

Transportation and Export Report for 22 September 2022

It has been an up and down week in Dry Bulk markets. At weeks end freight markets are being described as “stabilizing”. The translation of this definition is that markets were unable to continue their upward recovery and fell back this week but have been able to limit losses. It remains a complicated game with China and The Black Sea holding most of the important cards. The market volatility is not surprising after the 93 percent drop in the Baltic Capesize index between May and August. Some degree of recovery is to be expected. But last week’s big jump as a bit too much too soon.

The ILWU-West Coast Port labor contract negotiations are ongoing but seem to have hit a snag on the issue of port automation. Shippers and receivers must keep a close eye on the progress. A tentative contract has been negotiated between railroads and labor unions and has gone to the rank-and-file union membership for final approval. The vote is today. Some are giving the new contract 60/40 odds of passing by the unions. It may be next week before we know the outcome.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
22-Sep-2022		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - Japan	Index	24100	24,768	-668	-2.7%
P3A: PNW/Pacific - Korea	Index	20273	20,986	-713	-3.4%
S1C: US GULF-China-So.Japan	Index	23293	19643	3,650	18.6%
P7: Trial- Miss. River - Qingdao	per ton	58.40	59.58	-1.18	-2.0%
P8: Trial- Santos - Qingdao	per ton	48.53	49.70	-1.17	-2.4%

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

Four weeks ago:	\$8.35-\$8.25
Three weeks ago:	\$7.50-\$7.85
Two weeks ago:	\$8.25-\$7.85
One week ago:	\$8.40-\$9.82
This week	\$8.85-\$9.75

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

Mississippi River:	(9 elevators)	2-13 days (only 1 facility over 6 days)
Mid-Stream loaders:	(6+ Rigs)	1-2 days
Texas Gulf	(5 elevators)	0-5 days (only 1 facility over 1 day wait)
Pacific Northwest:	(9 elevators)	0-6 days (3 facilities at zero days)

Panamax Market Spreads to Asia -China					
22-Sep-2022	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.51	2.21	0.70	\$27.56	GULF
SOYBEANS	2.10	2.90	0.80	\$29.39	GULF
OCEAN FREIGHT	\$60.00	\$35.50	.62-.67	\$24.50	October

Current Grain Vessel Market Indications:

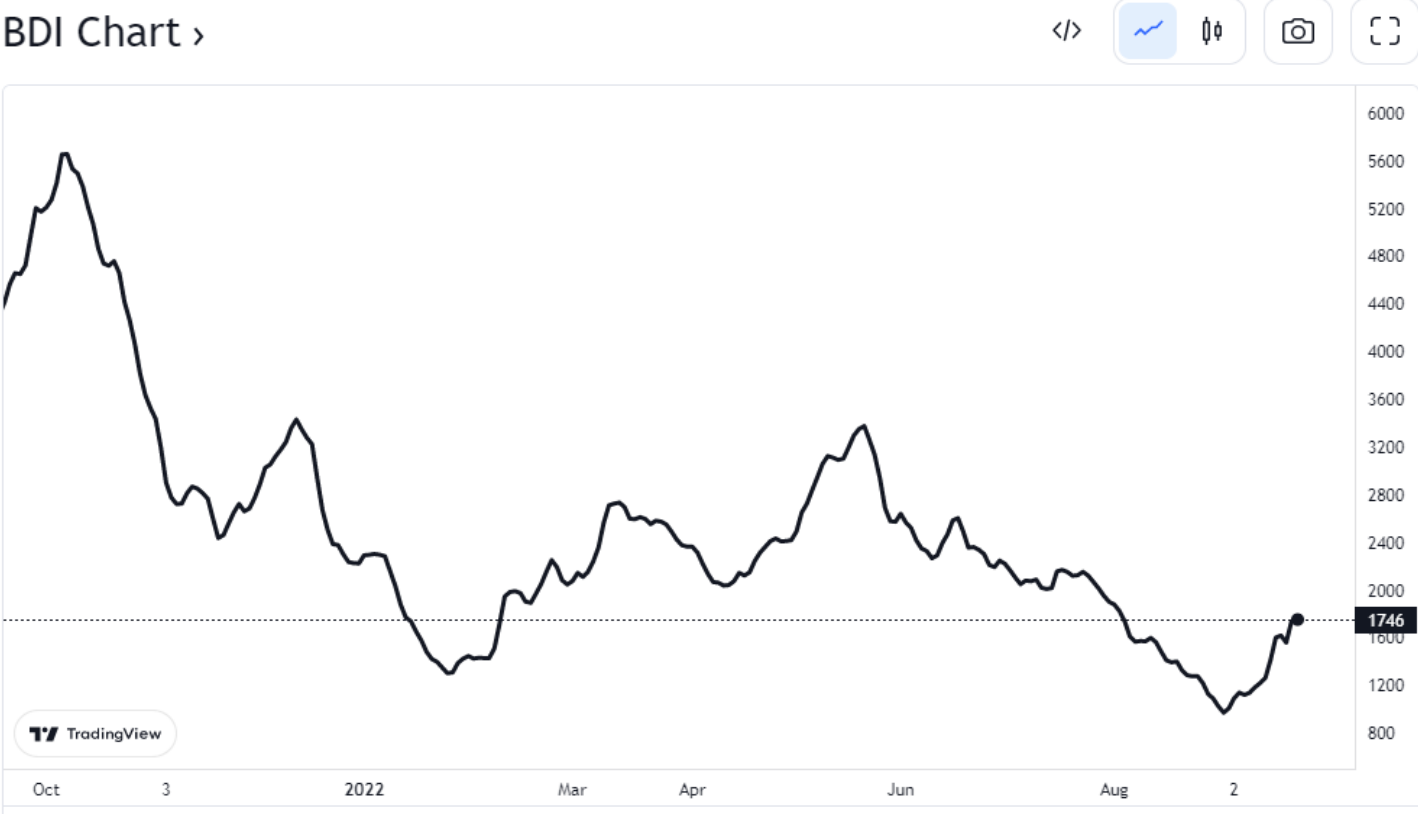
**** Rates are estimates for the nearby-30-day period. 60-90 days forward physical rates will usually be higher.**

Soybean Panamax USG to Spain is running \$44.00 -\$45.00/mt.

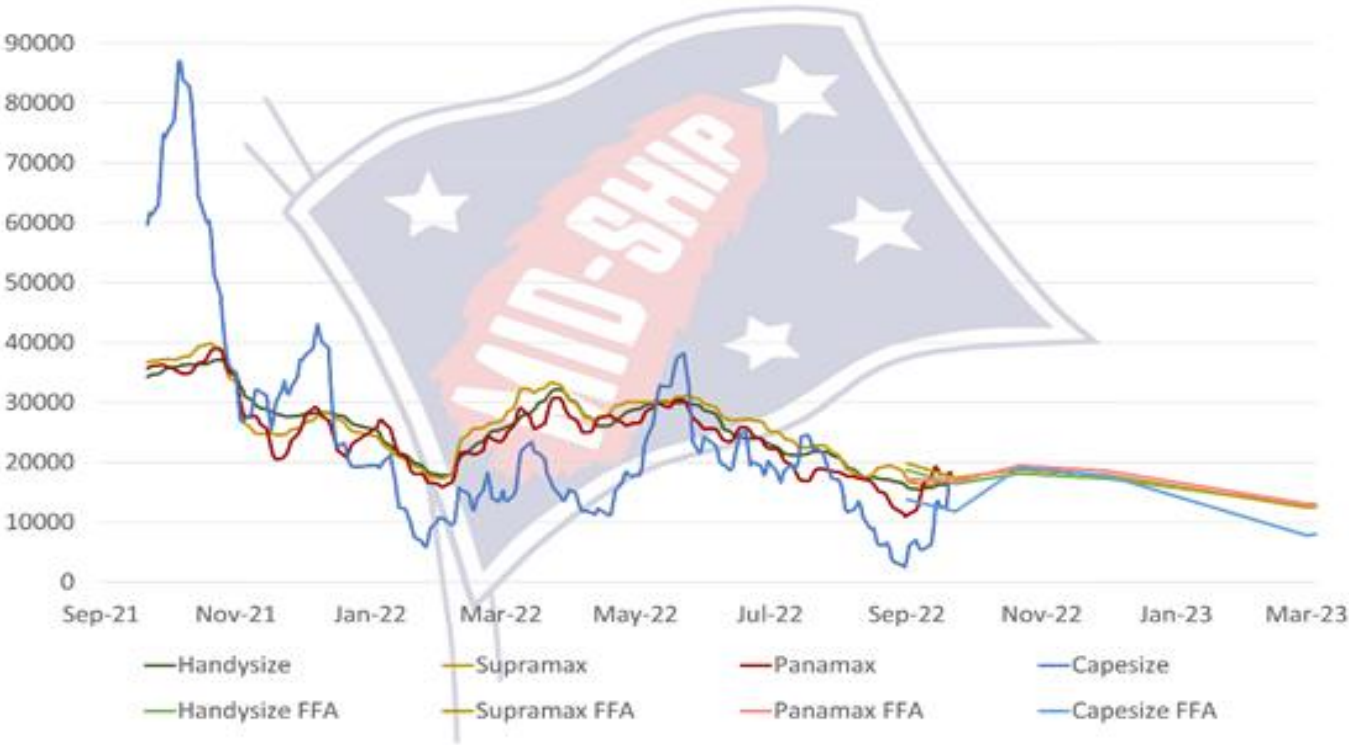
Soybean Brazil to Spain about \$49.00 -\$50.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$61.00	Down \$0.50	Handymax \$61.00 mt
55,000 U.S. PNW- Japan	\$36.00	Down \$0.50	Handymax at \$33.50 mt
65,000 U.S. Gulf – China PNW to China	\$60.00 \$35.50	Unchanged Down \$0.50	North or South China
25,000 U.S. Gulf- Veracruz, México	\$25.50	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$22.00	Unchanged	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	\$35.00 \$32.50 \$42.50	Down \$0.25	<u>West Coast Colombia at \$39.50</u>
40-45,000 U.S. Gulf - Guatemala	\$41.75	Down \$0.25	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$59.00	Down \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW to Egypt	\$58.00 \$59.00	Down \$0.50	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	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China Brazil, Santos –China Up-River Port North Brazil	\$51.50 \$49.00 \$58.50	Down \$1.00	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 55-60,000 mt
56-60,000 Argentina-China Deep draft	\$55.00	Down \$1.00	Up-River with Top Off Plus \$3.85-\$4.75

The Baltic Dry Bulk Freight Index



The Baltic Dry Bulk Freight Index- Cape-Panamax-Supra and Handy

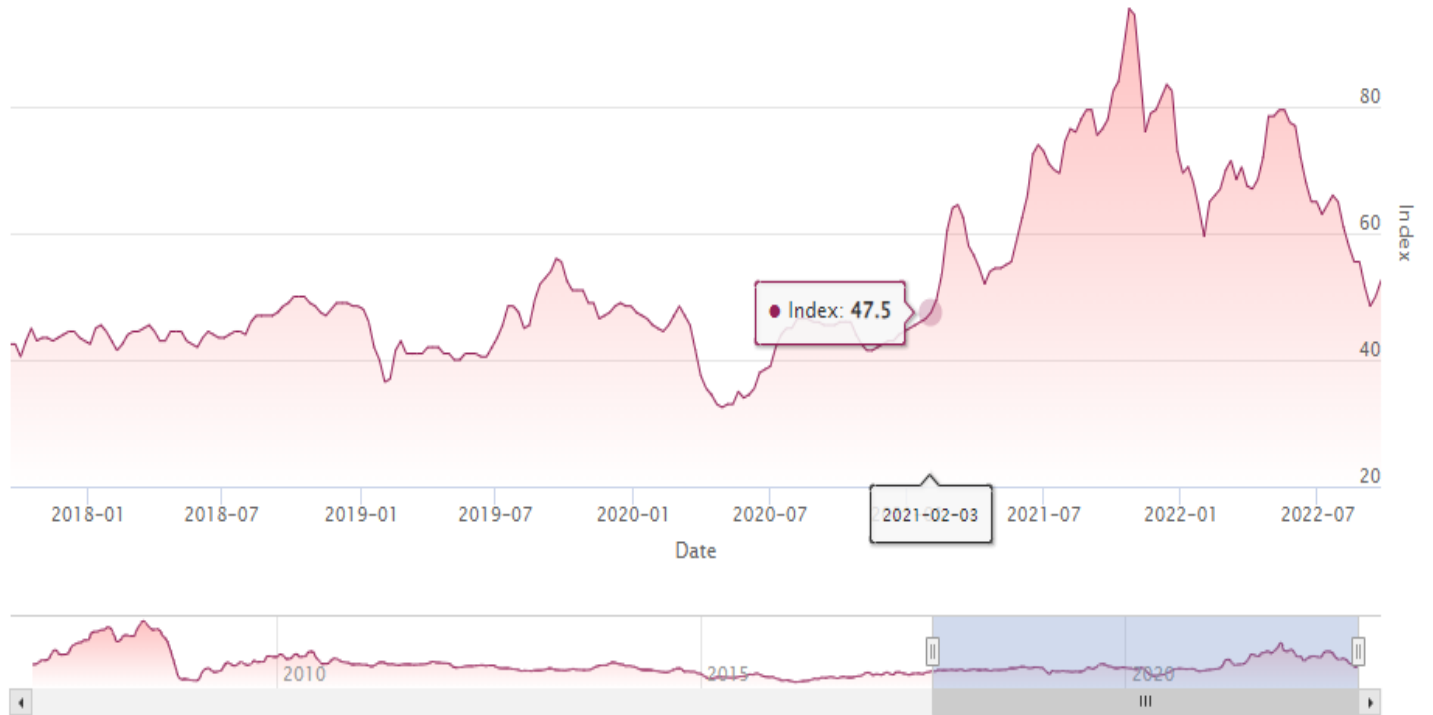


YAMAMIZU Index



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

From 2017-09-21 To 2022-09-21



China Import Dry Bulk Freight Index					
2022-09-22					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1281.4	-23.26
Iron ore Freight Index			Point	1157.55	-46.57
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	9.724	-0.642
Soybean Freight Index			Point	1405.33	-1.52
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	49.03	-0.06
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	35.49	-0.06
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	59.54	-0.04

22 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 =	6.8825
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	6.9325
Oct.	1.51	\$330.39	2.21	\$357.95	K =	6.9425
Nov.	1.49	\$329.61	2.13	\$354.80	N =	6.8850
Dec.	1.46	\$328.43	2.05	\$351.65	U =	6.4250
Jan.	1.28	\$323.31	1.95	\$349.68	Z =	6.3000
Feb.	1.20	\$320.16	1.95	\$349.68		
Mar.	1.16	\$318.58	1.96	\$350.08		

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.	2.35	\$363.46
Nov.	2.15	\$355.59
Dec.	2.15	\$355.59
Jan.	2.15	\$357.56
Feb.	2.15	\$357.56

Fob vessel Texas Gulf #2 Sorghum is about 110 % 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	\$379.19	\$381.03	\$382.87	\$386.54
Basis	1.10	1.15	1.20	1.30
WZ	9.1075			.
WH	9.2200			
WK	9.2750			

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.	2.10	\$612.51	2.90	\$641.91
Nov.	1.60	\$594.14	2.60	\$630.88
Dec.	1.53	\$593.86	2.45	\$627.67
Jan.	1.45	\$590.92	2.40	\$625.83
Feb.	1.43	\$590.83	2.40	\$626.47
Soybean Futures				
Nov.	\$ 14.5700			
Jan.	\$ 14.6325			
Mar.	\$ 14.6500			
May	\$ 14.6775			
July	\$ 14.6725			
Aug.	\$ 14.4650			

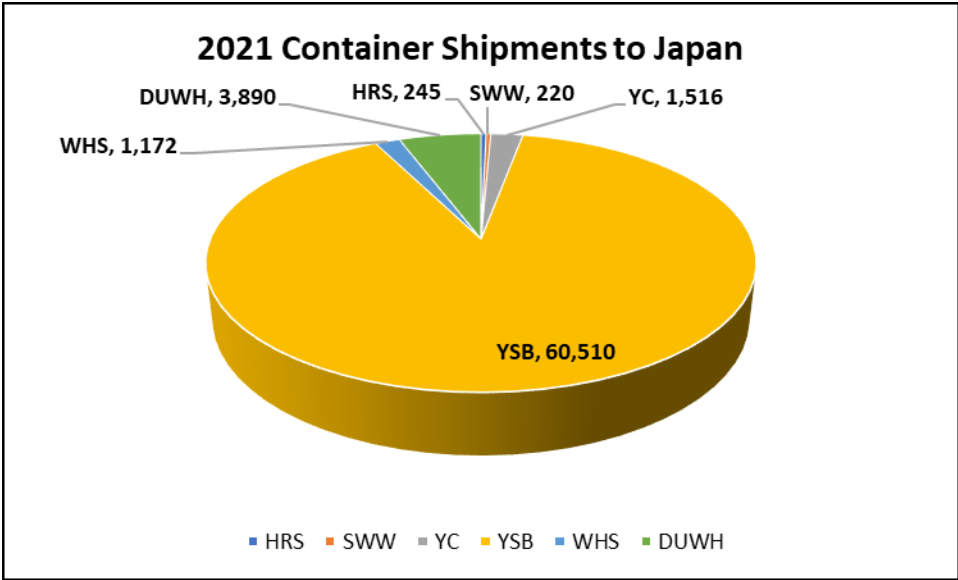
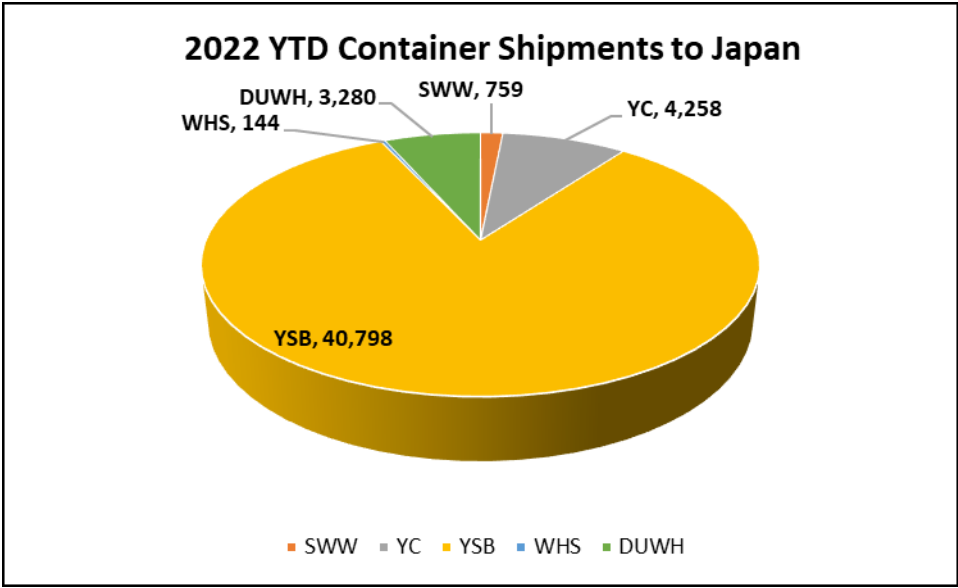
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Oct.	44.00	\$ 540.11
Nov.	40.00	\$ 516.96
Dec.	40.00	\$ 510.46
Jan.	40.00	\$ 510.46
Feb.	45.00	\$ 506.71
SBM Futures		
SMV	\$ 445.90	
SMZ	\$ 428.90	
SMF	\$ 423.00	
SMH	\$ 414.60	
SMK	\$ 410.20	
SMN	\$ 408.90	

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).*

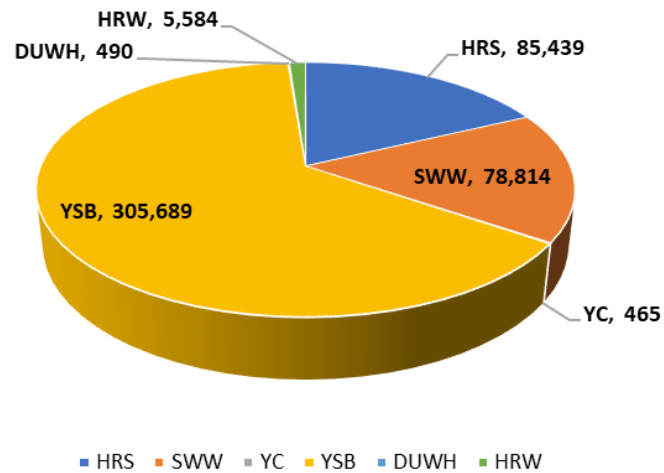
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		15-Sep-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	DUWH	Sorghum	TOTAL
China	588		9,280	196					10,064
Taiwan	3,010		7,835						10,845
Hong Kong	612								612
Costa Rica									0
Indonesia			4,605						4,605
French Poly									0
Japan			1,174						1,174
Korea Rep.				11					11
Dominic Rep									0
Malaysia	220		539	465	808				2,032
Singapore									0
Philippines									0
Thailand			1,592		343				1,935
Ireland		48							48
Burma									0
Cambodia									0
Nepal									0
Vietnam			3,623		245				3,868
Sub Total:	4,430	48	28,648	672	1,396	0	0	0	35,194
USDA Corrections/Additions to previous reports:									
Taiwan	318								318
China									0
Hong Kong									0
Korea Rep.	24			490					514
Un Kingdom									0
Japan			367						367
Philippines									0
Indonesia			294						294
Malaysia									0
Thailand									0
Vietnam			1,102						1,102
Burma									0
Cambodia									0
Sub Total:	342	0	1,763	490	0	0	0	0	2,595
Mt. Grand Total	4,772	48	30,411	1,162	1,396	0	0	0	37,789
Number of Containers	207	2	1,322	51	61	0	0	0	

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

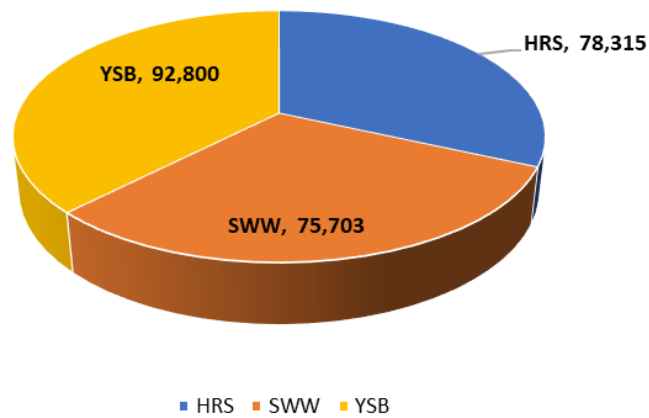


2022 YTD Total Grain Exports reported by USDA (in MT)

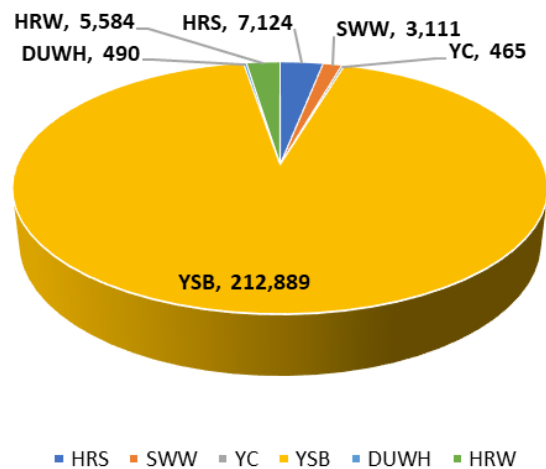
2022 YTD Exports to Vietnam



YTD Vessel Shipments to Vietnam



YTD Container Shipments to Vietnam




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

Source: USDA-data

Shipping News

 **Alphaliner** @Alphaliner · 45m

 China's Ningbo-Zhoushan edges closer to Singapore

Booming transpacific volumes have brought half-year throughput at #China's second largest #port Ningbo-Zhoushan to within 1 Mteu of #Singapore, the number two ranked port globally.

[Show this thread](#)

Top 20 Ports in first-half 2022
Ranked by throughput in teu, previous ranking refers to first-half 2021

Top 20 Ports in first-half 2022
Ranked by throughput in teu, previous ranking refers to first-half 2021

Rank	Port	H1 2022	H1 2021	Change H1 22 vs 21	Q1 2022	Q2 2022
1 (1)	Shanghai	22,540,000	22,945,000	▼ -1.8%	12,260,000	10,280,000
2 (2)	Singapore	18,406,900	18,730,900	▼ -1.7%	9,076,700	9,330,200
3 (3)	Ningbo-Zhoushan	17,480,000	16,070,000	▲ 8.8%	7,920,000	9,560,000
4 (4)	Shenzhen	14,400,000	13,770,000	▲ 4.6%	6,490,000	7,910,000
5 (6)	Qingdao	12,470,000	11,640,000	▲ 7.1%	5,900,000	6,570,000
6 (5)	Guangzhou	11,740,000	11,770,000	▼ -0.3%	5,480,000	6,260,000
7 (7)	Busan	11,211,318	11,451,472	▼ -2.1%	5,585,327	5,625,991
8 (8)	Tianjin	10,520,000	10,290,000	▲ 2.2%	4,630,000	5,890,000
9 (9)	LA/LB	10,421,679	10,181,702	▲ 2.4%	5,142,692	5,278,987
10 (10)	Hong Kong	8,387,000	8,708,000	▼ -3.7%	3,706,000	4,681,000
11 (11)	Rotterdam	7,278,000	7,612,000	▼ -4.4%	3,646,000	3,632,000
12 (13)	Dubai	6,984,000	6,900,000	▲ 1.2%	3,424,000	3,560,000
13 (14)	Antwerp-Bruges	6,770,000	7,220,000	▼ -6.3%	n.a.*	n.a.*
14 (12)	Port Kelang	6,489,021	7,004,229	▼ -7.4%	3,207,359	3,281,662
15 (15)	Xiamen	5,980,000	5,900,000	▲ 1.4%	2,880,000	3,100,000
16 (16)	Tanjung Pelepas	5,234,892	5,560,020	▼ -5.8%	2,605,224	2,629,668
17 (18)	NY/NJ	4,903,459	4,395,072	▲ 11.6%	2,386,415	2,517,044
18 (17)	Kaohsiung	4,878,485	4,945,861	▼ -1.4%	2,402,287	2,476,198
19 (20)	Laem Chabang	4,429,721	4,256,932	▲ 4.1%	2,215,217	2,214,504
20 (19)	Hamburg	4,350,100	4,310,000	▲ 0.9%	2,251,000	2,099,000

* Quarterly comparison for Antwerp-Bruges not included due to merger in April 2022

Liz Ann Sonders  @LizAnnSonders · 4h

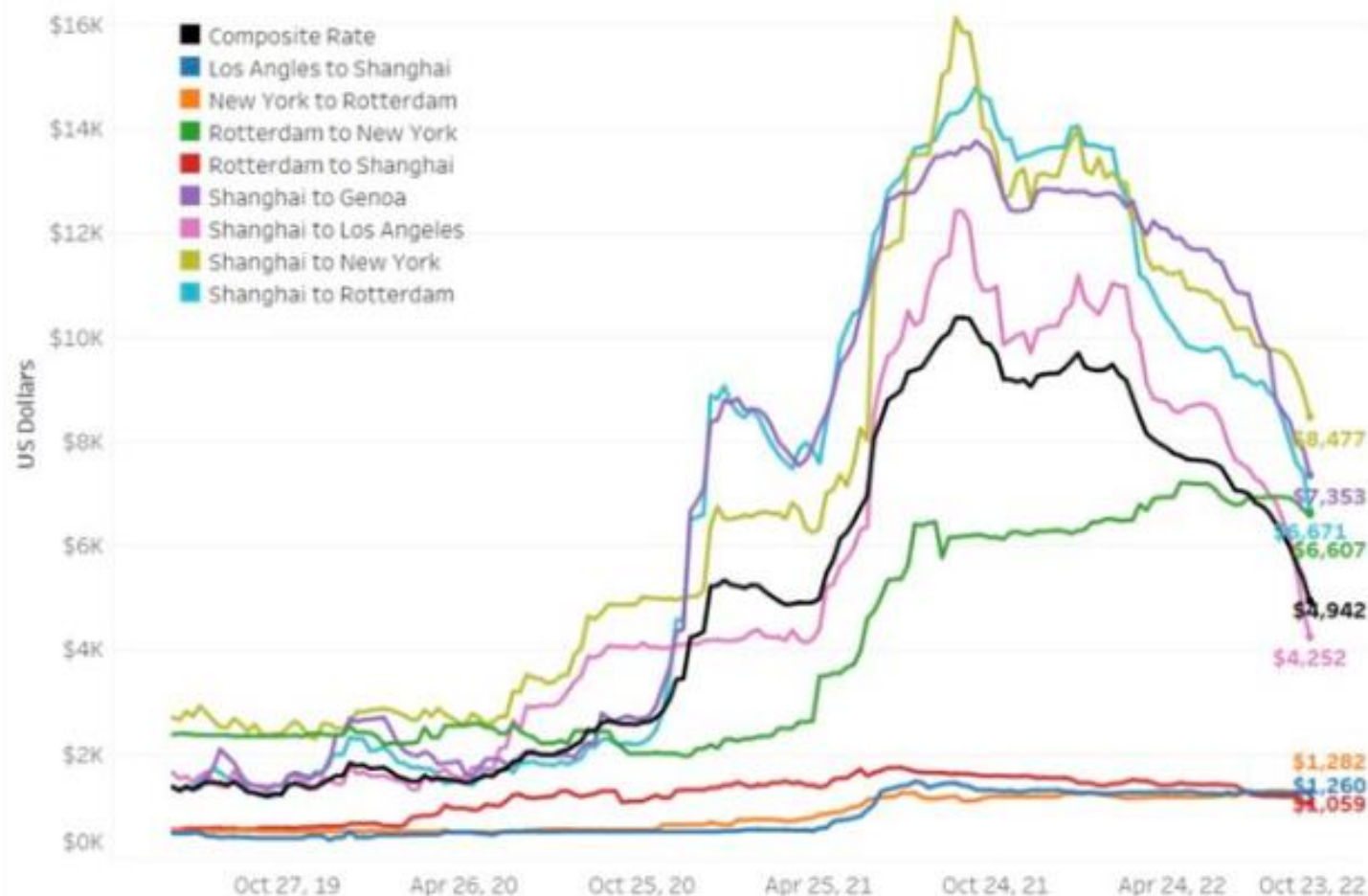
Cost of shipping around world via container (ocean freight rates) continues to collapse ... routes with most dramatic declines have been those originating from Asia/Europe and ending in U.S.

[@DataArbor](#) [@DrewryShipping](#)

Global Container Rates

Weekly Benchmark Cost per 40 Ft. Container (thru 9/15/2022)

ARBOR DATA SCIENCE



Data Source: Drewry World Container Index

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datascience.arborresearch.com

With plenty of vessel capacity, so vessel owners have reduced speeds.

Harry Grimes @HBGrimes · 3h

Speeds remain rock bottom, so plenty of available supply to tap into as rates pick up.



2

1

7

↑

Lawrence Gross @Intermodalist · 2h

...

Lack of progress in West Coast dockworker contract talks continues to hurt. August USWC import TEUs were down 14% y/y while USEC/GC were +13%. Via [@WSJLogistics](#): [wsj.com/articles/port-...](https://www.wsj.com/articles/port-...) via [@WSJ](#)



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

Port Labor Talks Stall as Worker Disruptions Grow

Shipping industry officials worry that chances of supply-chain disruptions are increasing as contract talks bog down without ...

Xeneta @joinxeneta · 4h

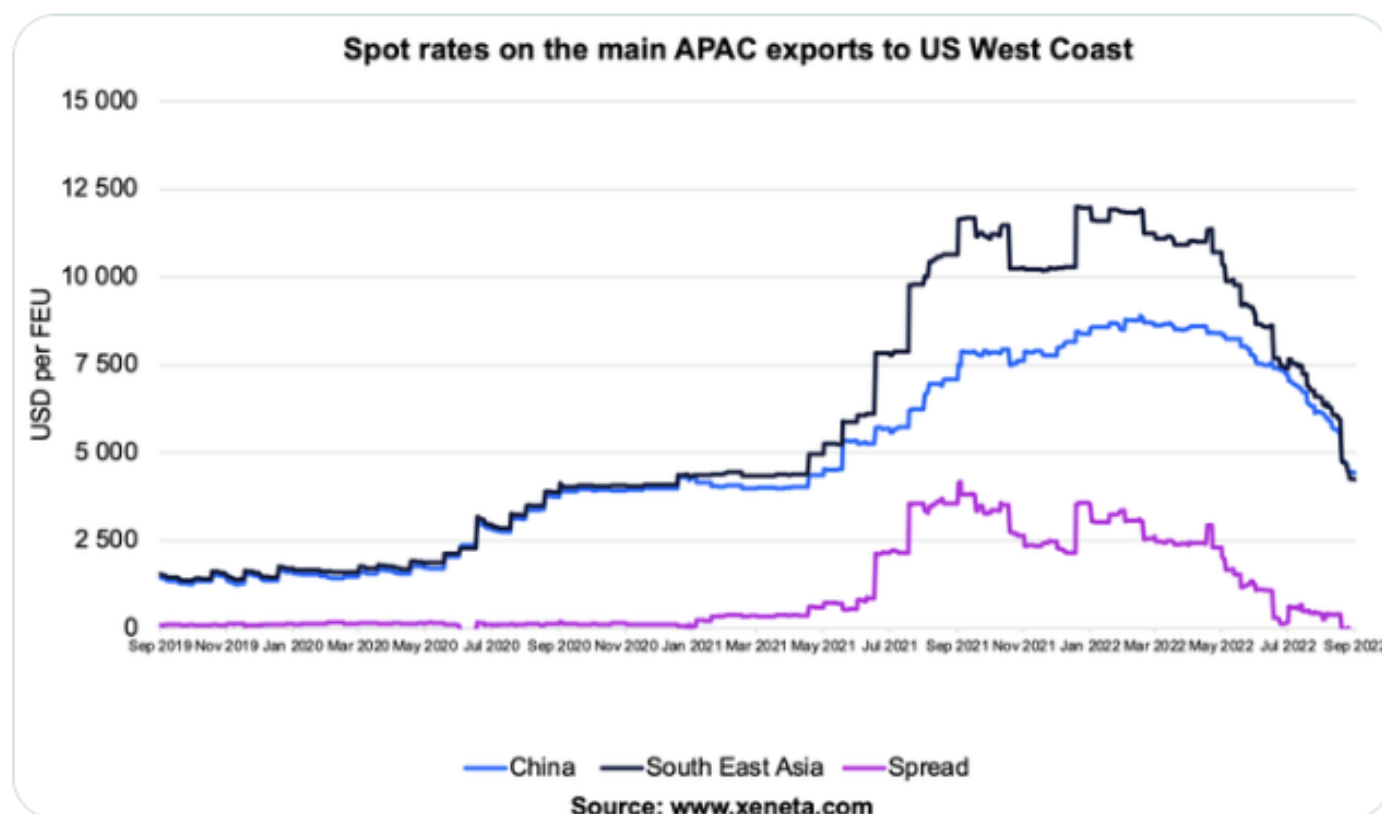
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[#Xeneta](#) [#freightrate](#) update: Week 37, 2022

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](#)




Prof. Michael Tanchum @michaeltanchum · Sep 18

...

  Egypt to raise Suez Canal rates on Jan 1. 2023

- 15% increase for most vessels
- 10% for **dry bulk** ships and cruise ships,

 [#Egypt](#) expects annual revenues to rise by \$700 million after rate hike

NGFA @NGFA · 2h



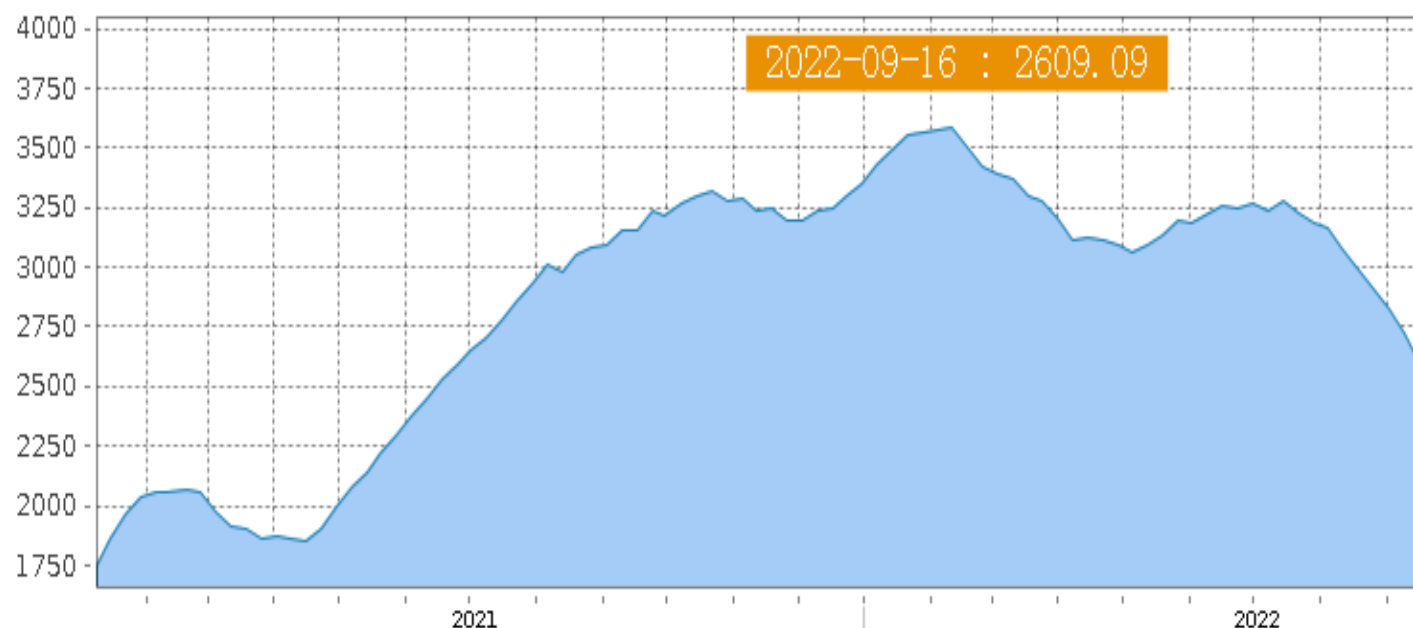
"Good news: Freight railroads are not on strike. Bad news: The service is still terrible" - @CNNBusiness



cnn.com

Good news: Freight railroads are not on strike. Bad news: The service ...
The fact that there is not a freight railroad strike happening this week is a huge win for the US economy and its still struggling supply chain. Bu...

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	\$ 900	\$ 1,500	\$ 0.23	\$ 0.38	\$ 8.86	\$ 14.76
UPRR Shuttle Trains	\$ 700	\$ 1,300	\$ 0.18	\$ 0.33	\$ 6.89	\$ 12.79

U.S. RIVER BARGE FREIGHT

Barge Freight for Loading Placement First Half October 2022

Placement FH Oct. 2022	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	1000	\$68.23	1.73	1.86
Illinois River (Pekin and South)	1000	\$68.23	1.73	1.86
Mid-Mississippi	1000	\$49.16	1.25	1.34
Lower Ohio	1000	\$49.16	1.25	1.34
St. Louis	1000	\$43.98	1.12	1.20

Best Regards,

Jay

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

joneil@ksu.edu

Follow me on Twitter @ igpjay



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