



## Transportation and Export Report for 4 August 2022

The title of this week's report is "Looking for Buyers". Dry Bulk markets started selling off at the beginning of June. By mid-July vessel owners and traders were asking if things had finally hit bottom. That question is still being asked each week as freight markets continue to drop back and show no mercy. There is nothing particularly new in the market news, just continued general fear of reduced Chinese coal and iron ore imports and a lack of global cargo growth to support higher prices. On May 26 Panamax rates from the USG to China were \$81.50/mt. Today the rate sits at \$66.50/mt, a drop of \$15.00/mt or 19 percent in 8 weeks. Container markets are sliding back too. Multi-year contract rates are, of course, already fixed at higher values but spot rates are sinking even in face of growing port congestion. The ILWU-West Coast Port labor contract negotiations continue as the big issue of port automation remains to be resolved.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
4-Aug-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	27350	28205	-855	-3.0%
P3A: PNW/Pacific - Korea	Index	15440	15989	-549	-3.4%
S1C: US GULF-China-So.Japan	Index	24321	27807	-3,486	-12.5%
P7: Trial- Miss. River - Qingdao	per ton	64.35	65.64	-1.3	-2.0%
P8: Trial- Santos - Qingdao	per ton	52.99	55.35	-2.4	-4.3%

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

Four weeks ago:	\$11.00-\$10.90
Three weeks ago:	\$10.50-\$10.75
Two weeks ago:	\$10.60-\$10.75
One week ago:	\$10.50-\$10.15
This week	\$10.10-\$8.15

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

Mississippi River:	(9 elevators)	2-12 days (only 1 facility over 4 days)
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-5 days
Pacific Northwest:	(9 elevators)	0- 5 days (7 facilities at 0-1 day wait.)

Panamax Market Spreads to Asia -China					
4-Aug-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.47	2.47	1.00	\$39.37	GULF
SOYBEANS	1.95	2.95	1.00	\$36.74	GULF
OCEAN FREIGHT	\$65.50	\$39.00	.67-.72	\$26.50	September

### 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 \$47.00 - \$49.00/mt.

Soybean Brazil to Spain about \$56.50 - \$58.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$66.50	Down \$2.00	Handymax \$66.50 mt
55,000 U.S. PNW- Japan	\$39.50	Down \$1.00	Handymax at \$39.50 mt
65,000 U.S. Gulf – China	\$65.50	Down \$2.00	North or South China
PNW to China	\$39.00	Down \$1.00	
25,000 U.S. Gulf- Veracruz, México	\$27.75	Down \$0.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$23.75	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$38.75	Down \$1.00	<u>West Coast Colombia at \$46.00</u>
50,000 USG- E/C Colombia	\$38.25		
<u>East Coast Colombia</u> From Argentina	\$49.00		
40-45,000 U.S. Gulf - Guatemala	\$46.75	Down \$1.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$65.50	Down \$2.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$65.50	Down \$2.00	55,000-60,000 mt Egypt
PNW to Egypt	\$66.00		Romania - Russia- Ukraine \$27.00 -\$31-\$44.00- \$.00 - France \$42.00, Bulgaria \$33.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$34.00	Down \$1.00	Handymax at +\$2.50 more
Brazil, Santos –China	\$57.50	Down \$2.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$55.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$65.00		55-60,000 mt
56-60,000 Argentina-China	\$62.50	Down \$2.50	Up-River with Top Off Plus \$3.85-\$4.75
Deep draft			

## The Baltic Dry Bulk Freight Capesize Index

### August Capesize FFA



## Baltic Dry Bulk Index-

### Summary of Indicative Market Rates, \$/ton

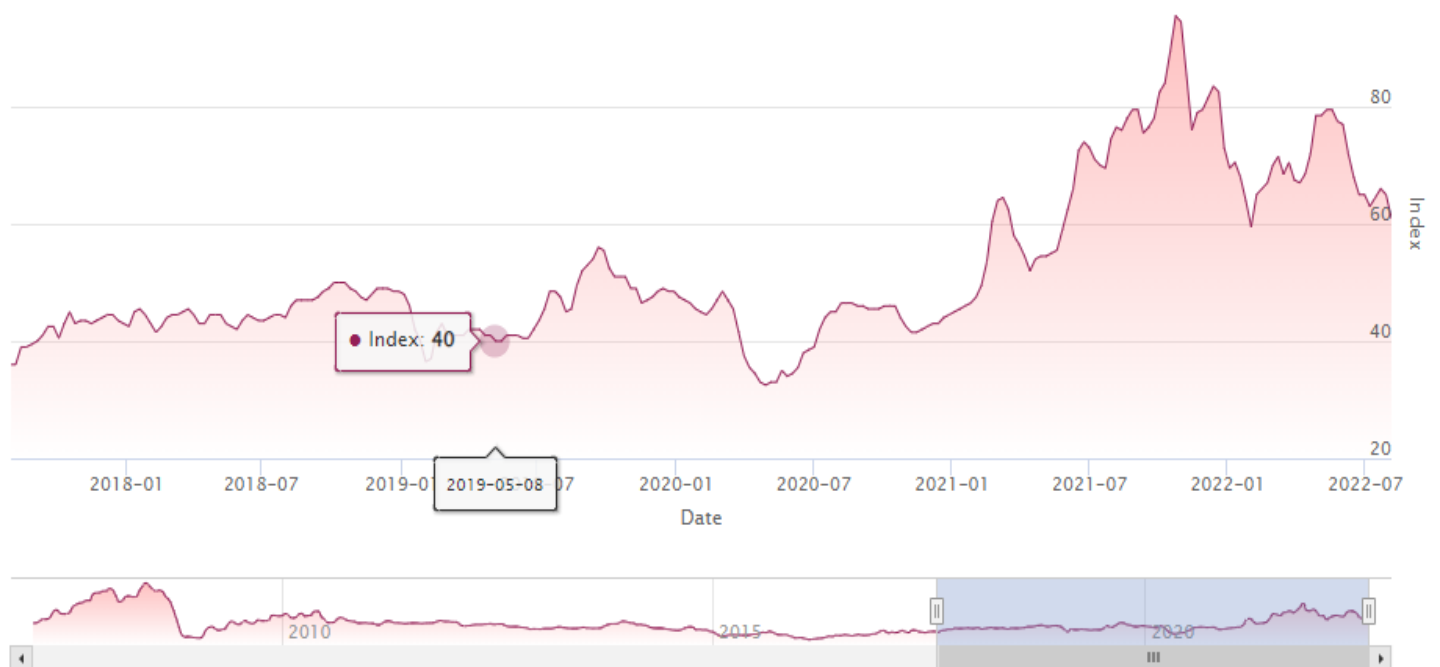


# YAMAMIZU Index



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

From 2017-08-03 To 2022-08-03



China Import Dry Bulk Freight Index					
2022-08-04					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1288.69	-52.73
Iron ore Freight Index			Point	1074.46	-89.37
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.14	-1.161
Soybean Freight Index			Point	1567.83	-8.52
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	55.37	-0.39
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	38.76	-0.15
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	65.76	-0.24

#### 4 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 =	6.0225
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	Z =	6.0625
Sept.	1.47	\$296.54	2.47	\$335.91	H=	6.1425
Oct.	1.47	\$296.54	2.42	\$333.94	K =	6.1875
Nov.	1.43	\$294.96	2.25	\$327.25	N=	6.1950
Dec.	1.40	\$293.78	2.15	\$323.31	U =	5.8750
Jan.	1.40	\$296.93	2.10	\$324.49		
Feb.	1.43	\$298.11	2.14	\$326.06		

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.	1.65	\$303.62
Oct.	1.60	\$301.66
Nov.	1.60	\$301.66
Dec.	1.65	\$303.62
Jan.	1.60	\$304.81

Fob vessel Texas Gulf #2 Sorghum is about 102 % 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	\$340.61	\$346.12	\$347.96	\$349.80
Basis	1.25	1.40	1.45	1.50
WU	7.8250			
WZ	8.0200			
WH	8.2050			

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>Sept. (X)</b>	1.95	<b>\$592.58</b>	2.95	<b>\$629.32</b>
<b>Oct.</b>	1.80	<b>\$587.07</b>	2.60	<b>\$616.46</b>
<b>Nov.</b>	1.64	<b>\$581.19</b>	2.47	<b>\$611.68</b>
<b>Dec.</b>	1.47	<b>\$577.79</b>	2.35	<b>\$610.12</b>
<b>Jan.</b>	1.45	<b>\$577.05</b>	2.35	<b>\$610.12</b>
<b>Soybean Futures</b>				
<b>Aug.</b>	\$ 16.1500			
<b>Sept.</b>	\$ 14.6125			
<b>Nov.</b>	\$ 14.1775			
<b>Jan.</b>	\$ 14.2550			
<b>Mar.</b>	\$ 14.2550			
<b>May</b>	\$ 14.2625			

\*Note that SBM Fob vessel USG is now trading at a discount to Soybeans Fob vessel.

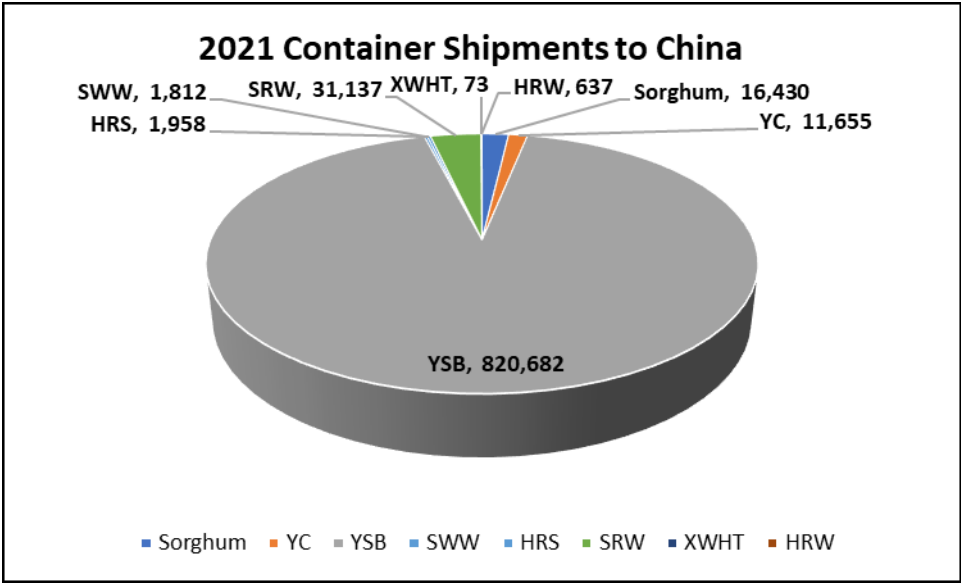
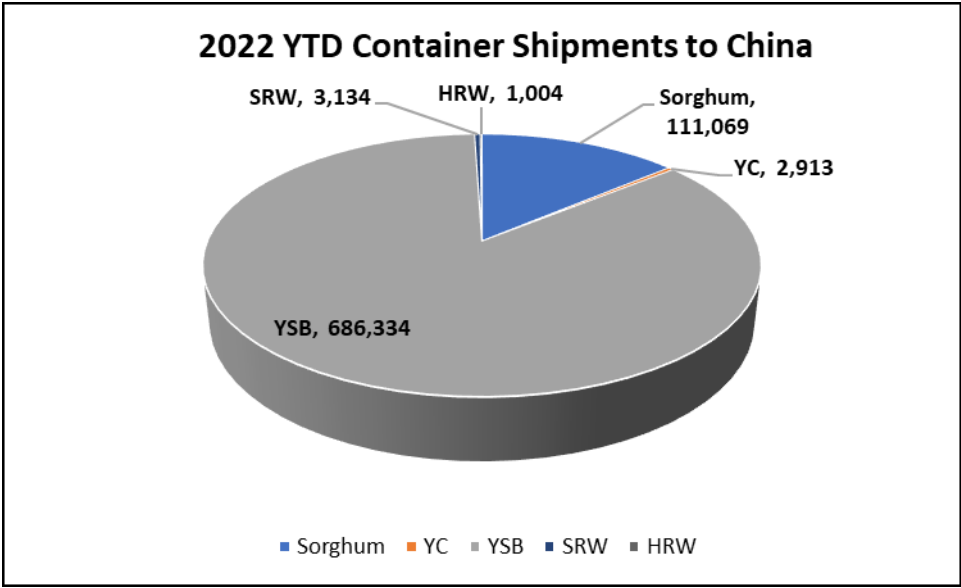
### U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
<b>Sept.</b>	50.00	<b>\$ 555.11</b>
<b>Oct.</b>	50.00	<b>\$ 522.03</b>
<b>Nov.</b>	50.00	<b>\$ 518.95</b>
<b>Dec.</b>	50.00	<b>\$ 518.95</b>
<b>Jan.</b>	50.00	<b>\$ 515.53</b>
<b>SBM Futures</b>		
<b>SMQ</b>	\$ 513.70	
<b>SMU</b>	\$ 453.50	
<b>SMV</b>	\$ 423.50	
<b>SMZ</b>	\$ 420.70	
<b>SMF</b>	\$ 417.60	
<b>SMH</b>	\$ 412.50	

**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:		28-Jul-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	SWH	DUWH	Sorghum	TOTAL
China	73		4,358	1,958				2,278	8,667
Taiwan	3,085		13,344						16,429
Hong Kong	147								147
Costa Rica									0
Indonesia			6,196						6,196
French Poly									0
Japan			588						588
Korea Rep.	24		686						710
Ireland									0
Malaysia			2,743		1,470	98			4,311
Singapore									0
Philippines	98								98
Thailand			4,335		342	784			5,461
Switzerland									0
Burma									0
Cambodia									0
Nepal			490						490
Vietnam			6,584		441				7,025
Sub Total:	3,427	0	39,324	1,958	2,253	882	0	2,278	50,122
USDA Corrections/Additions to previous reports:									
Taiwan			1,322						1,322
China									0
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan			343						343
Philippines									0
Indonesia			563						563
Malaysia									0
Thailand									0
Vietnam			1,371						1,371
Burma									0
Ireland									0
Sub Total:	0	0	3,599	0	0	0	0	0	3,599
<b>Mt. Grand Total</b>	<b>3,427</b>	<b>0</b>	<b>42,923</b>	<b>1,958</b>	<b>2,253</b>	<b>882</b>	<b>0</b>	<b>2,278</b>	<b>53,721</b>
Number of Containers	149	0	1,866	85	98	38	0	99	

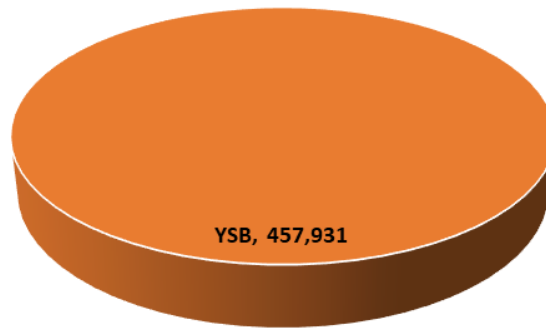
Jan - Dec 2021 Annual Totals versus 2022 YTD Container Shipments (in MT)





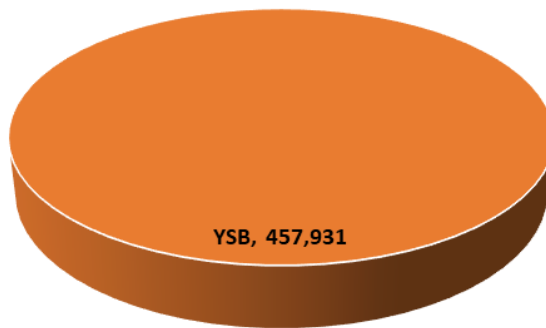
2022 YTD Total Grain Exports reported by USDA (in MT)

**2022 YTD Exports to Bangladesh**



■ YSB

**YTD Vessel Shipments to Bangladesh**



■ YSB

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

Source: USDA-data

## Shipping News

**BreakWave** @DryBulkETF · 2h

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GFI on Capesize: "It is difficult to hyperbolise the brutality of the Cape market over the past couple of weeks as the simple lack of a floor in the physical has created a scramble to offload the structural length that had been built up over the past year or so..."



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16



**Harry Grimes** @HBGrimes · 11h

...

Pretty long continuous period of FFAs sliding



**Alphaliner** @Alphaliner · 5h

...

4 of 5

... the full year, and ONE unveiled more record earnings for the second quarter. Hapag-Lloyd now expects operating profits (EBIT) of USD 17.5-19.5 bn for 2022 versus original projections of USD 12.5-14.5 bn in May.

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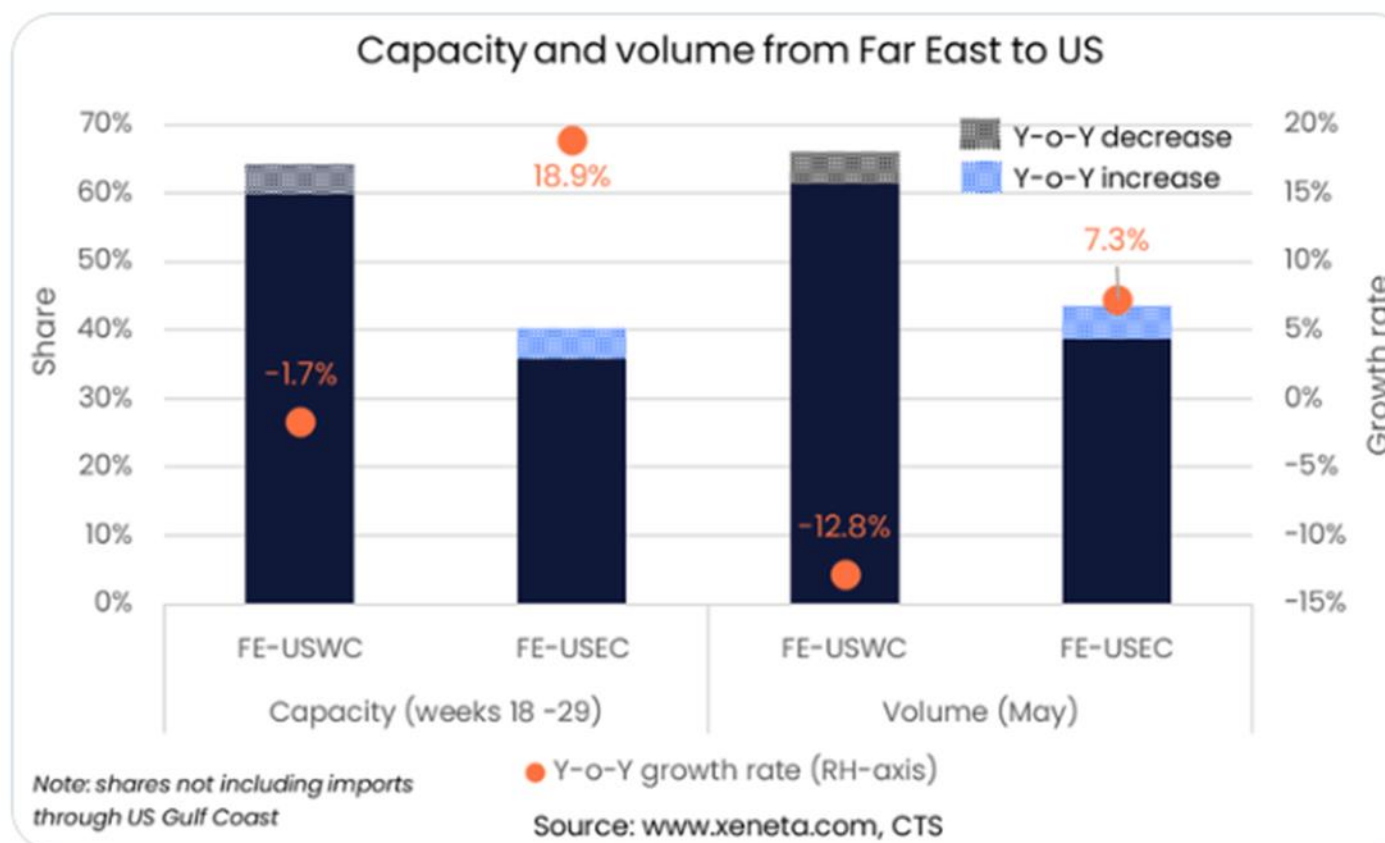
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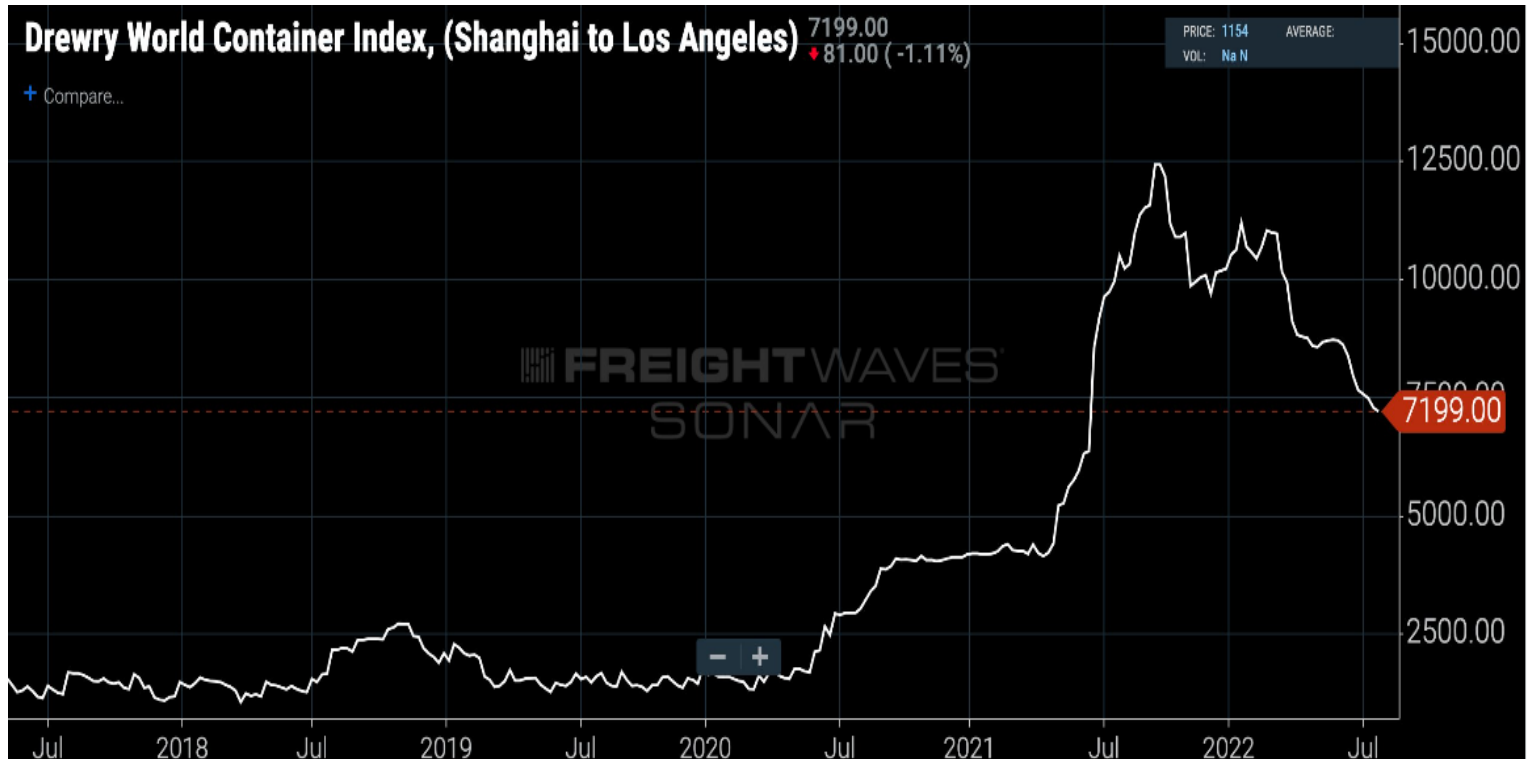
**Peter Sand** @XenetaSand · 6h

In the three months ending on 24 July, [#container](#) [#shipping](#) capacity between the Far East and the US EC rose by 18.9% compared to the same period in 2021. Spot rates have fallen by \$2,500 in that timespan, down from \$12,000 in April [xeneta.com/blog/weekly-co...](https://www.xeneta.com/blog/weekly-co...)



**Marine Exchange** @MXSOCAL · 6h

Ship Report 8/2: 84 total ships inport LA/LB incl. 30 at anchor or loitering & 54 at berths. Of the 84, 27 are container ships incl. 3 at anchor or loitering & 24 at berths. 0 vessels loitering. 1 empty anchorage.



**Tom Craig** @LTDManagement · 2h

...

A new geopolitical [#supplychain](#) [#risk](#) & disruption? Taiwan tension. Key shipping lane-Taiwan Strait. Almost half of the global container fleet and 88% of the world's largest ships by tonnage passed through. [#maritime](#) [#logistics](#) [#inventory](#)



[bloomberg.com](https://www.bloomberg.com)

Taiwan Tensions Raise Risks in One of Busiest Shipping Lanes

The standoff between the US and China over Taiwan has thrown a spotlight on growing risks to one of the world's busiest shipping lanes ...

**Michele LABRUT** @LabrutMichele · 6h

...

Maersk ups full year profit forecast to \$37bn



[seatrade-maritime.com](https://www.seatrade-maritime.com)

Maersk ups full year profit forecast to \$37bn

Any topping out or softening of container freight rates is certainly not hitting shipping line financials...



For the second consecutive year, intermodal congestion is building up in @UnionPacific and @BNSFRailway terminals in Kansas City as other containers pile up in @PortofLA and @portoflongbeach. [shar.es/afrAOC](https://shar.es/afrAOC) via @JOC\_Updates



**Elena Faige Neroba** @ElenaNeroba · 7h

...

An inspection team consisting of representatives of Ukraine, the UN, Turkey and Russia arrived on the Razoni dry cargo vessel and is inspecting it, the Turkish Defense Ministry reports.

What they are looking for? Putin's corpse?



**Mike Lee** @GreenSquareAC · 5h

...

After the departure of the first grain ship, Ukraine's infrastructure minister, Oleksandr Kubrakov, that it would take months for exports to reach pre-war levels and that he expected no more than five vessels to leave within the next two weeks.

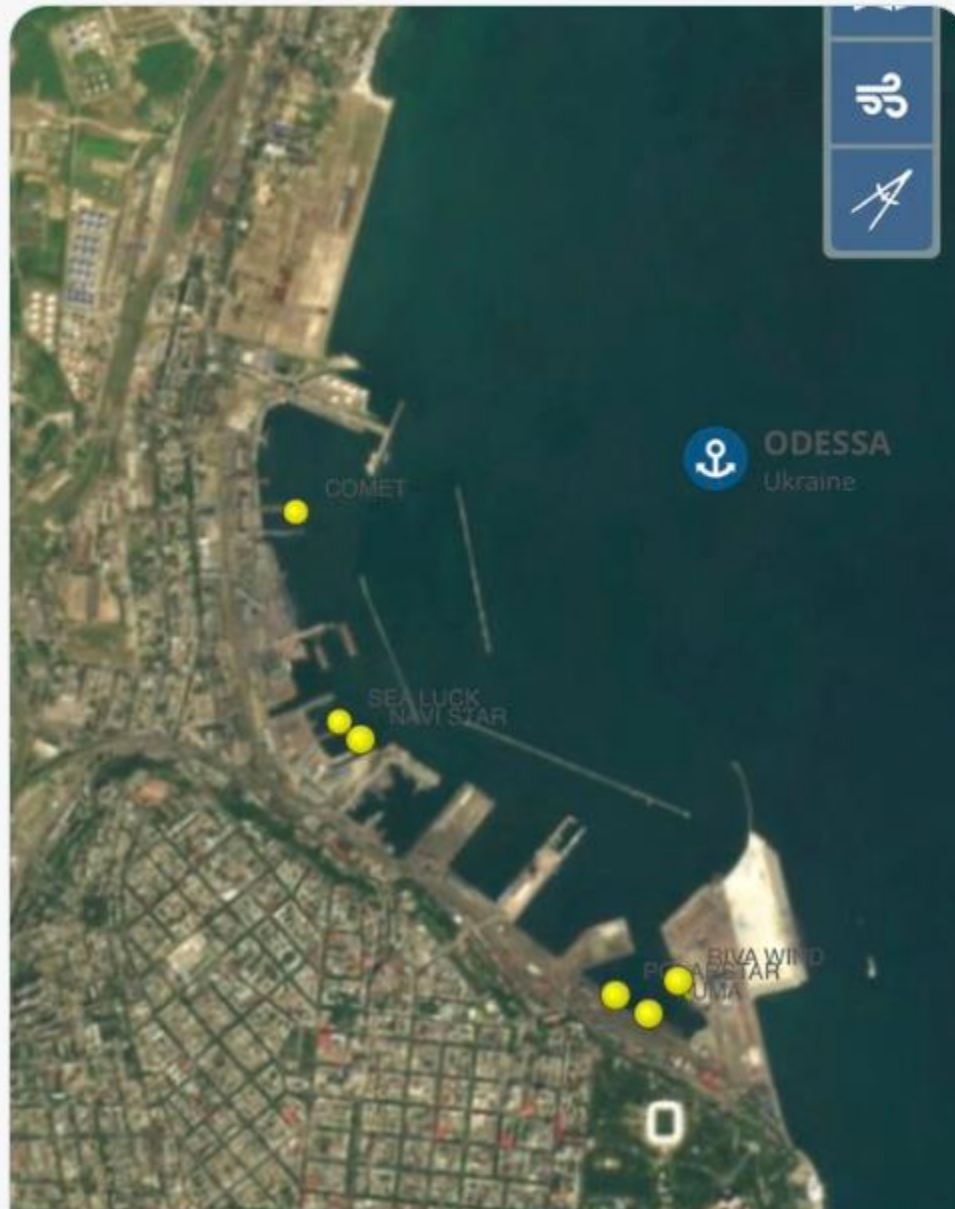




**Jeremy Wilson** @notill4me · 5h

Replying to [@sizov\\_andre](#)

6 bulk carriers sitting in Odessa when Razoni left, haven't



# Where will the next 1000 babies be born?



## Americas 106

USA 30  
Brazil 22  
Mexico 13  
Colombia 5  
Argentina 5

## Europe 52

Russia 10  
France 6  
Germany 6  
UK 5  
Italy 3

## Africa 326

Nigeria 57  
Congo DR 32  
Ethiopia 25  
Egypt 17  
Tanzania 16

## Asia 513

India 172  
China 103  
Pakistan 47  
Indonesia 31  
Bangladesh 22

Source: CIA World Factbook  
Calculations based on estimated population and birth rates

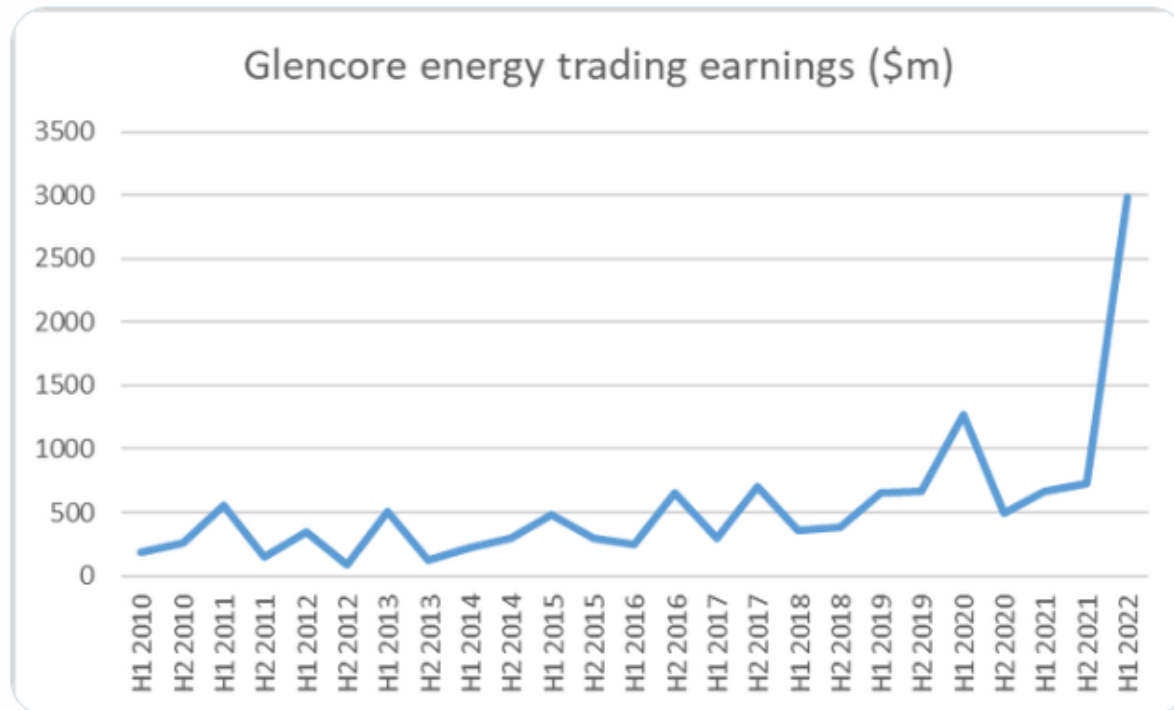
statsofindia.in  
by @PratapVardhan

Jack Farchy @jfarchy · 12h

...

More windfall profits from traders on the back of war in Ukraine

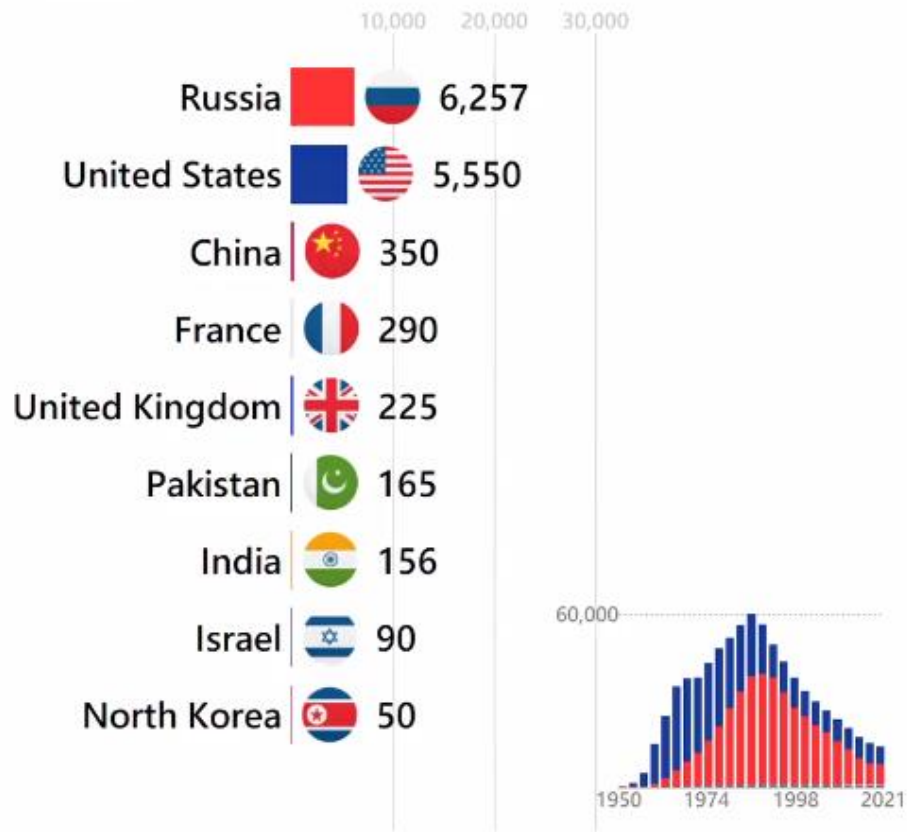
Glencore reports record earnings for the first half, including \$3 billion from trading energy -- more than six times its average





# Nuclear Warheads by Country

1950 - 2021



2021



## China Containerized Freight Index



## China Import Dry Bulk Freight Index



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

Secondary Rail Car Market Placement FH September 2022	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (200.00)	\$ (100.00)	\$ (0.05)	\$ (0.03)	\$ (1.97)	\$ (0.98)
UPRR Shuttle Trains	\$ 300.00	\$ 800.00	\$ 0.08	\$ 0.20	\$ 2.95	\$ 7.87

**U.S. RIVER BARGE FREIGHT**

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

Placement FH Sept. 2022	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	750	\$51.17	1.30	1.39
Illinois River (Pekin and South)	650	\$44.35	1.13	1.21
Mid-Mississippi	650	\$31.96	0.81	0.87
Lower Ohio	650	\$31.96	0.81	0.87
St. Louis	625	\$27.49	0.70	0.75

Best Regards,

Jay

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Follow me on Twitter @ igpjay



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