

Transportation and Export Report for 24 August 2022

All the FFA Ocean freight Traders in on the ship are still yelling; “are we there yet”, and “if not, can we stay afloat until we get there”? Early in the week it looked like markets had hit bottom and were providing a small upward bounce. Many freight articles stated that the outlook for freight now appeared positive for the balance of the year. But then, once again, everything slipped back and proceeded to go even lower. Dry Bulk rates have erased most all this year’s gains are now sitting close to where we started back in January. This is certainly not what was expected. There really is not much new news, just growing concern over the slow growth of the Chinese economy and that nations overall commodity import volumes. Maybe things will bottom out next week after the market has taken all the money from those with long freight positions? The ILWU-West Coast Port labor contract negotiations are ongoing but seem to have hit a snag on the key issue of automation; and a dispute between two different labor unions over authority over in port equipment movements in Seattle.

We are still carefully watching the railroad union negotiations as the “cooling-off” period for those negotiations expires on Sept.16.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
24-Aug-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	21436	24427	-2,991	-12.2%
P3A: PNW/Pacific - Korea	Index	13369	14698	-1,329	-9.0%
S1C: US GULF-China-So.Japan	Index	22664	22336	328	1.5%
P7: Trial- Miss. River - Qingdao	per ton	57.08	59.89	-2.8	-4.7%
P8: Trial- Santos - Qingdao	per ton	44.54	47.54	-3.0	-6.3%

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

Four weeks ago: \$10.60-\$10.75
 Three weeks ago: \$10.50-\$10.15
 Two weeks ago: \$8.50-\$8.85
 One week ago: \$8.40-\$8.15
 This week: \$8.35-\$8.25

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

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

Panamax Market Spreads to Asia -China					
24-Aug-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.45	2.30	0.85	\$33.46	GULF
SOYBEANS	2.05	3.05	1.00	\$36.74	GULF
OCEAN FREIGHT	\$60.50	\$35.00	.65-.69	\$25.50	October

Current Grain Vessel Market Indications:

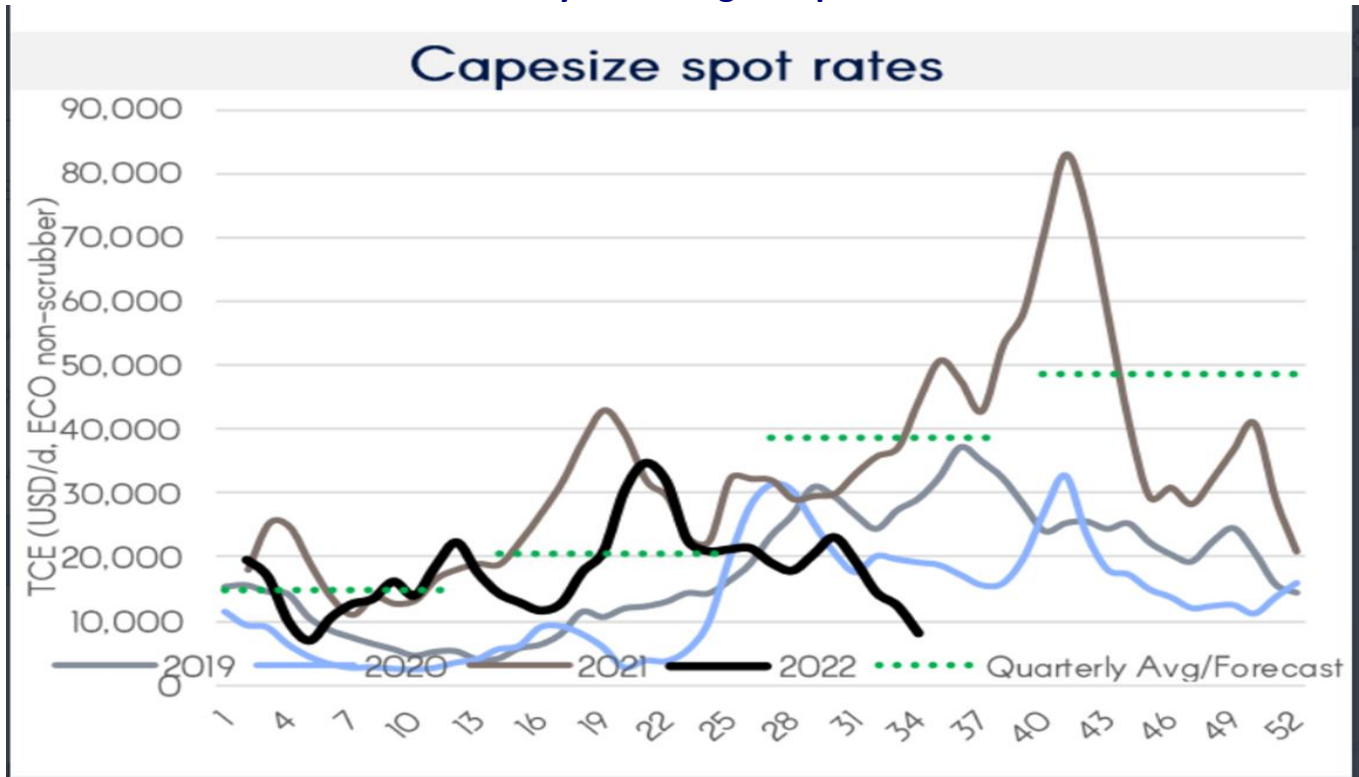
**** Rates are estimates for the nearby-30-day period. 60-90 days forward physical rates will usually be higher.**

Soybean Panamax USG to Spain is running \$45.00 -\$46.00/mt.

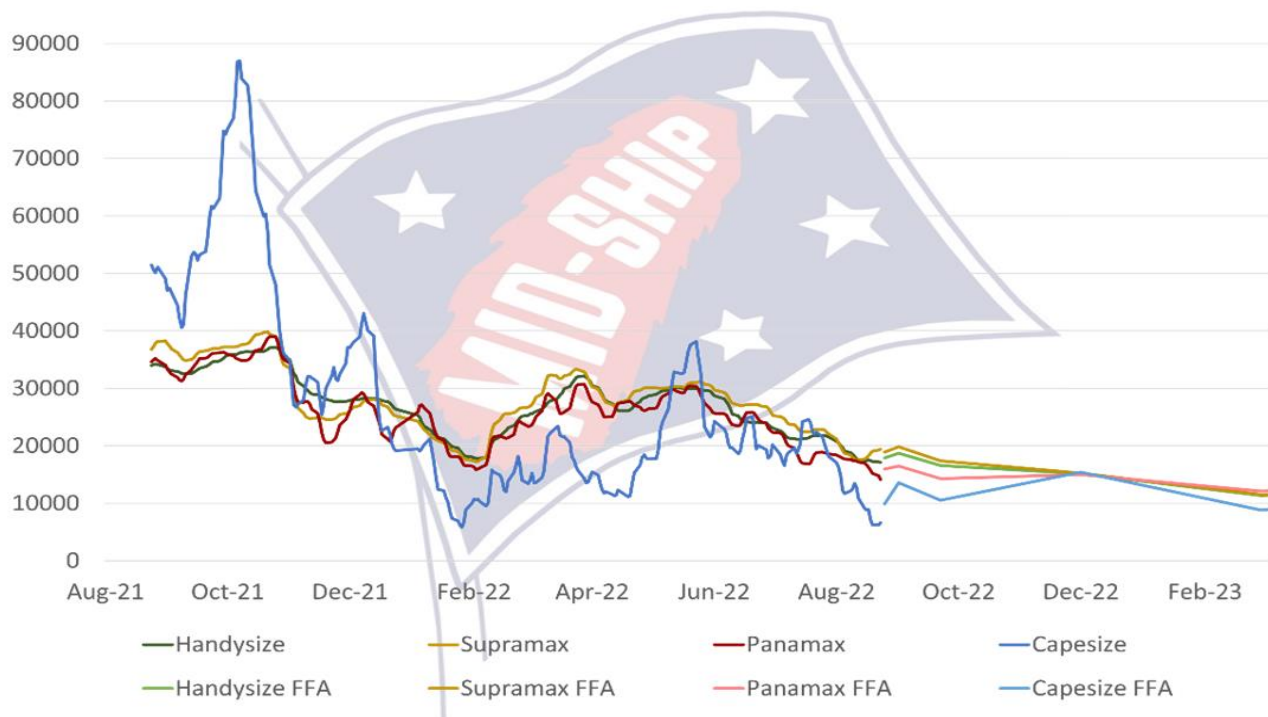
Soybean Brazil to Spain about \$52.50 -\$54.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$61.50	Down \$1.50	Handymax \$63.00 mt
55,000 U.S. PNW- Japan	\$35.50	Down \$1.00	Handymax at \$36.50 mt
65,000 U.S. Gulf – China	\$60.50	Down \$1.50	North or South China
PNW to China	\$35.00	Down \$1.00	
25,000 U.S. Gulf- Veracruz, México	\$26.50	Down \$0.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$22.50	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$36550	Down \$1.00	<u>West Coast Colombia at \$41.50</u>
50,000 USG- E/C Colombia	\$34.75		
<u>East Coast Colombia</u> From Argentina	\$44.50		
40-45,000 U.S. Gulf - Guatemala	\$43.50	Down \$1.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$60.50	Down \$2.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$60.00	Down \$2.00	55,000-60,000 mt Egypt
PNW to Egypt	\$60.50		Romania - Russia- Ukraine \$26.00 -\$33-\$43.00- \$.00 - France \$41.00, Bulgaria \$32.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$32.00	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$51.50	Down \$2.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$49.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$59.00		55-60,000 mt
56-60,000 Argentina-China	\$56.50	Down \$2.00	Up-River with Top Off Plus \$3.85-\$4.75
Deep draft			

The Baltic Dry Bulk Freight Capesize Index



Baltic Dry Bulk Index-

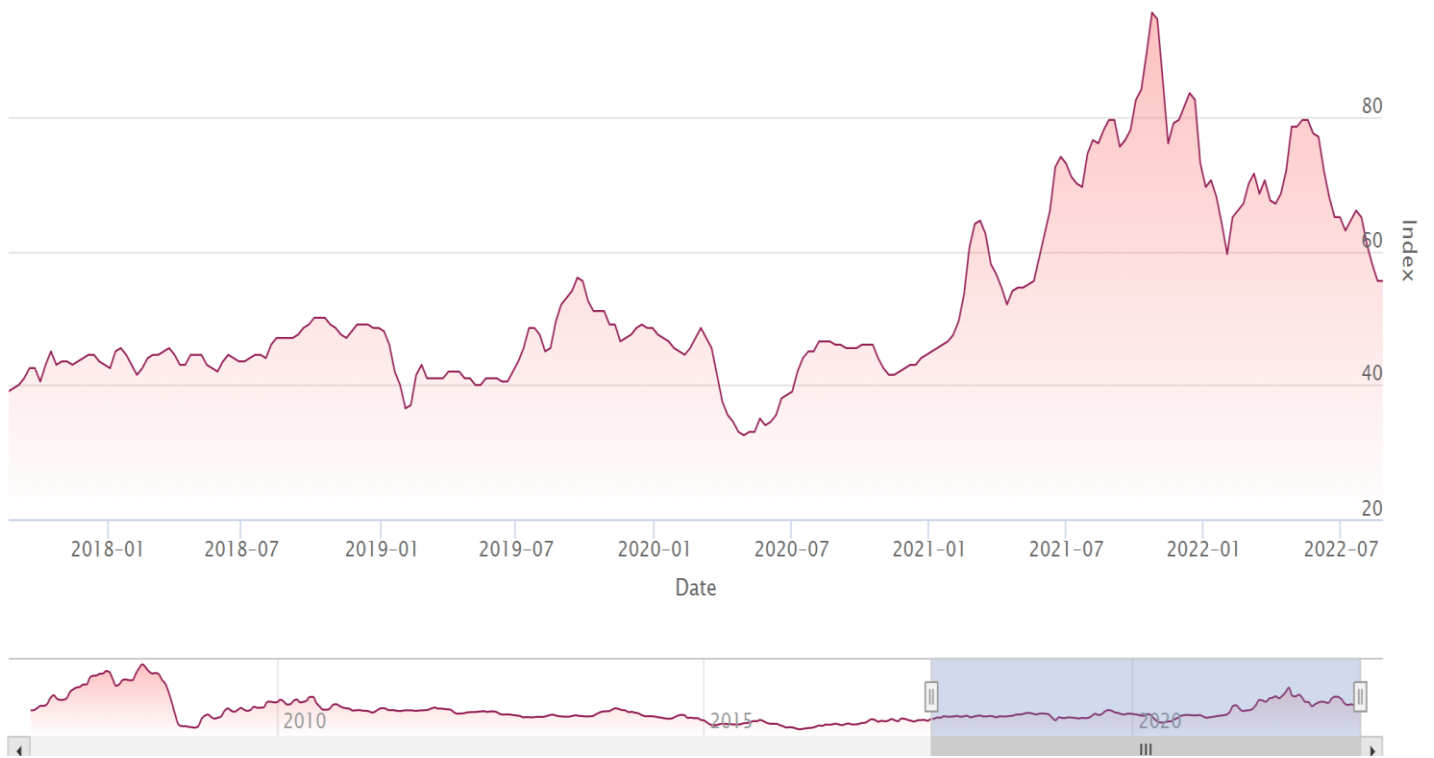


YAMAMIZU Index



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

From 2017-08-24 To 2022-08-24



China Import Dry Bulk Freight Index					
2022-08-24					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1195.8	1.85
Iron ore Freight Index			Point	976.07	5.51
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.253	0.006
Soybean Freight Index			Point	1419.57	-7.96
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	49.31	-0.37
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	34.85	-0.13
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	61.1	-0.22

24 August 2022 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		U =	6.6575
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	Z =	6.5725
Sept. (Z)	1.58	\$320.95	2.40	\$353.23	H=	6.6275
Oct.	1.45	\$315.83	2.30	\$349.29	K =	6.6300
Nov.	1.42	\$314.65	2.25	\$347.32	N=	6.5850
Dec.	1.40	\$313.86	2.15	\$343.39	U =	6.1950
Jan.	1.24	\$309.73	2.10	\$343.58		
Feb.	1.20	\$308.15	2.10	\$343.58		

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.

SORGHUM (USD/MT) FOB VESSEL		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
Sept.	1.75	\$327.64
Oct.	1.75	\$327.64
Nov.	1.70	\$325.67
Dec.	1.65	\$323.70
Jan.	1.60	\$323.90

Fob vessel Texas Gulf #2 Sorghum is about 103 % 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	
	Sept. (Z)	Oct.	Nov.	Dec.
FOB U.S. GULF	\$344.01	\$343.64	\$344.74	\$346.58
Basis	1.23	1.22	1.25	1.30
WU	7.9500			.
WZ	8.1325			
WH	8.2850			

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
Sept. (X)	2.10	\$612.51	3.10	\$649.25
Oct.	2.05	\$610.67	3.05	\$647.42
Nov.	1.73	\$598.92	2.55	\$629.05
Dec.	1.53	\$593.31	2.40	\$625.28
Jan.	1.48	\$591.48	2.38	\$624.54
Soybean Futures				
Sept.	\$ 15.6075			
Nov.	\$ 14.5700			
Jan.	\$ 14.6175			
Mar.	\$ 14.6150			
May	\$ 14.6150			
July	\$ 14.5825			

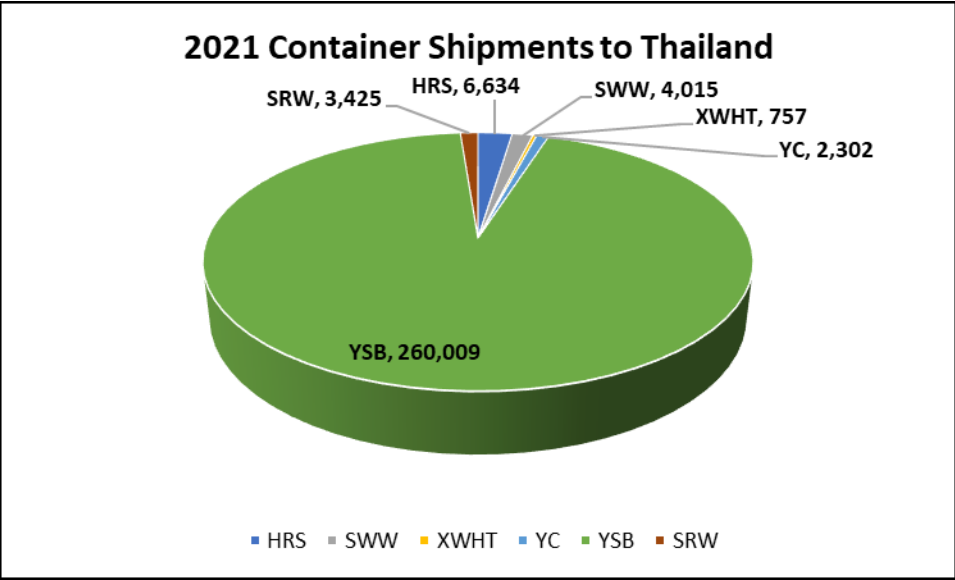
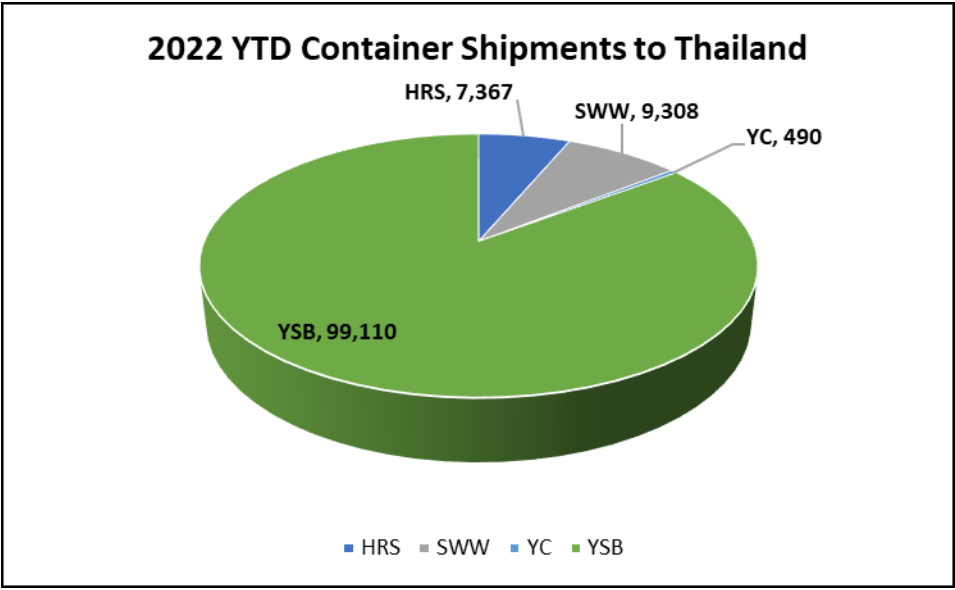
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Sept.	50.00	\$ 570.76
Oct.	55.00	\$ 537.80
Nov.	50.00	\$ 528.43
Dec.	50.00	\$ 528.43
Jan.	55.00	\$ 529.09
SBM Futures		
SMU	\$ 467.70	
SMV	\$ 432.80	
SMZ	\$ 429.30	
SMF	\$ 424.90	
SMH	\$ 415.70	
SMK	\$ 411.20	

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).*

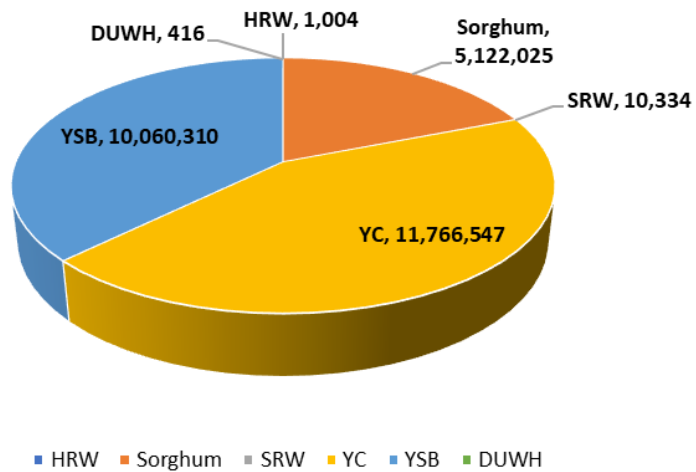
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		18-Aug-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	DUWH	Sorghum	TOTAL
China	24		9,918					980	10,922
Taiwan	2,693		6,259	1,960					10,912
Hong Kong	490								490
Costa Rica			98						98
Indonesia	269		15,200						15,469
French Poly									0
Japan			1,272						1,272
Korea Rep.	196		833						1,029
Ireland									0
Malaysia	441		1,101						1,542
Singapore									0
Philippines			636						636
Thailand			3,302						3,302
El Salvador									0
Burma									0
Cambodia									0
Nepal									0
Vietnam			5,314			1,959			7,273
Sub Total:	4,113	0	43,933	1,960	0	1,959	0	980	52,945
USDA Corrections/Additions to previous reports:									
Taiwan	441		465						906
China			1,739						1,739
Hong Kong									0
Korea Rep.				73					73
Un Kingdom									0
Japan			24						24
Philippines									0
Indonesia			4,162						4,162
Malaysia	637		2,618						3,255
Thailand			1,713						1,713
Vietnam			2,620						2,620
Burma									0
Cambodia									0
Sub Total:	1,078	0	13,341	73	0	0	0	0	14,492
Mt. Grand Total	5,191	0	57,274	2,033	0	1,959	0	980	67,437
Number of Containers	226	0	2,490	88	0	85	0	43	

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

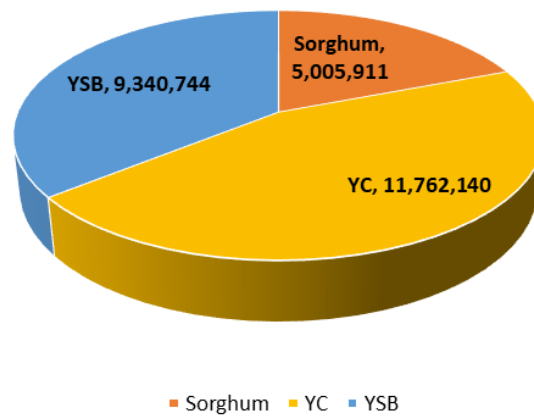


2022 YTD Total Grain Exports reported by USDA (in MT)

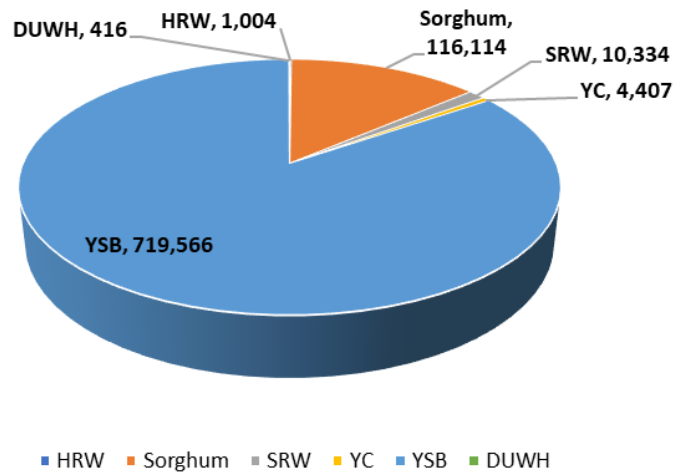
2022 YTD Exports to China Main



YTD Vessel Shipments to China Main



YTD Container Shipments to China Main



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

Source: USDA-data

Shipping News

Mike Lee @GreenSquareAC · 5h

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Ukraine's Ministry of Agrarian Policy report that in the 22 days since the start of the "Grain Corridor", 33 ships left Ukrainian seaports with a total of 719,549MT of agricultural products on board.

Another 18 vessels are being loaded and waiting for departure.



Elena Faige Neroba @ElenaNeroba · 22h

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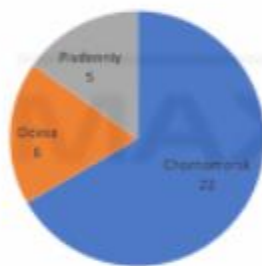
Ukrainian Greater Odesa ports activity since Aug 1
33 vessels left

more than 50 are loading or on the way including 3 panamax-size for the next two weeks

Weight of crops, t



Amount of ships left ports



Weight of crops by destination, t



Amount and weight of ships left Ukrainian ports



SwitterTM @RussianGrainTra · 1h

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Novorossiysk KSK Grain Terminal 🇷🇺 sets grain handling records.
Cargill will be happy (as a 25% shareholder in KSK)

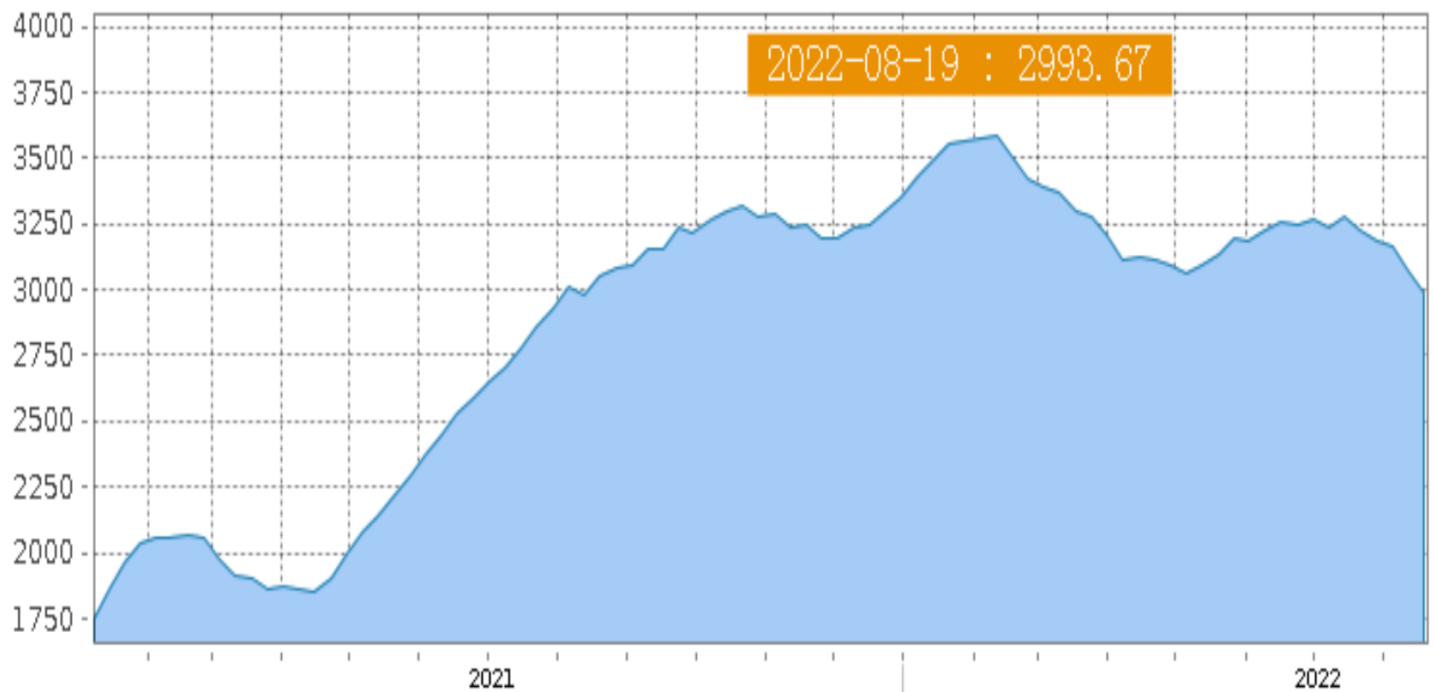


world-grain.com

KSK Grain Terminal sets grain handling records

Terminal benefits from addition of new deep-water grain berth in July 2021.

China Containerized Freight Index



China Import Dry Bulk Freight Index



Secondary Rail Car Market for Car placement period: First Half October 2022

Secondary Rail Car Market Placement FH October 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 1,700.00	\$ 2,300.00	\$ 0.43	\$ 0.58	\$ 16.73	\$ 22.64
UPRR Shuttle Trains	\$ 1,600.00	\$ 2,500.00	\$ 0.40	\$ 0.63	\$ 15.75	\$ 24.60

U.S. RIVER BARGE FREIGHT

Barge Freight for Loading Placement First Half October 2022

Placement FH October 2022	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	825	\$ 56.29	1.43	1.53
Illinois River (Pekin and South)	810	\$ 55.27	1.40	1.50
Mid-Mississippi	810	\$ 39.82	1.01	1.08
Lower Ohio	800	\$ 39.33	1.00	1.07
St. Louis	750	\$ 32.99	0.84	0.90

Best Regards,

Jay

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*** 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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