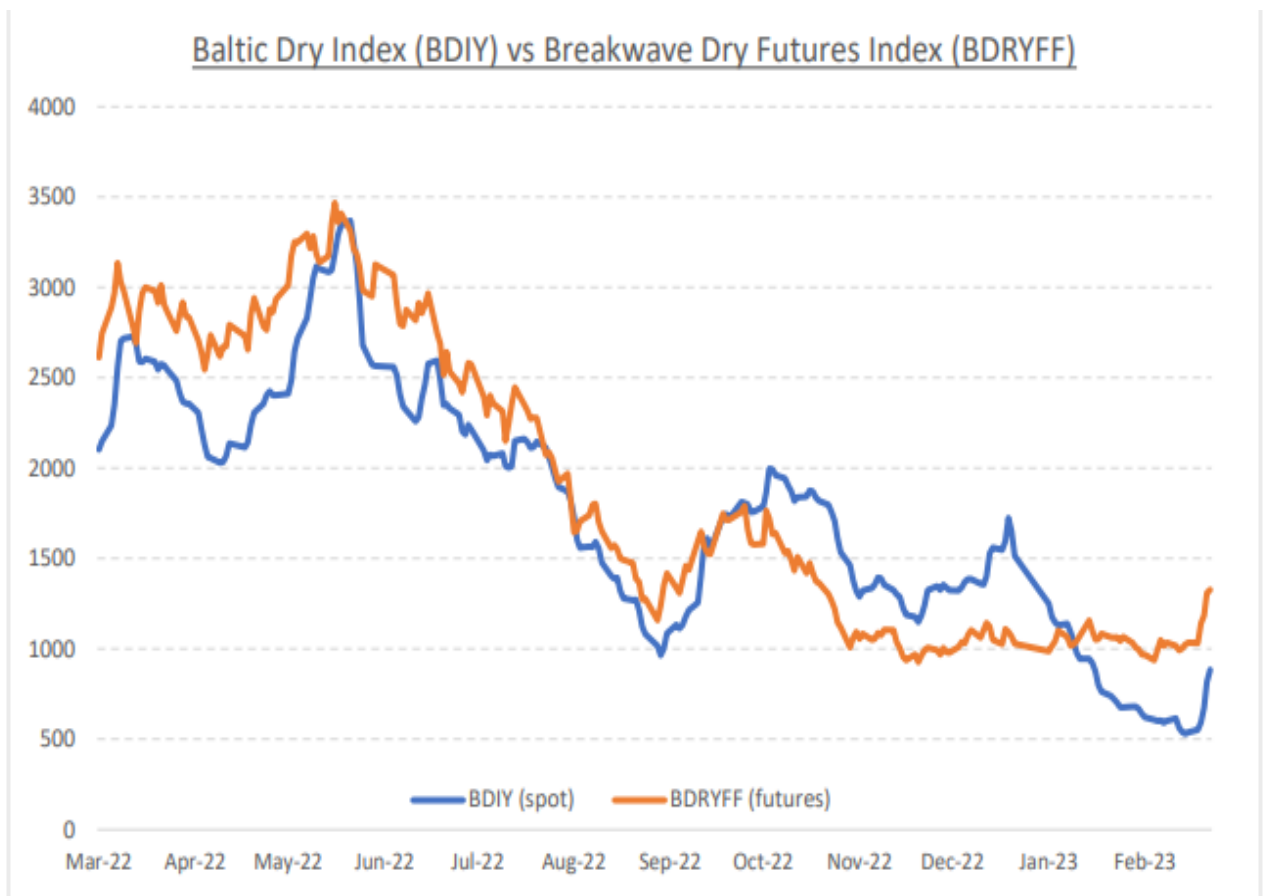
Soybean Brazil to Spain about \$39.00 - \$40.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$52.50	Unchanged	Handymax \$52.50 mt
55,000 U.S. PNW- Japan	\$29.50	Up \$0.50	Handymax at \$29.50 mt
65,000 U.S. Gulf – China	\$52.00	Unchanged	North or South China
PNW to China	\$29.00	Up \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$23.00	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$19.50	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$30.00	Unchanged	<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	Unchanged	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$36.00	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$33.00	Unchanged	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	\$26.50	UP \$0.50	Handymax at +\$2.50 more
Brazil, Santos –China	\$44.75	Up \$0.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$42.50		60-66,000 Post Panamax
Up-River Port North Brazil	\$48.50		55-60,000 mt
56-60,000 Argentina-China	\$47.50	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

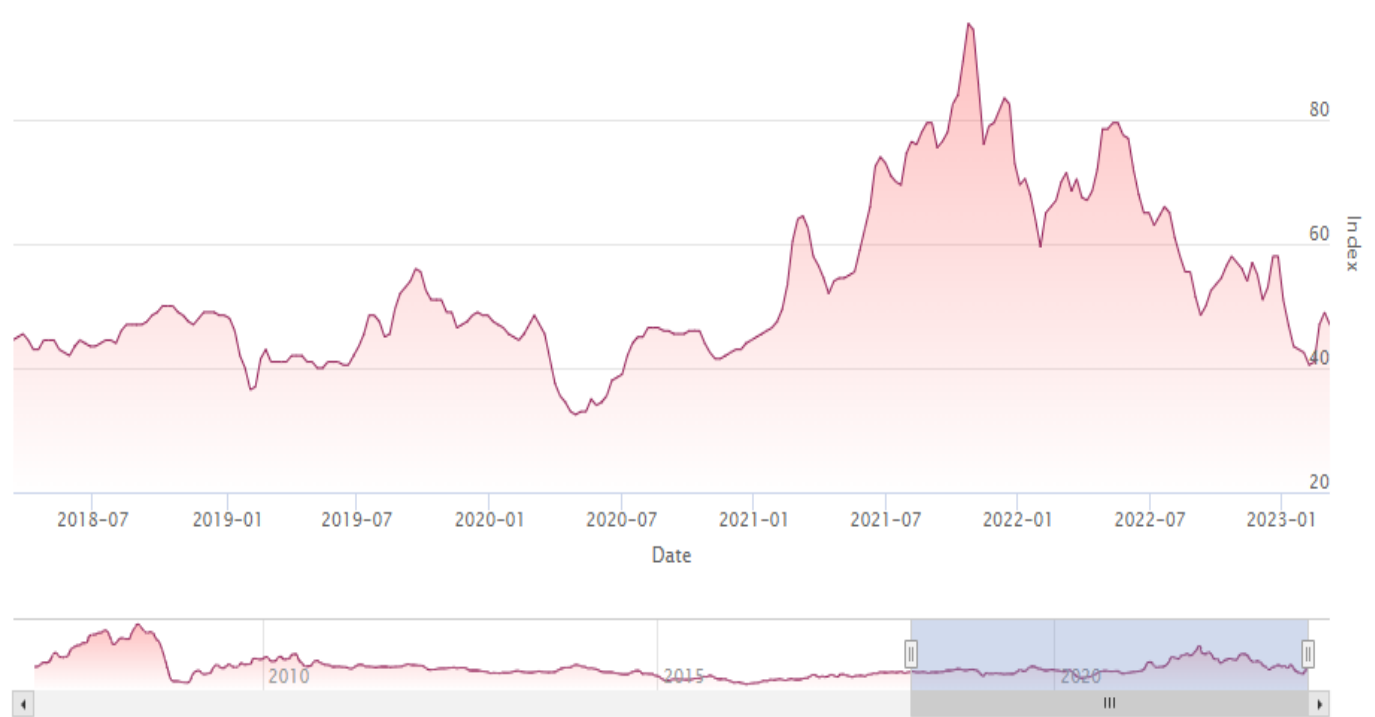


YAMAMIZU Index



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

From 2018-03-08 To 2023-03-08



China Import Dry Bulk Freight Index					
2023-03-09					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1057.4	9.28
Iron ore Freight Index			Point	963.86	10.32
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.154	0.093
Soybean Freight Index			Point	1207.4	3.16
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	41.96	0.14
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	29.34	0.05
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	52.11	0.1

9 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 =	6.1850
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	6.1150
Mar.	0.91	\$279.31	1.62	\$307.27	N=	6.0175
Apr.	0.92	\$276.95	1.63	\$304.90	U =	5.6125
May	0.90	\$276.17	1.60	\$303.72	Z=	5.5350
June	0.95	\$274.30	1.66	\$302.25	H =	5.6200
July	0.92	\$273.11	1.62	\$300.67		
August	1.32	\$272.92	2.02	\$300.48		

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.	2.35	\$336.00
Apr.	2.30	\$331.28
May	2.25	\$329.31
Jun.	2.25	\$325.47
July	2.25	\$325.47

Fob vessel Texas Gulf #2 Sorghum is about 119 % 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	\$285.77	\$280.63	\$278.15	\$270.80
Basis	1.12	0.98	0.80	0.60
WH	6.5350			
WK	6.6575			
WN	6.7700			

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.	1.10	\$598.92	2.20	\$639.33
Apr.	1.06	\$594.05	2.15	\$634.10
May	1.00	\$591.84	2.02	\$629.32
June	1.05	\$589.27	2.03	\$625.28
July	0.96	\$585.96	1.94	\$621.97
Soybean Futures				
Mar.	\$ 15.2000			
May	\$ 15.1075			
July	\$ 14.9875			
Aug.	\$ 14.6350			
Sept.	\$ 13.9450			
Nov.	\$ 13.6000			

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.

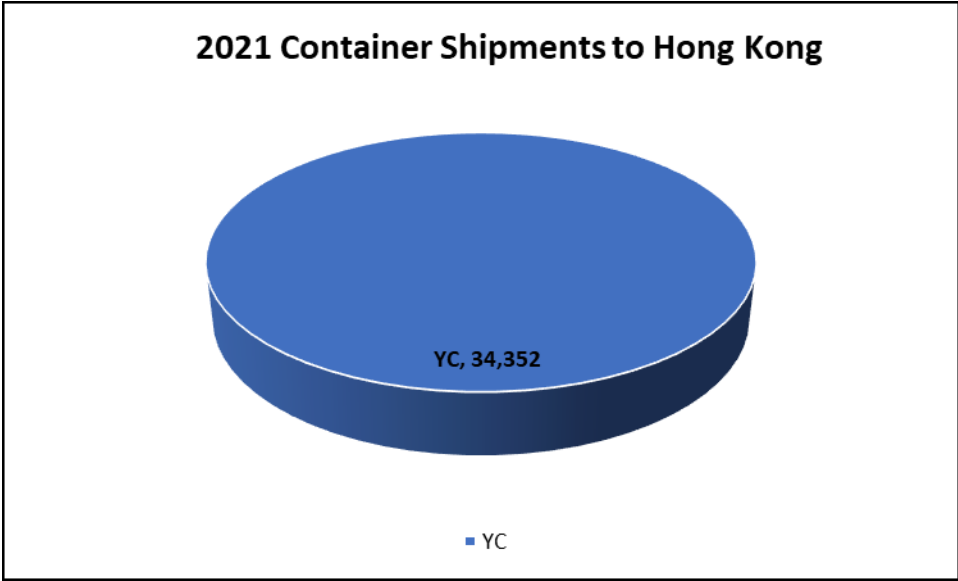
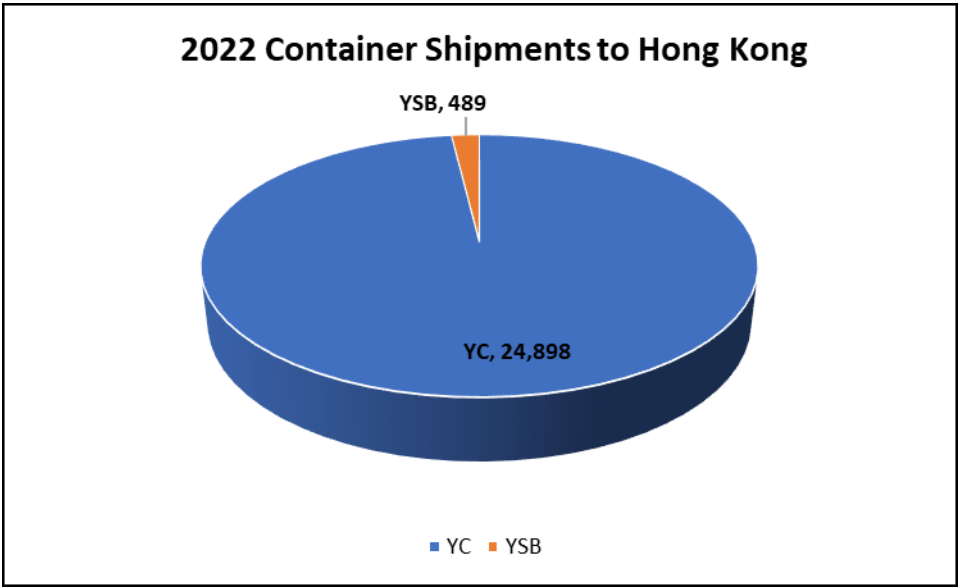
U.S. Soybean and SBM Markets Fob Vessel:

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	\$ 597.44
May	40.00	\$ 580.91
June	38.00	\$ 568.78
July	35.00	\$ 565.47
Aug.	45.00	\$ 562.61
SBM Futures		
SMH	\$ 498.90	
SMK	\$ 486.90	
SMN	\$ 477.90	
SMQ	\$ 465.30	
SMU	\$ 449.20	
SMV	\$ 435.80	

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).*

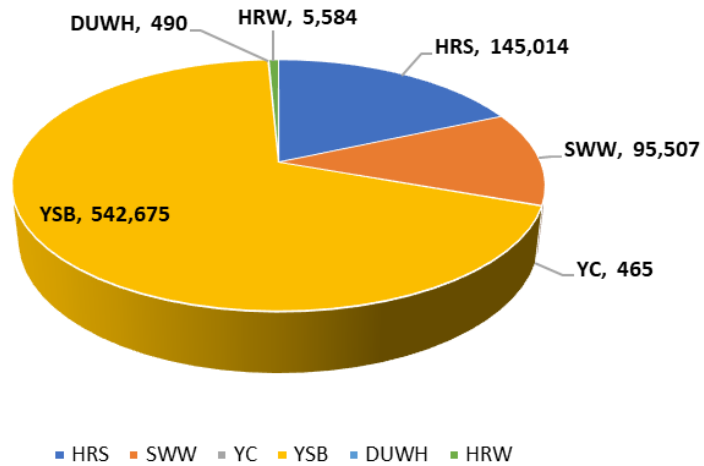
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		2-Mar-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	DUWH	SWH	Sorghum	TOTAL
China			23,583						23,583
Taiwan	10,405		2,572						12,977
Hong Kong	808								808
Costa Rica	98								98
Indonesia			12,412						12,412
French Poly	147								147
Japan			2,642						2,642
Korea Rep.	49		538	392					979
Cameroon			147						147
Malaysia	294		4,334						4,628
Netherlands	3,036								3,036
Philippines			1,003						1,003
Thailand			3,282						3,282
Nepal			856						856
Burma									0
India			955						955
Cambodia									0
Vietnam			4,945						4,945
Sub Total:	14,837	0	57,269	392	0	0	0	0	72,498
USDA Corrections/Additions to previous reports:									
Taiwan	416		24						440
China			98						98
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan									0
Philippines									0
Indonesia			734						734
Malaysia			220						220
Thailand			294						294
Vietnam			220						220
Burma									0
Cambodia									0
Sub Total:	416	0	1,590	0	0	0	0	0	2,006
Mt. Grand Total	15,253	0	58,859	392	0	0	0	0	74,504
Number of Containers	663	0	2,559	17	0	0	0	0	

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

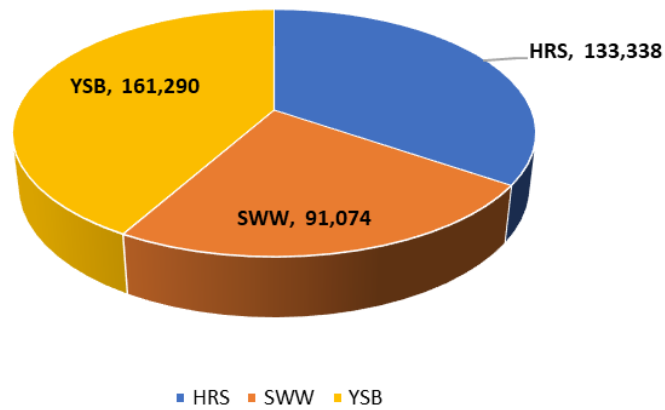


2022 Total Grain Exports reported by USDA (in MT)

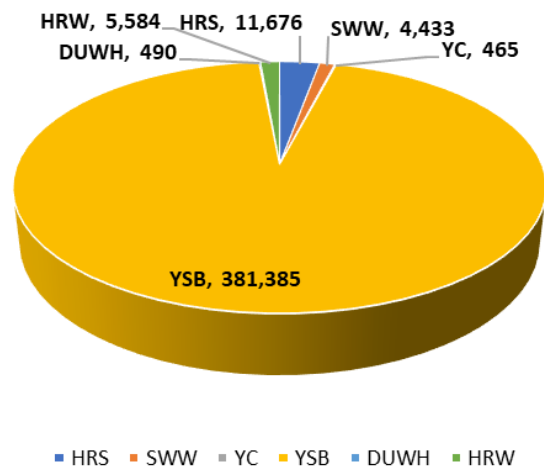
2022 Exports to Vietnam



2022 Vessel Shipments to Vietnam



2022 Container Shipments to Vietnam



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

Source: USDA-data

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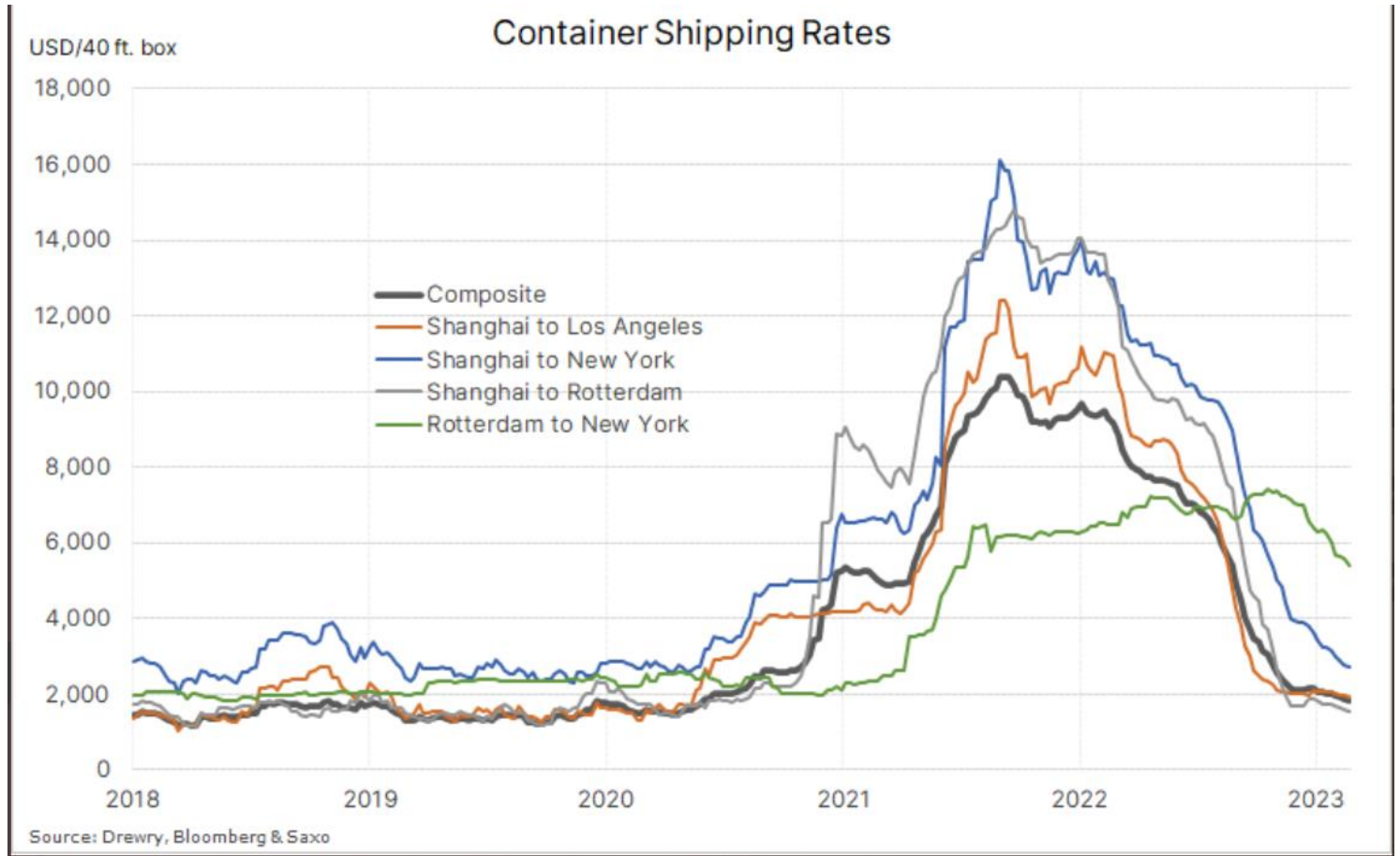


J Mintzmyer @mintzmyer · 1h

Rates up nicely, stocks down heavily.

Confirms prior view that many **dry bulk** stocks had gotten over-extended...

U.S. Container Freight Markets

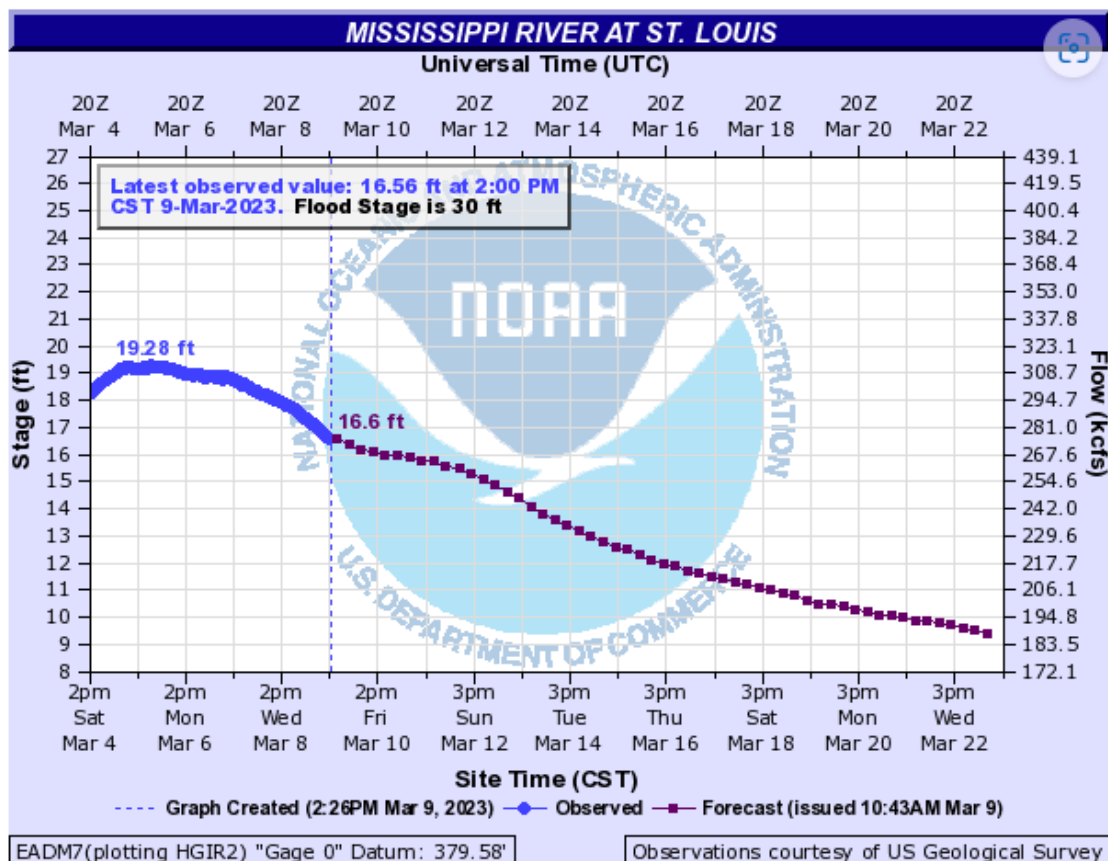


NGFA declares opening of Mid-Mississippi River

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.”

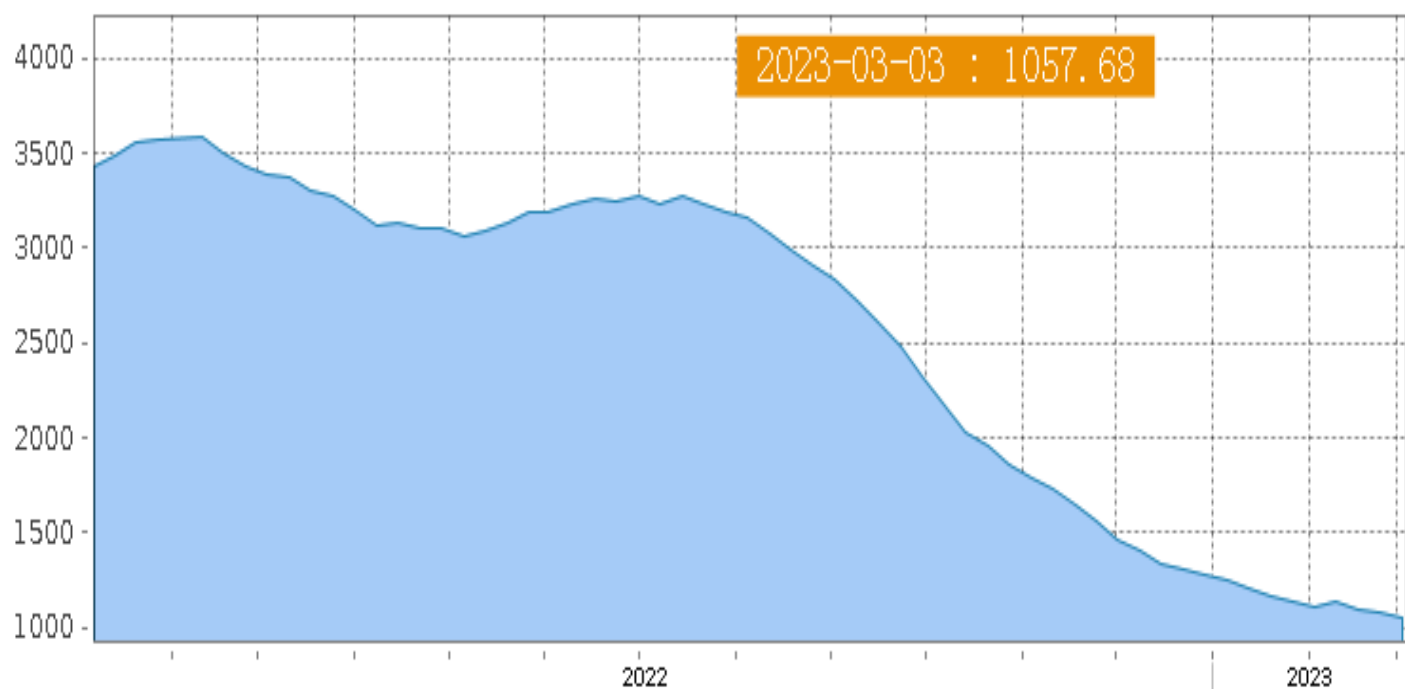
As set forth in the rule, the special three-person committee determined that the Mid-Mississippi River was opened at 7 a.m. on Tuesday, March 7, 2023, after the *M/V Dennis T Delaney* reached Dubuque at 12:45 p.m. on Monday, March 6, with at least one empty dry cargo covered barge suitable for loading. 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.



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	\$ (75)	\$ -	\$ (0.02)	\$ -	\$ (0.74)	\$ -
UPRR Shuttle Trains	\$ (300)	\$ (150)	\$ (0.08)	\$ (0.04)	\$ (2.95)	\$ (1.48)

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)	475	\$ 32.41	0.82	0.88
Mid-Mississippi	500	\$ 24.58	0.62	0.67
Lower Ohio	400	\$ 19.67	0.50	0.54
St. Louis	355	\$ 15.61	0.40	0.42

Best Regards,

Jay

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