

## Transportation and Export Report for 21 July 2022

Dry Bulk freight markets continue to slip and slide lower. Just 30 days ago Panamax rates from the US Gulf to China were \$78.00/mt. Today they are \$68.00/mt. Vessel owners are still hoping for things to hit bottom and bounce up, maybe next week ? Soft cargo demand, especially from China, and continuing concerns over the lack of growth in the Chinese economy together with fears of a potential global recession has been weighing on Trader's outlook. Panamax FFA paper for calendar year 2023 traded down to \$14,150 from last week's level of \$17,500. Maybe we do not need a big new vessel order book ?

In container markets, a trucker protest has shut down the port of Oakland, CA. Overall container rates are falling back and shipping lines are starting to lower their financial outlook for 2023. Negotiating parties involved in the ILWU-West Coast Port labor contract continue to express optimism that a deal can be reached without a strike; time will tell.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
21-Jul-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	27377	26036	1,341	5.2%
P3A: PNW/Pacific - Korea	Index	16546	15750	796	5.1%
S1C: US GULF-China-So.Japan	Index	28543	27471	1,072	3.9%
P7: Trial- Miss. River - Qingdao	per ton	67.39	66.79	0.6	0.9%
P8: Trial- Santos - Qingdao	per ton	56.38	56.27	0.1	0.2%

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

Four weeks ago:	\$12.50-\$11.35
Three weeks ago:	\$11.80-\$11.00
Two weeks ago:	\$11.00-\$10.90
One week ago:	\$10.50-\$10.75
This week	\$10.60-\$10.75

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

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

Panamax Market Spreads to Asia -China					
21-Jul-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.85	2.80	0.95	\$37.40	GULF
SOYBEANS	2.25	3.25	1.00	\$36.74	GULF
OCEAN FREIGHT	\$68.00	\$40.00	.71 -.76	\$28.00	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 \$49.50 - \$51.00/mt.

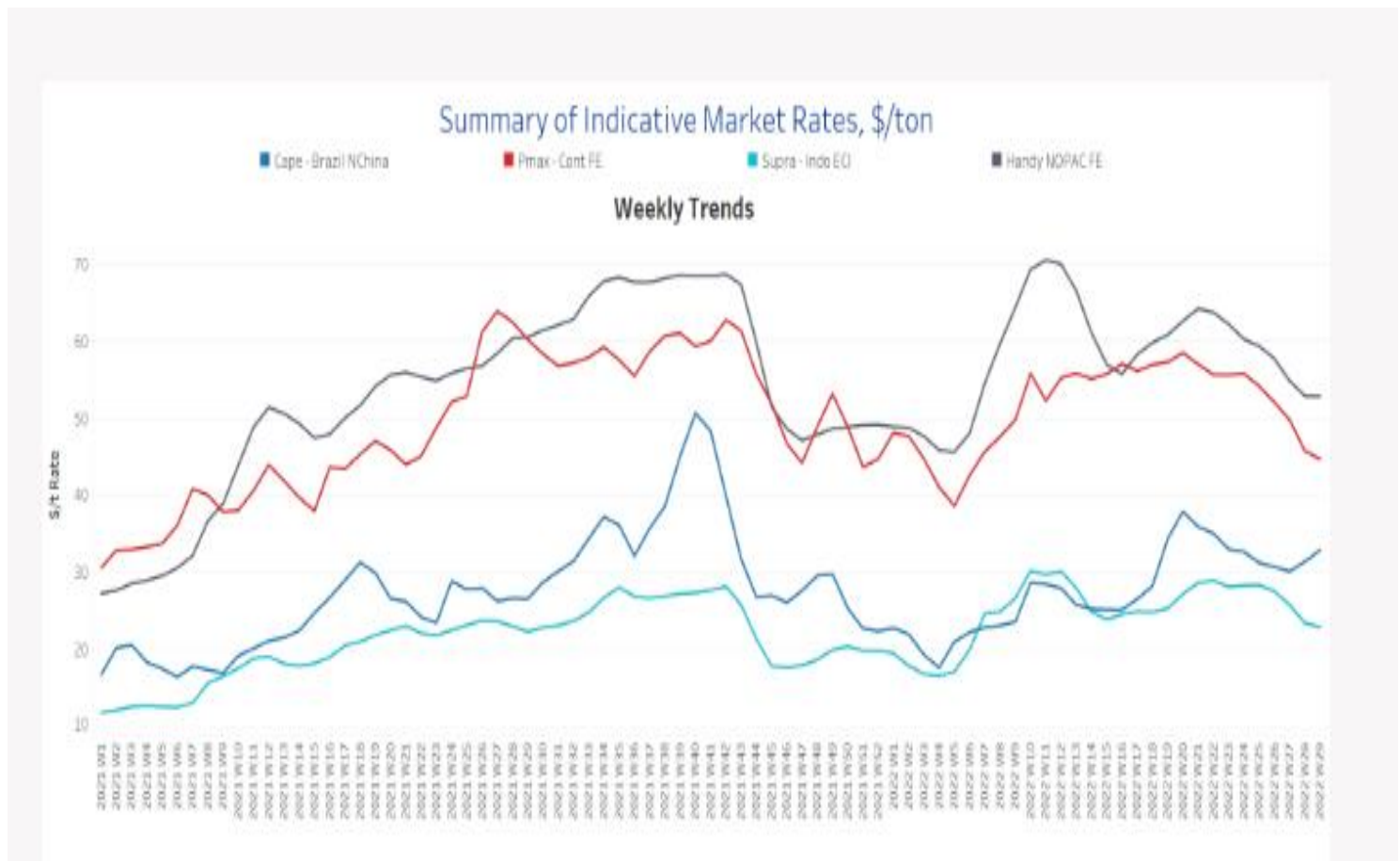
Soybean Brazil to Spain about \$59.00 - 60.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$69.00	Down \$2.00	Handymax \$69.00 mt
55,000 U.S. PNW- Japan	\$40.50	Down \$0.50	Handymax at \$40.50 mt
65,000 U.S. Gulf – China	\$68.00	Down \$2.00	North or South China
PNW to China	\$40.00	Down \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$28.25	Down \$0.75	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$24.25	Down \$1.00	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$40.00	Down \$2.00	<u>West Coast Colombia at \$47.50</u>
50,000 USG- E/C Colombia	\$39.50		
<u>East Coast Colombia</u> From Argentina	\$50.00		
40-45,000 U.S. Gulf - Guatemala	\$48.00	Down \$1.50	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$67.50	Down \$2.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$68.00	Down \$2.00	55,000-60,000 mt Egypt
PNW to Egypt	\$68.50		Romania - Russia- Ukraine \$28.00 -\$32-\$46.00- \$.00 - France \$43.00, Bulgaria \$34.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$35.00	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$60.50	Down \$2.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$58.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$68.50		55-60,000 mt
56-60,000 Argentina-China Deep draft	\$65.50	Down \$2.00	Up-River with Top Off Plus \$3.85-\$4.75

## The Baltic Dry Bulk Freight Index



## Baltic Index-

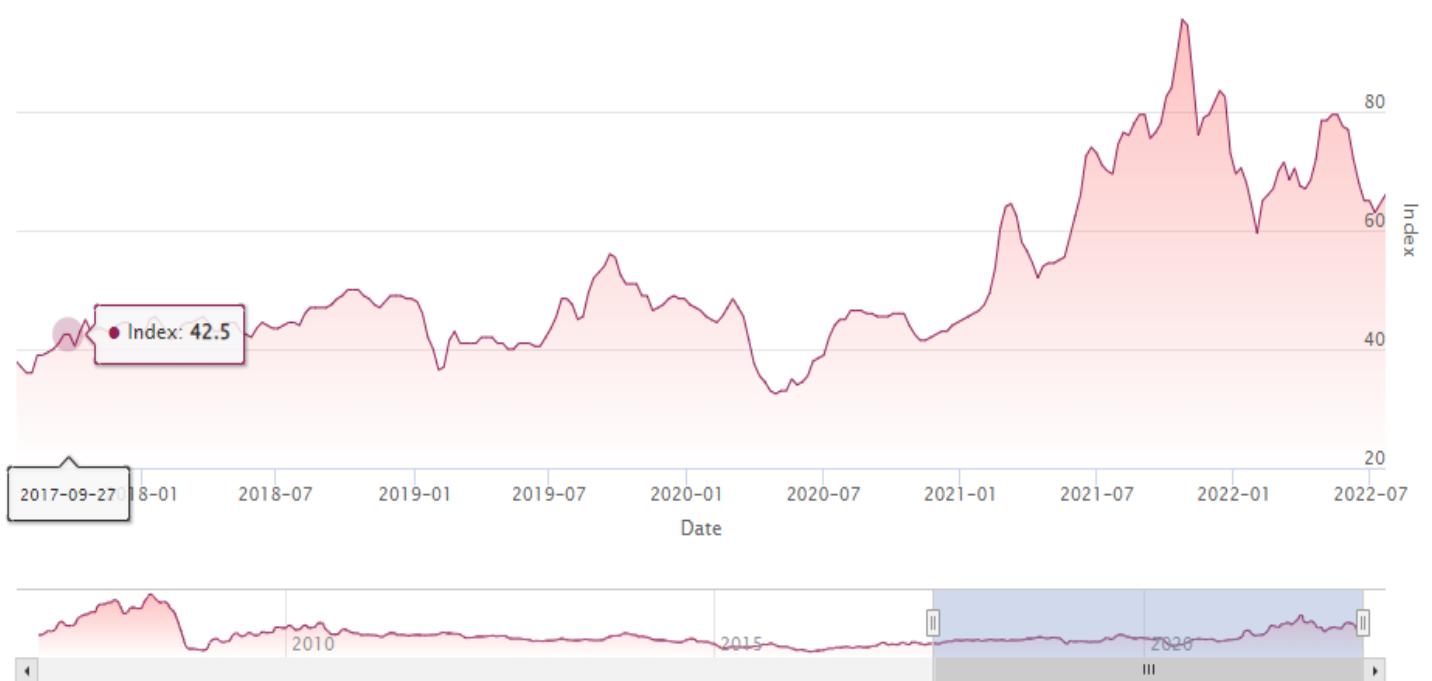


# YAMAMIZU Index



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

From 2017-07-20 To 2022-07-20



## China Import Dry Bulk Freight Index 2022-07-21

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1506.27	-9.67
Iron ore Freight Index			Point	1395	-27
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.754	-0.069
Soybean Freight Index			Point	1638.58	6.25
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	58.06	0.22
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	40.2	0.16
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	68.58	0.26

**21 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>		U =	5.7575
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	Z =	5.7350
<b>Aug.</b>	1.85	<b>\$299.49</b>	2.80	<b>\$336.89</b>	H=	5.8025
<b>Sept.</b>	1.55	<b>\$287.68</b>	2.55	<b>\$327.05</b>	K =	5.8475
<b>Oct.</b>	1.53	<b>\$286.01</b>	2.53	<b>\$325.38</b>	N=	5.8500
<b>Nov.</b>	1.45	<b>\$282.86</b>	2.40	<b>\$320.26</b>	U =	5.6100
<b>Dec.</b>	1.38	<b>\$280.10</b>	2.20	<b>\$312.38</b>		
<b>Jan.</b>	1.35	<b>\$281.58</b>	2.15	<b>\$313.07</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>	1.95	<b>\$303.43</b>
<b>Sept.</b>	1.95	<b>\$303.43</b>
<b>Oct.</b>	2.00	<b>\$304.51</b>
<b>Nov.</b>	2.00	<b>\$304.51</b>
<b>Dec.</b>	2.00	<b>\$304.51</b>

Fob vessel Texas Gulf #2 Sorghum is about 101 % 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. (Z)</b>	<b>Sept. (Z)</b>	<b>Oct.</b>	<b>Nov.</b>
FOB U.S. GULF	\$338.50	\$342.17	\$353.38	\$355.22
Basis	1.15	1.25	1.40	1.45
WU	8.0625			
WZ	8.2175			
WH	8.3500			

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

<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>Aug. (X)</b>	2.25	<b>\$560.89</b>	3.25	<b>\$597.63</b>
<b>Sept. (X)</b>	2.15	<b>\$557.21</b>	3.15	<b>\$593.96</b>
<b>Oct.</b>	1.95	<b>\$549.86</b>	2.80	<b>\$581.10</b>
<b>Nov.</b>	1.69	<b>\$540.31</b>	2.60	<b>\$573.75</b>
<b>Dec.</b>	1.58	<b>\$539.21</b>	2.48	<b>\$572.28</b>
<b>Soybean Futures</b>				
<b>Aug.</b>	\$ 14.1850			
<b>Sept.</b>	\$ 13.1700			
<b>Nov.</b>	\$ 13.0150			
<b>Jan.</b>	\$ 13.0950			
<b>Mar.</b>	\$ 13.1150			
<b>May</b>	\$ 13.1325			

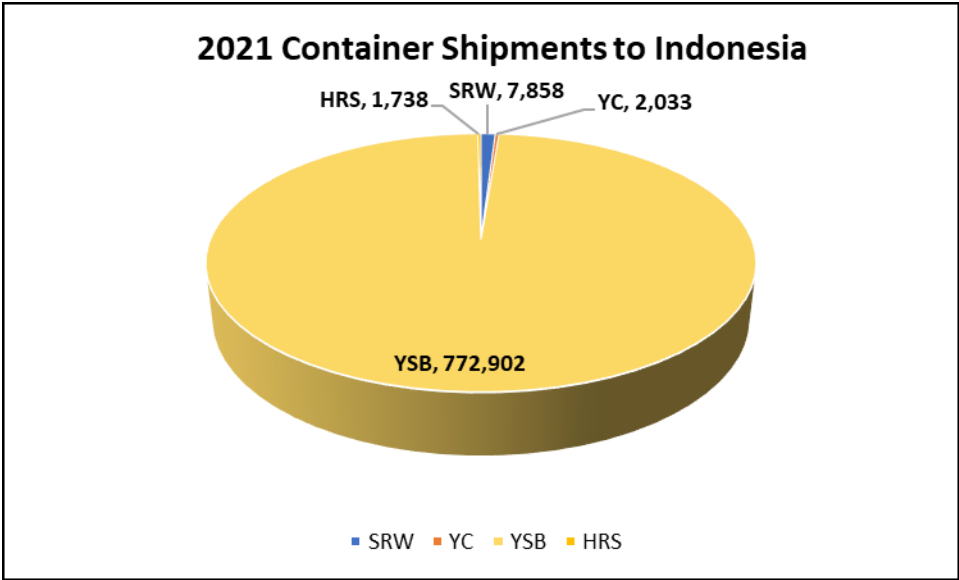
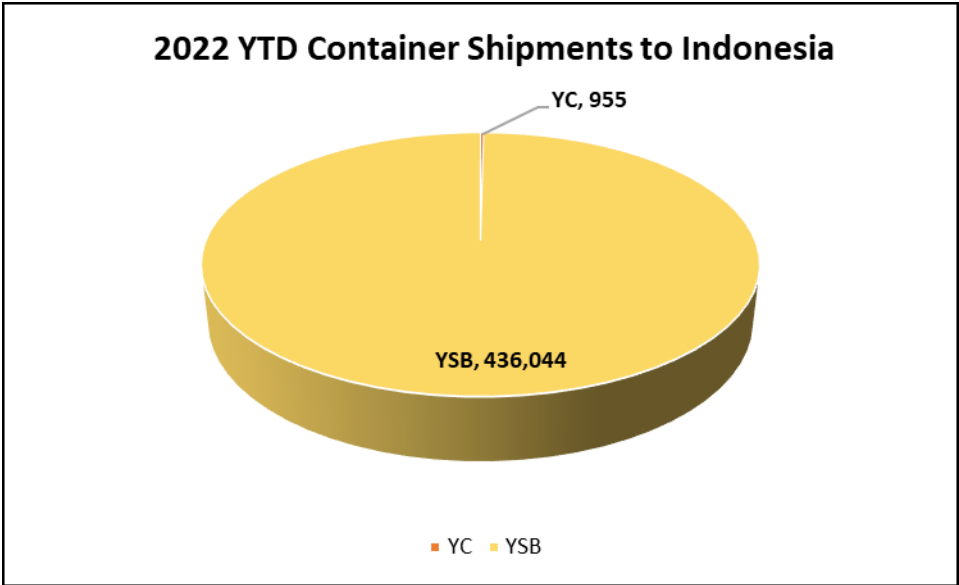
### **U.S. Soybean and SBM Markets Fob Vessel:**

<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>Aug.</b>	80.00	<b>\$ 567.13</b>
<b>Sept.</b>	80.00	<b>\$ 532.40</b>
<b>Oct.</b>	65.00	<b>\$ 498.22</b>
<b>Nov.</b>	65.00	<b>\$ 496.35</b>
<b>Dec.</b>	65.00	<b>\$ 496.35</b>
<b>SBM Futures</b>		
<b>SMQ</b>	\$ 434.40	
<b>SMU</b>	\$ 402.90	
<b>SMV</b>	\$ 386.90	
<b>SMZ</b>	\$ 385.20	
<b>SMF</b>	\$ 383.70	
<b>SMH</b>	\$ 380.40	

**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:		14-Jul-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	DUWH	Sorghum	TOTAL
China			5,730					2,645	8,375
Taiwan	4,575		12,049						16,624
Hong Kong	635								635
Costa Rica									0
Indonesia			8,110						8,110
French Poly									0
Japan			1,295						1,295
Korea Rep.	416		612						1,028
Ireland		72							72
Malaysia			3,525		490	122			4,137
Singapore									0
Philippines	98		832						930
Thailand			2,056		269				2,325
Switzerland									0
Burma									0
Cambodia									0
Nepal									0
Vietnam			3,061		269				3,330
Sub Total:	5,724	72	37,270	0	1,028	122	0	2,645	46,861
USDA Corrections/Additions to previous reports:									
Taiwan			245						245
China									0
Hong Kong									0
Korea Rep.			637						637
Un Kingdom									0
Japan			24						24
Philippines			611						611
Indonesia			294						294
Malaysia									0
Thailand									0
Vietnam									0
Burma									0
Ireland									0
Sub Total:	0	0	1,811	0	0	0	0	0	1,811
<b>Mt. Grand Total</b>	<b>5,724</b>	<b>72</b>	<b>39,081</b>	<b>0</b>	<b>1,028</b>	<b>122</b>	<b>0</b>	<b>2,645</b>	<b>48,672</b>
Number of Containers	249	3	1,699	0	45	5	0	115	

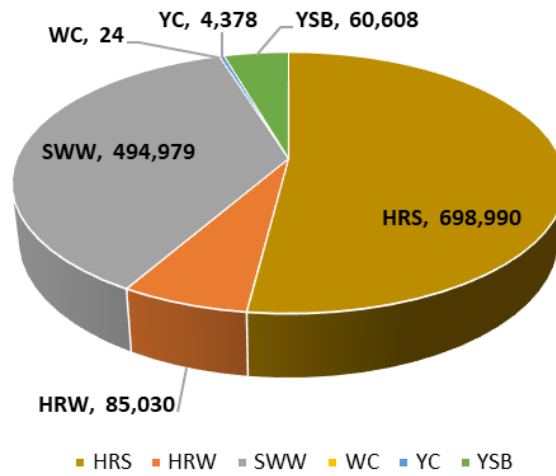
Jan - Dec 2021 Annual Totals versus 2022 YTD Container Shipments (in MT)



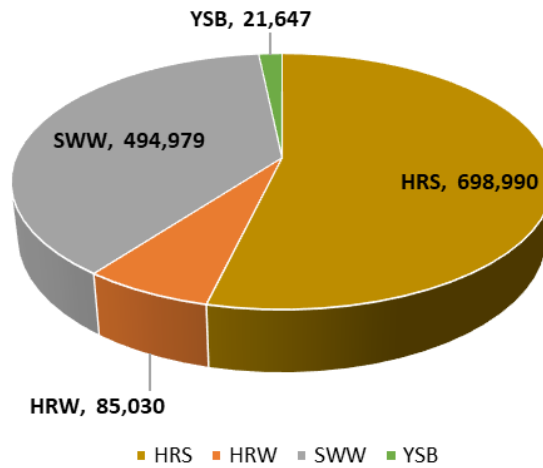


2022 YTD Total Grain Exports reported by USDA (in MT)

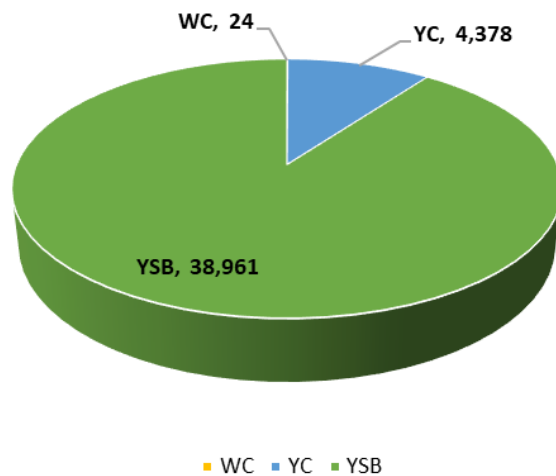
**2022 YTD Exports to Philippines**



**YTD Vessel Shipments to Philippines**



**YTD Container Shipments to Philippines**



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

Source: USDA-data

## Shipping News

Joeri @joeriwestland · 23h

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[#SupplyChainCrisis](#) firing up again. Global port contagion is near high at the moment ...



**Lori Ann LaRocco**  @loriannlarocco · 23h

TRADE ALERT- Large trucker protests over California's gig worker law AB5 shut down Port of Oakland terminals [cnb.cx/3uZVBCI](https://cnb.cx/3uZVBCI) #LOGISTICS #TRUCKING

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**E. Finley-Richardson** @ed\_fin · 23h

...

Bimco: Iron ore exports to China have decreased by 3.2% in 1H 2022. "With China accounting for 71% of total iron ore trade, and iron ore accounting for 74% of cargo handled by Capesizes, this slowdown has greatly affected the **[dry bulk]** segment." 🧐

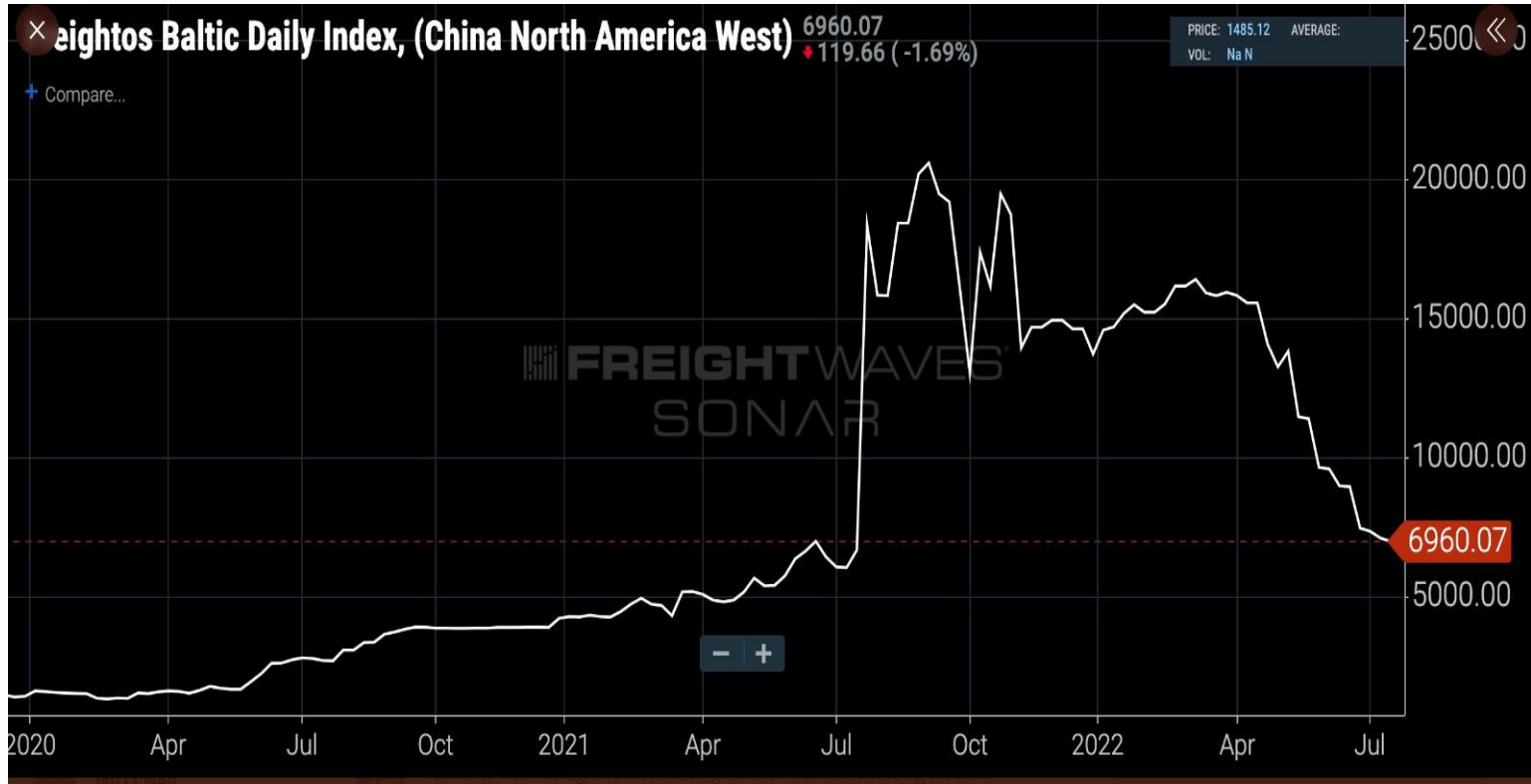
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John Paul 🌳 Hampstead @JPHampstead · Jul 20

...

Ocean container spot rates keep dropping.

The Freightos Baltic Daily Index, China to N.A. West Coast, has broken below \$7,000.



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



**Barchart Agriculture** @BarchartAg · 17m

...

A deal that would unblock Ukrainian grain, and allow for Russian exportation, is scheduled to be signed Friday.

“We can potentially save hundreds of thousands, potentially millions of people, from having food be priced out of their reach.”

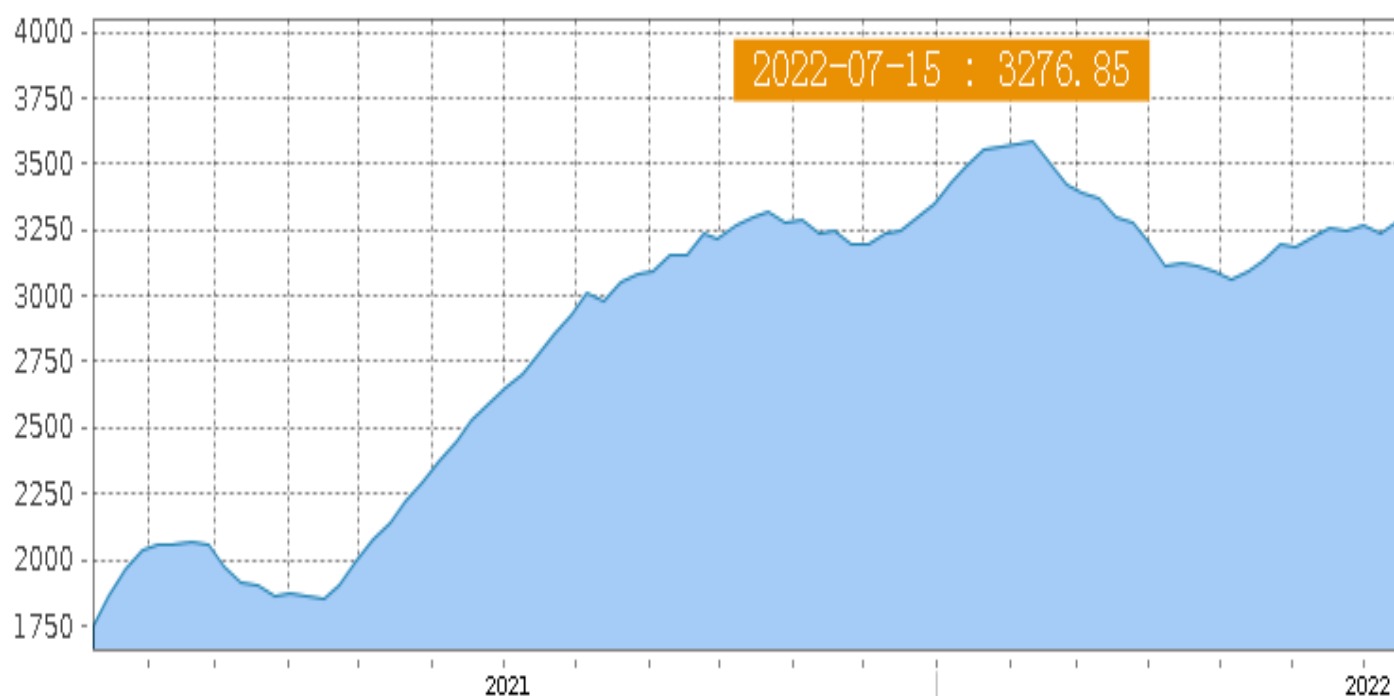


[barchart.com](https://barchart.com)

Turkey: Ukraine grain export deal to be signed in Istanbul

ANKARA, Turkey (AP) — Turkish officials say a deal on a U.N. plan to unblock the exports of Ukrainian grain amid the war and to allow Russi...

## China Containerized Freight Index



## China Import Dry Bulk Freight Index



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

Secondary Rail Car Market Placement LH August 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (250.00)	\$ (150.00)	\$ (0.06)	\$ (0.04)	\$ (2.46)	\$ (1.48)
UPRR Shuttle Trains	\$ 200.00	\$ 300.00	\$ 0.05	\$ 0.08	\$ 1.97	\$ 2.95

**U.S. RIVER BARGE FREIGHT**

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

Placement LH 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

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