

Transportation and Export Report for 15 September 2022

The bounce off bottom continued this week as Dry Bulk markets jumped higher. This was mostly a technical move in FFA paper markets, but the rally lost momentum at the top and settled slightly off the highs for the week. Q4 2022 Panamax markets settled at \$16,500 after reaching an earlier high of \$17,950/day. Q1 2023 Panamax markets were less enthusiastic and settled at \$11,300/day. Without an increase in physical cargo demand, Dry Bulk markets will struggle to move much higher.

The ILWU-West Coast Port labor contract negotiations are ongoing with no schedule for a conclusion soon. Port automation remains the biggest sticking point.

The feared U.S. Railroad strike has apparently been averted. A tentative contract has been negotiated and now must go to the rank-and-file union membership for final approval. Unions agreed to a new 5 year contract (beginning from 2020, ending in 2025) that provides a 24% pay increase over the period and a single individual payment of \$11,000 to each union member. Vote is tonight.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
15-Sep-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	24768	21,727	3,041	14.0%
P3A: PNW/Pacific - Korea	Index	20986	16,946	4,040	23.8%
S1C: US GULF-China-So.Japan	Index	19643	16993	2,650	15.6%
P7: Trial- Miss. River - Qingdao	per ton	59.58	56.42	3.16	5.6%
P8: Trial- Santos - Qingdao	per ton	49.70	44.81	4.89	10.9%

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

Four weeks ago:	\$8.40-\$8.15
Three weeks ago:	\$8.35-\$8.25
Two weeks ago:	\$7.50-\$7.85
One week ago:	\$8.25-\$7.85
This week	\$8.40-\$9.82

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

Mississippi River:	(9 elevators)	3-11 days
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-4 days
Pacific Northwest:	(9 elevators)	0- 8 days (4 facilities at zero days)

Panamax Market Spreads to Asia -China					
15-Sep-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.47	2.21	0.74	\$29.13	GULF
SOYBEANS	2.05	2.85	0.80	\$29.39	GULF
OCEAN FREIGHT	\$60.00	\$36.00	.61-.65	\$24.00	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 \$44.50 - \$45.50/mt.
 Soybean Brazil to Spain about \$49.50 - \$51.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$61.50	Up \$3.50	Handymax \$61.00 mt
55,000 U.S. PNW- Japan	\$36.50	Up \$3.00	Handymax at \$33.50 mt
65,000 U.S. Gulf – China PNW to China	\$60.00 \$36.00	Up \$3.50 Up \$3.00	North or South China
25,000 U.S. Gulf- Veracruz, México	\$25.50	Up \$0.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$22.00	Up \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia 50,000 USG- E/C Colombia <u>East Coast Colombia</u> From Argentina	\$35.25 \$32.75 \$43.00	Up \$1.00	<u>West Coast Colombia at \$40.00</u>
40-45,000 U.S. Gulf - Guatemala	\$42.00	Up \$1.25	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$59.50	Up \$3.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$58.50 \$59.50	Up \$3.00	55,000-60,000 mt Egypt Romania - Russia- Ukraine \$26.50 - \$27.00 - \$.40.00 - France \$41.00, Bulgaria \$29.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$29.00	Up \$1.00	Handymax at +\$2.50 more
Brazil, Santos –China Brazil, Santos –China Up-River Port North Brazil	\$52.50 50.00 \$59.50	Up \$4.75	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 55-60,000 mt
56-60,000 Argentina-China Deep draft	\$56.00	Up \$4.75	Up-River with Top Off Plus \$3.85-\$4.75

The Baltic Dry Bulk Freight Index Index



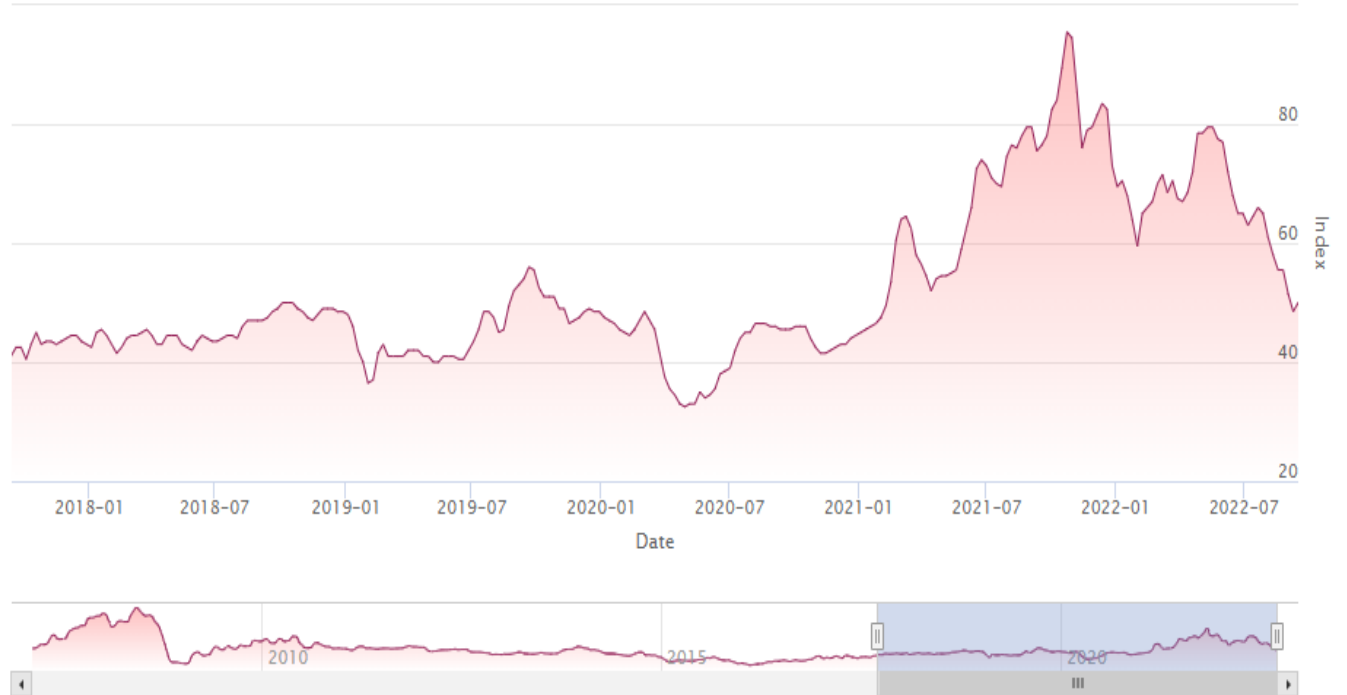
Baltic Average of the Time Charter routes per Segment



YAMAMIZU Index


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

From 2017-09-14 To 2022-09-14



China Import Dry Bulk Freight Index

2022-09-15

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1265	33.92
Iron ore Freight Index			Point	1130.97	52.94
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	9.823	0.445
Soybean Freight Index			Point	1420.34	23.5
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	49.47	0.91
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	35.8	0.8
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	60.36	0.72

15 September 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		Z =	6.7750
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	6.8275
Oct.	1.47	\$324.59	2.21	\$353.72	K =	6.8275
Nov.	1.44	\$323.41	2.13	\$350.57	N =	6.7625
Dec.	1.40	\$321.83	2.05	\$347.42	U =	6.3275
Jan.	1.25	\$317.99	1.95	\$345.55	Z =	6.2000
Feb.	1.20	\$316.03	1.95	\$345.55		
Mar.	1.15	\$314.06	1.95	\$345.55		

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
Oct.	3.00	\$384.82
Nov.	2.60	\$369.07
Dec.	2.55	\$367.11
Jan.	2.55	\$369.17
Feb.	2.55	\$369.17

Fob vessel Texas Gulf #2 Sorghum is about 118 % 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	
	Oct.	Nov.	Dec.	Jan.
FOB U.S. GULF	\$358.43	\$360.27	\$362.11	\$367.62
Basis	1.15	1.20	1.25	1.40
WZ	8.4500			.
WH	8.6050			
WK	8.6950			

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
Oct.	2.05	\$608.65	2.85	\$638.05
Nov.	1.60	\$592.12	2.60	\$628.86
Dec.	1.53	\$591.94	2.45	\$625.74
Jan.	1.43	\$588.26	2.40	\$623.90
Feb.	1.40	\$587.25	2.40	\$623.99
Soybean Futures				
Nov.	\$ 14.5150			
Jan.	\$ 14.5800			
Mar.	\$ 14.5825			
May	\$ 14.5875			
July	\$ 14.5550			
Aug.	\$ 14.3200			

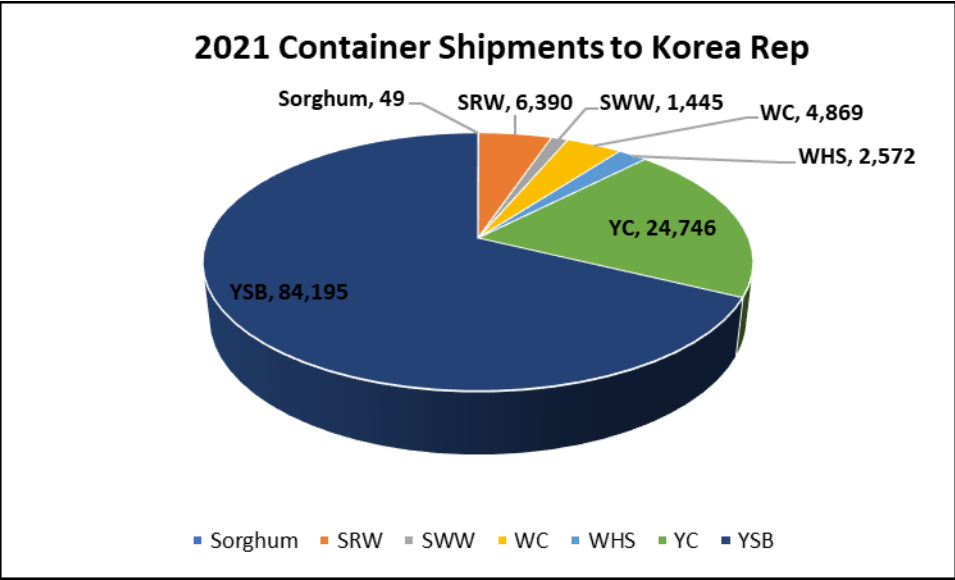
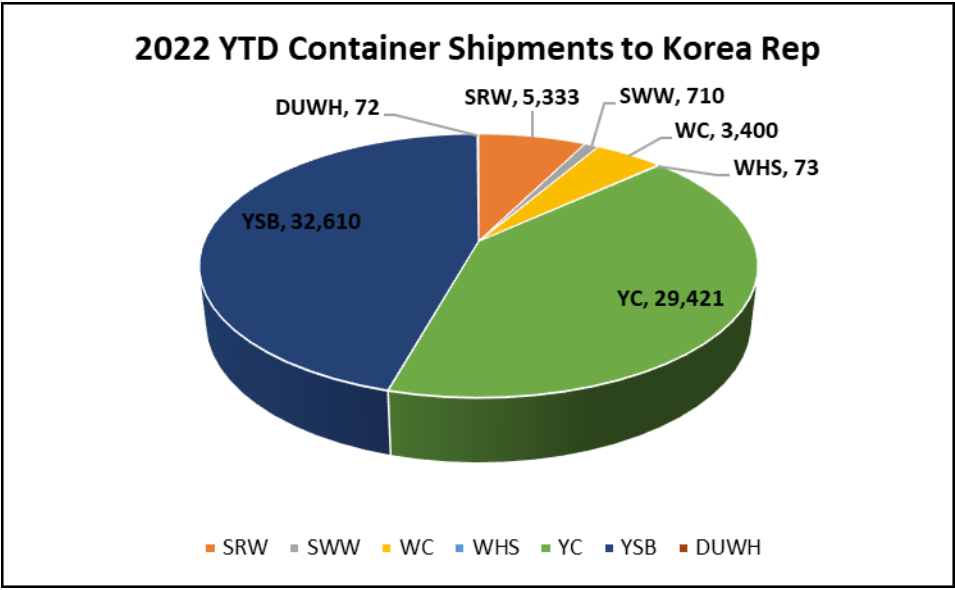
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Oct.	45.00	\$ 528.65
Nov.	43.00	\$ 519.28
Dec.	45.00	\$ 516.52
Jan.	45.00	\$ 516.52
Feb.	50.00	\$ 515.31
SBM Futures		
SMV	\$ 434.50	
SMZ	\$ 428.00	
SMF	\$ 423.50	
SMH	\$ 417.40	
SMK	\$ 414.30	
SMN	\$ 414.40	

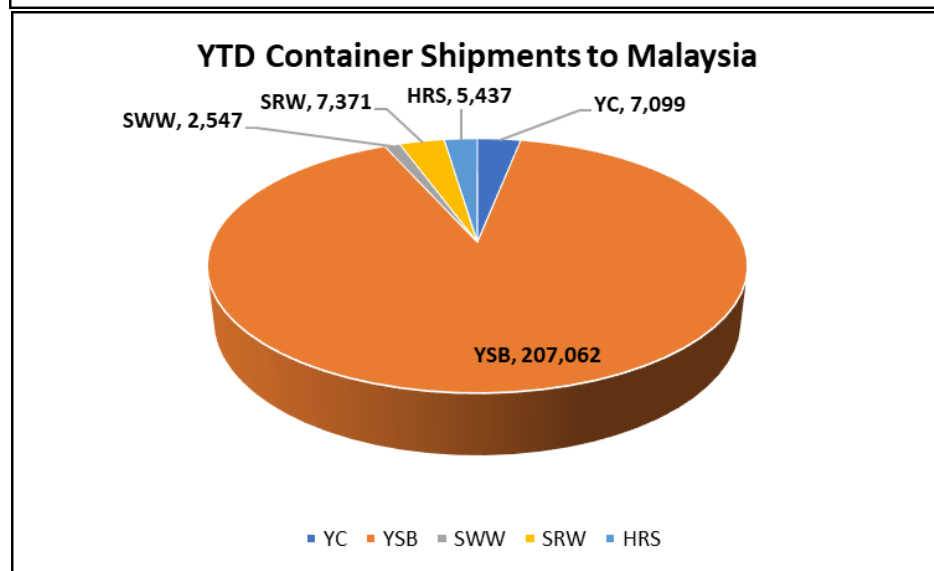
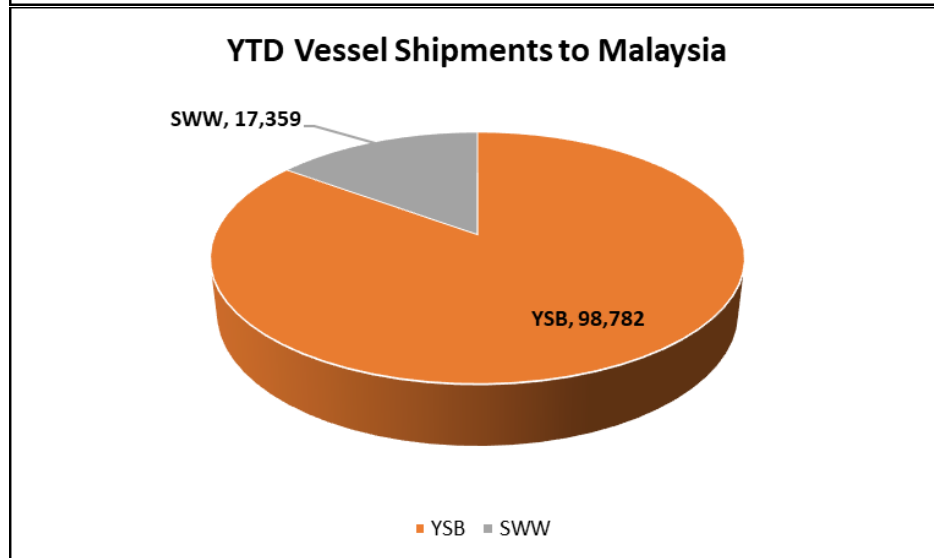
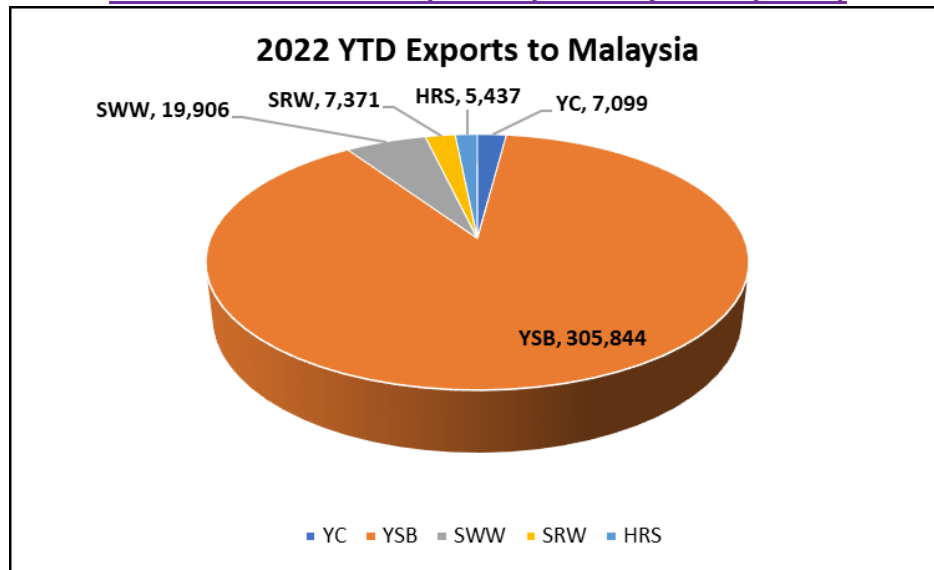
Data sheet below: *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		8-Sep-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	DUWH	Sorghum	TOTAL
China			5,168	122					5,290
Taiwan	3,891		5,138	465					9,494
Hong Kong	171								171
Costa Rica									0
Indonesia			3,054						3,054
French Poly									0
Japan			733						733
Korea Rep.	367								367
Dominic Rep									0
Malaysia			2,082	2,595					4,677
Singapore									0
Philippines			1,029						1,029
Thailand			2,032						2,032
Ireland		96							96
Burma									0
Cambodia									0
Nepal									0
Vietnam			2,080		269				2,349
Sub Total:	4,429	96	21,316	3,182	269	0	0	0	29,292
USDA Corrections/Additions to previous reports:									
Taiwan			1,641						1,641
China			734						734
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan	171		465						636
Philippines									0
Indonesia			1,934						1,934
Malaysia	490		440						930
Thailand			293						293
Vietnam			808						808
Burma									0
Cambodia									0
Sub Total:	661	0	6,315	0	0	0	0	0	6,976
Mt. Grand Total	5,090	96	27,631	3,182	269	0	0	0	36,268
Number of Containers	221	4	1,201	138	12	0	0	0	

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



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



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

Source: USDA-data

Shipping News

BLET, SMART-TD reach tentative agreement with railroads



ble-t.org

BLET, SMART-TD reach tentative agreement with railroads | Brotherho...

For immediate release, September 15, 2022 Statement by Jeremy Ferguson, President, SMART Transportation Division and Dennis Pierc...



Bloomberg

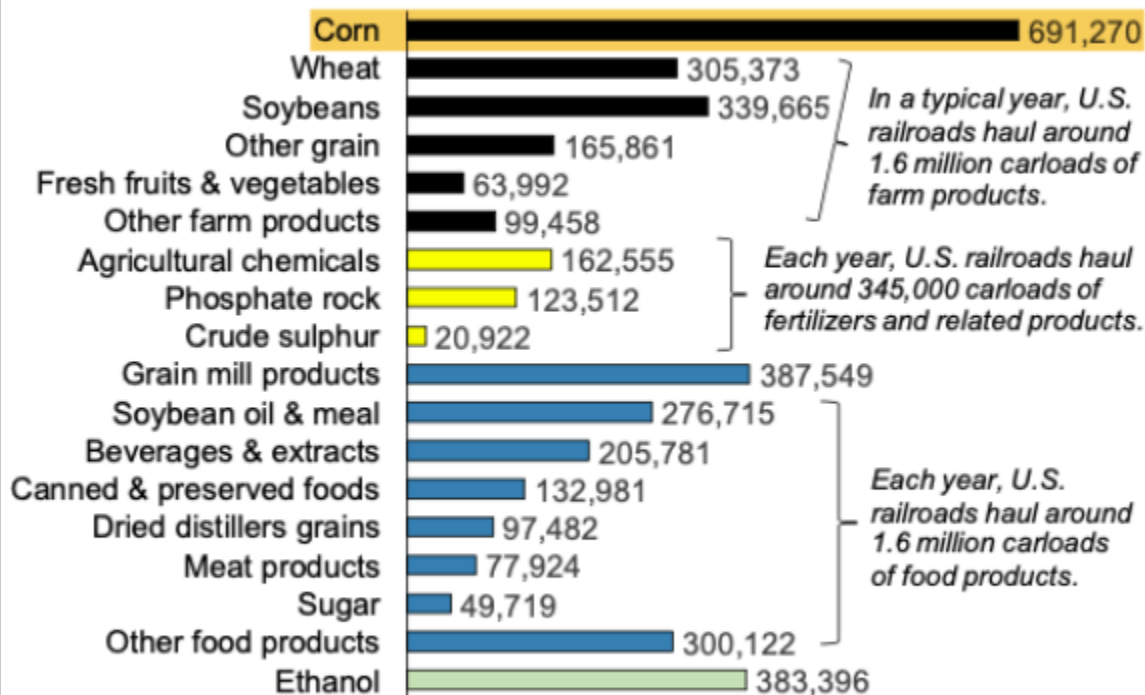
US RAILROAD LABOR DEAL

Breakthrough comes a day before strike deadline

- 24% wage increase for rail employees
- Avg. \$11K immediate payout
- No increased health care costs, disruptions
- Voluntary assigned days off, one more paid day off
- Subject to union membership approval

Source: Association of American Railroads

U.S. Rail Carloads of Food- and Farm-Related Products*



*Carloads except ethanol are 2020 originations for U.S. Class I railroads. Figures may not include some intermodal shipments. Source: AAR (FCS), STB Waybill Sample

Xeneta @joinxeneta · 4h

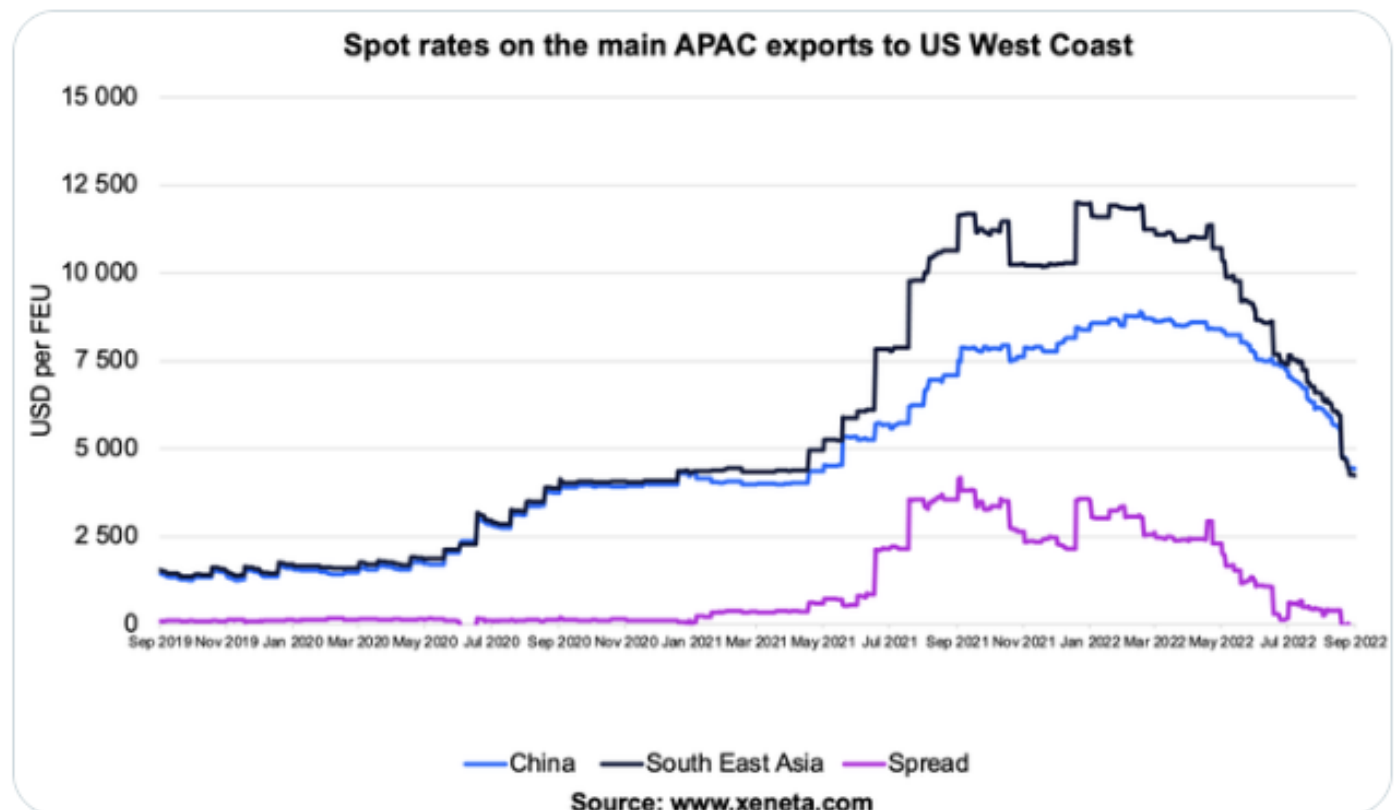
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[#Xeneta](#) [#freightrate](#) update: Week 37, 2022

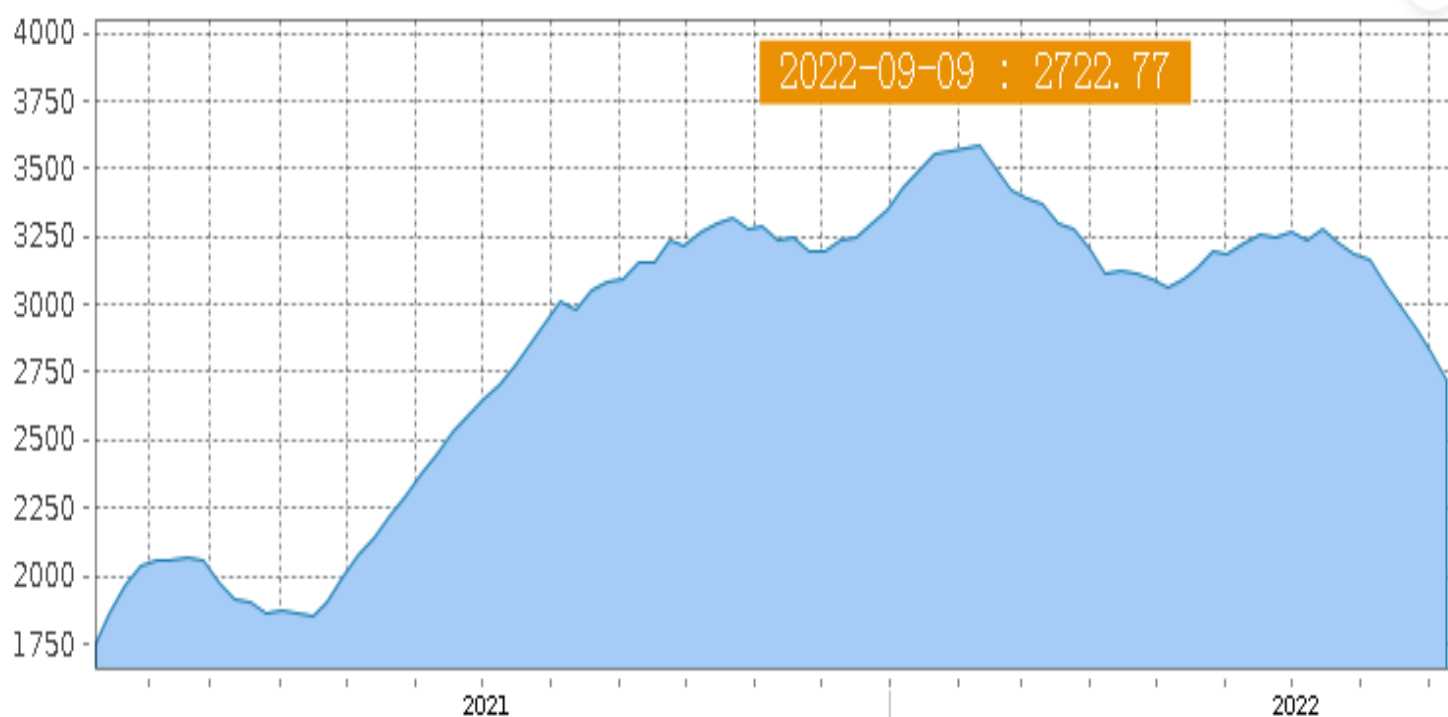
The recent trend of globally falling spot freight rates has brought transport costs back on par on the main transpacific corridors of containerized exports from APAC to the US WC 🙌

hubs.ly/Q01mnjLp0

[#containershipping](#) [#shipping](#)



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	\$ 1,600	\$ 2,400	\$ 0.40	\$ 0.60	\$ 15.75	\$ 23.62
UPRR Shuttle Trains	\$ 1,800	\$ 2,800	\$ 0.45	\$ 0.70	\$ 17.72	\$ 27.56

U.S. RIVER BARGE FREIGHT

Barge Freight for Loading Placement First Half October 2022

Placement FH Oct. 2022	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	900	\$61.41	1.56	1.67
Illinois River (Pekin and South)	925	\$63.11	1.60	1.72
Mid-Mississippi	925	\$45.48	1.16	1.24
Lower Ohio	900	\$44.25	1.12	1.20
St. Louis	850	\$37.38	0.95	1.02

Best Regards,

Jay

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