

Transportation and Export Report for 2 November 2023

To answer the biggest question asked by both kids on a long car trip, and Dry bulk vessel owners; no, we are not there yet. In fact, we seem to be going in reverse. It was yet another week of market corrections and lower values in both FFA paper markets and physical markets. North American grain export volumes appear to be slowing, especially from the West Coast. And markets are still waiting for Chinese government stimulus funds to generate more import cargo demand.

U.S. Containerized grain shipments showed strong volumes again this week and seem to be creating a positive trend with attractive rates in place. Low water conditions remain in the Mississippi River but the outlook for November is improving. No positive improvement yet in the water situation in the Panama Canal. I expect to see increases in U.S. grain rail rates in 2024. The labor strike in the St. Lawrence seaway has been settled.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
2-Nov-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	21802	23193	-1,391	-6.0%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	11825	12886	-1,061	-8.2%
S1C: US GULF-China-So.Japan	Index	26718	27589	-871	-3.2%
P7: Trial- Miss. River - Qingdao	per ton	54.74	56.10	-1.36	-2.4%
P8: Trial- Santos - Qingdao	per ton	39.62	42.05	-2.43	-5.8%

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

Four weeks ago:	\$10.25-\$10.60
Three weeks ago:	\$11.15-\$10.45
Two weeks ago:	\$10.50-\$11.20
One week ago:	\$10.55-\$9.35
This week	\$9.30-\$8.35

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

Mississippi River:	(9 elevators)	1-47 days (3 facilities over 5 days)
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-0 days (5 facilities with no vessels)
Pacific Northwest:	(9 elevators)	0-5 days (2 facilities over 3 days)

Panamax Market Spreads to Asia -China					
2-Nov-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.71	1.25	0.54	\$21.26	PNW
SOYBEANS	0.70	1.28	0.58	\$21.31	PNW
OCEAN FREIGHT	\$55.25	\$28.25	.69-.73	\$27.00	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 \$28.50 - \$29.50/mt.

Soybean Brazil to Spain about \$38.00 - \$39.50/mt.

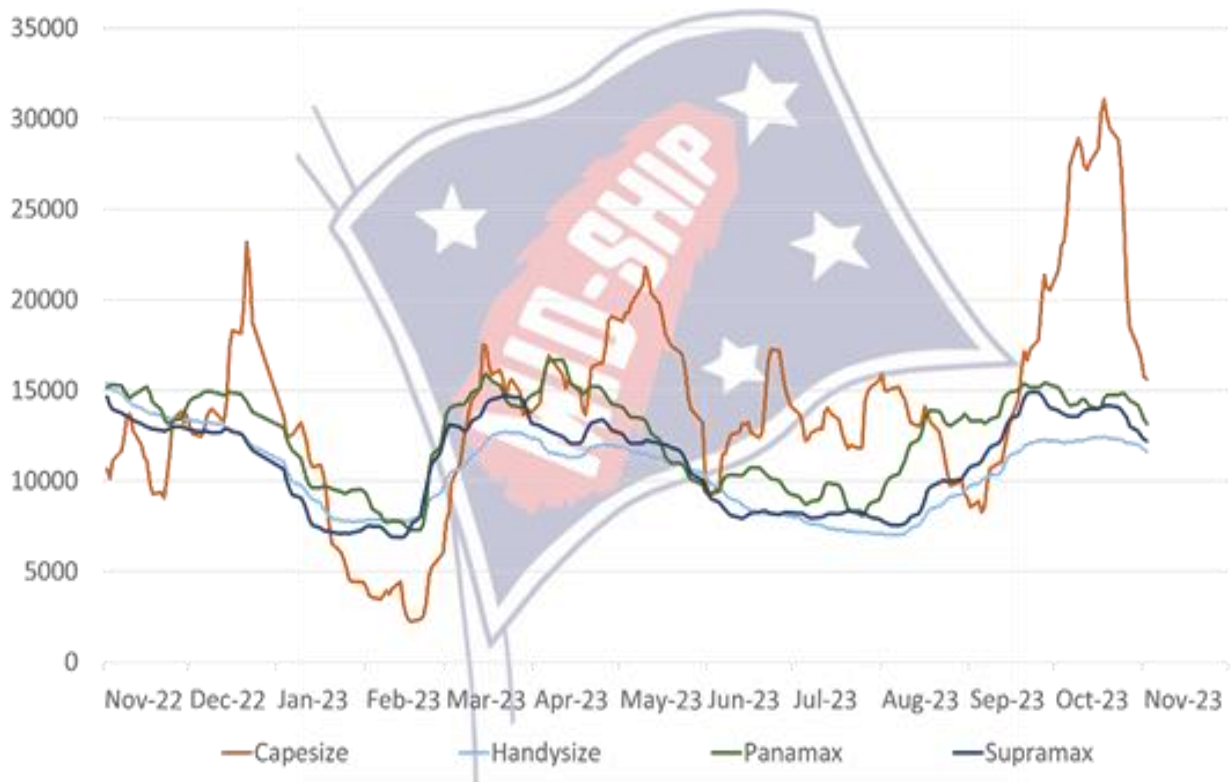
Route and Vessel Size	Current Week USD/MT	Change	Remarks
55,000 U.S. Gulf-Japan	\$56.00	Down \$1.00	Handymax \$56.50 mt
55,000 U.S. PNW- Japan	\$28.75	Down \$0.75	Handymax at \$29.75 mt
65,000 U.S. Gulf – China	\$55.25	Down \$1.00	North or South China
PNW to China	\$28.25	Down \$0.75	
25,000 U.S. Gulf- Veracruz, México	\$21.75	Down \$0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$19.00	Down \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$30.25	Down \$0.50	<u>West Coast Colombia at \$32.50</u>
50,000 USG- E/C Colombia	\$27.00		
<u>East Coast Colombia</u> From Argentina	\$38.00		
40-45,000 U.S. Gulf - Guatemala	\$30.25	Down \$0.50	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$35.75	Down \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$34.50	Down \$0.50	55,000-60,000 mt Egypt
PNW - Egypt	\$35.00		Romania - Russia- Ukraine \$20.00 -\$19.50 - \$40.00?? France \$24.00, Bulgaria \$19.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$27.50	Down \$0.50	Handymax at +\$2.50 more
Brazil, Santos –China	\$42.50	Down \$0.75	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$40.50		60-66,000 Post Panamax
Up-River Port North Brazil	\$46.25		55-60,000 mt
56-60,000 Argentina-China	\$48.25	Down \$0.75	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

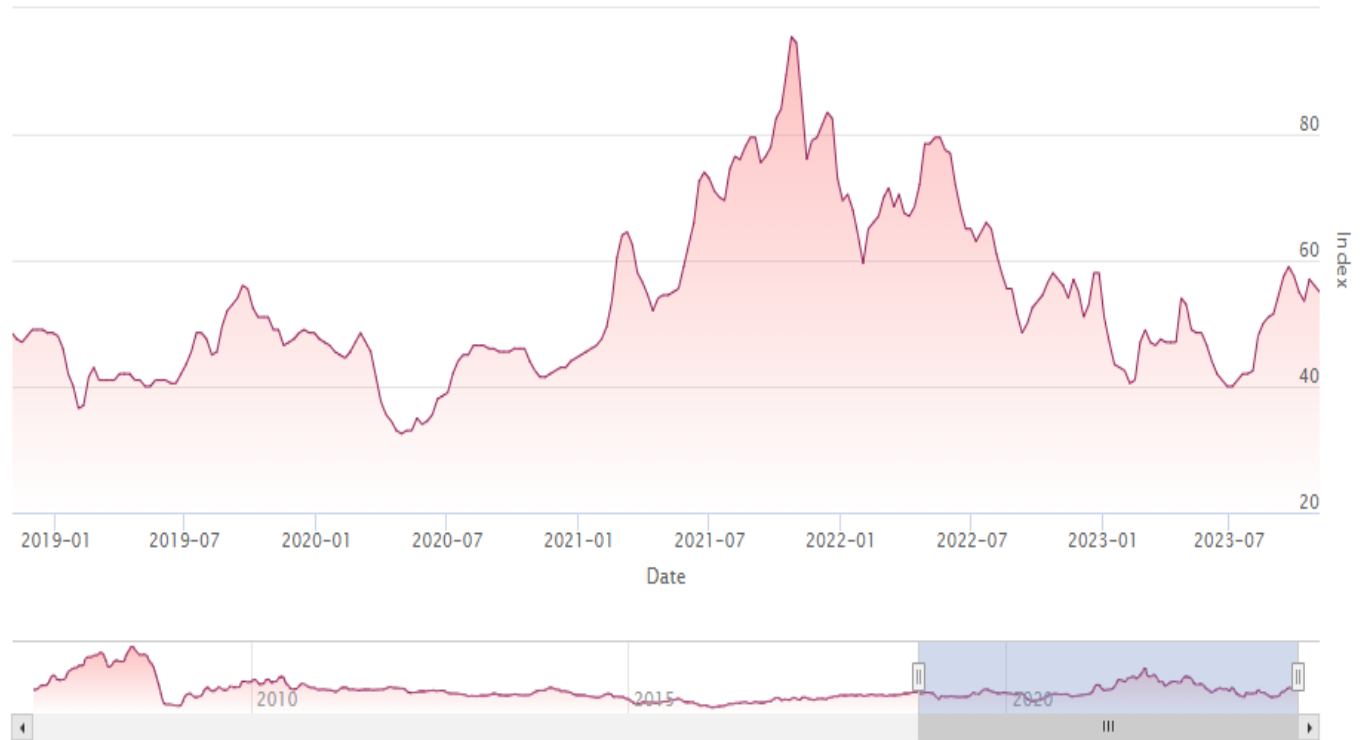
Baltic Average of the Time Charter routes per Segment



YAMAMIZU Index

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

From 2018-11-01 To 2023-11-01



China Import Dry Bulk Freight Index					
2023-11-02					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1043.72	-20.38
Iron ore Freight Index			Point	971.1	-28.79
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.064	-0.268
Soybean Freight Index			Point	1213.72	-7.45
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	40.68	-0.39
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	28.65	-0.02
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	55.45	-0.19

2 November 23 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 =	4.7000
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	4.8500
Dec.	0.71	\$212.98	1.25	\$234.24	K =	4.9425
Jan.	0.61	\$214.95	1.12	\$235.03	N =	5.0225
Feb.	0.64	\$216.13	1.11	\$234.63	U =	5.0525
Mar.	0.66	\$216.92	1.11	\$234.63	Z =	5.1050
Apr.	0.66	\$220.56	1.15	\$239.85		
May	0.68	\$221.35	1.18	\$241.03		

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
Dec.	2.20	\$271.64
Jan.	2.20	\$277.54
Feb.	2.20	\$277.54
Mar.	2.20	\$277.54
Apr.	2.20	\$281.18

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	
	Dec.	Jan.	Feb.	Mar.
FOB U.S. GULF	\$251.88	\$250.87	\$250.87	\$251.60
Basis	1.20	0.90	0.90	0.92
WZ	5.6550			
WH	5.9275			
WK	6.0975			

U.S. Soybean and SBM Markets Fob Vessel:

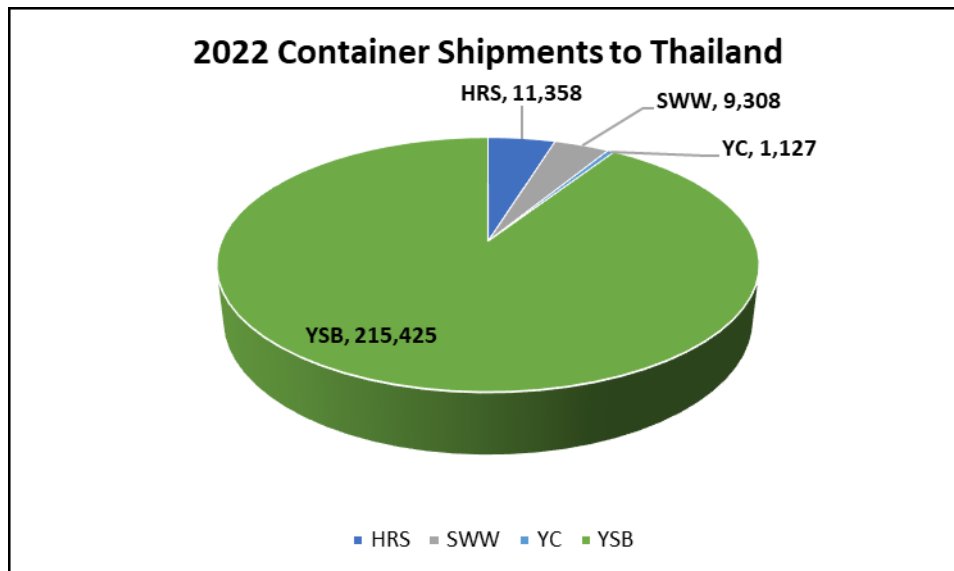
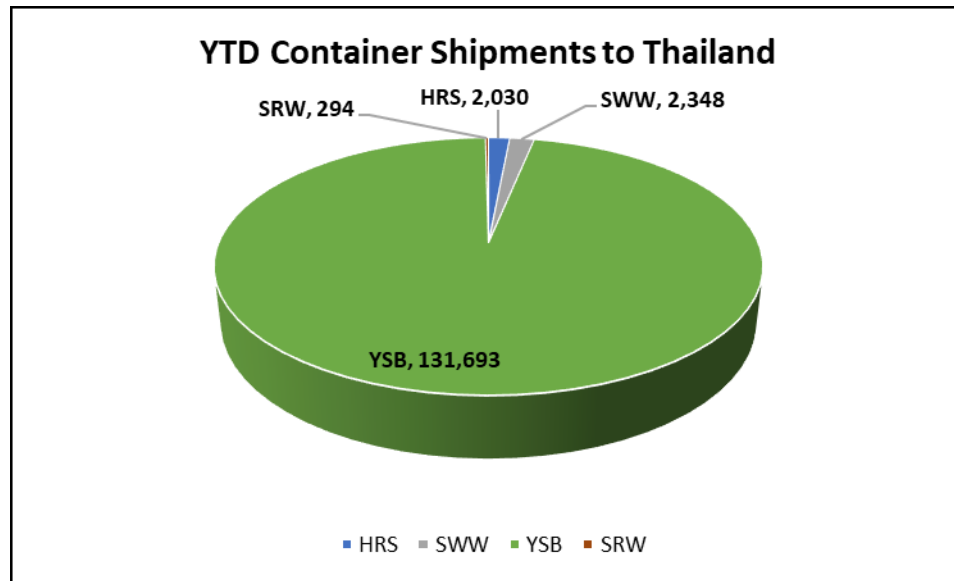
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Dec.	0.70	\$513.76	1.28	\$535.07
Jan.	0.72	\$514.50	1.26	\$534.34
Feb.	0.60	\$515.14	1.14	\$534.98
Mar.	0.62	\$515.88	1.16	\$535.72
Apr.	0.60	\$519.83	1.15	\$540.04
Soybean Futures				
Jan.	\$ 13.2825			
Mar.	\$ 13.4200			
May	\$ 13.5475			
July	\$ 13.6075			
Aug.	\$ 13.4125			
Sept.	\$ 12.9575			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Dec.	53.00	\$ 528.43
Jan.	48.00	\$ 512.88
Feb.	40.00	\$ 494.58
Mar.	34.00	\$ 487.97
Apr.	34.00	\$ 483.67
SBM Futures		
SMZ	\$ 426.30	
SMF	\$ 417.20	
SMH	\$ 408.60	
SMK	\$ 404.70	
SMN	\$ 405.10	
SMQ	\$ 402.40	

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).*

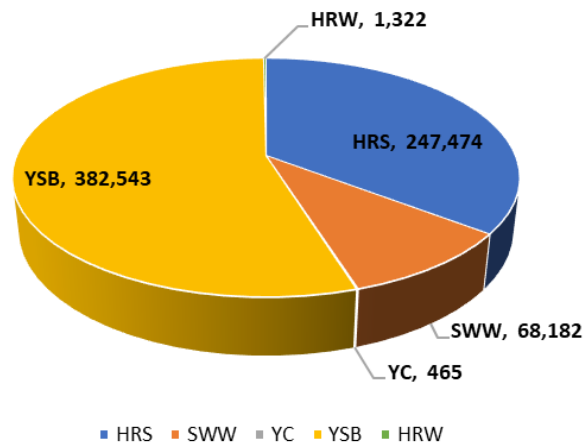
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		26-Oct-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			43,144					4,162	47,306
Taiwan	18,606		23,660						42,266
Hong Kong	734		147						881
Costa Rica									0
Indonesia			29,237	734					29,971
French Poly									0
Japan			1,564						1,564
Korea Rep.	366			220					586
Bangladesh			1,396						1,396
Malaysia			8,423						8,423
Netherlands									0
Philippines	171		1,787						1,958
Thailand			4,848	294					5,142
Nepal									0
Burma									0
Ireland									0
Cambodia			49						49
Vietnam			9,498						9,498
Sub Total:	19,877	0	123,753	1,248	0	0	0	4,162	149,040
USDA Corrections/Additions to previous reports:									
Taiwan	294		1,396						1,690
China			1,077					49	1,126
Hong Kong									0
Korea Rep.	122								122
Un Kingdom									0
Japan			661						661
Philippines									0
Indonesia			685						685
Malaysia			367		98				465
Thailand					416				416
Vietnam			563						563
Burma									0
Cambodia									0
Sub Total:	416	0	4,749	0	514	0	0	49	5,728
Mt. Grand Total	20,293	0	128,502	1,248	514	0	0	4,211	154,768
Number of Containers	882	0	5,587	54	22	0	0	183	

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

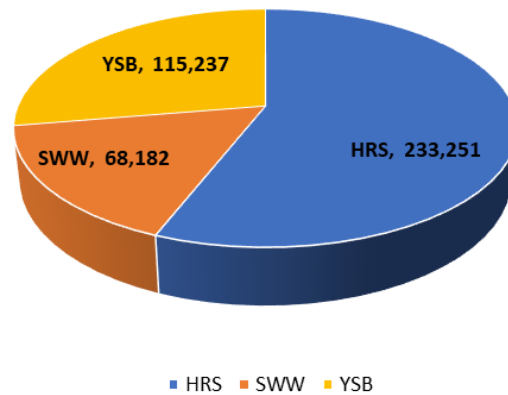


2023 YTD Grain Exports reported by USDA (in MT)

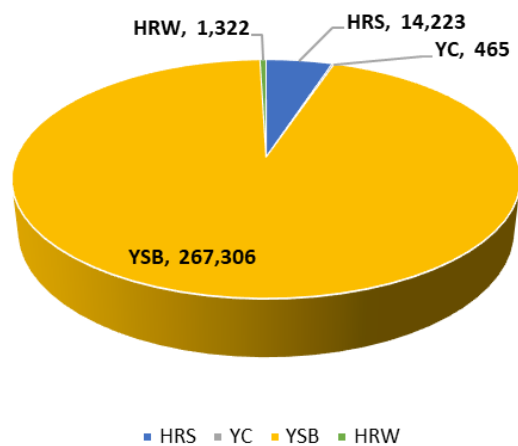
2023 YTD Exports to Vietnam



YTD Vessel Shipments to Vietnam



YTD Container Shipments to Vietnam



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

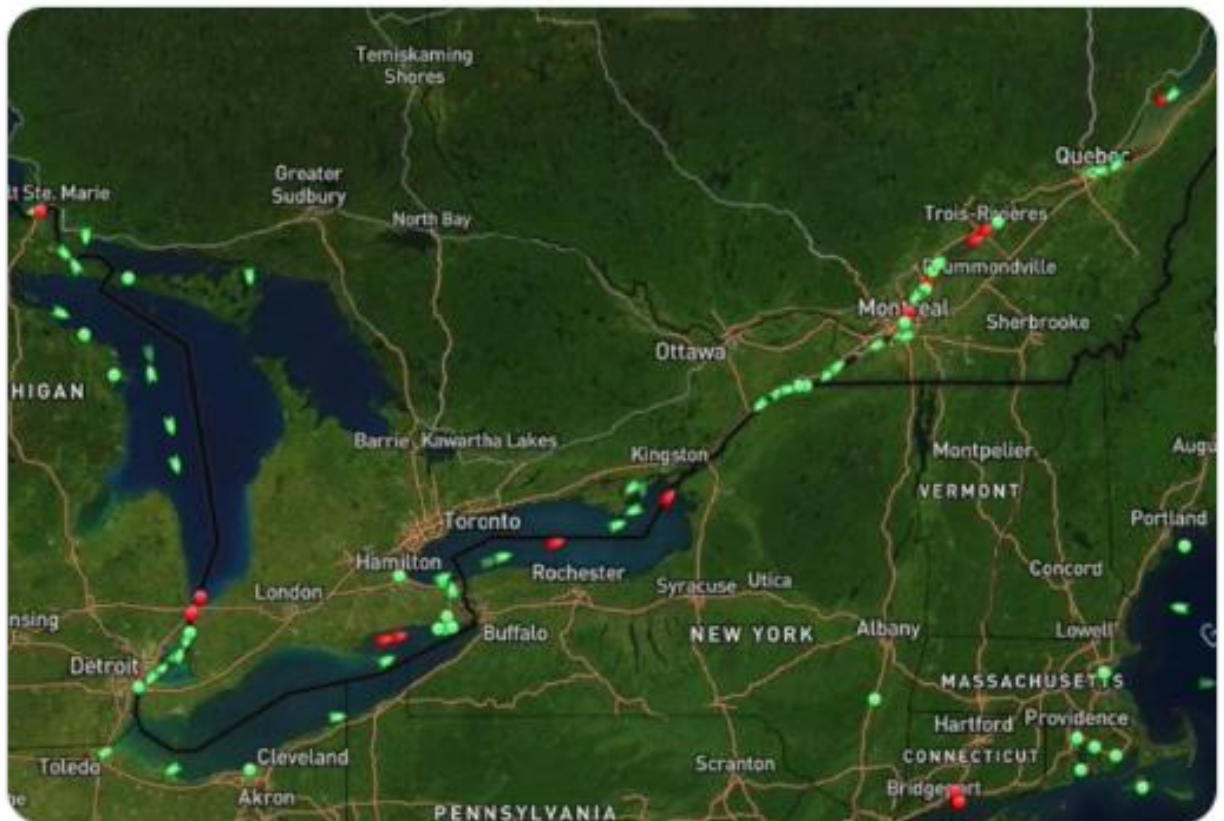
Source: USDA-data

Shipping News

Algoma Central @AlgomaCentral · 19h

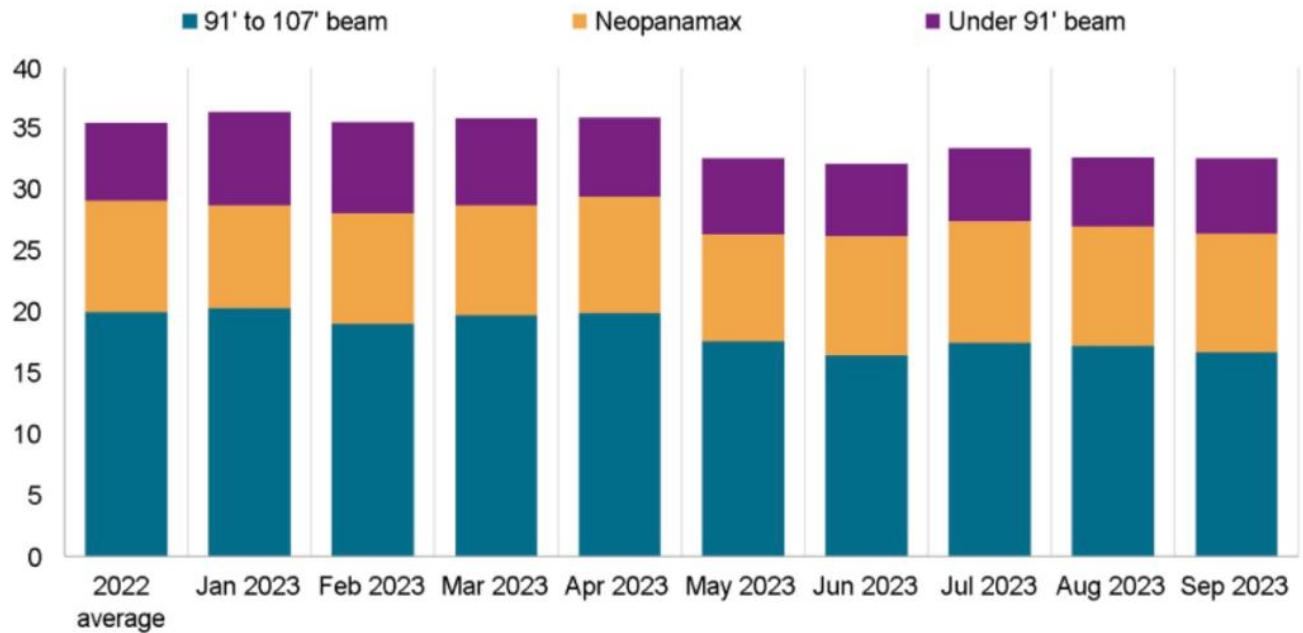
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It is good to see vessels transiting through the Seaway system again. Estimates put a traffic recovery timeline between 3 and 5 days. Currently, 8 Algoma vessels are waiting their turn to pass through the Welland Canal or currently transiting down the canal. 1/2



Mid-sized vessels bear brunt of lower Panama Canal transits

Daily average Panama Canal crossings by vessel size, number of vessels



Data compiled Oct. 26, 2023.

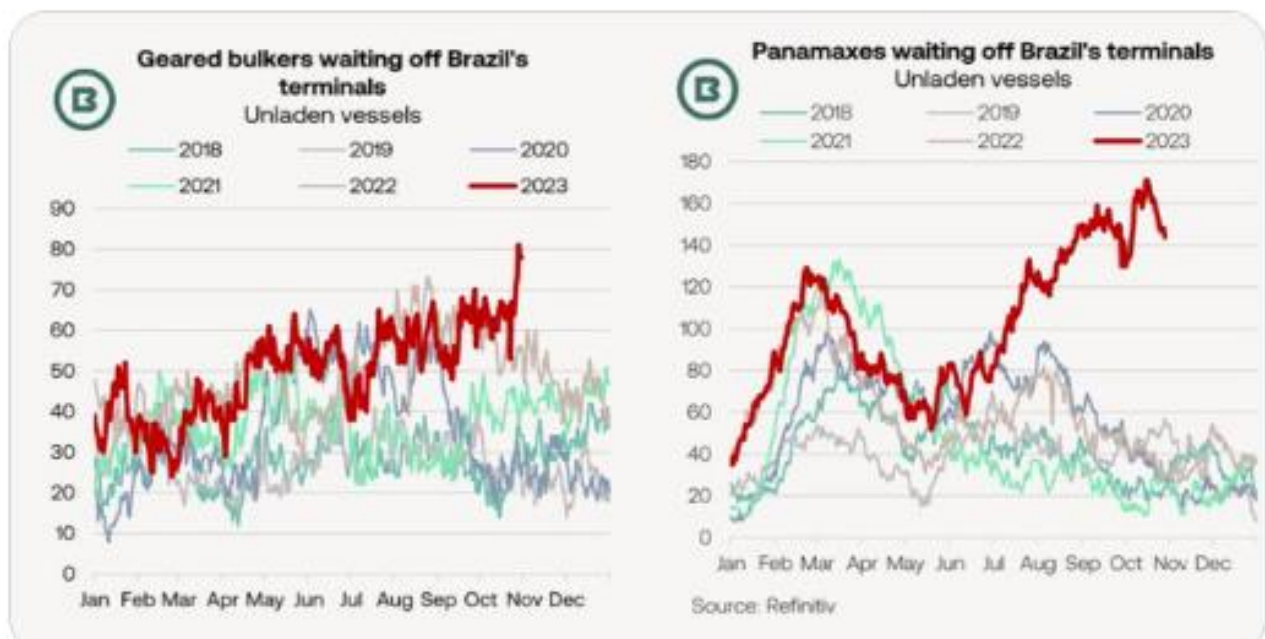
Sources: S&P Global Market Intelligence; Panama Canal Authority.

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Freight (@freight.bsky.social) @jsxfreight1 · 1h

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Despite really high congestion Panamax rates remain depressed. How bad would it be if we didn't have this congestion 🤔? I know .. delayed effect of congestion etc but still ..





News / Suez Canal fee hikes set to add to the pressure on Asia-Europe carriers

By [Gavin van Marle](#)

31/10/2023

Container shipping lines are set to see another spike in costs next year after the Suez Canal Authority (SCA) announced that it would increase fees on northbound transits by 15%.

The same hikes, which will take effect on 15 January, also apply to all other types of vessel except ro-ro ships, which will be subject to a 5% increase.

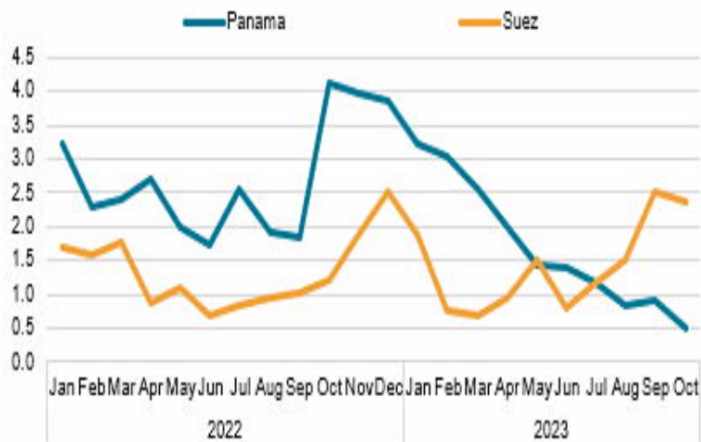
The increases will not apply to eastbound vessels returning to Asia whose last port call was at the Straits of Gibraltar (namely Algeciras and Tanger Med) or before.

However, vessels employed on headhaul Asia-Europe trades and the selection of Asia-North America east services which transit via Suez rather than Panama are expected to see hefty cost increases.

SCA transit fees vary according to the vessel's size in terms of beam, draught and tonnage, whether it is laden or unladen and the value of the Suez Canal Net Tonnage, which calculates a vessel's freight volume capacity.

According to the Hong Kong Trade Development Council, current fees vary between \$400,000 and \$700,000 per transit, depending on the size of the ship, and thus carriers are looking at a cost increase of \$60,000-\$105,000 per voyage.

USG cargo with Far East and SEA destination (MMt)

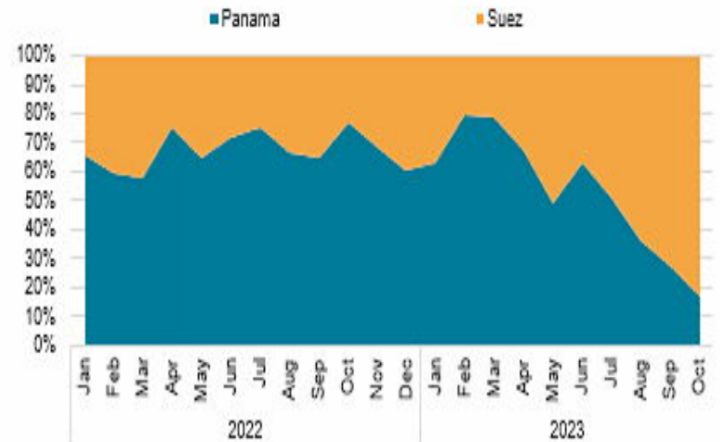


As of Nov. 01, 2023.

Source: S&P Global Commodity Insights Commodities at Sea.

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USG cargo with Far East and SEA destination (MMt)



As of Nov. 01, 2023.

Source: S&P Global Commodity Insights Commodities at Sea.

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Panama Canal



By [Charlotte Goldstone](#)

01/11/2023

Shipping lines are facing more disruption and delay at the Panama Canal, owing to the “driest October in 73 years”, as well as anti-mining protests in the region.

The Panama Canal Authority (PCA) announced new operational measures yesterday, following “41% less rainfall than usual”.

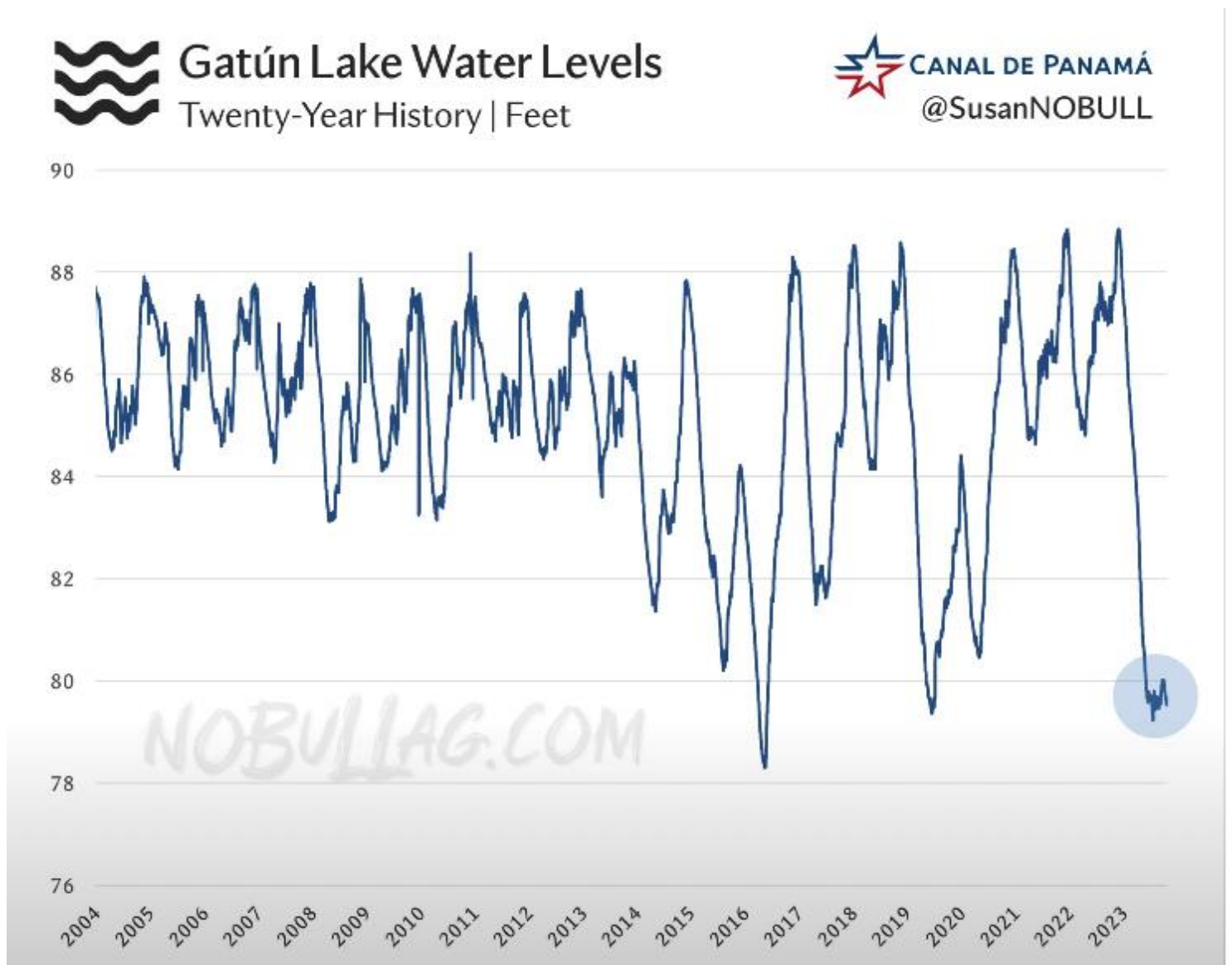
It said: “The canal and the country face the challenge of the upcoming dry season with a minimum water reserve that must guarantee supply for more than 50% of the population and, at the same time, maintain the operations of the interoceanic waterway.”

The PCA has introduced reservation slots from now until February, limiting transits to 49 between 3 and 30 November, 22 in December, 20 in January and 18 for February.

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.”

The slot plan follows draught restrictions and measures previously adopted to ensure the safety of transit operations, such as the use of water re-utilisation basins in the neopanamax locks and cross-filling in the panamax locks.

Operations at the canal have also been affected by protests over an agreement to extract copper in Panama between the government and Minera Panama, a subsidiary of Canadian transnational First Quantum. Protests included street blockades in Panama City, with more than 200 arrests. Maersk warned customers yesterday: “Due to the ongoing protests in Panama, operations have been irregular due to blockades.”



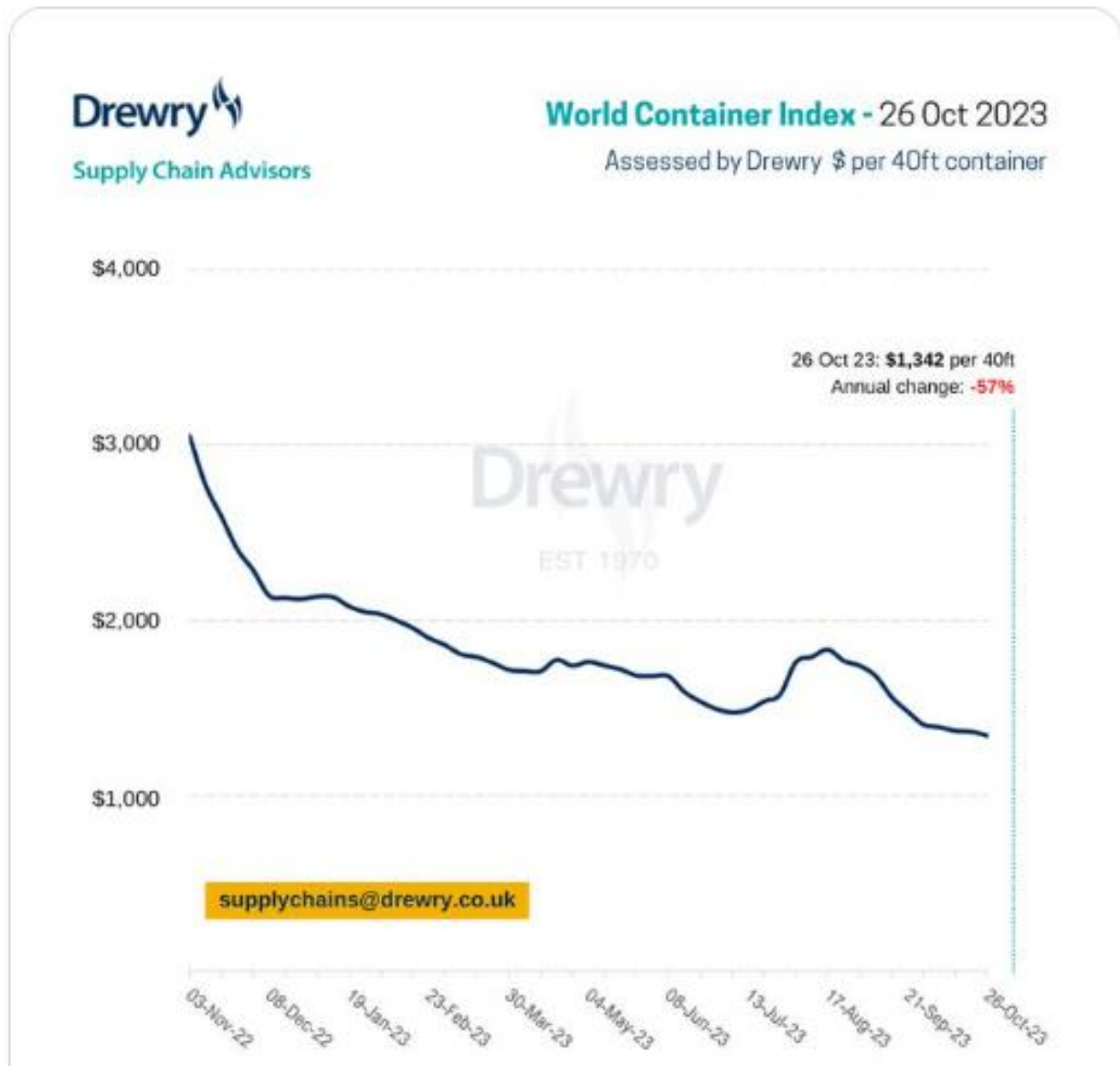
Container Freight Markets

Drewry @DrewryShipping · Oct 26

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Drewry's World Container Index decreased by 2% to \$1,342 this week and is 57% down compared with the same week last year. View our detailed assessment at: drewry.co.uk/supply-chain-a...

[#WorldContainerIndex](#) [#containers](#) [#shipping](#) [#supplychains](#) [#logistics](#)
[#OceanFreight](#) [#Transportation](#)



Drewry @DrewryShipping · Oct 24

...

A recap of this morning's container market outlook webinar by Simon Heaney. The outlook for the global container shipping trades continues to darken. Read more at: theloadstar.com/gloomy-outlook..... #containers #shipping #logistics #SupplyChains



Yesterday, *The Loadstar* reported that the Suez Canal Authority's announcement of a 15% fee increase on northbound transits would also prompt demand for Asia-US west coast services.

October 30, 2023 | [News, Ports & Terminals, Shipping](#)

St. Lawrence Seaway strike ends

Written by [Nick Blenkey](#)

The St. Lawrence Seaway reopened today after [mediated negotiations](#) between the St. Lawrence Seaway Management Corporation (SLSMC) and the Unifor union produced a tentative agreement.

The 364 Unifor members who have been on strike since October 22 were set to go back to work at 7.00 a.m. this morning. The SLMC said that it had begun to implement its recovery and would start passing ships progressively as of today.

By this afternoon, the *Globe & Mail* newspaper and other Canadian media were reporting that cargo is moving again on the Seaway, but noted it could take most of the week to clear the backlog of ships halted during the labor stoppage – and even longer for supply chains to normalize.

The tentative agreement covers Unifor members at Locals 4211, 4212 and 4323 in Ontario and Locals 4319 and 4320 in Quebec, who work in the supervisory and engineering group and the maintenance, operations, and clerical group.

Unifor says that details of the tentative agreement will first be shared with members and will be made public once an agreement is ratified. A vote will be scheduled in the coming days.

“We have in hand an agreement that’s fair for workers and secures a strong and stable future for the Seaway,” said SLSMC president and CEO Terence Bowles. “We know that this strike has not been easy for anyone, and value the patience and cooperation of our marine industry binational partners; carriers, shippers, ports, local communities and all those who depend on this vital transportation corridor on both sides of the Canada-U.S. border”.

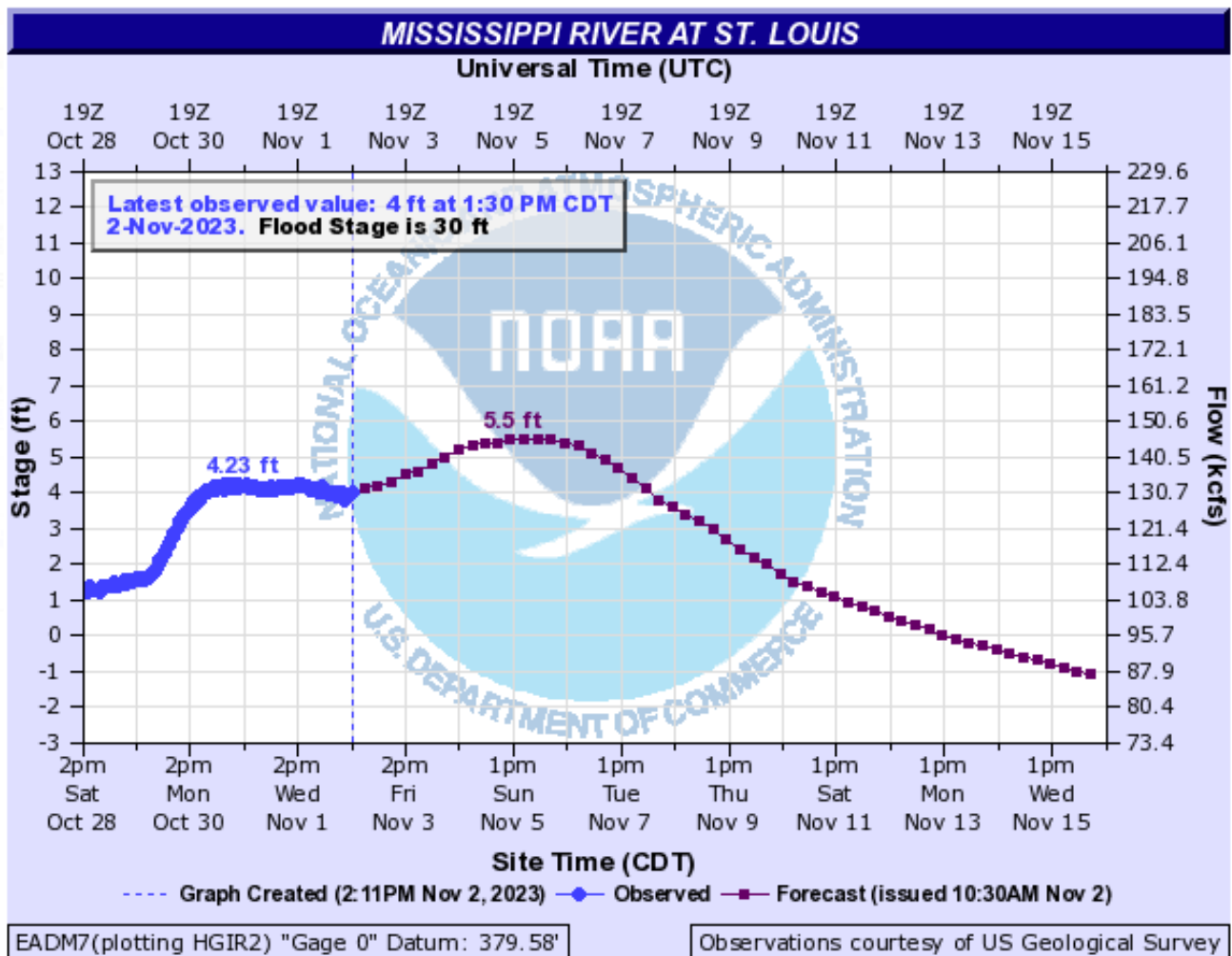
“For the first time in 55 years seaway workers took the very hard decision to go on strike. They did so to fight for a more respectful workplace and for an agreement that reflects today’s economic times,” said Lana Payne, Unifor National President. “They have shown that the best deal is reached at the bargaining table, and I congratulate the negotiating committee on their outstanding work on behalf of their members.”

The bi-national [Chamber of Marine Commerce](#) is calling for a full and fast resumption of Seaway operations to get traffic moving and restore the significant economic activity that is made possible by Seaway infrastructure, which is also a critical conduit for cross border trade in the Great Lakes and St. Lawrence River region.

Black Sea

Rail News:

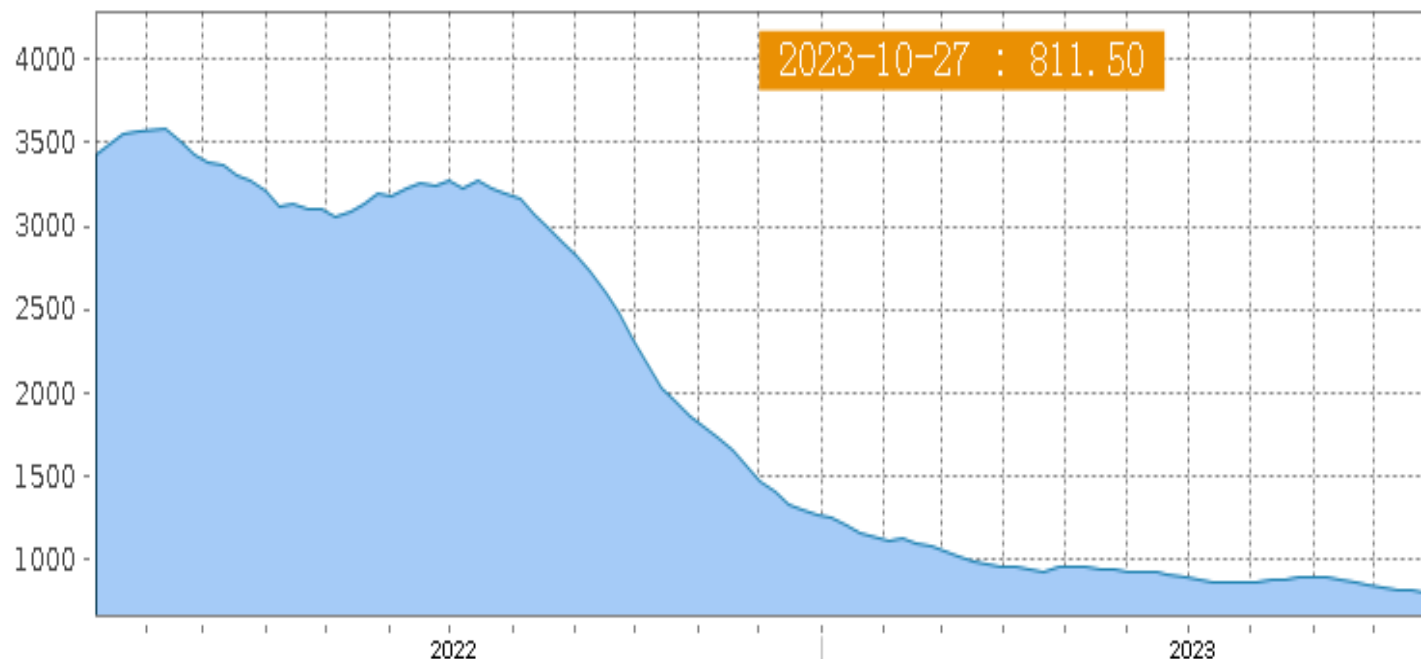
U.S. River Markets



Jenny Sauer-Schmidgall  @TheWittyFarmer · 15h



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)	\$ 100	\$ (0.05)	\$ 0.03	\$ (1.97)	\$ 0.98
UPRR Shuttle Trains	\$ (550)	\$ (350)	\$ (0.14)	\$ (0.09)	\$ (5.41)	\$ (3.44)

Barge Placement Last Half November 2023

Placement LH November 2023	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	Closed			0.00
Illinois River (Pekin and South)	475	\$ 32.41	0.82	0.88
Mid-Mississippi	475	\$ 23.35	0.59	0.64
Lower Ohio	475	\$ 23.35	0.59	0.64
St. Louis	425	\$ 18.69	0.47	0.51

Best Regards,

Jay

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*** The information in this market report is derived from sources believed to be reliable and accurate but cannot be guaranteed. Forward looking projections are never completely accurate, and these markets move quickly.

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