

## Transportation and Export Report for 14 July 2022

It was not a happy week for vessel owners as rates continued their retreat. The outlook is indeed gloomy as Traders worry about inflation, further lockdowns in China and a potential global recession with reduced Chinese imports of raw materials. Though down substantially from last week, vessel daily hire rates did find buyer support today at lower levels. Panamax FFA paper for Q3 traded down to \$17,000 and then bumped up to \$17,400 with Q4 at \$17,500.

There have been recent news articles indicating some optimism regarding the ILWU-West Coast Port labor negotiation; but no final deal is in place yet and negotiations are continuing.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
14-Jul-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	26036	29364	-3,328	-11.3%
P3A: PNW/Pacific - Korea	Index	15750	18346	-2,596	-14.2%
S1C: US GULF-China-So.Japan	Index	27471	25914	1,557	6.0%
P7: Trial- Miss. River - Qingdao	per ton	66.79	71.36	-4.6	-6.4%
P8: Trial- Santos - Qingdao	per ton	56.27	62.06	-5.8	-9.3%

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

Four weeks ago:	\$12.20-\$12.70
Three weeks ago:	\$12.50-\$11.35
Two weeks ago:	\$11.80-\$11.00
One week ago:	\$11.00-\$10.90
This week	\$10.50-\$10.75

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

Mississippi River:	(9 elevators)	2-9 days (only 1 facility over 4 days)
Mid-Stream loaders:	(6+ Rigs)	2-3 days
Texas Gulf	(5 elevators)	0-8 days (only 2 facility over 2 days)
Pacific Northwest:	(9 elevators)	0- 7 days (only 2 facilities over 3 days, 4 at zero days)

Panamax Market Spreads to Asia -China					
14-Jul-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	2.05	3.00	0.95	\$37.40	GULF
SOYBEANS	2.45	3.25	0.80	\$29.39	BOTH
OCEAN FREIGHT	\$70.00	\$40.50	.75 -.80	\$29.50	AUGUST

### 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 \$51.50 - \$52.00/mt.

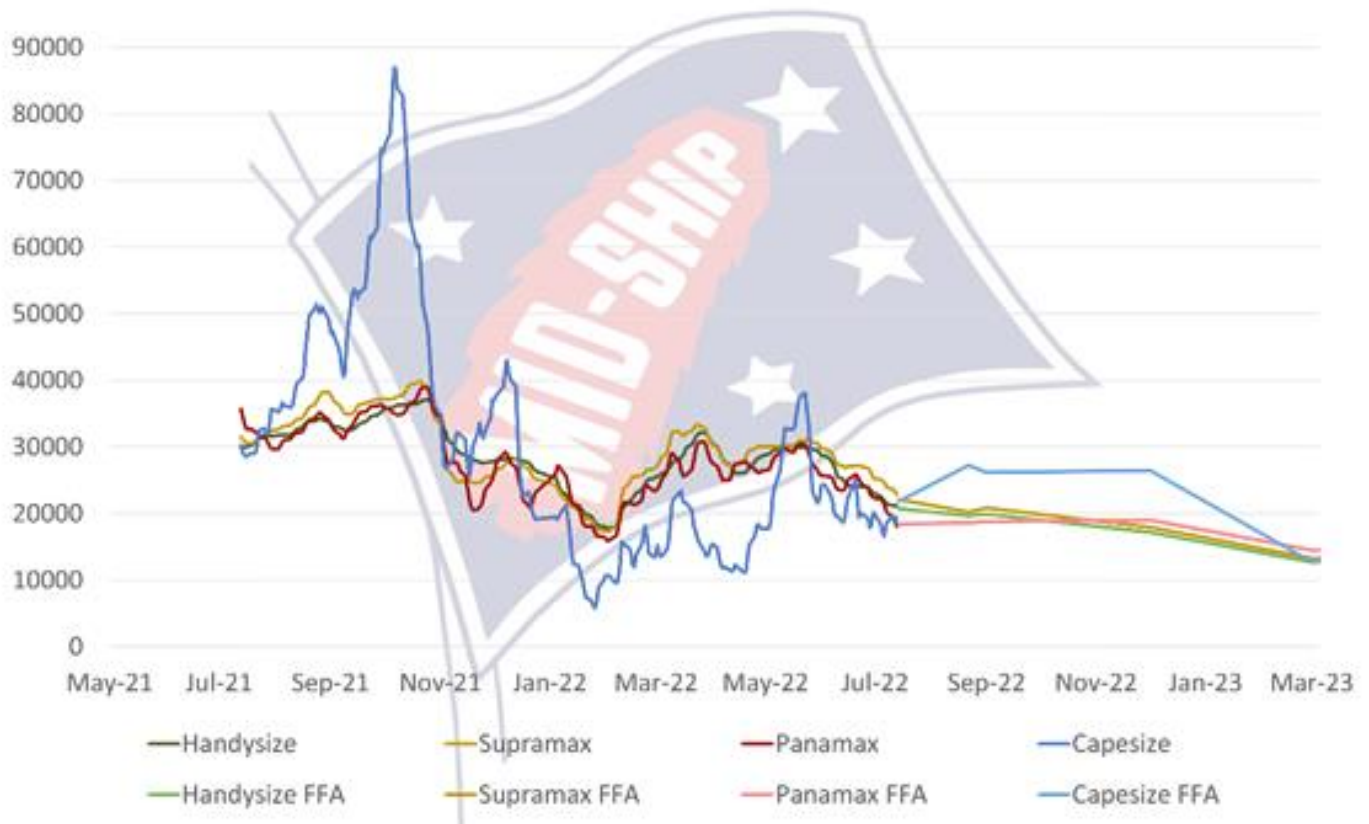
Soybean Brazil to Spain about \$61.00 - 62.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$71.00	Down \$4.00	Handymax \$71.00 mt
55,000 U.S. PNW- Japan	\$41.00	Down \$2.25	Handymax at \$40.00 mt
65,000 U.S. Gulf – China	\$70.00	Down \$4.00	North or South China
PNW to China	\$40.50	Down \$2.00	
25,000 U.S. Gulf- Veracruz, México	\$29.00	Down \$1.00	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$25.25	Down \$1.00	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$42.00	Down \$2.00	<u>West Coast Colombia at \$49.50</u>
50,000 USG- E/C Colombia	\$41.50		
<u>East Coast Colombia</u> From Argentina	\$52.00		
40-45,000 U.S. Gulf - Guatemala	\$49.50	Down \$2.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$69.50	Down \$3.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$70.00	Down \$3.50	55,000-60,000 mt Egypt
PNW to Egypt	\$70.50		Romania - Russia- Ukraine \$29.00 -\$33-\$48.00- \$.00 - France \$44.00, Bulgaria \$35.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$35.00	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$62.50	Down \$4.00	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	Down \$4.00	Up-River with Top Off Plus \$3.85-\$4.75

## The Baltic Dry Bulk Freight Index



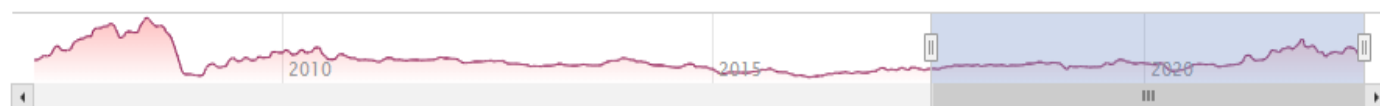
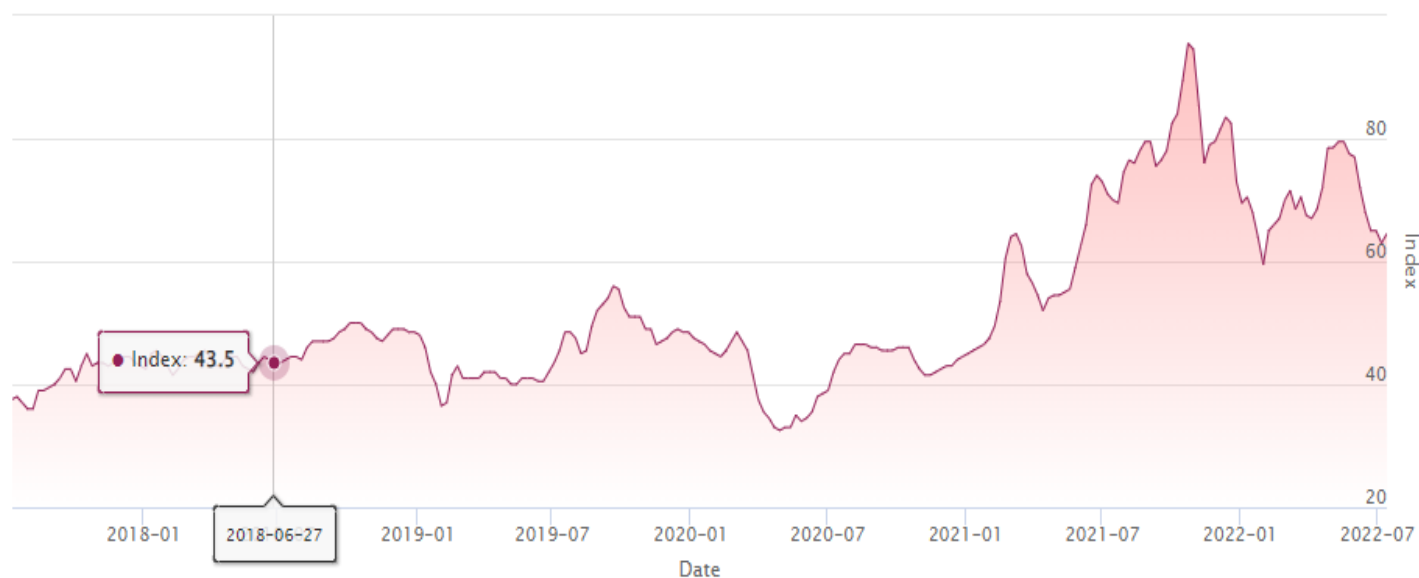
## Baltic Index-



## YAMAMIZU Index


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

From 2017-07-13 To 2022-07-13



### China Import Dry Bulk Freight Index

2022-07-14

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1509.33	0.72
Iron ore Freight Index			Point	1386.91	29.58
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.717	0.37
Soybean Freight Index			Point	1679.34	-39.78
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	59.8	-1.61
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	40.65	-0.67
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	70.1	-1.5

**14 July 2022 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>					CORN	FUTURES
#2 YC	<b>GULF # 2 YC</b>		<b>PNW # 3 YC</b>		N =	6.9500
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	U =	6.0500
<b>Aug.</b>	2.05	<b>\$318.88</b>	3.00	<b>\$356.28</b>	Z =	6.0100
<b>Sept.</b>	1.75	<b>\$307.07</b>	2.80	<b>\$348.41</b>	H =	6.0800
<b>Oct.</b>	1.53	<b>\$296.83</b>	2.60	<b>\$338.96</b>	K =	6.1175
<b>Nov.</b>	1.42	<b>\$292.50</b>	2.45	<b>\$333.05</b>	N =	6.0950
<b>Dec.</b>	1.38	<b>\$290.93</b>	2.22	<b>\$324.00</b>		
<b>Jan.</b>	1.40	<b>\$294.47</b>	2.17	<b>\$324.78</b>		

The Gulf spread between #2 YC & #3 YC is currently about .03 cents per bushel (1.09/mt) at USG but is out to .06/bushel in the PNW.

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	<b>TEXAS Gulf</b>	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>Aug.</b>	2.55	<b>\$338.56</b>
<b>Sept.</b>	2.55	<b>\$338.56</b>
<b>Oct.</b>	2.35	<b>\$329.12</b>
<b>Nov.</b>	2.35	<b>\$329.12</b>
<b>Dec.</b>	2.35	<b>\$329.12</b>

Fob vessel Texas Gulf #2 Sorghum is about 106 % the value of #2 Yellow Corn at NOLA.

**U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf**

<b>SRW Wheat</b>	<b>USD/MT</b>	<b>Fob Vessel</b>	<b>US Gulf</b>	
	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>	<b>Nov.</b>
FOB U.S. GULF	\$327.02	\$328.85	\$331.98	\$333.81
Basis	0.95	1.00	0.90	0.95
WN	7.9425			
WU	7.9500			
WZ	8.1350			

PNW Fob Vessel Soybean Basis levels continue to require a bit of a guess work.

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
<b>Aug. (X)</b>	2.45	<b>\$582.75</b>	3.25	<b>\$612.14</b>
<b>Sept. (X)</b>	2.35	<b>\$579.07</b>	3.15	<b>\$608.47</b>
<b>Oct.</b>	1.95	<b>\$564.38</b>	2.95	<b>\$601.12</b>
<b>Nov.</b>	1.73	<b>\$556.29</b>	2.73	<b>\$593.04</b>
<b>Dec.</b>	1.61	<b>\$554.18</b>	2.59	<b>\$590.19</b>
<b>Soybean Futures</b>				
<b>July</b>	\$ 16.1000			
<b>Aug.</b>	\$ 14.7175			
<b>Sept.</b>	\$ 13.5975			
<b>Nov.</b>	\$ 13.4100			
<b>Jan.</b>	\$ 13.4725			
<b>Mar.</b>	\$ 13.4450			

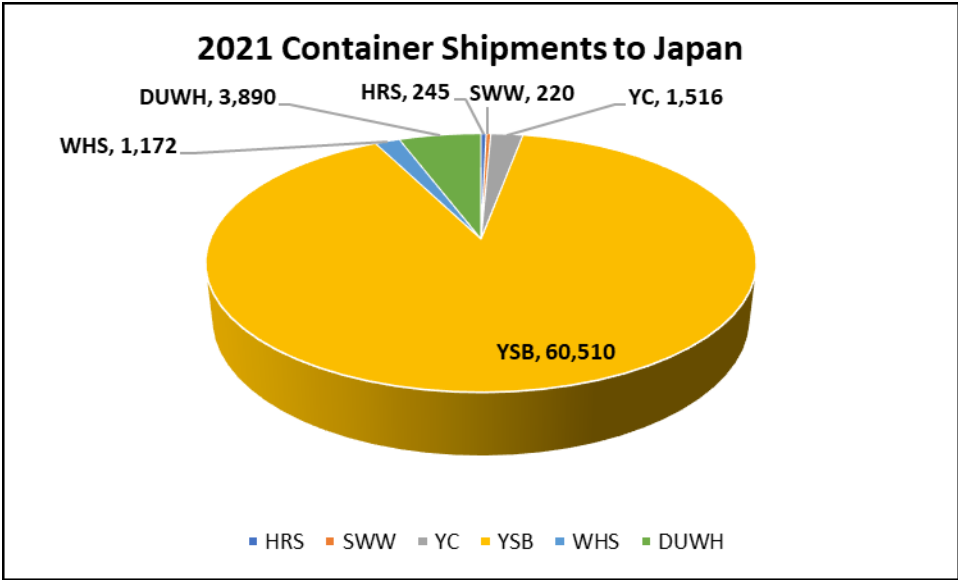
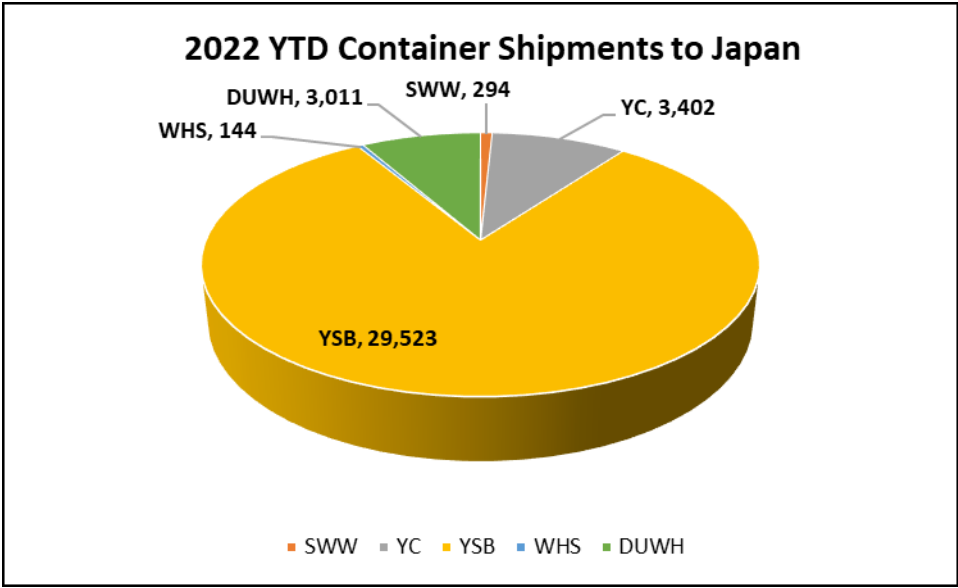
### U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
<b>Aug.</b>	80.00	<b>\$ 572.09</b>
<b>Sept.</b>	80.00	<b>\$ 542.87</b>
<b>Oct.</b>	65.00	<b>\$ 514.65</b>
<b>Nov.</b>	65.00	<b>\$ 515.53</b>
<b>Dec.</b>	65.00	<b>\$ 515.53</b>
<b>SBM Futures</b>		
<b>SMN</b>	\$ 497.30	
<b>SMQ</b>	\$ 438.90	
<b>SMU</b>	\$ 412.40	
<b>SMV</b>	\$ 401.80	
<b>SMZ</b>	\$ 402.60	
<b>SMF</b>	\$ 401.50	

**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:		7-Jul-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	DUWH	Sorghum	TOTAL
China	48		7,494					1,788	9,330
Taiwan	2,788		8,493						11,281
Hong Kong	588								588
Costa Rica									0
Indonesia			11,334						11,334
French Poly									0
Japan			905						905
Korea Rep.	2,888		1,004	122					4,014
Ireland									0
Malaysia			3,600						3,600
Singapore									0
Philippines			490						490
Thailand			1,003		783	392			2,178
Switzerland	24	24							48
Burma									0
Cambodia									0
Nepal									0
Vietnam			2,716		171				2,887
Sub Total:	6,336	24	37,039	122	954	392	0	1,788	46,655
USDA Corrections/Additions to previous reports:									
Taiwan	1,247		171						1,418
China									0
Hong Kong	147								147
Korea Rep.									0
Un Kingdom									0
Japan									0
Philippines			192						192
Indonesia			490						490
Malaysia									0
Thailand						490			490
Vietnam			318						318
Burma									0
Ireland									0
Sub Total:	1,394	0	1,171	0	0	490	0	0	3,055
<b>Mt. Grand Total</b>	<b>7,730</b>	<b>24</b>	<b>38,210</b>	<b>122</b>	<b>954</b>	<b>882</b>	<b>0</b>	<b>1,788</b>	<b>49,710</b>
Number of Containers	336	1	1,661	5	41	38	0	78	

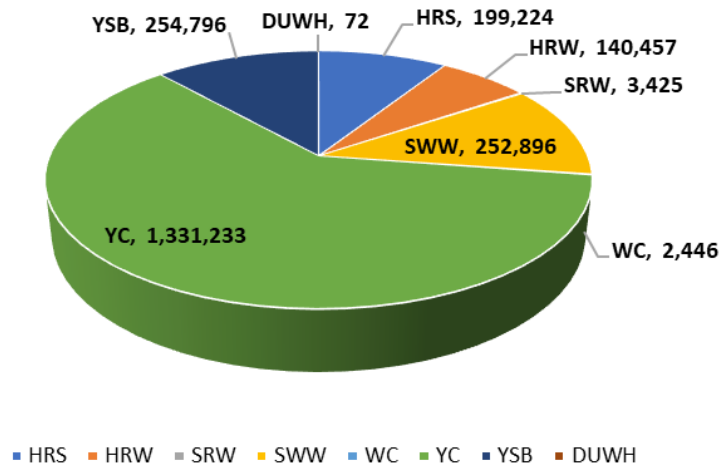
Jan - Dec 2021 Annual Totals versus 2022 YTD Container Shipments (in MT)



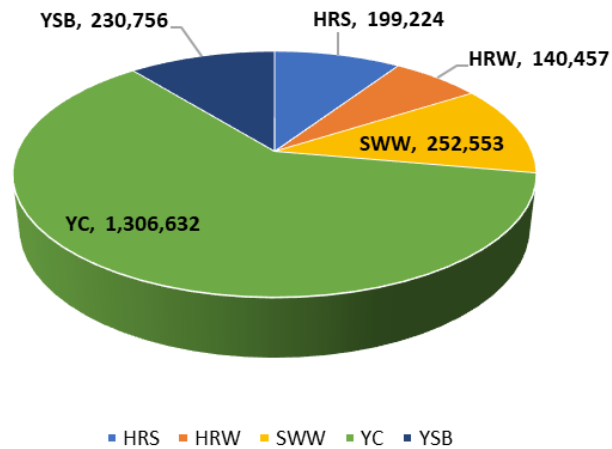


2022 YTD Total Grain Exports reported by USDA (in MT)

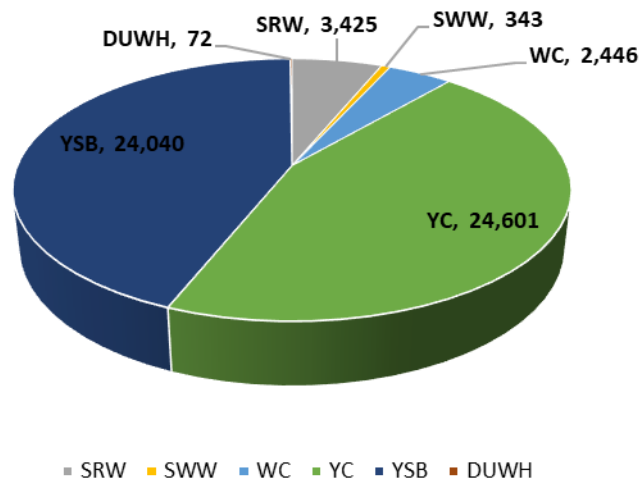
**2022 YTD Exports to Korea Rep**



**YTD Vessel Shipments to Korea Rep**



**YTD Container Shipments to Korea Rep**



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

Source: USDA-data

<https://www.star-telegram.com/news/business/article263406193.html>

**Railroad union members vote 99.5% to authorize a July 18 nationwide strike.**

**By Harrison Mantas July 12, 2022 5:28 PM:** Rail carriers and their unions have been at an impasse over wages and benefits in a new contract since 2019. Rail carriers and their unions have been at an impasse over wages and benefits in a new contract since 2019. The membership of the Brotherhood of Locomotive Engineers and Trainmen voted overwhelmingly Tuesday to authorize a strike if progress on a new labor contract isn't made by the end of the week. The union is one of 13 rail worker unions negotiating a national labor contract after the previous contract expired in 2019. The vote comes days before a federally mandated "cooling off period" between the unions and rail carriers is set to expire, after the two sides failed in June to reach an agreement before the National Mediation Board. The cooling off period that prevents unions from striking or railroads from locking out their workers expires July 18. At issue are wages and benefits. The unions have been working without a contract since June 2019 and blame rail carriers for dragging out negotiations while earning what they say are record profits during the COVID-19 pandemic.

Fort Worth-based carrier BNSF reported \$5.99 billion in net income in 2021. Rail carriers have pushed back against union assertions that management hasn't offered workers a raise. Jeremy Ferguson, president of the Sheet Metal Air Rail Transportation union, said the offer from carriers is nowhere near what the unions think is fair given the stresses experienced by membership during the COVID-19 pandemic.

**Greg Miller** @GMJournalist · 6h

...

RE (still ongoing) supply chain crunch: big upswing in long-dwelling [#containers](#) at ports of LB and LA in recent weeks. Number of boxes sitting at Long Beach for 9+ days now exceeds the number in late Oct. Numbers in LA terminals also rising [#shipping](#) [\\$ZIM](#)



freightwaves.com

Long Beach container backlog crosses red line as delays mount  
Southern California ports can't evacuate import containers fast enough. The backlog has yet again reached critical levels.

**Peter Tirschwell** @PeterTirschwell · 9h

...

Among sources close to the ILWU/PMA negotiations there are strong differences of opinion. Some believe a deal will come quickly, as early as Aug, with minimal or no disruption, big pay increase & status quo on automation. Others are not nearly ready to jump to that conclusion.






**AllThingsVentured** @AllVentured · 3m

...

Pundits will tell you there won't be a port strike and there likely won't be. Strikes are so 1970. The new thing is work slowdowns that caused gridlock in the 2014/15 negotiation. No strike for the government to end and workers still get paid but containers don't move.



**Sal Mercogliano (WGOW Shipping)**    ... @mercoglia... · 58m

...

Port of Los Angeles Kicks Off Peak Season with Record June



gcaptain.com

Port of Los Angeles Kicks Off Peak Season with Record June

The Port of Los Angeles processed 876,611 TEU in June, edging out last year as the best June in the port's history. At the mid-point of 2022, ...

**Scott Lincicome** ✓ @scottlincicome · 8h

"East Coast longshore workers are asking President Joe Biden not to intervene in the 16-month-old labor dispute that has kept Charleston's new Hugh K. Leatherman marine terminal significantly underutilized since its March 2021 opening." 🤔 [joc.com/port-news/long...](https://joc.com/port-news/long...)

**Tom Craig** @LTDMManagement · 33m

From spare a dime for an old container to 6m teu of surplus containers now exist. And where will they be placed? Depots to jam [#ports](#)? Lost? Lines have suspect asset management! [#maritime](#) [#logistics](#) [#supplychain](#)



[splash247.com](https://splash247.com)

6m teu of surplus containers now exist - Splash247  
The global pool of shipping containers increased by 13% to almost 50m teu in 2021, which was three ...

**Jason Furman** ✓ @jasonfurman · 1h

If you're not a little confused about the economy you're not paying attention. Three of many historically large disconnects in the data:

1. Jobs growing & GDP contracting
2. Price growth rising & wage growth falling
3. Consumer sentiment plummeting & consumer spending rising



**FleetOwner** @fleetowner · 7m

...

The Thai container chassis will be built to U.S. market specs and shipped to America, where they will be cost-competitive, company says.

[#trucks](#) [#trucking](#) [#truckparts](#)



[fleetowner.com](#)

Thailand trailer manufacturer Panus enters U.S. market

The container chassis will be built to U.S. market specs and shipped to America, where they will be cost-competitive, company says.

**Tom Craig** @LTDMManagement · 30m

...

Panama Canal tolls to go up. Fewer fees & higher cost. [#maritime](#) [#logistics](#) [#supplychain](#)



[splash247.com](#)

Panama Canal tolls to go up - Splash247

The cabinet council of the republic of Panama has approved the amended tolls structure ...



**Elena Faige Neroba** @ElenaNeroba · 9h

...

At request of Ministry of Infrastructure of Ukraine, Naval Forces of Armed Forces of Ukraine joined organization of ensuring delivery of agricultural products by civilian vessels through mouth of Bystre of Danube river. first 8 foreign ships have already arrived at Ukrainian ports

4

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25



**Elena Faige Neroba** @ElenaNeroba · 54m

...

According to Ukrainian MinInfrastructure, 16 vessels have already entered Bystre. More than 90 vessels still are waiting to enter into Ukrainian river ports next to Sulina

Ukrainian officials expect to increase monthly exports facilities by 0,5mmt using Bystre

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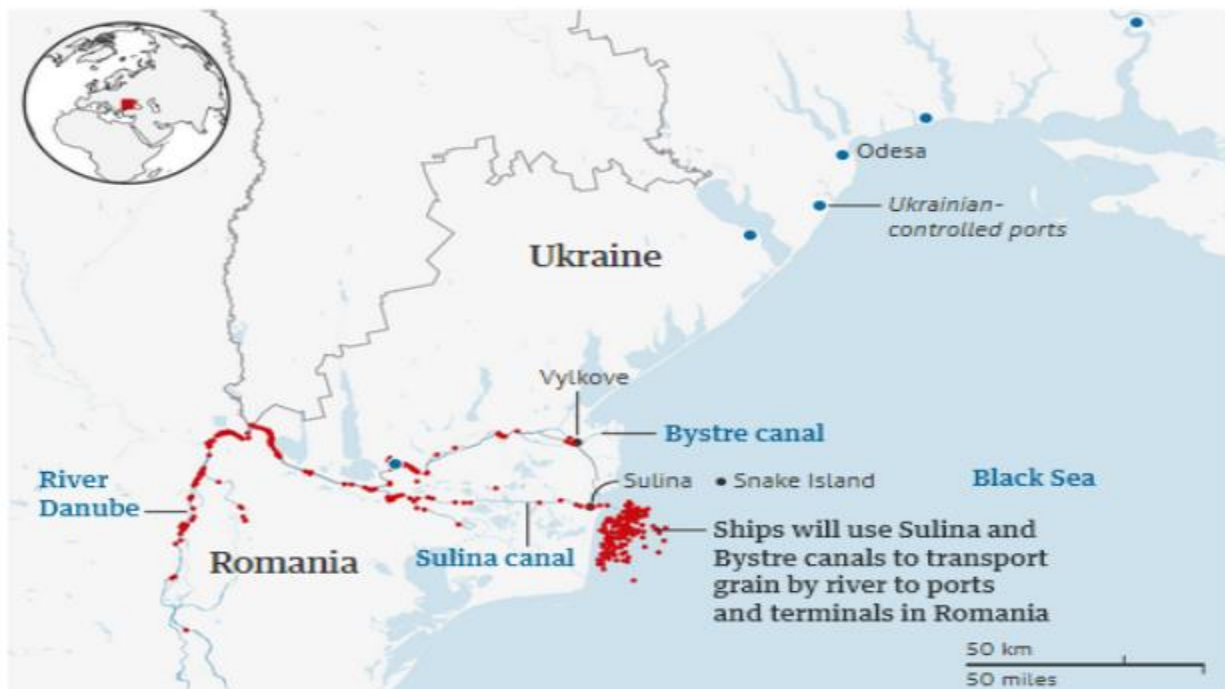


**RitaBuyse** @ACOMRB · 1h

...

More than 130 grain ships stuck in Black Sea as talks start in Istanbul  
[theguardian.com/world/2022/jul...](https://theguardian.com/world/2022/jul...)

### A mass of cargo ships carrying Ukrainian grain has built up at the mouth of the Danube





# Dry Bulk Demand Change By Vessel Class

January-June year-over-year change, Tonne-Miles

Commodity	Capesize	Commodity	Panamax	Commodity	Supramax	Commodity	Handysize
Bauxite	103.4bn	Coal	41.3bn	Pet coke	26.8bn	Nickel ore	4.7bn
Coal	19.6bn	Agribulks	23.9bn	Forest products	26.1bn	Manganese ore	2.7bn
Other	15.4bn	Other	17.2bn	Aggregates	9.8bn	Iron ore	0.4bn
Minerals	14.1bn	Fertilisers	9.0bn	Minerals	9.5bn	Pet coke	-1.0bn
Manganese ore	4.0bn	Cement/Clinker	7.6bn	Steel products	3.9bn	Aggregates	-1.8bn
Grains	2.3bn	Forest products	6.1bn	Alumina	3.8bn	Alumina	-2.0bn
Copper ore	1.7bn	Steel products	5.9bn	Nickel ore	1.9bn	Steel products	-2.6bn
Aggregates	1.0bn	Pet coke	5.4bn	Agribulks	1.4bn	Bauxite	-2.7bn
Alumina	0.5bn	Alumina	5.1bn	Manganese ore	-2.2bn	Agribulks	-2.8bn
Forest products	-0.1bn	Minerals	2.5bn	Scrap	-2.3bn	Scrap	-6.1bn
Steel products	-0.4bn	Copper ore	1.3bn	Copper ore	-5.0bn	Forest products	-6.9bn
Pet coke	-0.9bn	Aggregates	0.5bn	Bauxite	-19.7bn	Copper ore	-8.2bn
Fertilisers	-1.5bn	Scrap	-0.1bn	Cement/Clinker	-26.9bn	Minerals	-9.2bn
Iron ore	-50.0bn	Nickel ore	-0.3bn	Fertilisers	-27.8bn	Cement/Clinker	-13.4bn
		Manganese ore	-0.4bn	Other	-38.2bn	Coal	-14.3bn
		Bauxite	-9.0bn	Coal	-59.7bn	Other	-25.0bn
		Iron ore	-26.3bn	Iron ore	100.4bn	Fertilisers	-45.1bn
		Grains	77.9bn	Grains	111.3bn	Grains	68.9bn

114bn

Net Change

1.9%

Percent Change

35bn

Net Change

1.0%

Percent Change

-234bn

Net Change

-6.3%

Percent Change

-139bn

Net Change

-6.9%

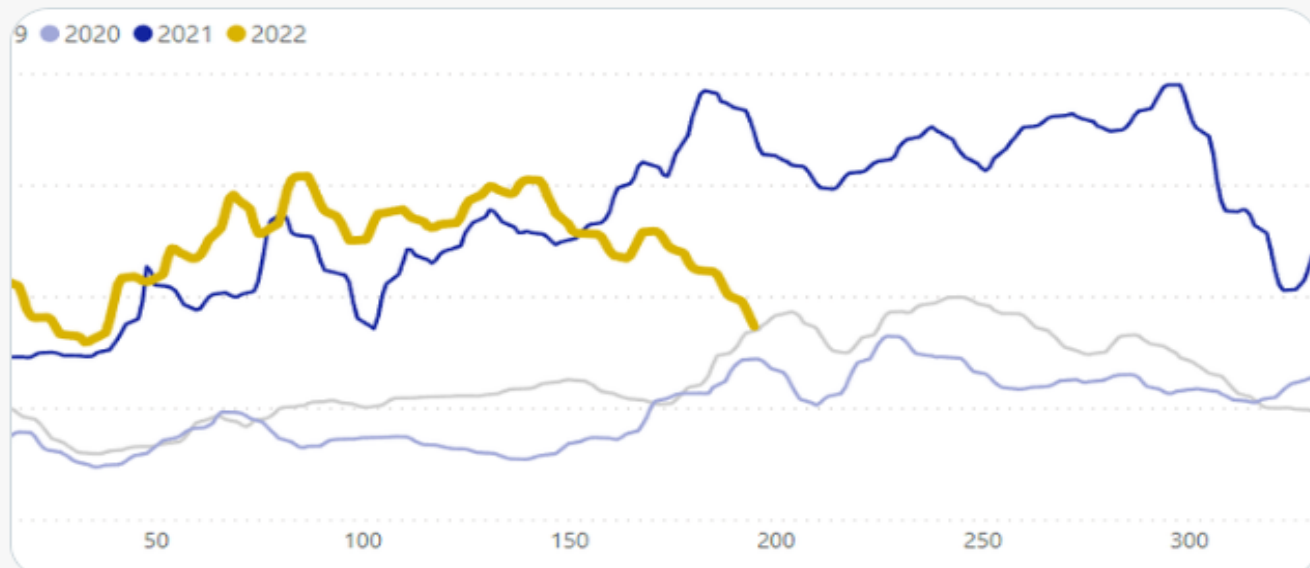
Percent Change

Harry Grimes @HBG

↑ See new Tweets

...

Panamax 5TC is an inch above where it was this time in 2019

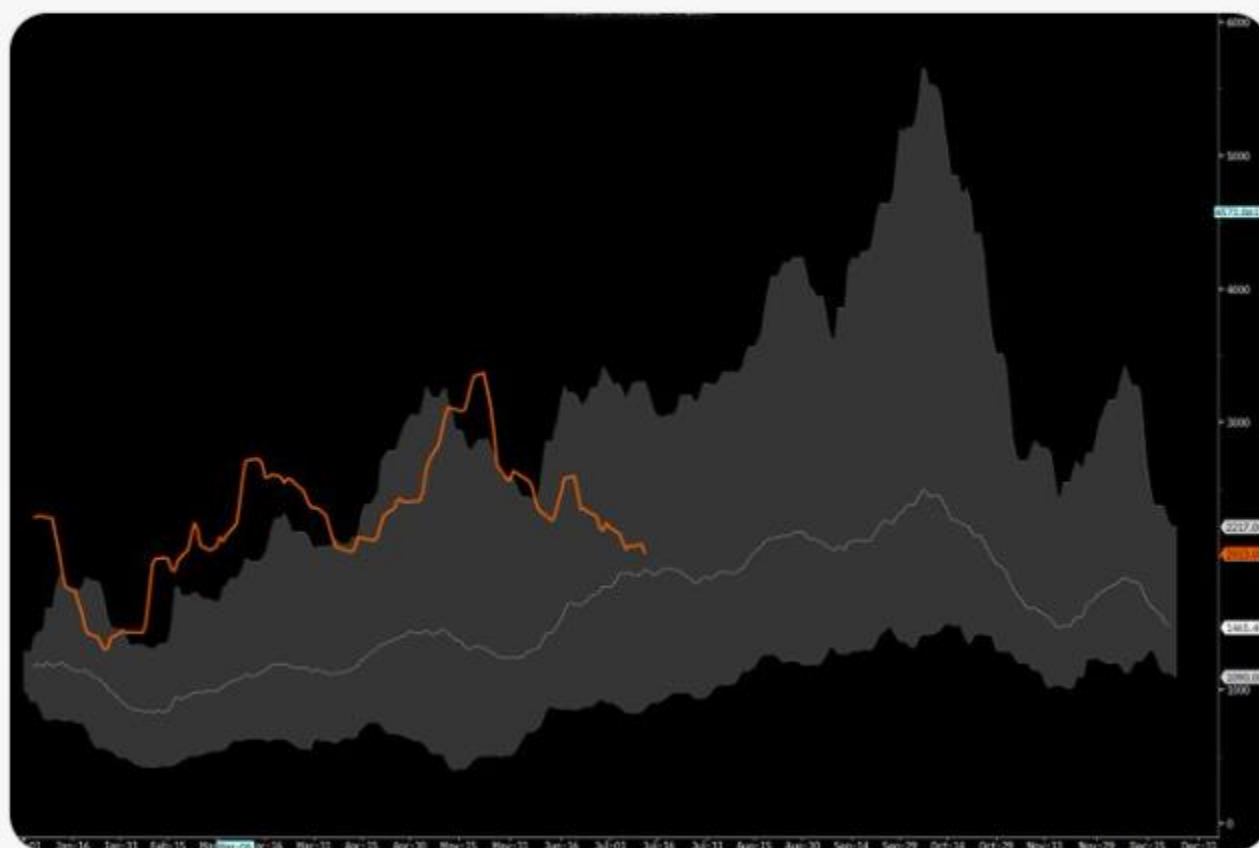




**BreakWave** @DryBulkETF · 3h

The Baltic Dry Index is now rapidly approaching its 5-year average level after spending most of the year above that. Seasonally, the period of late July/early August marks the seasonal low of the BDI for the summer months...

[#shipping](#) [#drybulk](#)



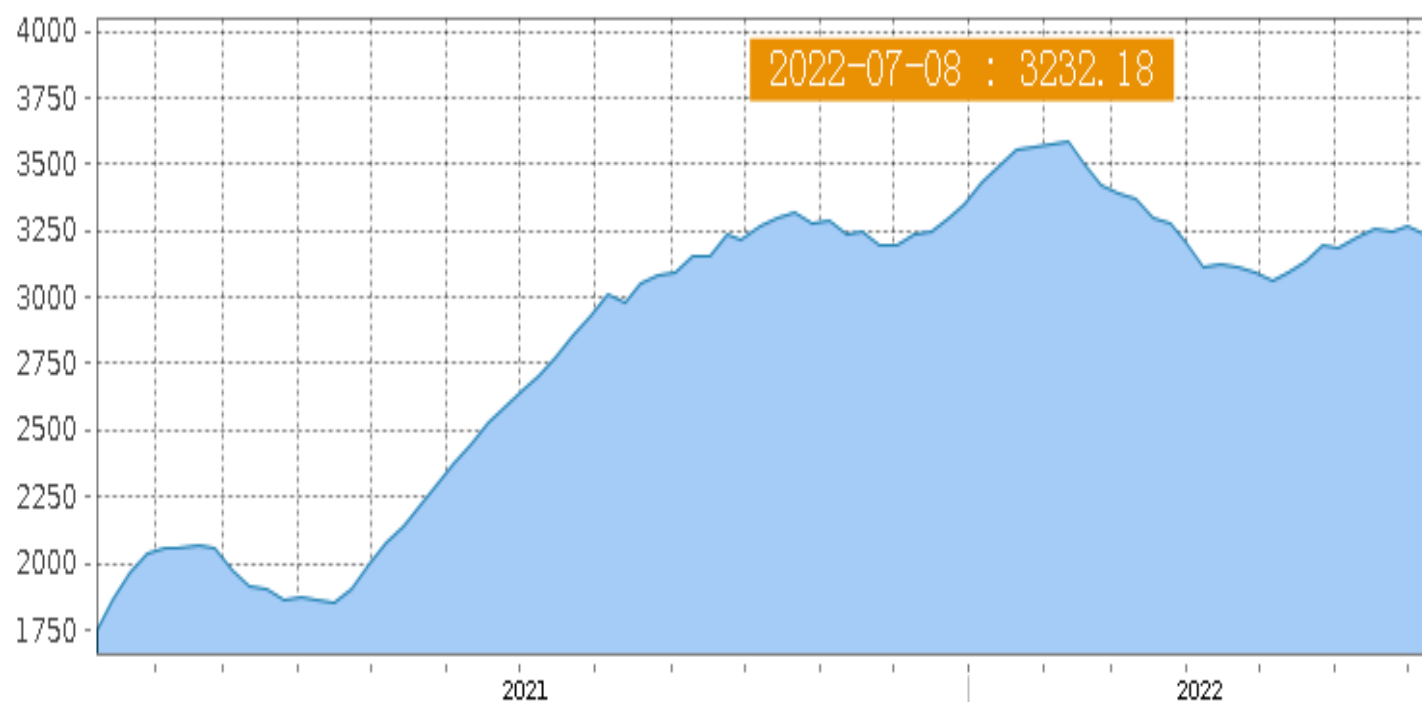
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## China Containerized Freight Index



## China Import Dry Bulk Freight Index



**Secondary Rail Car Market for Car placement period: First Half August 2022**

Secondary Rail Car Market Placement FH August 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (300.00)	\$ (200.00)	\$ (0.08)	\$ (0.05)	\$ (2.95)	\$ (1.97)
UPRR Shuttle Trains	\$ -	\$ 300.00	\$ -	\$ 0.08	\$ -	\$ 2.95

**U.S. RIVER BARGE FREIGHT**

**Barge Freight for Loading Placement First Half August 2022**

Placement FH August 2022	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	625	\$42.65	1.08	1.16
Illinois River (Pekin and South)	550	\$37.53	0.95	1.02
Mid-Mississippi	550	\$27.04	0.69	0.74
Lower Ohio	540	\$26.55	0.67	0.72
St. Louis	475	\$20.89	0.53	0.57

Best Regards,

Jay

Jay O'Neil  
HJ O'Neil Commodity Consulting  
785-410-2303 (cell)

[joneil@ksu.edu](mailto: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.  
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