

## Transportation and Export Report for 26 October 2023

Most repeated phrase in Dry bulk markets this week is “ what goes up, must come down”. This was, of course, a disappointment to vessel owners, but it is the current nature of freight markets. FFA paper Traders were sellers at weeks end, while physical markets held tight and resisted making any big moves. Wait times for grain vessels at the Panama remain 8-12 days. This makes voyage days about the same for USG shipments going around the COGH or through the Suez.

On a more positive side, U.S. Containerized grain shipments increased again this week. Low water conditions remain in the Mississippi River but the outlook for November looks more promising.

### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
26-Oct-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	23193	23282	-89	-0.4%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	12886	13006	-120	-0.9%
S1C: US GULF-China-So.Japan	Index	27589	28214	-625	-2.2%
P7: Trial- Miss. River - Qingdao	per ton	56.10	56.10	0.00	0.0%
P8: Trial- Santos - Qingdao	per ton	42.05	41.15	0.90	2.2%

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

Four weeks ago:	\$9.30-\$10.20
Three weeks ago:	\$10.25-\$10.60
Two weeks ago:	\$11.15-\$10.45
One week ago:	\$10.50-\$11.20
This week	\$10.55-\$9.35

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

Mississippi River:	(9 elevators)	3-9 days (3 facilities over 5 days)
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-2 days (3 facilities with no vessels)
Pacific Northwest:	(9 elevators)	1-13 days (3 facilities over 6 days)

Panamax Market Spreads to Asia -China					
26-Oct-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.85	1.40	0.55	\$21.65	PNW
SOYBEANS	0.88	1.38	0.50	\$18.37	PNW
OCEAN FREIGHT	\$56.25	\$29.00	.69-.74	\$27.25	November

### 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 \$29.00 - \$30.00/mt.

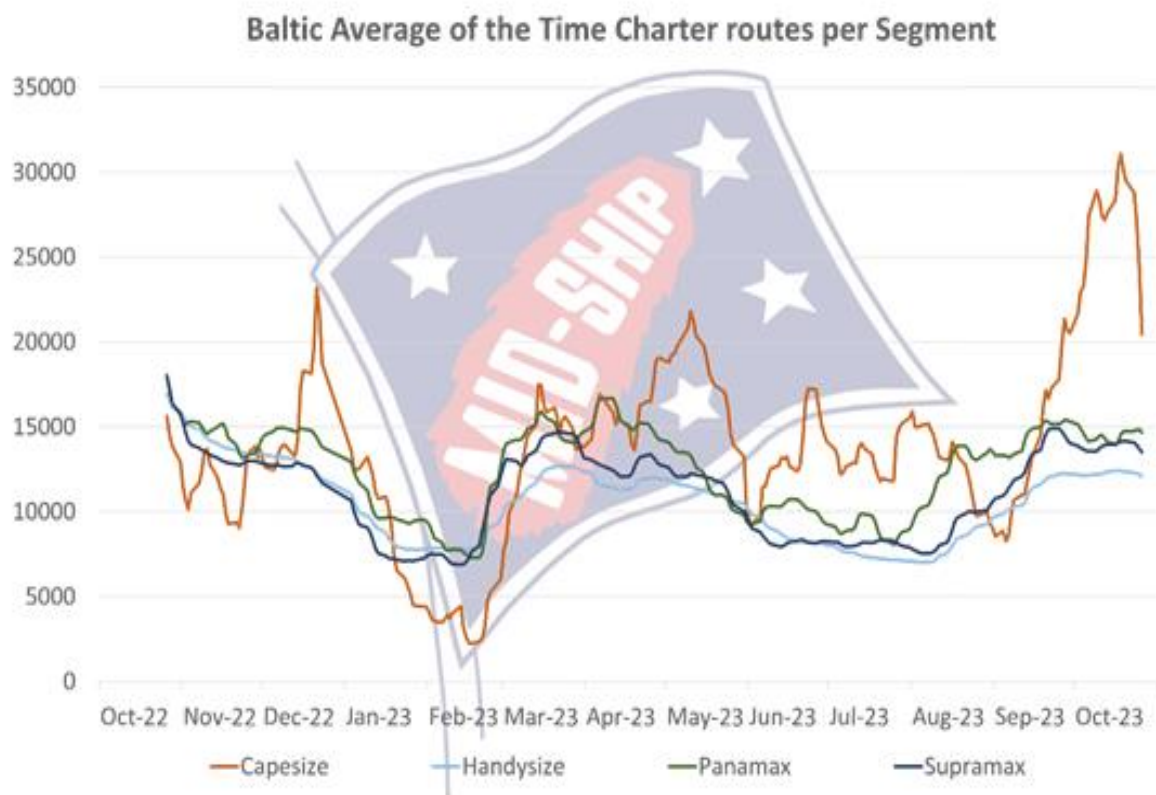
Soybean Brazil to Spain about \$39.00 - \$40.00/mt.

Route and Vessel Size	Current Week USD/MT	Change	Remarks
55,000 U.S. Gulf-Japan	\$57.00	Unchanged	Handymax \$57.00 mt
55,000 U.S. PNW- Japan	\$29.50	Down \$0.25	Handymax at \$29.75 mt
65,000 U.S. Gulf – China	\$56.25	Unchanged	North or South China
PNW to China	\$29.00	Down \$0.25	
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	\$30.75	Unchanged	<u>West Coast Colombia at \$32.50</u>
50,000 USG- E/C Colombia	\$27.50		
<u>East Coast Colombia</u> From Argentina	\$38.50		
40-45,000 U.S. Gulf - Guatemala	\$30.75	Unchanged	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$36.25	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$35.00	Unchanged	55,000-60,000 mt Egypt Romania - Russia- Ukraine \$20.00 -\$19.50 - \$40.00?? France \$24.00, Bulgaria \$19.00
PNW - Egypt	\$35.50		
58-74,000 U.S. Gulf – Europe – Rotterdam	\$28.00	Down \$0.50	Handymax at +\$2.50 more
Brazil, Santos –China	\$43.25	Unchanged	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 55-60,000 mt
Brazil, Santos –China	\$41.25		
Up-River Port North Brazil	\$47.00		
56-60,000 Argentina-China	\$49.00	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

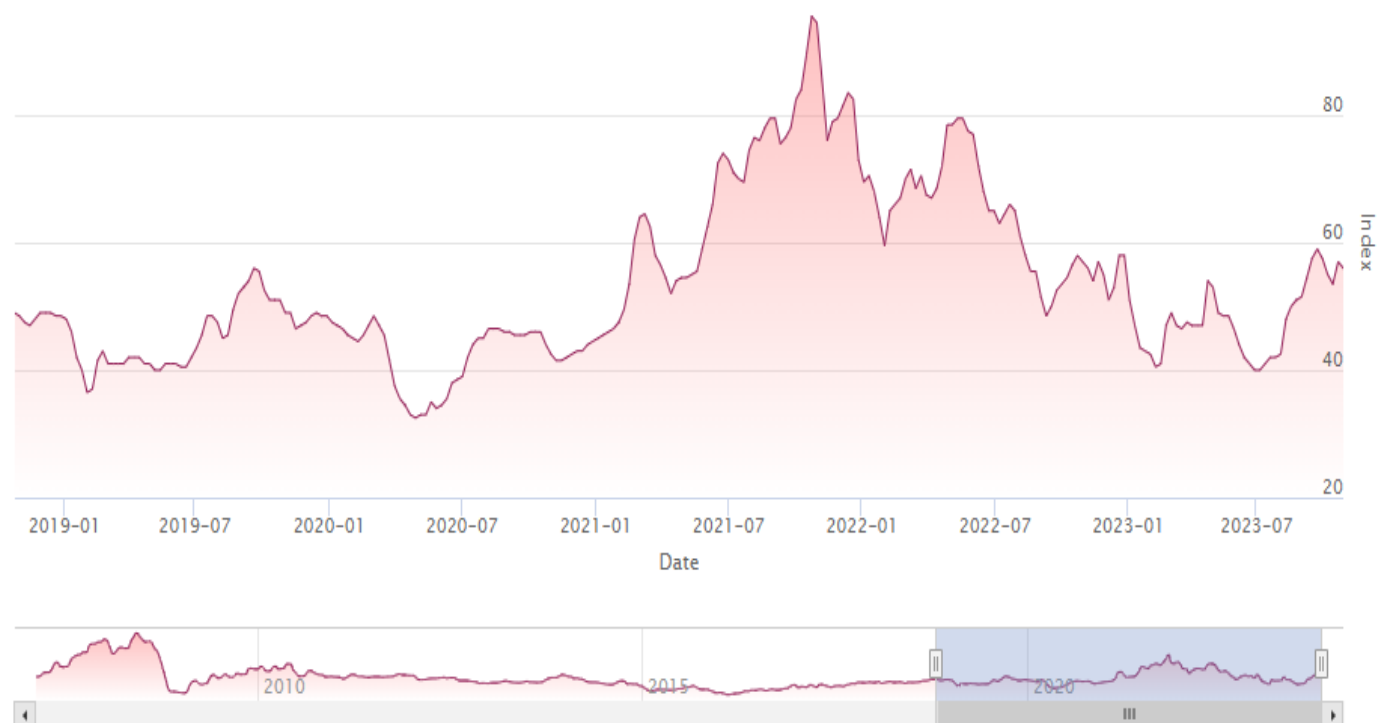


# YAMAMIZU Index



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

From 2018-10-25 To 2023-10-25



China Import Dry Bulk Freight Index					
2023-10-26					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1139.04	-38.52
Iron ore Freight Index			Point	1108.61	-66.33
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	9.349	-0.801
Soybean Freight Index			Point	1239.87	-3.5
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	41.76	-0.1
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	29.07	-0.15
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	56.41	-0.15

**26 October 23 U.S. FOB Vessel Export Market Values:**

<b>U.S. Yellow Corn (USD/MT) FOB Vessel</b>					CORN	FUTURES
#2 YC	<b>GULF # 2 YC</b>		<b>PNW # 3 YC</b>		Z =	4.7925
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	4.9325
<b>Nov.</b>	0.85	<b>\$222.13</b>	1.40	<b>\$243.79</b>	K =	5.0125
<b>Dec.</b>	0.79	<b>\$219.77</b>	1.35	<b>\$241.82</b>	N =	5.0725
<b>Jan.</b>	0.69	<b>\$221.35</b>	1.25	<b>\$243.39</b>	U =	5.0525
<b>Feb.</b>	0.69	<b>\$221.35</b>	1.25	<b>\$243.39</b>	Z =	5.0950
<b>Mar.</b>	0.70	<b>\$221.74</b>	1.25	<b>\$243.39</b>		
<b>Apr.</b>	0.70	<b>\$224.89</b>	1.25	<b>\$246.54</b>		

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.

<b>SORGHUM (USD/MT) FOB VESSEL</b>		
#2 YGS Fob Vessel	<b>TEXAS Gulf</b>	
Max. 14.0% moisture	BASIS	FLAT PRICE
<b>Nov.</b>	1.90	<b>\$263.47</b>
<b>Dec.</b>	1.90	<b>\$263.47</b>
<b>Jan.</b>	1.90	<b>\$268.98</b>
<b>Feb.</b>	1.90	<b>\$268.98</b>
<b>Mar.</b>	1.90	<b>\$268.98</b>

Fob vessel Texas Gulf #2 Sorghum is about 120 % the value of #2 Yellow Corn at NOLA.

**U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf**

<b>SRW Wheat</b>	<b>USD/MT</b>	<b>Fob Vessel</b>	<b>US Gulf</b>	
	<b>Nov.</b>	<b>Dec.</b>	<b>Jan.</b>	<b>Feb.</b>
FOB U.S. GULF	\$255.18	\$257.02	\$255.73	\$255.73
Basis	1.15	1.20	0.90	0.90
WZ	5.7950			
WH	6.0600			
WK	6.2225			

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

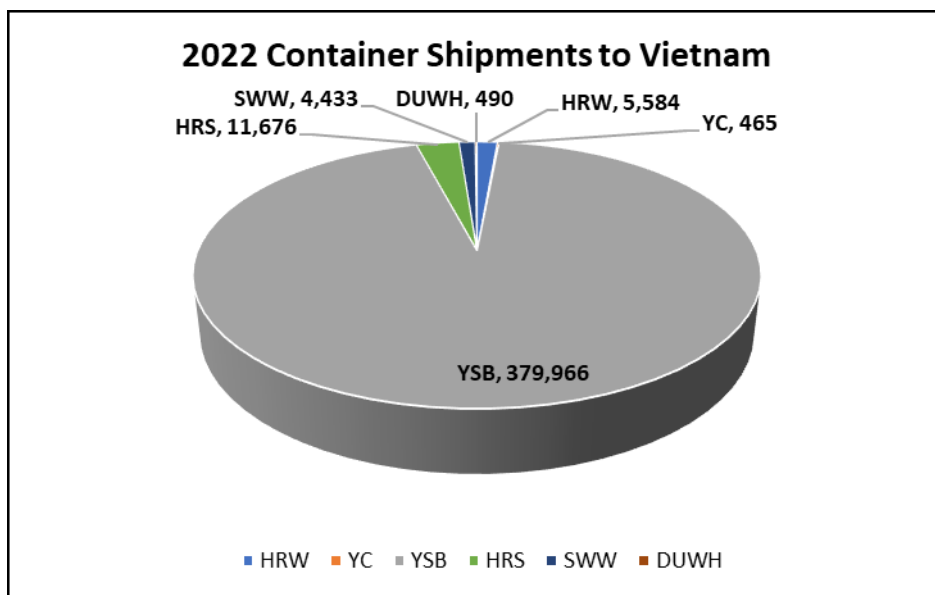
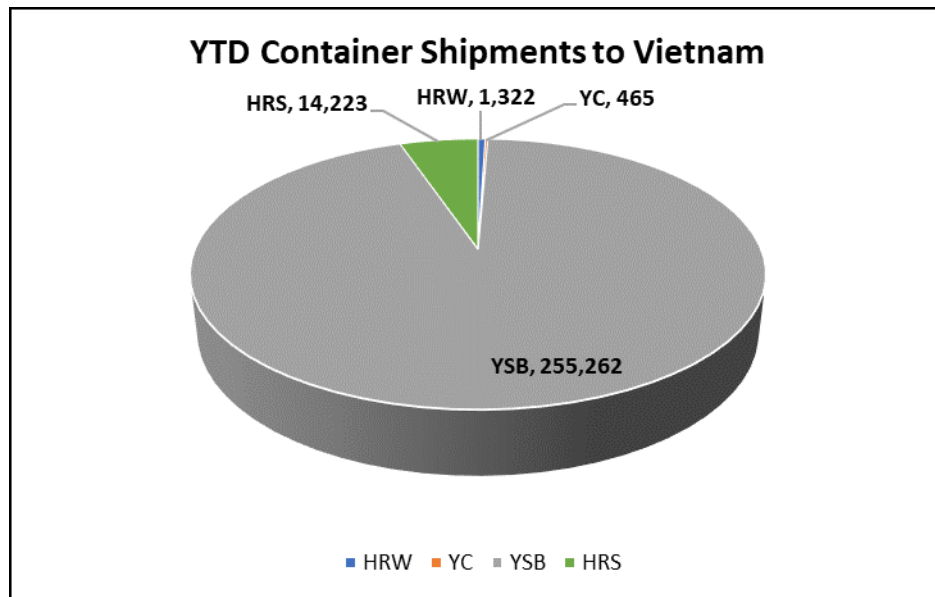
<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Nov.</b>	0.88	<b>\$502.47</b>	1.38	<b>\$520.84</b>
<b>Dec.</b>	0.70	<b>\$503.38</b>	1.20	<b>\$521.76</b>
<b>Jan.</b>	0.72	<b>\$504.12</b>	1.23	<b>\$522.86</b>
<b>Feb.</b>	0.67	<b>\$507.33</b>	1.18	<b>\$526.07</b>
<b>Mar.</b>	0.73	<b>\$509.54</b>	1.25	<b>\$528.64</b>
<b>Soybean Futures</b>				
<b>Nov.</b>	\$ 12.7950			
<b>Jan.</b>	\$ 13.0000			
<b>Mar.</b>	\$ 13.1375			
<b>May</b>	\$ 13.2775			
<b>July</b>	\$ 13.3475			
<b>Aug.</b>	\$ 13.1625			

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
<b>Nov.</b>	54.00	<b>\$ 533.06</b>
<b>Dec.</b>	54.00	<b>\$ 533.06</b>
<b>Jan.</b>	45.00	<b>\$ 508.14</b>
<b>Feb.</b>	37.00	<b>\$ 486.64</b>
<b>Mar.</b>	33.00	<b>\$ 482.23</b>
<b>SBM Futures</b>		
<b>SMZ</b>	\$ 429.50	
<b>SMF</b>	\$ 415.90	
<b>SMH</b>	\$ 404.40	
<b>SMK</b>	\$ 400.30	
<b>SMN</b>	\$ 399.90	
<b>SMQ</b>	\$ 396.70	

**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).*

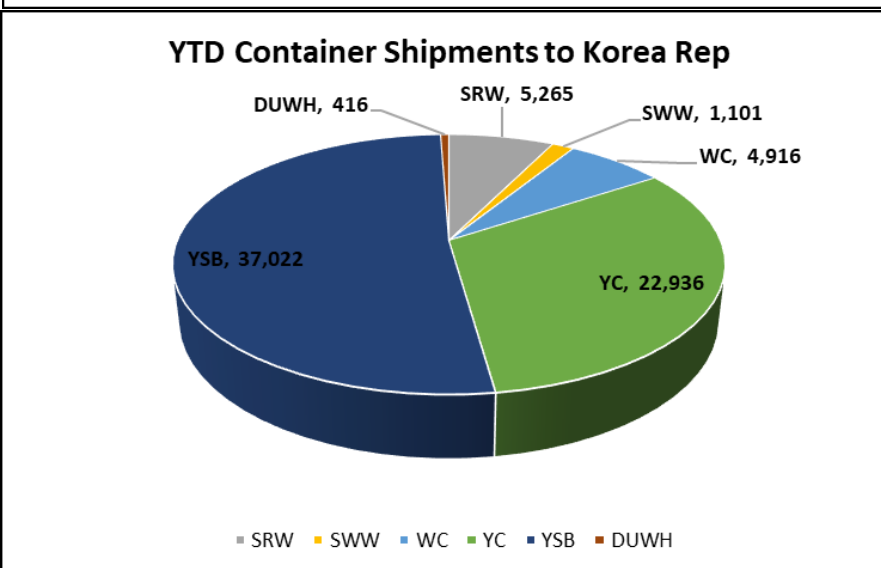
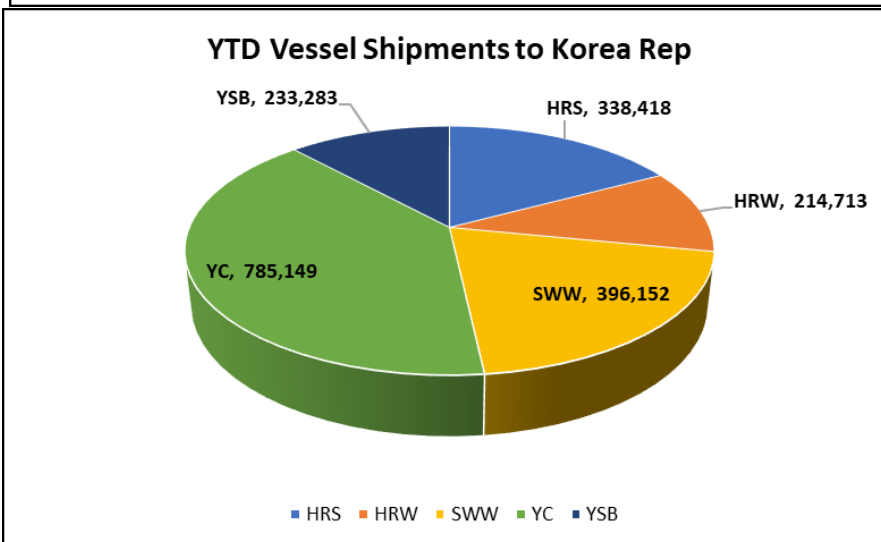
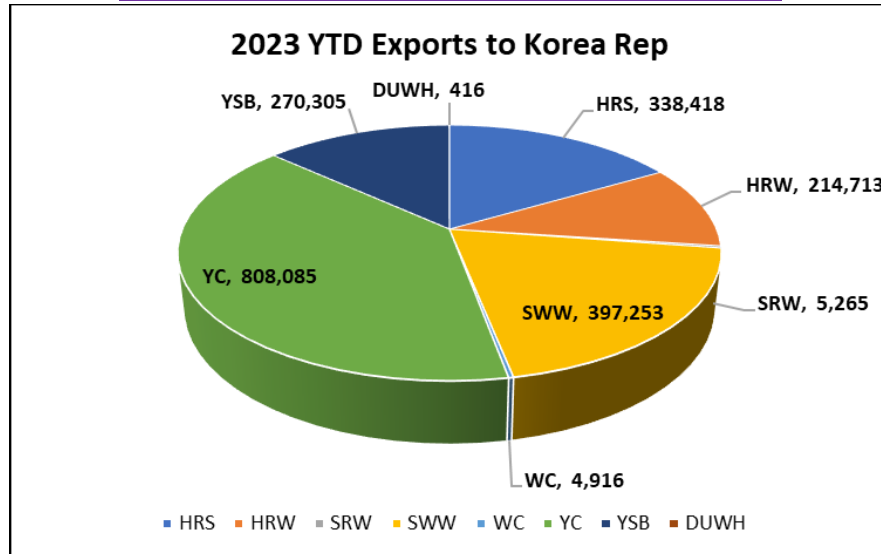
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		19-Oct-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China	416		48,070					2,619	51,105
Taiwan	12,260		19,880	1,078					33,218
Hong Kong	318								318
Costa Rica	196								196
Indonesia									0
French Poly									0
Japan			2,126						2,126
Korea Rep.	1,151								1,151
Bangladesh									0
Malaysia			3,524						3,524
Netherlands									0
Philippines			244						244
Thailand			3,208						3,208
Nepal									0
Burma									0
Ireland									0
Cambodia									0
Vietnam			5,875						5,875
Sub Total:	14,341	0	82,927	1,078	0	0	0	2,619	100,965
USDA Corrections/Additions to previous reports:									
Taiwan	367		2,546						2,913
China			759					98	857
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan			490						490
Philippines									0
Indonesia			930						930
Malaysia			563						563
Thailand			588						588
Vietnam			294						294
Burma									0
Cambodia									0
Sub Total:	367	0	6,170	0	0	0	0	98	6,635
<b>Mt. Grand Total</b>	<b>14,708</b>	<b>0</b>	<b>89,097</b>	<b>1,078</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,717</b>	<b>107,600</b>
Number of Containers	639	0	3,874	47	0	0	0	118	

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





2023 YTD Grain Exports reported by USDA (in MT)



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

**Tom Craig** @LTDManagement · 3h

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St. Lawrence Seaway workers issue strike notice, could walk as of midnight Saturday



bnnbloomberg.ca

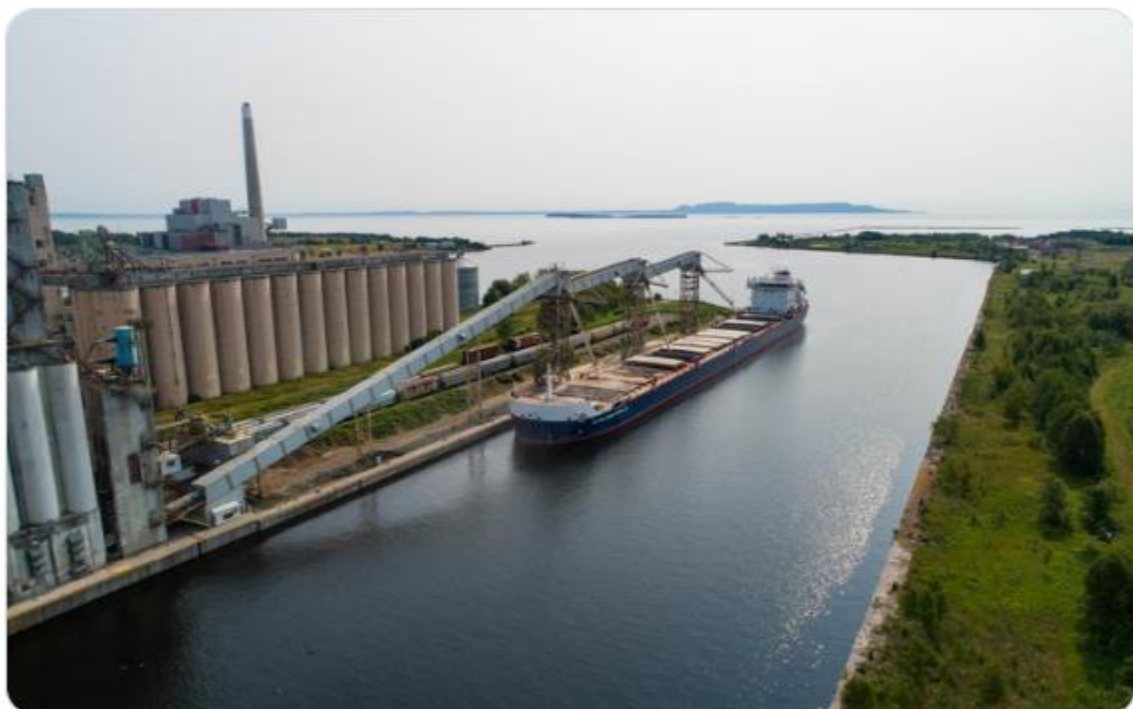
St. Lawrence Seaway workers issue strike notice, ...  
Unifor says workers at the St. Lawrence Seaway Corp. are ready to strike as of midnight Saturday.



**Algoma Central**  
@AlgomaCentral

...

There are approximately 50 days of shipping on the Seaway left for this year. This means for each day that the Seaway remains closed, 2% of remaining marine supply chain capacity is permanently lost for 2023...  
(p. 1)



 Chamber of Marine Commerce



**Algoma Central** @AlgomaCentral · 2h

...

Replying to @AlgomaCentral and @MarineDelivers

A resolution must be achieved on Friday, or the Government of Canada must enforce a solution that restores full traffic on the Seaway to ensure the flow of essential goods, uphold affordability, and maintain our reliable global reputation. If not, the outcome will be devastating.



67



**Algoma Central** @AlgomaCentral · Oct 24

...

The closing of such a key infrastructure system “shouldn’t be allowed to happen,” said Algoma’s Mr. Ruhl. “You don’t solve disputes by shutting down the main artery of the marine supply chain.”



**The Globe and Mail** @globeandmail · Oct 23

St. Lawrence Seaway strike stalls road salt, wheat, steel cargo as winter closing nears [theglobeandmail.com/business/artic...](https://theglobeandmail.com/business/article/st-lawrence-seaway-strike-stalls-road-salt-wheat-steel-cargo-as-winter-closing-nears/)



8

12

1,086



**Algoma Central** @AlgomaCentral · Oct 23

...

Each day vessels cannot traverse this system, over \$100 million of economic activity is forfeited. An immediate resolution is imperative.

**Manihi** @ManihiB · 9h

...

DRYBULK: We are currently seeing massive stimuli measures in china. This could potentially be positive drybulk, but there is no doubt that there are huge problems in the economy.

IMO the best and by far cheapest way to hedge this risk is via USD/CNH calls.



**Kyle Bass**



@Jkylebass · 15h

● China is experiencing a USD funding crisis ● (similar to the rest of the emerging world). Xi was forced to visit the PBOC and SAFE for the FIRST TIME EVER yesterday. China's banking system is in free fall and Xi 1/9 ft.com/content/4c2a39...


**Container Freight Markets**



**Oleksandr Kubrakov** ✓

@OLKubrakov



 Ports of Big Odesa continue to process ships that passed through the temporary [#Ukrainian\\_corridor](#).

The information regarding the cancellation or unscheduled stoppage of the temporary [#Ukrainian\\_corridor](#) for the movement of civilian vessels from and to the ports of the Big Odesa is false. All available routes established by the Ukrainian Navy are valid and being used by civilian vessels. Given that the corridor was implemented in the extremely difficult conditions of Russia's military aggression, its functioning takes into account the military situation and weather conditions.

Currently, 23 ships are under loading in the ports of Odesa, Chornomorsk and Pivdennyi. A total of 51 vessels used the entrance corridor. 33 vessels exported more than 1.3 million tons of Ukrainian agricultural products and other cargo.

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**DRY CARGO SHORT SEA FREIGHT MARKET REPORT / WEEK 43**  
**AZOV SEA**

Freight rates in USD pmt FIOST for 3000/5000 mts of wheat, sf 47' from Azov port							
Destinations	BSS L/D RATES	39 week	40 week	41 week	42 week	43 week	TREND
Georgia	1000 mts / sshex	56	51	48	45	44	Down
TBS	1000 mts / sshex	56	51	48	45	44	Down
Marmara	1000 mts / sshex	58	53	50	47	46	Down
Izmir	1000 mts / sshex	61	56	53	50	49	Down
EC Greece	1000 mts / sshex	66	60	57	54	53	Down
WC Greece	1000 mts / sshex	71	66	63	60	59	Down
Mersin	1000 mts / sshex	85	80	77	72	71	Down
Famagusta	1000 mts / sshex	86	81	78	73	72	Down
Lebanon	1000 mts / sshex	95	90	87	80	79	Down
Israel	1000 mts / sshex	97	92	92	n/a	n/a	n/a
Egypt	1000 mts / fhex	96	92	89	82	80	Down
Durres	1000 mts / sshex	86	81	78	72	71	Down
EC Italy	1000 mts / sshex	100	96	93	90	89	Down
WC Italy	1000 mts / sshex	102	98	95	92	90	Down
Sardegna	1000 mts / sshex	103	99	96	93	92	Down

Notes: Rostov AB - 1 \$ more; BB - same price; Yeisk/Taganrog - 2 \$ less; Temruk - 3 \$ less

**DRY CARGO SHORT SEA FREIGHT MARKET REPORT / WEEK 43**  
**CASPIAN SEA**

Freight rates in USD pmt FIOST for 3000/5000 mts of corn, 49' to N.I.P.							
From	BSS L/D RATES	39 week	40 week	41 week	42 week	43 week	TREND
Aktau	1000 mts / sshex	36	39	40	51	56	Up
Makhachkala	1000 mts / sshex	45	48	49	60	65	Up
Astrakhan	1000 mts / sshex	58	62	63	75	80	Up

For more information please visit our website [www.sealines.su](http://www.sealines.su)

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This report is performed to the best of our knowledge based on the market conditions prevailing at the time mentioned. The report relates solely to the date/place referred to and we emphasize that it is a statement of information collected from various market sources. All particulars above are from information given to us and such information as we have been able to obtain from relevant references in our possession but we can accept no responsibility and we bear no liability for any loss or damage incurred to any persons acting upon this report.



# Ohio derailment charge slams Norfolk Southern's Q3 profit

Net income drops by 50% with \$163M fee



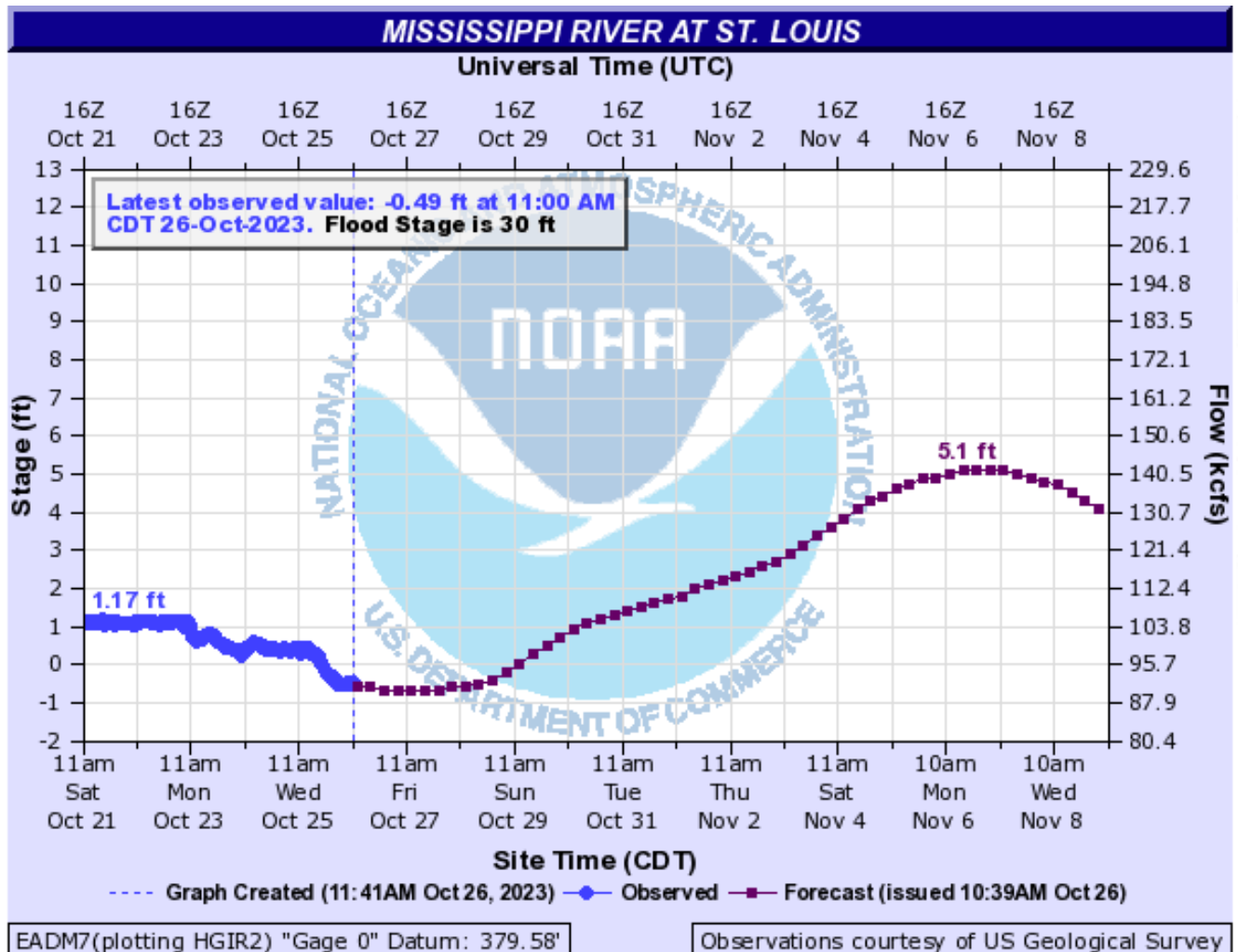
Joanna Marsh • Wednesday, October 25, 2023

Norfolk Southern's third-quarter net income plunged by 50% in large part because of a \$163 million charge resulting from the early [February train derailment](#) in East Palestine, Ohio.

Rail cars carrying hazardous materials were among those that derailed on Feb. 3, raising concerns from residents in East Palestine and from surrounding communities in Ohio and Pennsylvania about adverse environmental impacts. Shortly following the derailment, NS and public officials vented the derailed rail cars carrying vinyl chloride because of concerns that those rail cars could explode.

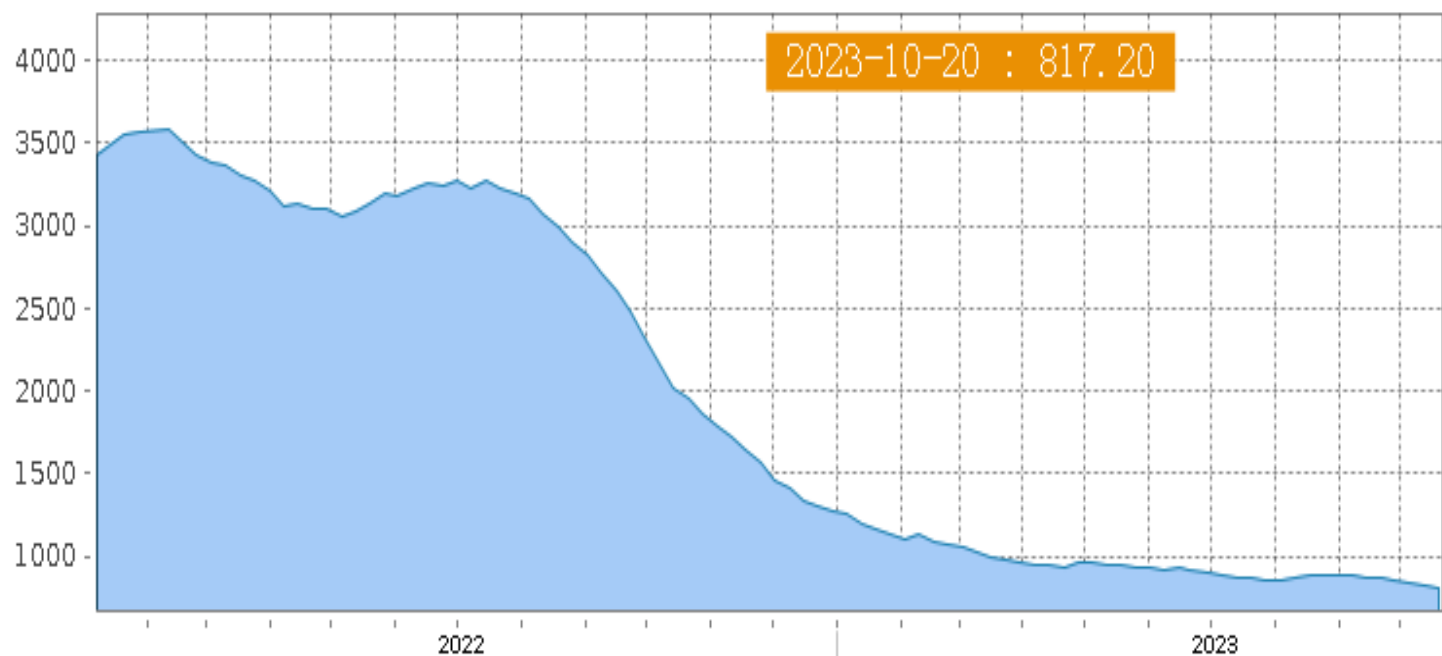
Net income was \$478 million, or \$2.10 per diluted share, for the third quarter of 2023, compared with net income of \$958 million, or \$4.10 per diluted share, for the third quarter of 2022.

## U.S. River Markets





## China Containerized Freight Index



## China Import Dry Bulk Freight Index



### Secondary Rail Car Market for Car placement period: Last Half November 2023

Secondary Rail Car Market Placement LH November 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (200)	\$ -	\$ (0.05)	\$ -	\$ (1.97)	\$ -
UPRR Shuttle Trains	\$ (500)	\$ (300)	\$ (0.13)	\$ (0.08)	\$ (4.92)	\$ (2.95)

### Barge Placement Last Half November 2023

Placement LH November 2023	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			0.00
Illinois River (Pekin and South)	525	\$ 35.82	0.91	0.97
Mid-Mississippi	515	\$ 25.32	0.64	0.69
Lower Ohio	500	\$ 24.58	0.62	0.67
St. Louis	450	\$ 19.79	0.50	0.54

Best Regards,

Jay

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Follow me on Twitter @ [igpjay](#)



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