

Transportation and Export Report for 18 January 2024

Dry Bulk markets were mixed this week with slightly improved cargo demand in the Pacific region and softer demand in the Atlantic. Overall, rates on the major routes are largely unchanged from last week. The biggest issues continue to be with the Panama Canal and the Red Sea. Voyages are getting much longer and logistical supply chains are stretched. I fully expect these issues to support higher Dry Bulk rates as we go forward into February and March. Rates are already substantially higher going to West Coast South America. Container rates are up 30-50 percent, depending on the specific market.

The Panama Canal water situation and transit limitations are expected to remain through the summer of 2024. Strangely, we have not yet seen a big switch in U.S. Grain shipments from the US Gulf to the PNW.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
18-Jan-2024		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	23364	21945	1,419	6.5%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	10727	10341	386	3.7%
S1C: US GULF-China-So.Japan	Index	22214	27236	-5,022	-18.4%
P7: Trial- Miss. River - Qingdao	per ton	57.13	55.90	1.23	2.2%
P8: Trial- Santos - Qingdao	per ton	40.35	38.84	1.51	3.9%

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

Four weeks ago:	\$13.20-\$10.75
Three weeks ago:	\$10.85-\$11.25
Two weeks ago:	\$11.15-\$9.95
One week ago:	\$9.90-\$8.10
This week	\$8.10-\$7.80

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

Mississippi River:	(9 elevators)	5-12 days (3 facilities over 5 days)
Mid-Stream loaders:	(6+ Rigs)	1-2 days
Texas Gulf	(4 elevators)	2-6 days (1 facility over 3 days)
Pacific Northwest:	(9 elevators)	0-7 days (3 facilities over 3 days)

Panamax Market Spreads to Asia -China					
18-Jan-2024	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.75	1.17	0.42	\$16.53	PNW
SOYBEANS	0.79	1.30	0.51	\$18.74	PNW
OCEAN FREIGHT	\$57.00	\$30.00	.69-.73	\$27.00	February

Grain Vessel Market Indications:

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

Soybean Panamax USG to Spain is running \$30.00 - \$31.00/mt.

Soybean Brazil to Spain about \$39.50 - \$40.50/mt.

Route and Vessel Size	Current Week USD/MT	Change	Remarks
55,000 U.S. Gulf-Japan	\$57.75	Unchanged	Handymax \$58.50 mt
55,000 U.S. PNW- Japan	\$30.50	Unchanged	Handymax at \$31.00 mt
65,000 U.S. Gulf – China	\$57.00	Unchanged	North or South China
PNW to China	\$30.00	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$22.00	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$19.25	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$32.00	Up \$1.50	<u>West Coast Colombia at \$50.00</u>
50,000 USG- E/C Colombia	\$29.00		
<u>East Coast Colombia</u> From Argentina	\$40.00		
40-45,000 U.S. Gulf – Guatemala- via strait of Magellan	\$58.00	Up \$28.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$37.50	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$35.50	Unchanged	55,000-60,000 mt Egypt
PNW - Egypt	\$36.00		Romania - Russia- Ukraine \$19.00 - \$22.00 - \$18.00 France \$27.00, Bulgaria \$21.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$29.50	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$42.50	Unchanged	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$40.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$45.75		55-60,000 mt
56-60,000 Argentina-China	\$47.50	Unchanged	Up-River with Top Off Plus \$3.75-\$4.75
Deep draft			

Baltic Dry Bulk Freight Index



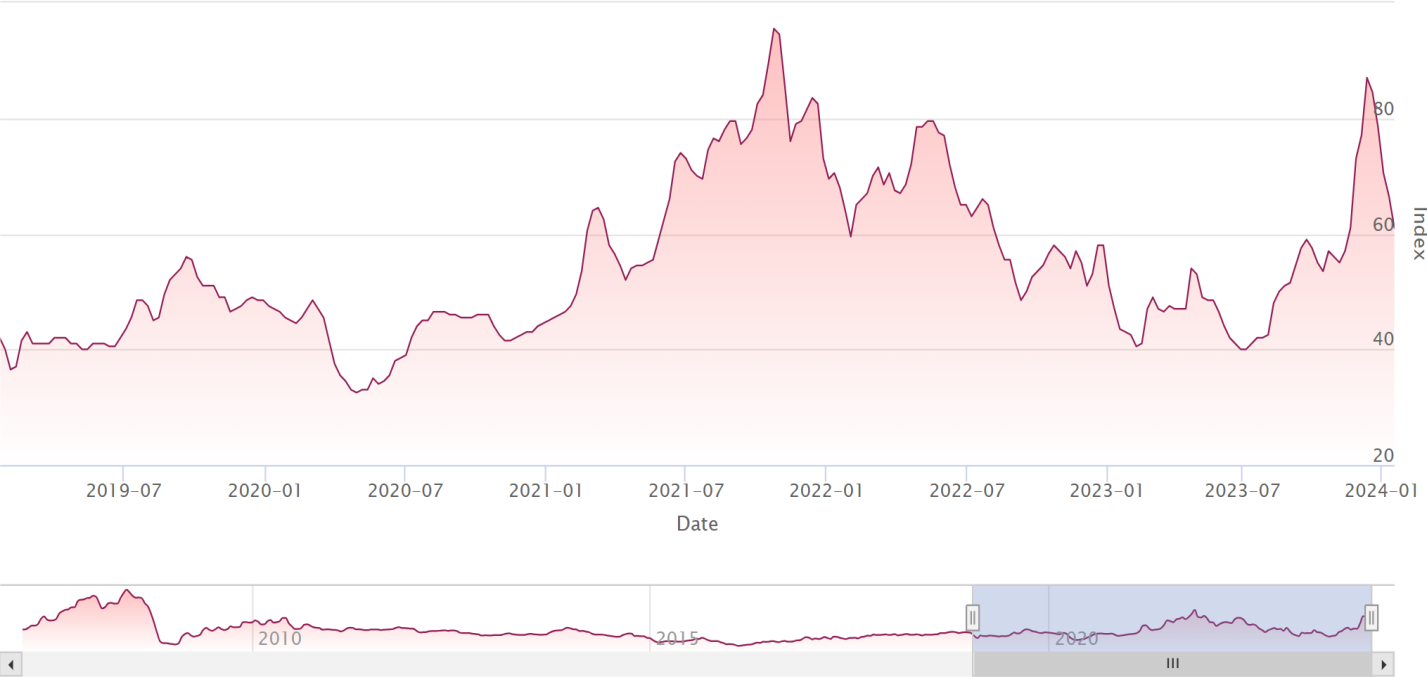
The Baltic Dry Bulk Freight Index- Cape-Panamax-Supra and Handy

YAMAMIZU Index



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

From 2019-01-17 To 2024-01-17



China Import Dry Bulk Freight Index					
2024-01-18					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1011.46	1.59
Iron ore Freight Index			Point	944.96	4.72
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.884	0.052
Soybean Freight Index			Point	1210.68	4.82
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	39.72	0.18
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	29.51	0.06
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	56.24	0.22

18 January 2024 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		H =	4.4400
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	K =	4.5500
Feb.	0.75	\$204.32	1.17	\$220.85	N =	4.6350
Mar.	0.70	\$202.35	1.14	\$219.67	U =	4.6825
Apr.	0.63	\$203.93	1.12	\$223.22	Z =	4.7575
May	0.61	\$203.14	1.12	\$223.22	H =	4.8700
June	0.57	\$204.91	1.08	\$224.99		
July	0.58	\$205.30	1.09	\$225.38		

The Gulf spread between #2 YC & #3 YC is currently about .03 cents per bushel (1.10/mt) at USG but is out to .04/bushel in the PNW.

SORGHUM (USD/MT) FOB VESSEL		
#2 YGS Fob Vessel	TEXAS Gulf	
Max. 14.0% moisture	BASIS	FLAT PRICE
Feb.	2.00	\$253.53
Mar.	1.95	\$251.56
Apr.	1.95	\$255.89
May	1.95	\$255.89
June	1.95	\$259.24

Fob vessel Texas Gulf #2 Sorghum is about 126 % 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	
	Feb.	Mar.	Apr.	May
FOB U.S. GULF	\$250.04	\$249.67	\$248.57	\$250.50
Basis	0.95	0.94	0.91	0.85
WH	5.8550			
WU	5.9675			
WN	6.0375			

U.S. Soybean and SBM Markets Fob Vessel:

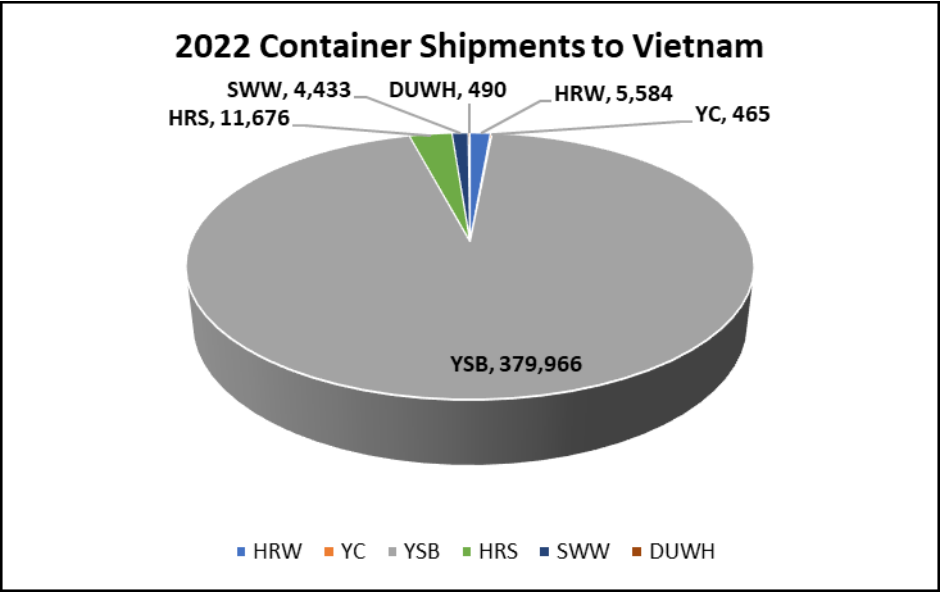
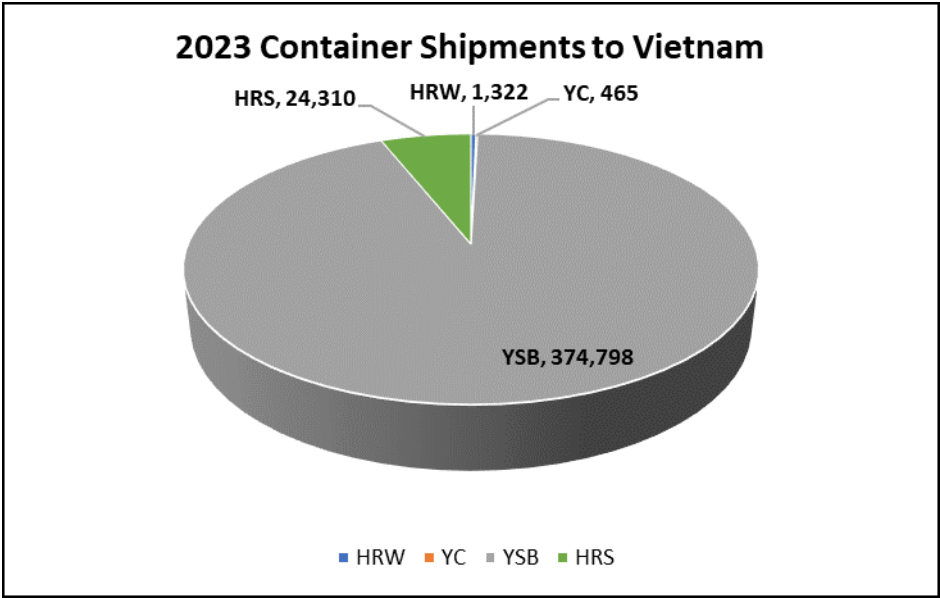
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Feb.	0.79	\$474.91	1.30	\$493.65
Mar.	0.75	\$473.44	1.29	\$493.28
Apr.	0.68	\$474.82	1.20	\$493.92
May	0.71	\$475.92	1.24	\$495.39
June	0.58	\$474.36	1.12	\$494.20
Soybean Futures				
Mar.	\$ 12.1350			
May	\$ 12.2425			
July	\$ 12.3300			
Aug.	\$ 12.2225			
Sept.	\$ 11.9775			
Nov.	\$ 11.9125			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Feb.	38.00	\$ 440.23
Mar.	30.00	\$ 431.41
Apr.	21.00	\$ 417.30
May	16.00	\$ 411.78
June	15.00	\$ 412.78
SBM Futures		
SMH	\$ 361.30	
SMK	\$ 357.50	
SMN	\$ 359.40	
SMQ	\$ 359.40	
SMU	\$ 358.10	
SMV	\$ 355.70	

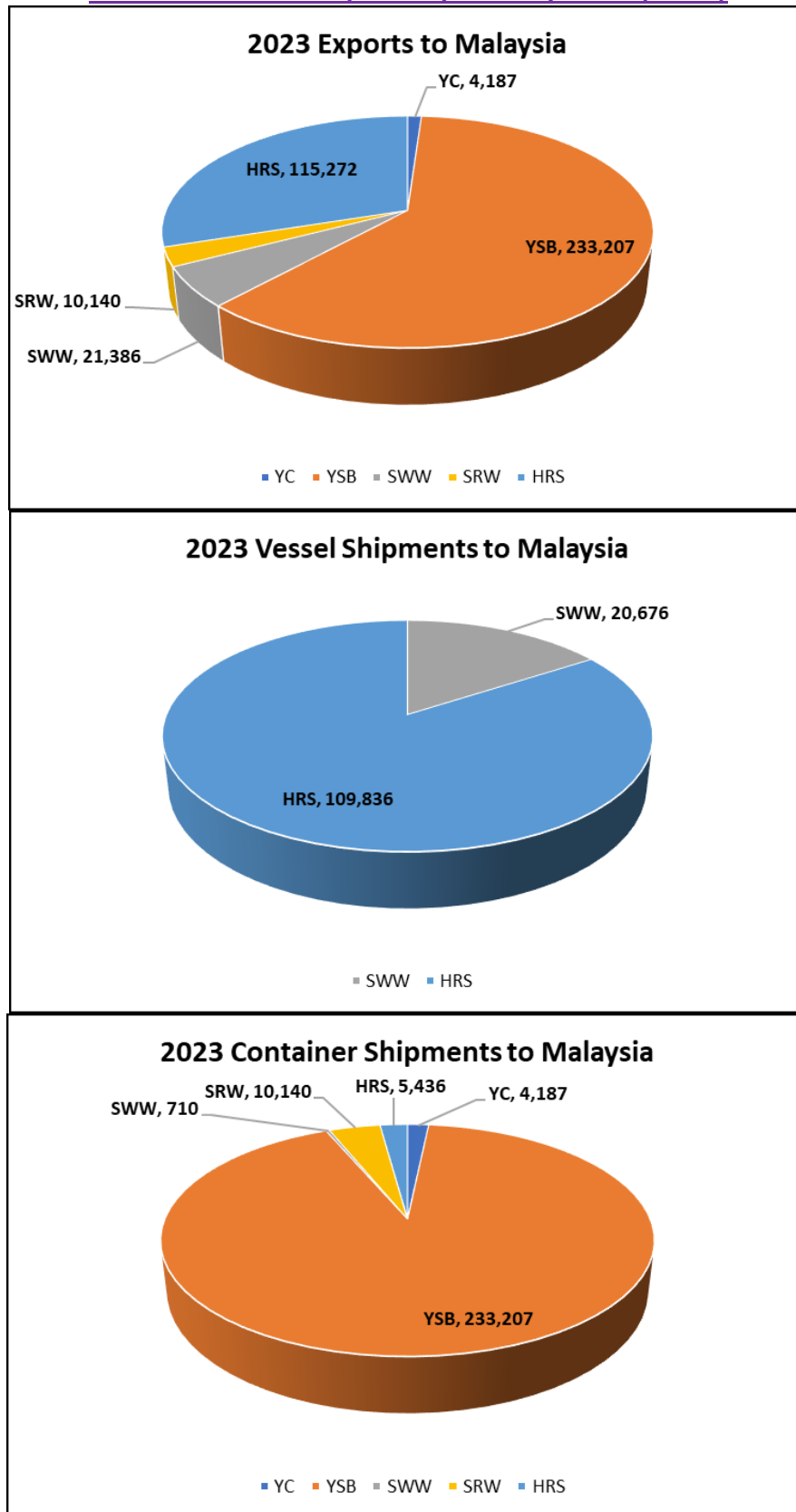
Data sheet below: *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		11-Jan-2024							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China	2,450		18,334					6,487	27,271
Taiwan	6,416		20,400						26,816
Hong Kong	710								710
Costa Rica									0
Indonesia			21,526						21,526
French Poly	147								147
Japan	98		1,982					24	2,104
Korea Rep.	1,714		2,033						3,747
Bangladesh			735						735
Malaysia			10,824						10,824
Jordan									0
Philippines			1,176						1,176
Thailand			4,652		1,493				6,145
Singapore					563				563
Burma									0
Nepal			3,722						3,722
Cambodia									0
Vietnam			10,552		563				11,115
Sub Total:	11,535	0	95,936	0	2,619	0	0	6,511	116,601
USDA Corrections/Additions to previous reports:									
Taiwan			539						539
China			4,237						4,237
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan	48		73						121
Philippines									0
Indonesia			734						734
Malaysia			318						318
Thailand			440		464				904
Vietnam			294		245				539
Burma									0
Cambodia			343						343
Sub Total:	48	0	6,978	0	709	0	0	0	7,735
Mt. Grand Total	11,583	0	102,914	0	3,328	0	0	6,511	124,336
Number of Containers	504	0	4,475	0	145	0	0	283	

2023 Annual Totals versus 2022 Annual Totals Container Shipments (in MT)



2023 Annual Grain Exports reported by USDA (in MT)



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

Source: USDA-data

Shipping News

Suez Canal

Tom Craig @LTDManagement · 18h

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Genco Shipping Bulk Carrier Hit by Houthi Attack Drone

Incident Date:
17/JAN/2024


Incident Time:
1735UTC

Source: Master
Issued: 17/JAN/24 1845UTC

UKMTO has received a report of an incident 60NM South East of Aden, Yemen.

Master reports vessel has been hit on the port side by an Uncrewed Aerial System. Master reported there was fire onboard which has now been extinguished. Vessel and crew are safe and proceeding to next port of call.

Vessels are advised to transit with caution and report any suspicious activity to UKMTO.



Aden, Yemen

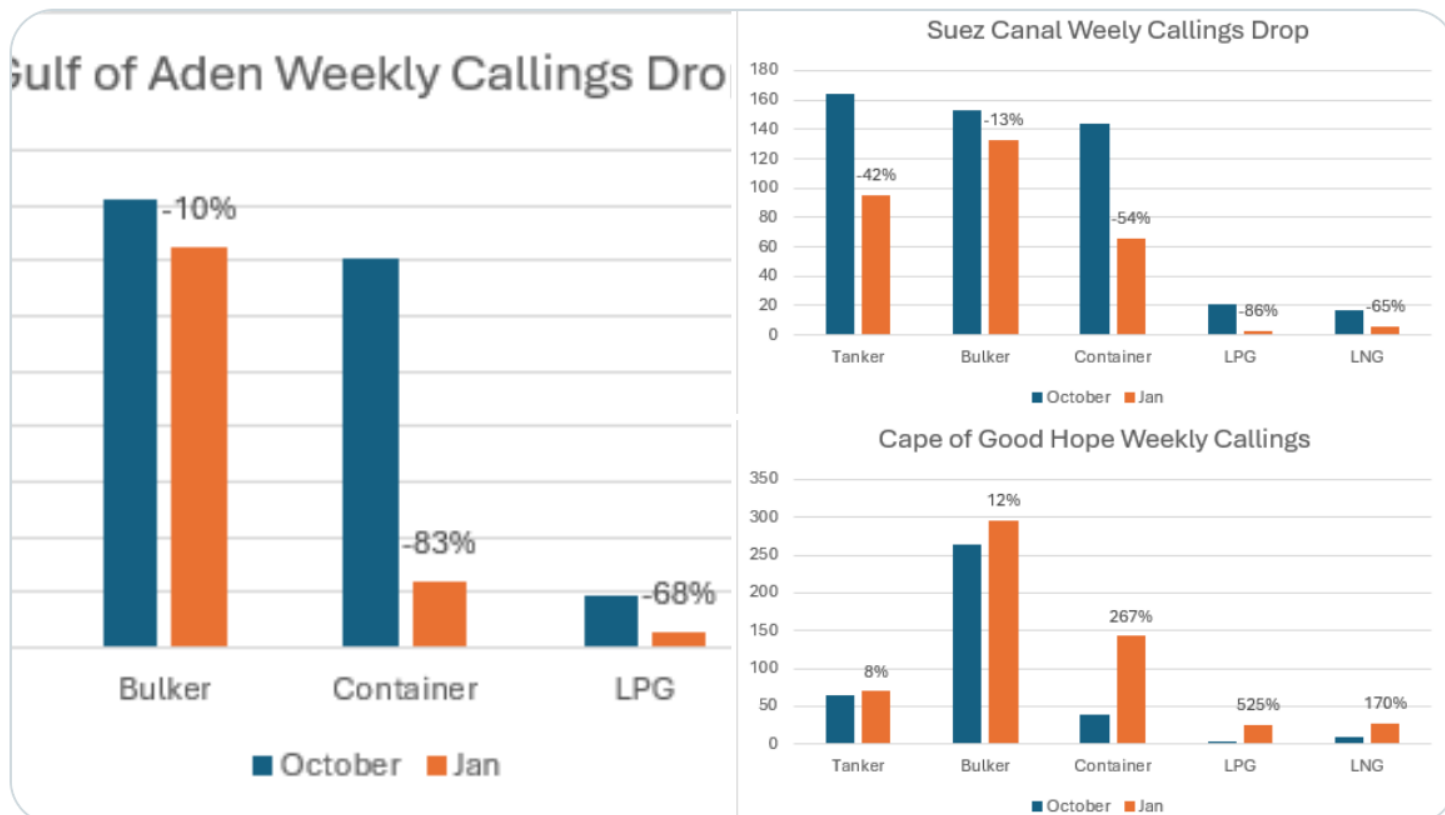
Bulk Carrier Hit by Houthi Attack Drone



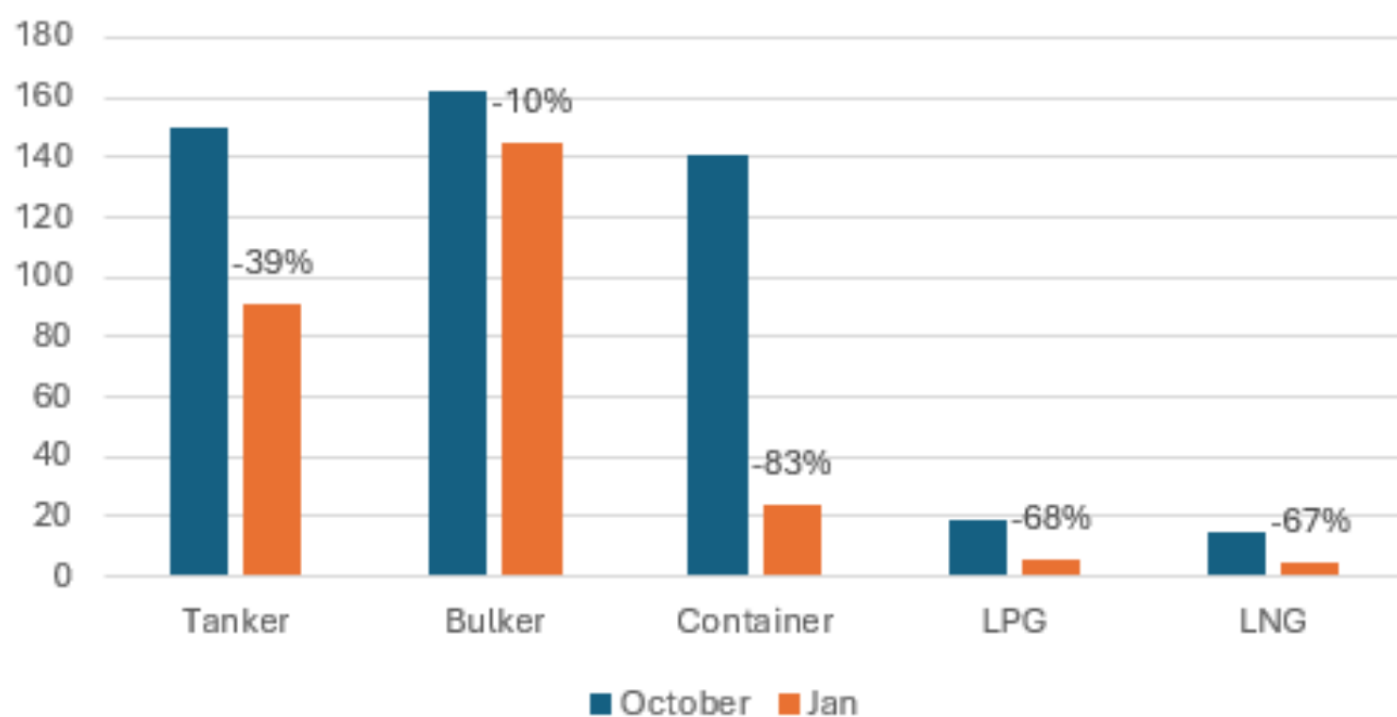
Sal Mercogliano (WGOW Shipping) 🚢 ⚓ 🐪 🚚 ✅ @mercogliano · 3h ...
Exclusive data reveals Suez diversions by shipping segment

A great breakdown in data shows the shift in vessel movements via the Gulf of Aden, Suez Canal, and South Africa from Oct to Jan.

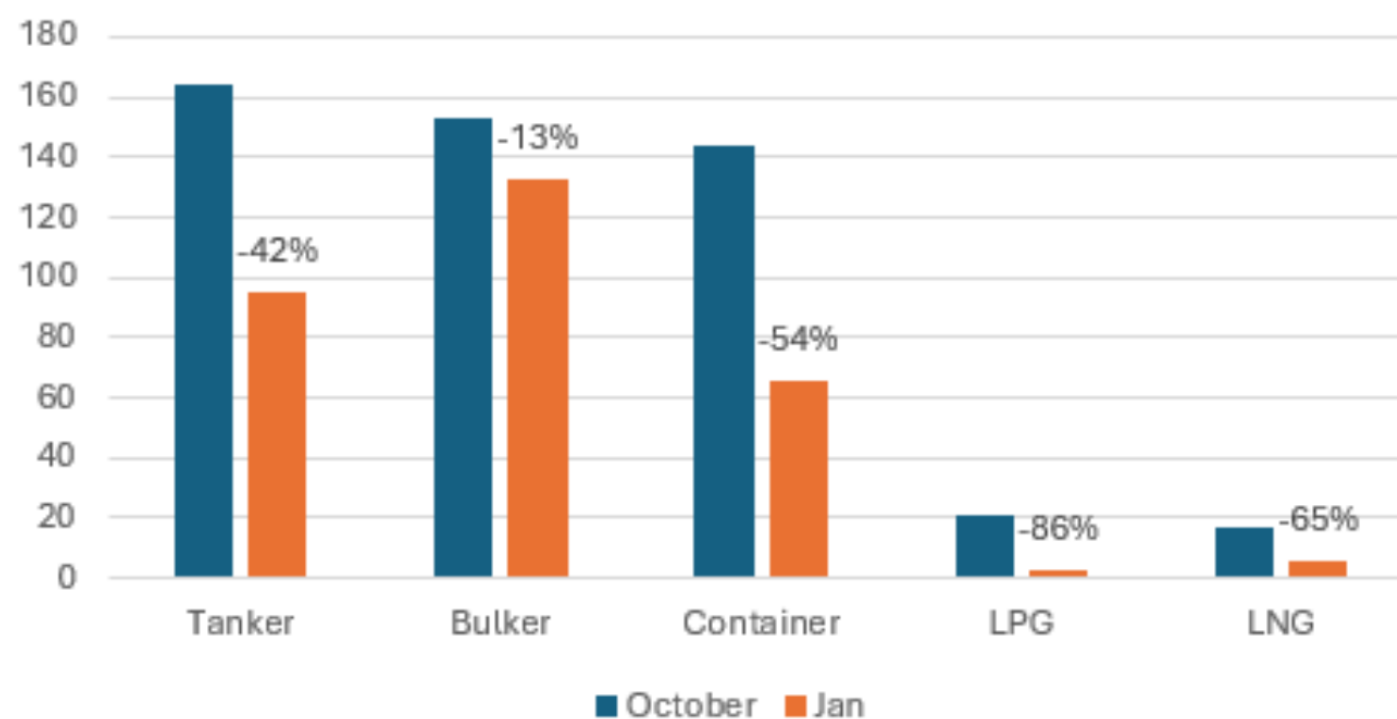
splash247.com/?p=199529 via @splash_247



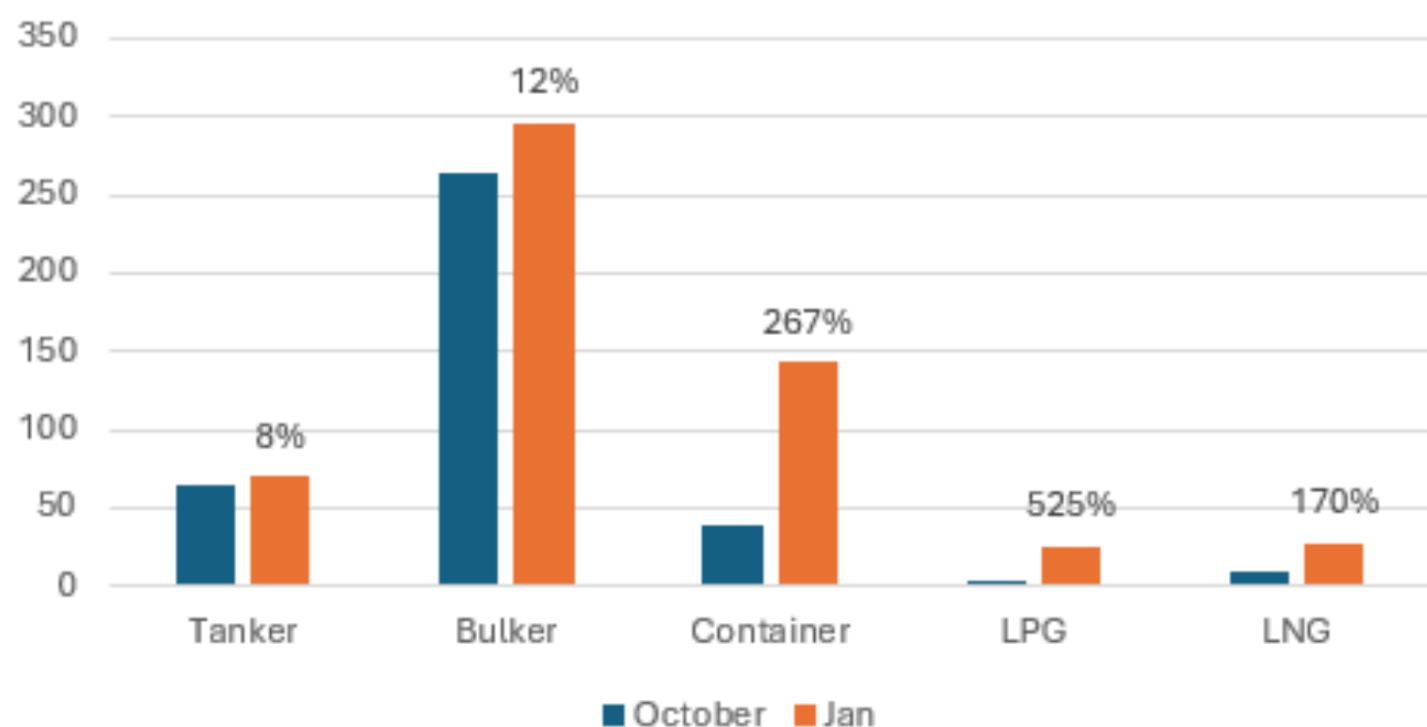
Gulf of Aden Weekly Callings Drop



Suez Canal Weekly Callings Drop



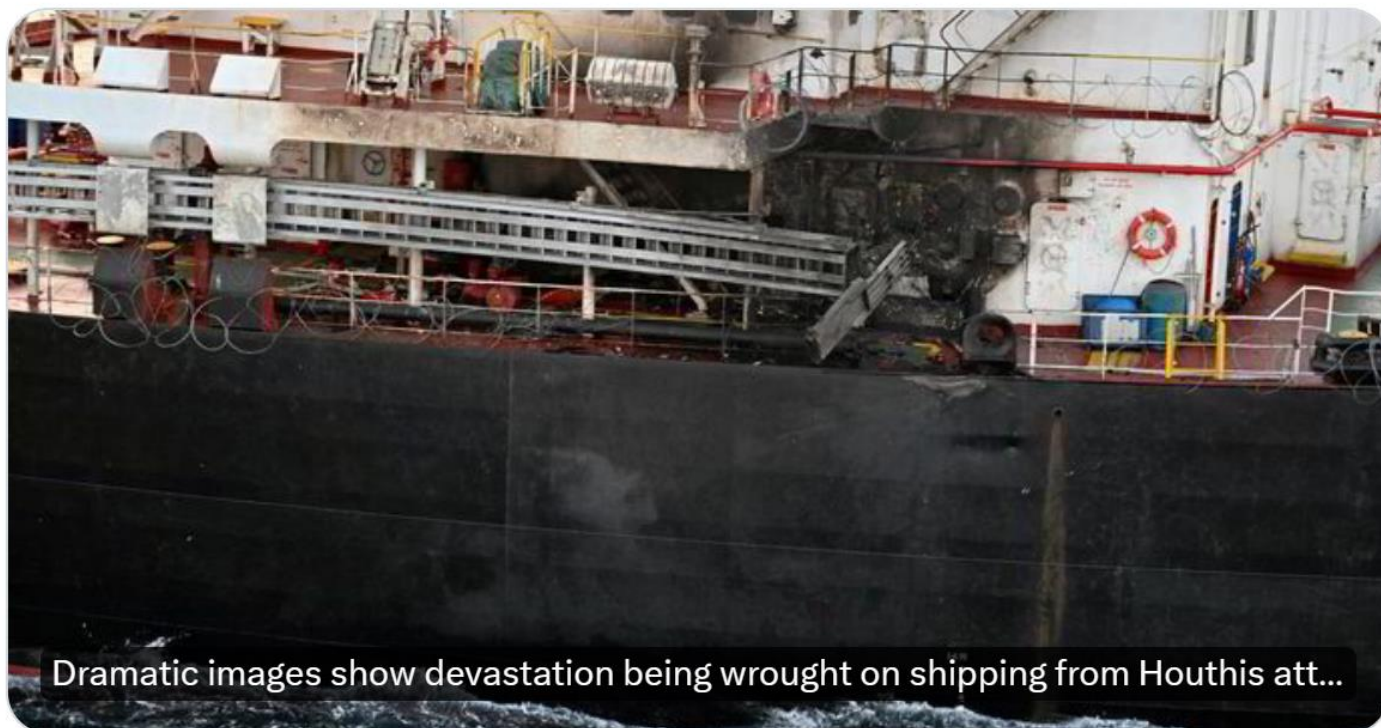
Cape of Good Hope Weekly Callings



Sal Mercogliano (WGOW Shipping) 🚢 ⚓ 🐪 🚚 🔒 @mercogliano · 2h ...

Dramatic images show devastation being wrought on shipping from Houthis attacks

Genco bulker - Genco Picardy - was the latest Western vessel to be targeted



From tradewindsnews.com

braemarscreen.com @braemarscreen · 59m

...

A clear picture is emerging, 60 more bulkers avoided the Red Sea on their voyage to Asia than in the previous 4 weeks, while 59 fewer used Suez

[#drybulk](#) [#shipping](#) [#trading](#)

Canada/US origin dry bulk cargoes to Asia vessel numbers

■ 20 Nov 2023-17 Dec 2023

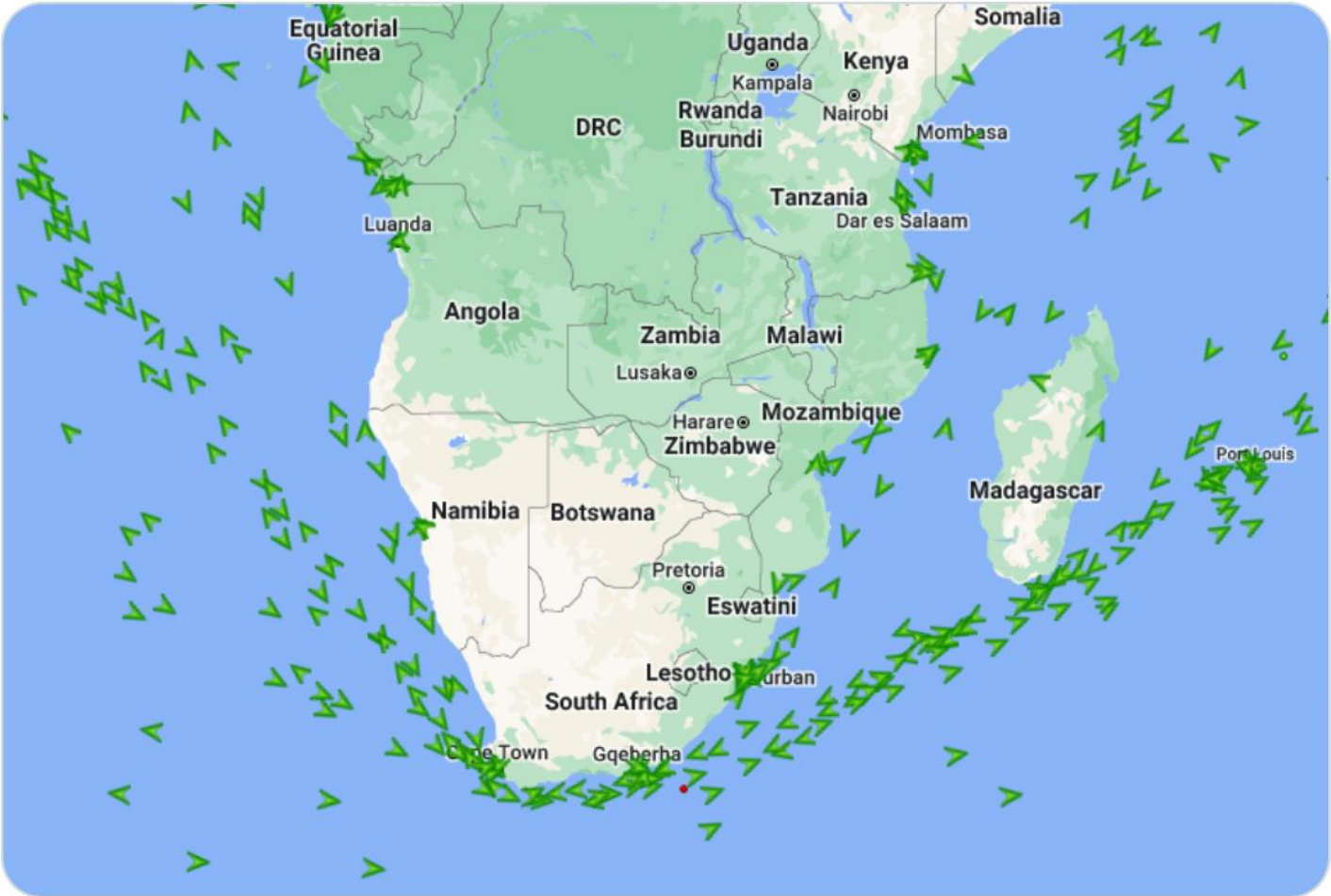
■ 18 Dec 2023-14 Jan 2024



Source: Braemar, AXS

Ed Finley-Richardson @ed_fin · 2h


Containerships going around South Africa: it's like a swarm of bees 🐝



Commodity Insights Shipping @SPGCIShipping · 3h

...

Attacks on [#shipping](#) in the Red Sea have upended trade. Container shipping is taking the hit with many rerouting via the Cape of Good Hope boosting voyage times, and [#freight](#) cost, while displacing regional marine [#fuel](#) demand.

 Infographic here: okt.to/SYRqHo



Sam Chambers @SamChambers · 7h

...

Yesterday marked the first time this century that no single LNG carrier was present in the Red Sea



Panama Canal

The PCA has introduced reservation slots from now until February, limiting transits to 49 between 3 and 30 November, 22 in December, 22 in January and 22 for February. Now 24 vessel slots. It advised: "The Panama Canal urges its customers to make reservations in order to transit as programmed. In addition, information is provided in advance, as well as in real time, so that shipping companies can plan and make the best decisions."

Container Freight Markets



Joeri ✓
@joeriwestland



Coming back without insurance? -->No

"According to industry sources, most insurance companies are no longer willing to cover cargo sent on voyages transiting the Red Sea route, as they want to ward off the risk of high-value claims from cargo owners."



From theloadstar.com

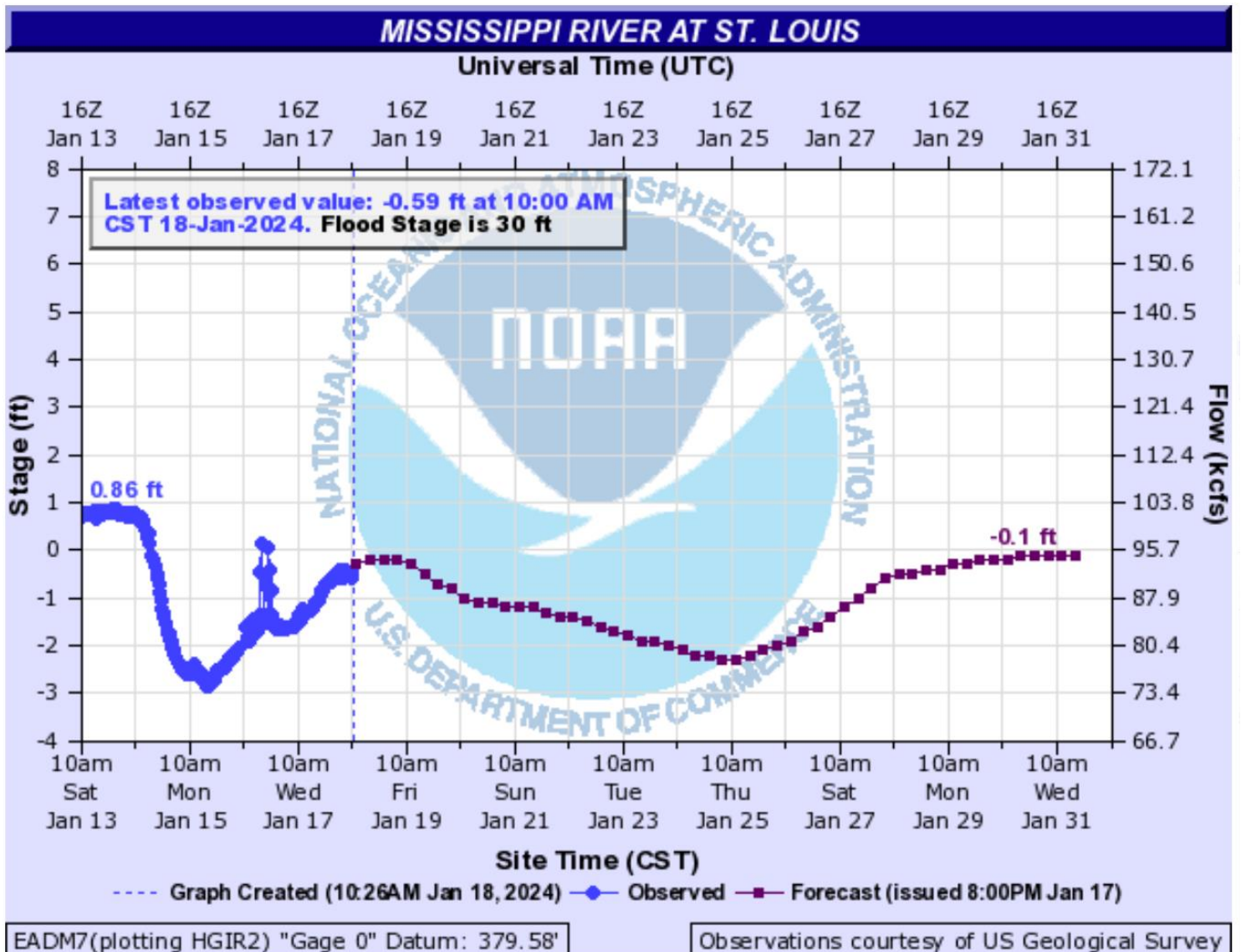
Rail News:

Winter weather is currently backing up U.S. rail service, especially BNSF to the PNW.



High winds blowing snow drifts across the previously cleared track require ongoing snow clearing and removal from our main lines – Barstow Subdivision, Illinois - January 15, 2024

U.S. River Markets



Area Hydrograph

China Containerized Freight Index



China Import Dry Bulk Freight Index



Secondary Rail Car Market for Car placement period: First Half February 2024

Secondary Rail Car Market Placement FH February 2024	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 600	\$ 800	\$ 0.15	\$ 0.20	\$ 5.91	\$ 7.87
UPRR Shuttle Trains	\$ (50)	\$ 200	\$ (0.01)	\$ 0.05	\$ (0.49)	\$ 1.97

Barge Placement First Half February 2024

Placement FH February 2024	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	Closed			0.00
Illinois River (Pekin and South)	425	\$ 29.00	0.74	0.79
Mid-Mississippi	Closed	\$ -	0.00	0.00
Lower Ohio	325	\$ 15.98	0.41	0.43
St. Louis	325	\$ 14.29	0.36	0.39

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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