

## Transportation and Export Report for 6 April 2023

It was a mixed story in Dry bulk ocean freight markets this week as the Capesize and Panamax sectors staged a small rally but ran into resistance at weeks end. Markets were supported by increased Chinese port congestion and slower vessel turn times for the larger ships while the Supramax and Handymax markets exhibited some weakness. Freight markets continue to closely watch Chinese steel demand for signs of improved demand.

Panamax FFA paper for Q2 traded up \$1,500 to \$17,200/day, with Q3 trading at \$17,400/day.

### The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
6-Apr-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	26465	22205	4,260	19.2%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	14904	14257	647	4.5%
S1C: US GULF-China-So.Japan	Index	18514	19586	-1,072	-5.5%
P7: Trial- Miss. River - Qingdao	per ton	56.27	51.56	4.71	9.1%
P8: Trial- Santos - Qingdao	per ton	46.83	42.74	4.09	9.6%

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

Four weeks ago:	\$7.80-\$8.15
Three weeks ago:	\$8.25-\$8.90
Two weeks ago:	\$8.85-\$8.65
One week ago:	\$8.55-\$7.85
This week	\$8.60-\$8.70

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

Mississippi River:	(9 elevators)	2-7 days (only 1 facility over 3 days)
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-7 days (only 1 Facility over 2 days)
Pacific Northwest:	(9 elevators)	0-6 days (4 facilities at zero days)

Panamax Market Spreads to Asia -China					
6-Apr-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.05	1.68	0.63	\$24.80	BOTH
SOYBEANS	1.05	2.10	1.05	\$38.58	GULF
OCEAN FREIGHT	\$55.00	\$29.50	.65-.69	\$25.50	May

### Current Grain Vessel Market Indications:

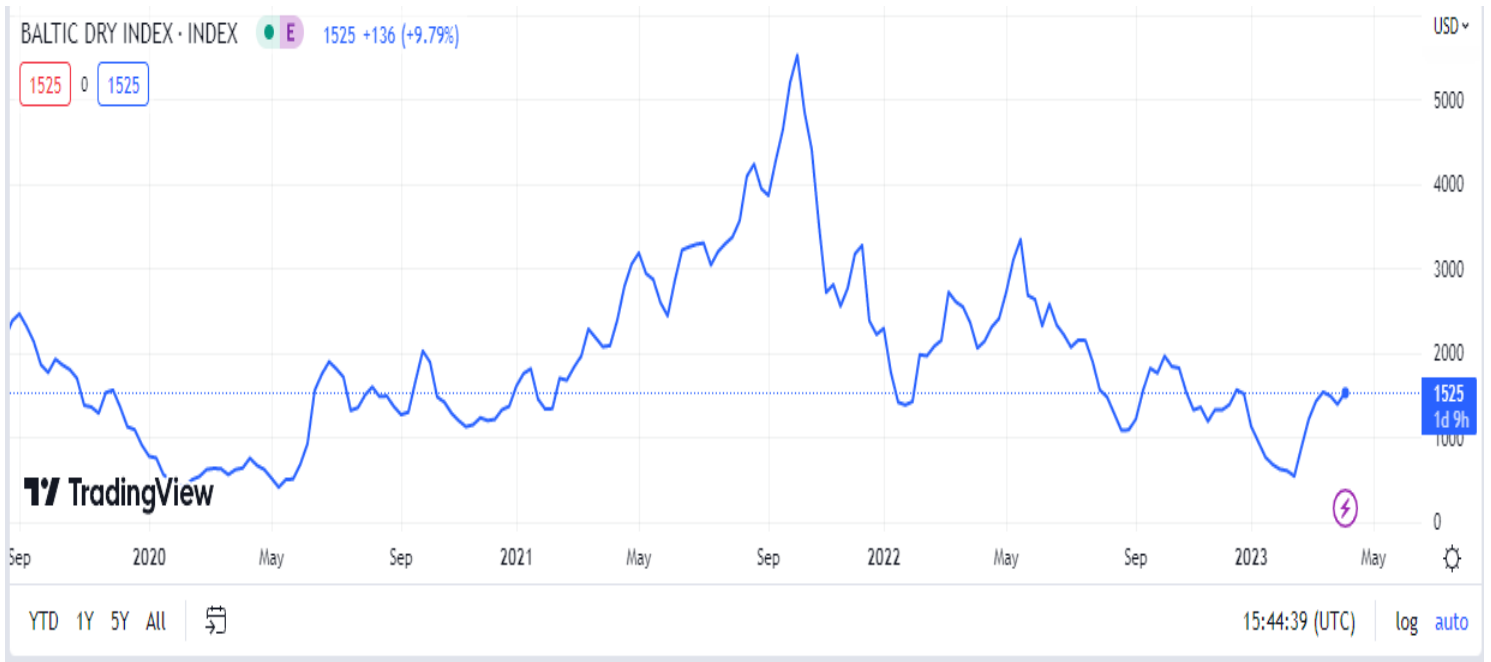
**\*\* Rates are estimates for the nearby-30-day period. 60-90 days forward physical rates will usually be higher.**

Soybean Panamax USG to Spain is running \$31.00 - \$32.00/mt.

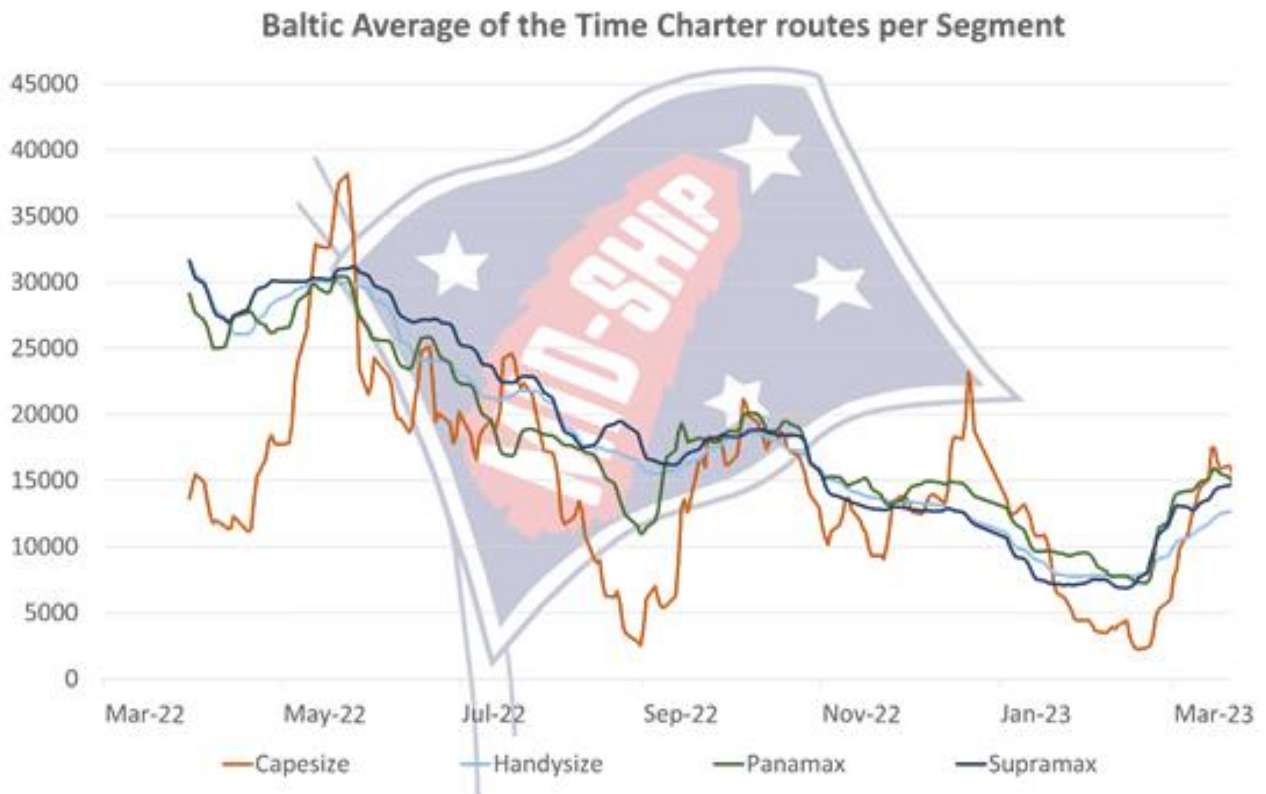
Soybean Brazil to Spain about \$42.00 - \$43.50/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$55.50	Up \$3.50	Handymax \$55.00 mt
55,000 U.S. PNW- Japan	\$30.00	Up \$1.00	Handymax at \$29.50 mt
65,000 U.S. Gulf – China	\$55.00	Up \$3.50	North or South China
PNW to China	\$29.50	Up \$1.00	
25,000 U.S. Gulf- Veracruz, México	\$23.50	Up \$1.00	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$20.00	Up \$1.00	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$31.00	Up \$1.00	<u>West Coast Colombia at \$34.00</u>
50,000 USG- E/C Colombia	\$29.00		
<u>East Coast Colombia</u> From Argentina	\$40.00		
40-45,000 U.S. Gulf - Guatemala	\$34.00	Down \$4.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$36.00	Up \$1.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$32.50	Up \$1.00	55,000-60,000 mt Egypt
PNW to Egypt	\$33.00		Romania - Russia- Ukraine \$17.00 - \$23.00 - \$52.00 - France \$24.50, Bulgaria \$17.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$28.00	Up \$1.00	Handymax at +\$2.50 more
Brazil, Santos –China	\$50.00	Up \$5.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$48.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$54.00		55-60,000 mt
56-60,000 Argentina-China	\$53.00	Up \$5.50	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

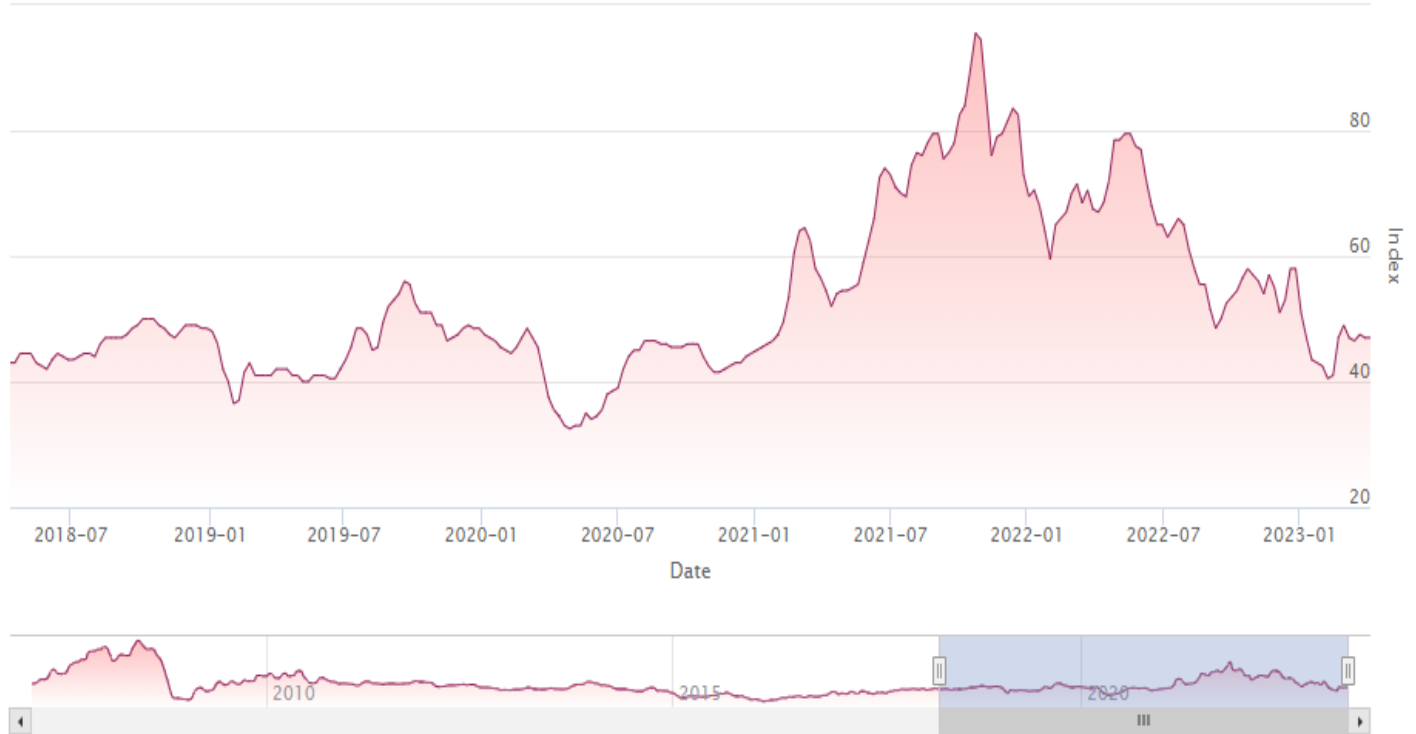


# YAMAMIZU Index



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

From 2018-04-05 To 2023-04-05



China Import Dry Bulk Freight Index					
2023-04-06					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1112.49	10.63
Iron ore Freight Index			Point	1057.79	10.14
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.679	-0.03
Soybean Freight Index			Point	1260.79	31.49
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	44.32	1.1
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	29.76	0.44
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	54.06	1.54

**6 April 2023 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>					CORN	FUTURES
#2 YC	GULF # 2 YC		PNW # 3 YC		K =	6.4350
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	N =	6.1975
<b>May</b>	0.95	<b>\$290.73</b>	1.60	<b>\$316.32</b>	U =	5.6425
<b>June</b>	1.00	<b>\$283.35</b>	1.70	<b>\$310.91</b>	Z =	5.5675
<b>July</b>	0.99	<b>\$282.96</b>	1.63	<b>\$308.15</b>	H =	5.6450
<b>Aug.</b>	1.42	<b>\$278.04</b>	2.05	<b>\$302.84</b>	K =	5.6975
<b>Sept.</b>	1.27	<b>\$272.13</b>	1.90	<b>\$296.93</b>		
<b>Oct.</b>	1.20	<b>\$266.42</b>	1.90	<b>\$293.98</b>		

PNW rail markets for March-April are extremely thin, and rail road incentives to Exporters to promote movement west are making values difficult to pin point. 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.

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>May</b>	2.35	<b>\$345.85</b>
<b>June</b>	2.30	<b>\$334.53</b>
<b>July</b>	2.30	<b>\$334.53</b>
<b>Aug.</b>	2.45	<b>\$318.58</b>
<b>Oct.</b>	2.35	<b>\$311.69</b>

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	
	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug.</b>
FOB U.S. GULF	\$284.21	\$282.19	\$274.11	\$277.69
Basis	0.98	0.80	0.58	0.55
WK	6.7550			
WN	6.8800			
WU	7.0075			

<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	<b>U.S. Gulf #2 YSB</b>		<b>PNW #2 YSB</b>	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>May</b>	1.05	<b>\$586.97</b>	2.10	<b>\$625.56</b>
<b>June</b>	1.30	<b>\$585.14</b>	2.25	<b>\$620.04</b>
<b>July</b>	1.15	<b>\$579.63</b>	2.10	<b>\$614.53</b>
<b>Aug.</b>	1.12	<b>\$560.15</b>	2.07	<b>\$595.06</b>
<b>Oct.</b>	1.45	<b>\$534.52</b>	2.40	<b>\$569.43</b>
<b>Soybean Futures</b>				
<b>May</b>	\$ 14.9250			
<b>July</b>	\$ 14.6250			
<b>Aug.</b>	\$ 14.1250			
<b>Sept.</b>	\$ 13.3825			
<b>Nov.</b>	\$ 13.0975			
<b>Jan.</b>	\$ 13.1625			

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

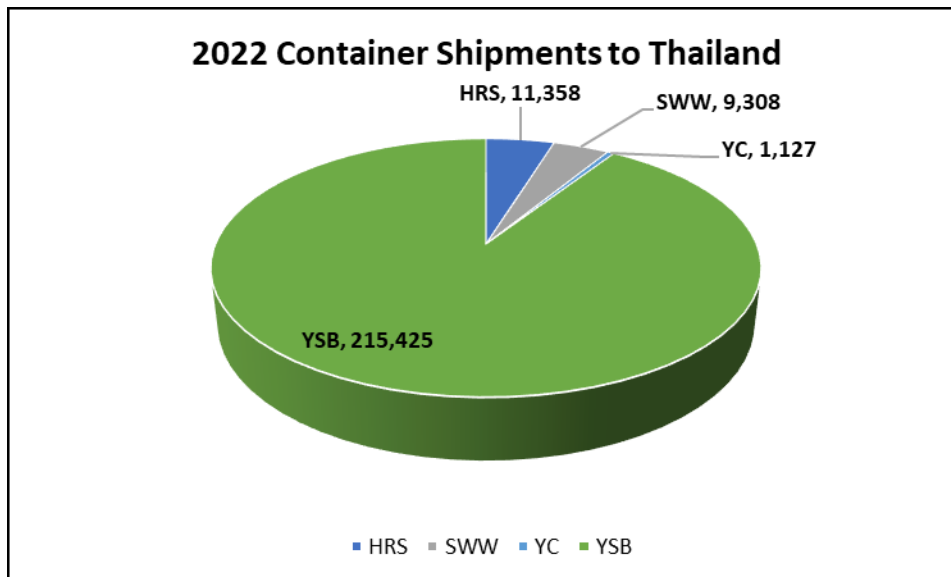
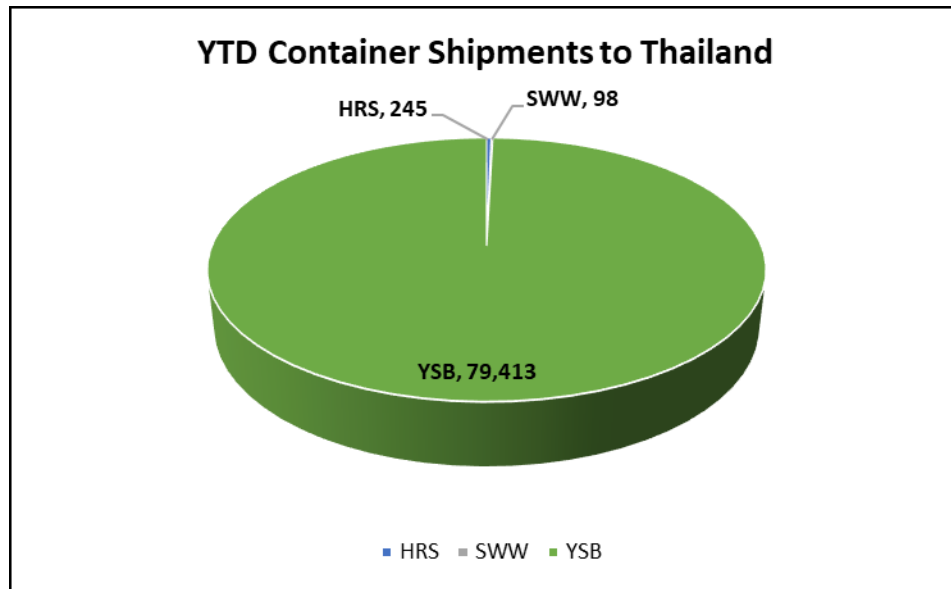
### **U.S. Soybean and SBM Markets Fob Vessel:**

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	<b>47.5 Pro. SBM</b>	
max 12.5 % moisture	Basis	Flat Price
<b>May</b>	33.00	<b>\$ 537.25</b>
<b>June</b>	34.00	<b>\$ 533.28</b>
<b>July</b>	33.00	<b>\$ 532.18</b>
<b>Aug.</b>	35.00	<b>\$ 524.68</b>
<b>Nov.</b>	55.00	<b>\$ 517.40</b>
<b>SBM Futures</b>		
<b>SMK</b>	\$ 454.30	
<b>SMN</b>	\$ 449.70	
<b>SMQ</b>	\$ 440.90	
<b>SMU</b>	\$ 428.30	
<b>SMV</b>	\$ 417.10	
<b>SMZ</b>	\$ 414.30	

**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:		30-Mar-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			16,480					3,027	19,507
Taiwan	6,194		3,035						9,229
Hong Kong	758		49						807
Costa Rica									0
Indonesia			14,181						14,181
French Poly									0
Japan			2,056						2,056
Korea Rep.	2,718		2,301						5,019
Chile			465						465
Malaysia			441						441
Netherlands	5,482								5,482
Philippines			1,126						1,126
Thailand			490						490
Nepal									0
Burma									0
India									0
Cambodia									0
Vietnam			3,306						3,306
Sub Total:	15,152	0	43,930	0	0	0	0	3,027	62,109
USDA Corrections/Additions to previous reports:									
Taiwan									0
China			220						220
Hong Kong									0
Korea Rep.			637	220					857
Un Kingdom									0
Japan									0
Philippines									0
Indonesia			268						268
Malaysia									0
Thailand									0
Vietnam									0
Burma									0
Cambodia									0
Sub Total:	0	0	1,125	220	0	0	0	0	1,345
<b>Mt. Grand Total</b>	<b>15,152</b>	<b>0</b>	<b>45,055</b>	<b>220</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,027</b>	<b>63,454</b>
Number of Containers	659	0	1,959	10	0	0	0	132	

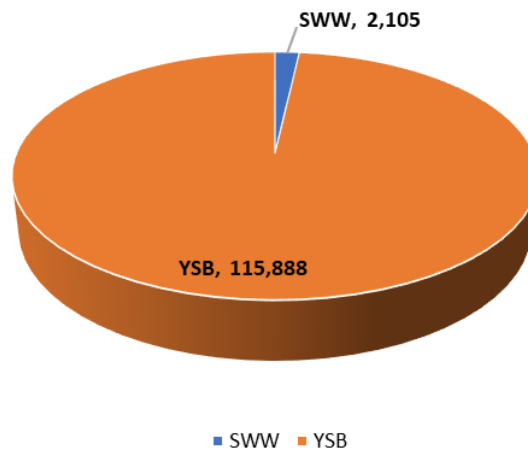
2023 YTD Totals versus 2022 Annual Totals Container Shipments (in MT)



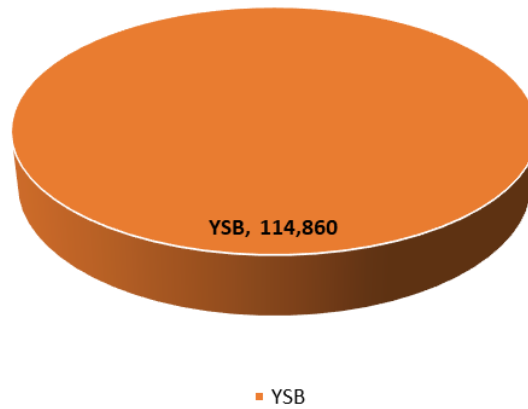


2023 YTD Grain Exports reported by USDA (in MT)

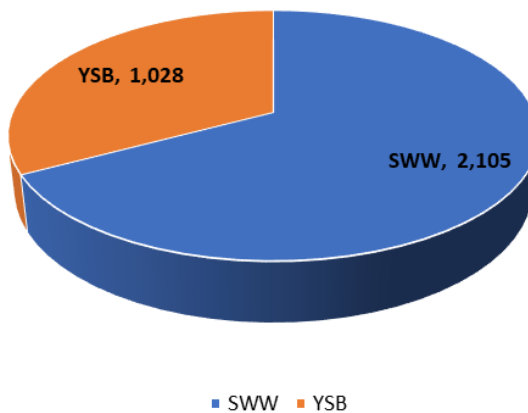
**2023 YTD Exports to Bangladesh**



**YTD Vessel Shipments to Bangladesh**



**YTD Container Shipments to Bangladesh**



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

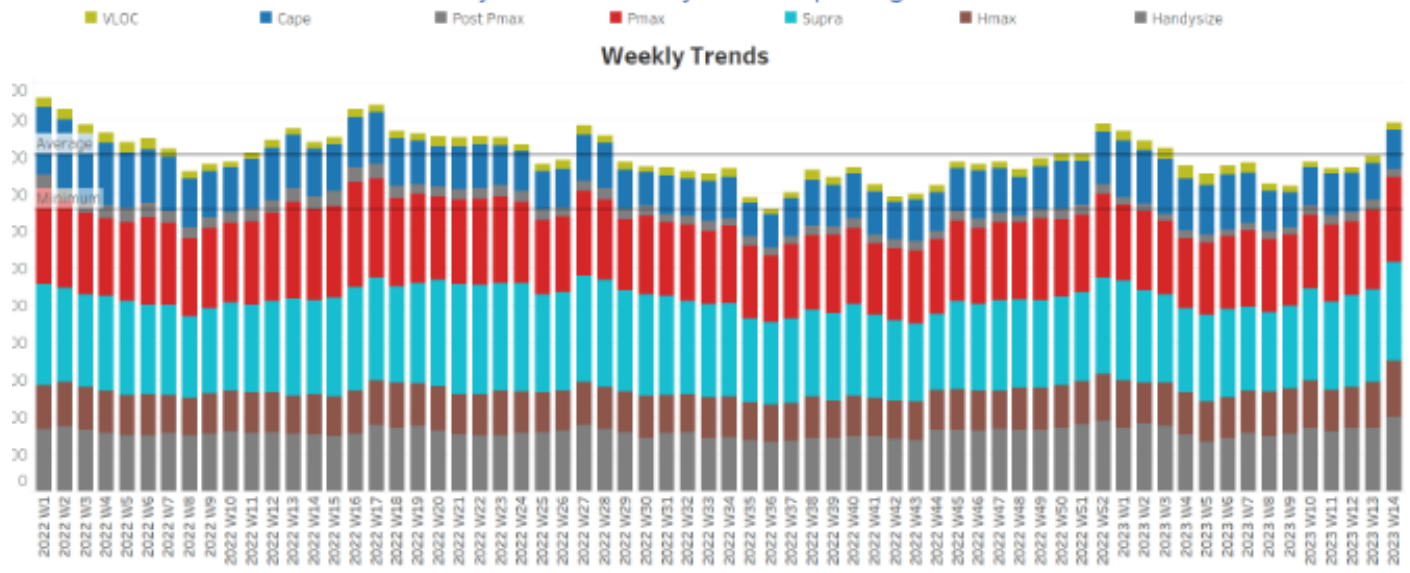
Source: USDA-data

## Shipping News

Data Source: [Signal Ocean Platform](#)

### SECTION 4/ PORT CONGESTION - No of Vessels Increasing Dry bulk ships congested at Chinese ports

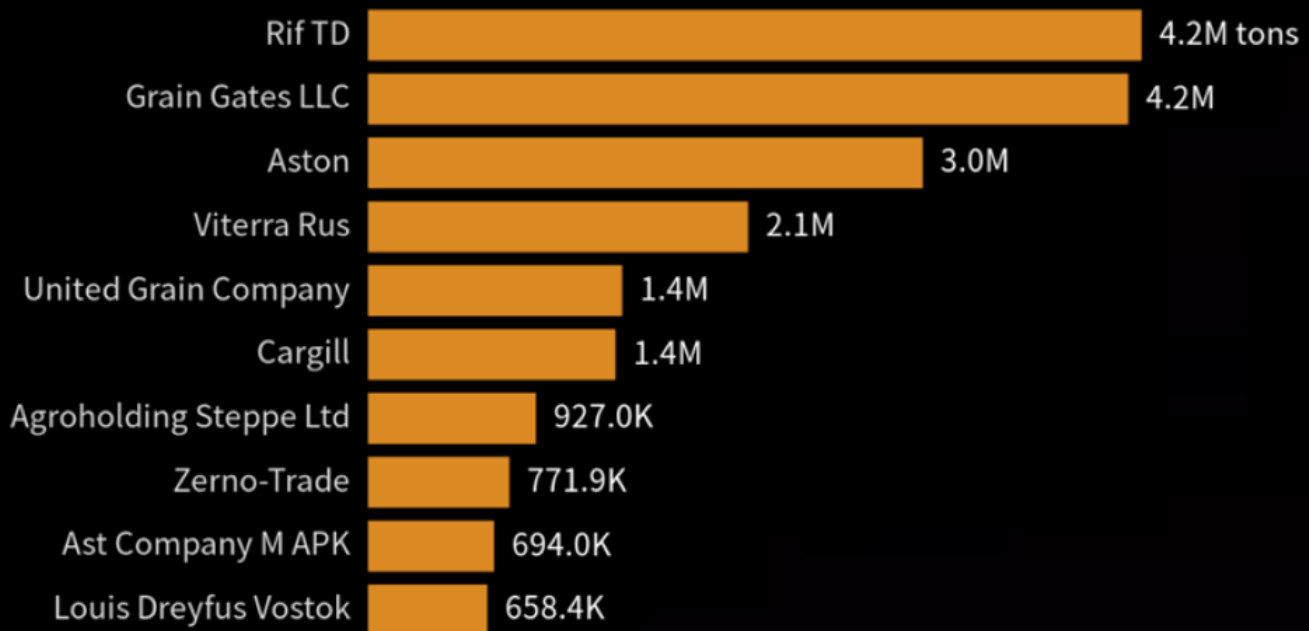
#### Summary of Chinese Dry Bulk Ship Congestions



## Global Grain Traders Continue to Ship Russian Grain

Viterra, Cargill and LDC were in top 10 shippers so far this season

■ Russian wheat exports July 2022- February 2023



Source: Bloomberg calculations based on Logistic OS shipping lineups

**Bloomberg**

## U.S. Container Freight Markets

Alphaliner @Alpha

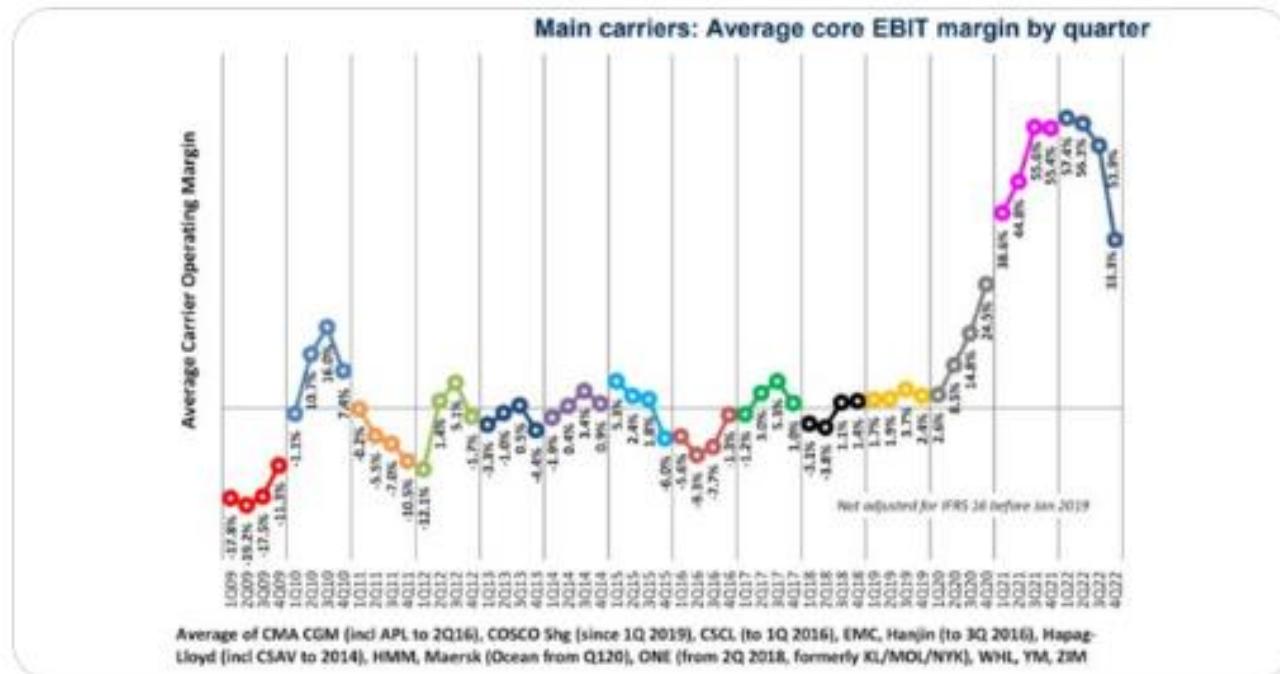


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Container carrier operating margins fall by a third [📈](#)

📌 Average operating margins for the leading container carriers fell by a third to their lowest level in two years in the final quarter of 2022, following the severe decline in rates and demand.



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**Tom Craig** @LTDManagement · Apr 5

...

CMA CGM's secondhand splurge since 2020 surpasses the 100-ship mark. What do they see with global [#trade](#)? Smaller ships? What about [#IMO2030](#)? [#maritime](#) [#logistics](#)

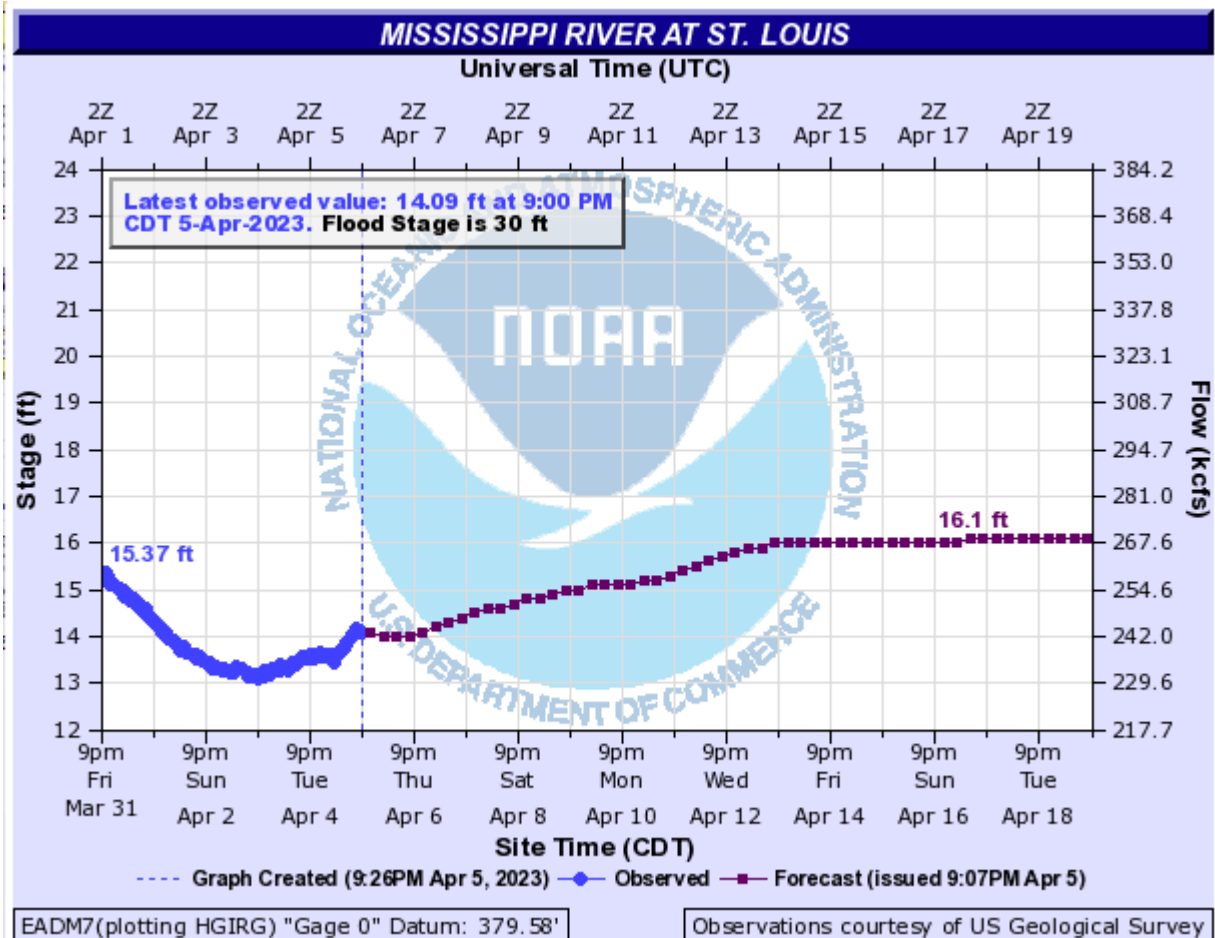


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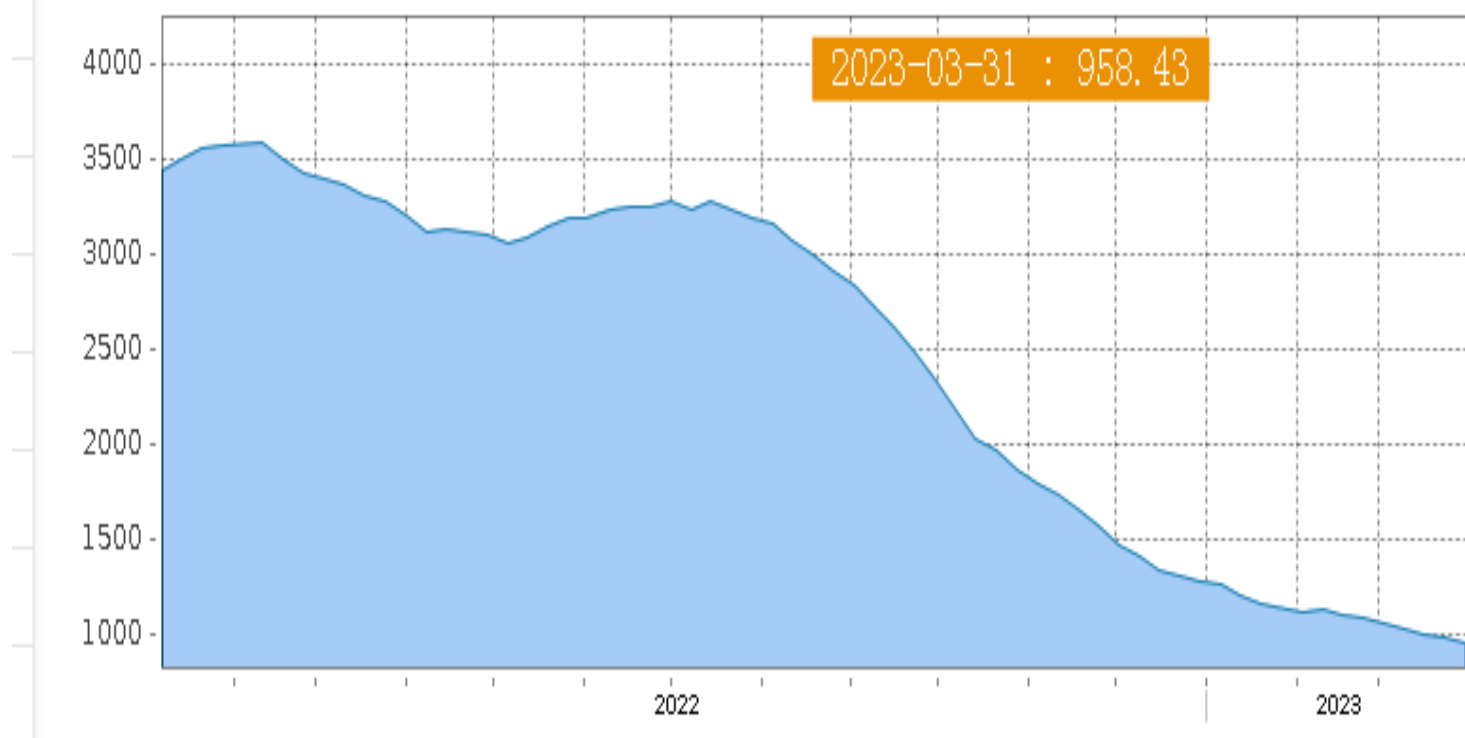
CMA CGM's secondhand splurge since 2020 surpasses the 100-shi...  
The two most aggressive buyers of secondhand boxships during  
container shipping's record earnings period of the last three years ...

[US Rail News:](#)

## U.S. River Markets



## China Containerized Freight Index



## China Import Dry Bulk Freight Index



**Secondary Rail Car Market for Car placement period: First Half May 2023**

Secondary Rail Car Market Placement FH May 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (250)	\$ (125)	\$ (0.06)	\$ (0.03)	\$ (2.46)	\$ (1.23)
UPRR Shuttle Trains	\$ (325)	\$ (200)	\$ (0.08)	\$ (0.05)	\$ (3.20)	\$ (1.97)

**Barge Placement First Half May 2023**

Placement FH May 2023	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	540	\$ 36.85	0.94	1.00
Illinois River (Pekin and South)	510	\$ 34.80	0.88	0.95
Mid-Mississippi	510	\$ 25.07	0.64	0.68
Lower Ohio	400	\$ 19.67	0.50	0.54
St. Louis	380	\$ 16.71	0.42	0.45

Best Regards,

Jay

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