

Transportation and Export Report for 14 December 2023

The big Dry Bulk rally of two weeks was unusual and a surprise to most markets. Today, it feels like that rally was not only unusual, but also fundamentally unsupported and inappropriate. As such, markets have spent the last two weeks taking back the gains and returning to a less optimistic outlook. We are now entering the end of the year holiday season and most Traders are evening up their positions and retiring from their desks until 2024. Week over week trading volumes have already slowed. For the next two weeks markets will mostly be moved by who is desperate to do what.

Booking Slots and vessel transits thru the Panama Canal will continue to be limited for the next few months.

BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
14-Dec-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	26459	30150	-3,691	-12.2%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	14083	16317	-2,234	-13.7%
S1C: US GULF-China-So.Japan	Index	39107	39779	-672	-1.7%
P7: Trial- Miss. River - Qingdao	per ton	59.04	61.31	-2.27	-3.7%
P8: Trial- Santos - Qingdao	per ton	42.68	43.70	-1.02	-2.3%

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

Four weeks ago:	\$8.80-\$9.50
Three weeks ago:	\$10.06-\$10.48
Two weeks ago:	\$11.50-\$12.75
One week ago:	\$13.20-\$10.75
This week	\$10.75-\$14.00

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

Mississippi River:	(9 elevators)	2-6 days (1 facility over 3 days)
Mid-Stream loaders:	(6+ Rigs)	1-2 days
Texas Gulf	(5 elevators)	0-8 days (3 facilities at zero days)
Pacific Northwest:	(9 elevators)	1-4 days (2 facilities at zero days)

Panamax Market Spreads to Asia -China					
14-Dec-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.57	1.18	0.61	\$24.01	PNW
SOYBEANS	0.78	1.55	0.77	\$28.29	Both
OCEAN FREIGHT	\$60.00	\$31.25	.77-.83	\$28.75	January

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 \$32.00 - \$33.00/mt.

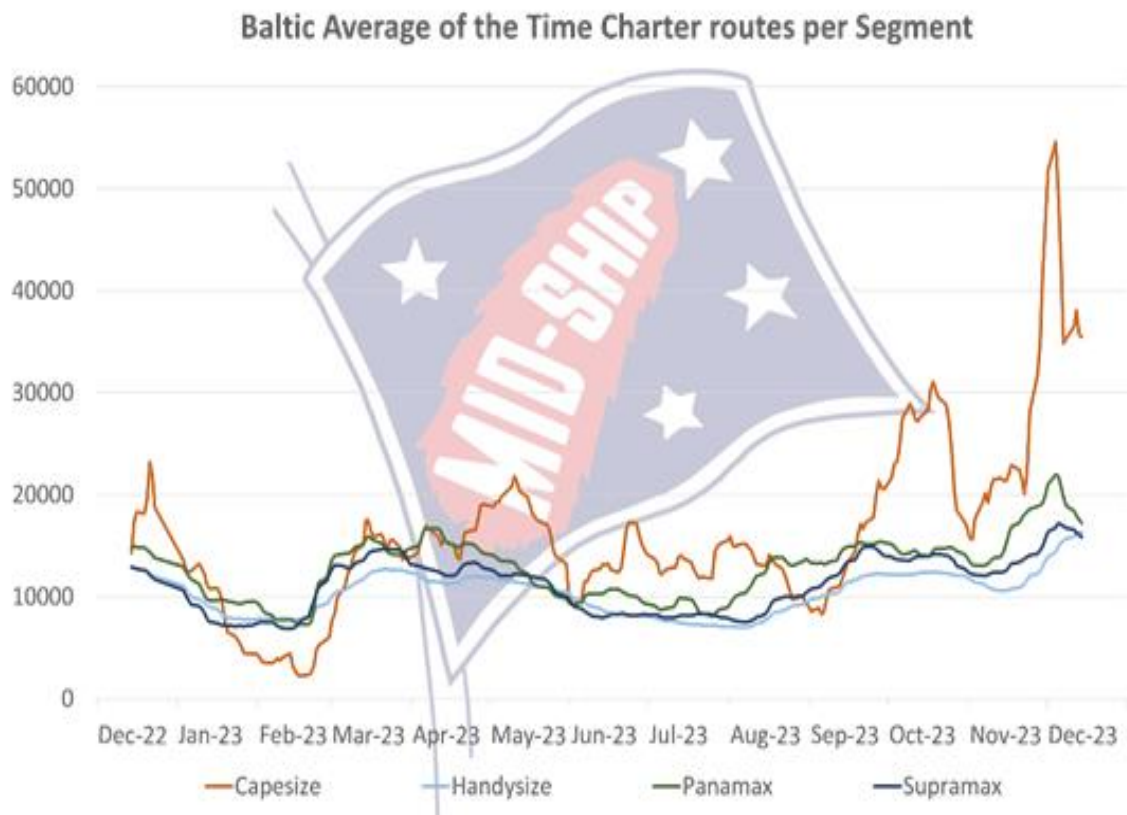
Soybean Brazil to Spain about \$41.50 - \$42.50/mt.

Route and Vessel Size	Current Week USD/MT	Change	Remarks
55,000 U.S. Gulf-Japan	\$60.75	Down \$3.00	Handymax \$61.50 mt
55,000 U.S. PNW- Japan	\$31.75	Down \$1.25	Handymax at \$32.50 mt
65,000 U.S. Gulf – China	\$60.00	Down \$3.00	North or South China
PNW to China	\$31.25	Down \$1.25	
25,000 U.S. Gulf- Veracruz, México	\$23.00	Down \$0.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$20.25	Down \$0.50	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$32.50	Down \$2.00	<u>West Coast Colombia at \$36.00</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	\$33.00	Down \$1.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$39.00	Down \$2.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$37.50	Down \$2.50	55,000-60,000 mt Egypt
PNW - Egypt	\$38.50		Romania - Russia- Ukraine \$25.00 - \$29.00 - \$25.50? France \$34.50, Bulgaria \$26.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$31.00	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$45.50	Down \$2.50	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$43.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$48.75		55-60,000 mt
56-60,000 Argentina-China	\$50.50	Down \$2.50	Up-River with Top Off Plus \$3.75-\$4.75
Deep draft			

Baltic Dry Bulk Freight Index



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

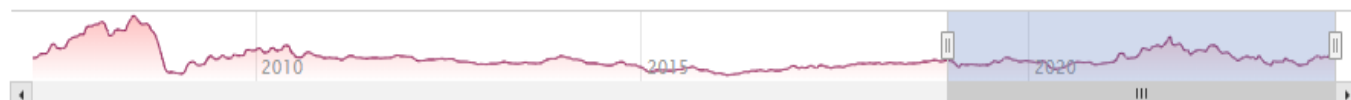
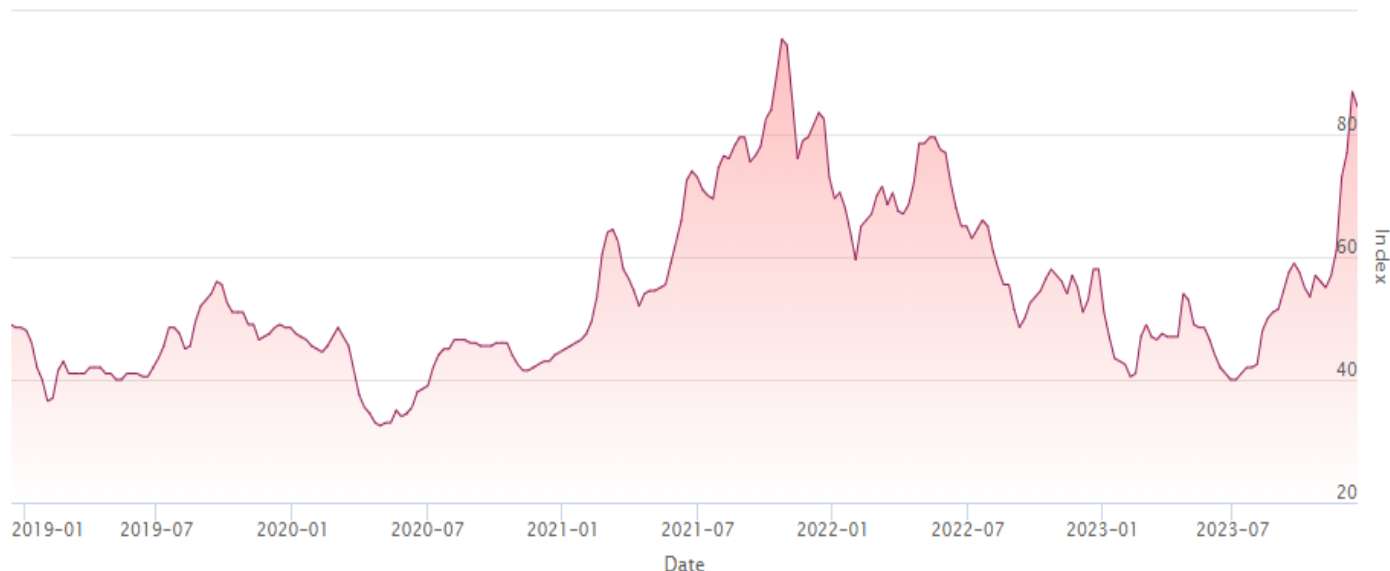


YAMAMIZU Index



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

From 2018-12-13 To 2023-12-13



China Import Dry Bulk Freight Index 2023-12-14

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1349.68	-4.4
Iron ore Freight Index			Point	1474.57	-0.04
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	14.21	0.416
Soybean Freight Index			Point	1297.25	-10.62
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	42.96	-0.4
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	31.27	-0.13
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	59.78	-0.48

14 December 2023 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 =	4.5675
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	4.7925
Jan.	0.57	\$211.11	1.18	\$235.12	K =	4.9200
Feb.	0.62	\$213.08	1.20	\$235.91	N =	5.0150
Mar.	0.65	\$214.26	1.20	\$235.91	U =	5.0175
Apr.	0.58	\$216.52	1.15	\$238.96	Z =	5.0850
May	0.63	\$218.49	1.17	\$239.75		
Jun.	0.59	\$220.66	1.13	\$241.92		

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
Jan.	2.05	\$269.37
Feb.	2.05	\$269.37
Mar.	2.05	\$269.37
Apr.	2.05	\$274.39
May	2.05	\$274.39

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	
	Jan.	Feb.	Mar.	Apr.
FOB U.S. GULF	\$266.66	\$266.66	\$264.83	\$266.66
Basis	1.10	1.10	1.05	1.00
WZ	5.9400			
WH	6.1575			
WK	6.2575			

U.S. Soybean and SBM Markets Fob Vessel:

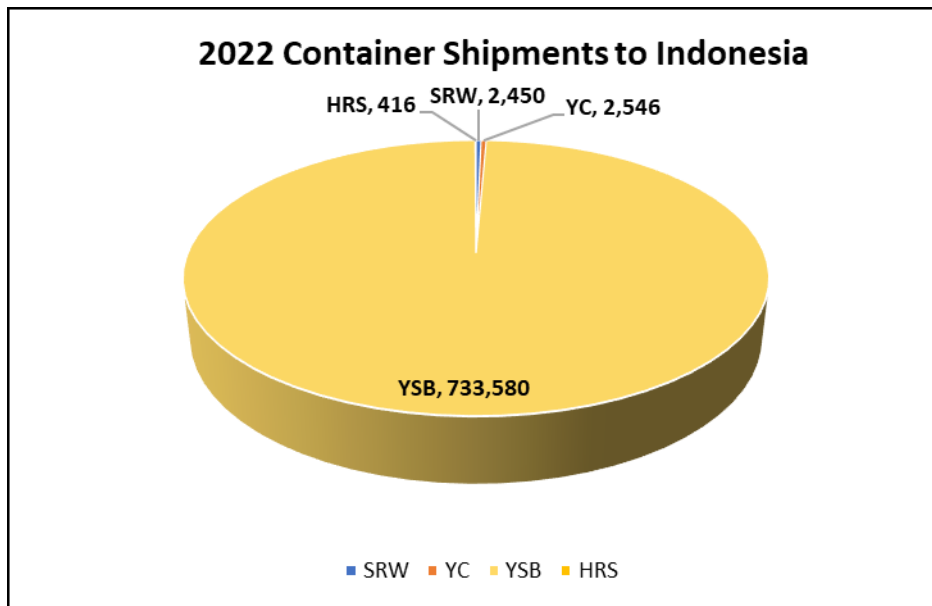
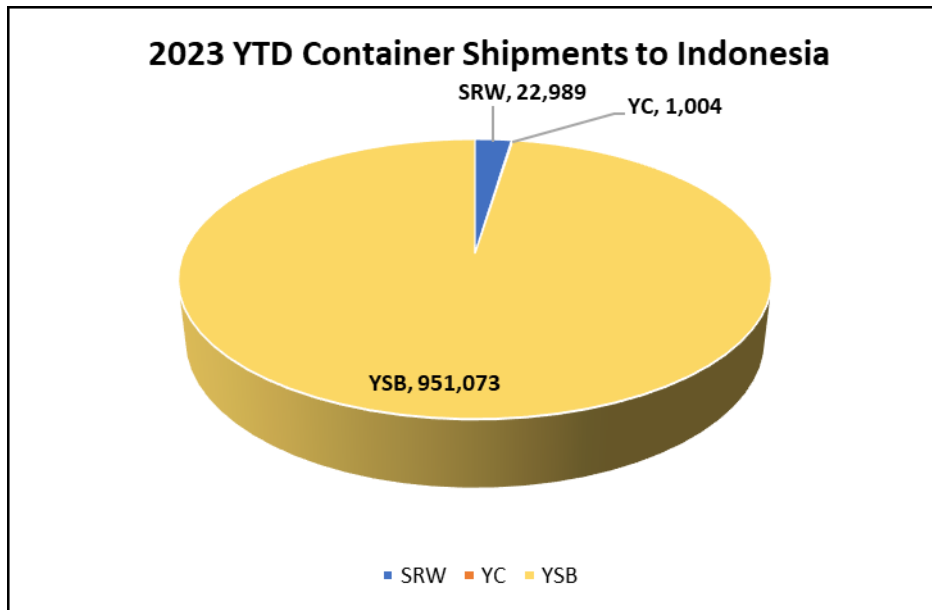
U.S. Yellow Soybeans (USD/MT) FOB Vessel				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
Jan.	0.78	\$511.47	1.55	\$539.76
Feb.	0.66	\$513.67	1.43	\$541.96
Mar.	0.70	\$515.14	1.45	\$542.70
Apr.	0.65	\$518.17	1.35	\$543.89
May	0.65	\$518.17	1.35	\$543.89
Soybean Futures				
Jan.	\$ 13.1400			
Mar.	\$ 13.3200			
May	\$ 13.4525			
July	\$ 13.5225			
Aug.	\$ 13.3300			
Sept.	\$ 12.9500			

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Jan.	48.00	\$ 498.00
Feb.	38.00	\$ 478.26
Mar.	28.00	\$ 467.24
Apr.	22.00	\$ 458.86
May	20.00	\$ 456.66
SBM Futures		
SMF	\$ 403.70	
SMH	\$ 395.80	
SMK	\$ 394.20	
SMN	\$ 395.20	
SMQ	\$ 392.20	
SMU	\$ 388.10	

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).*

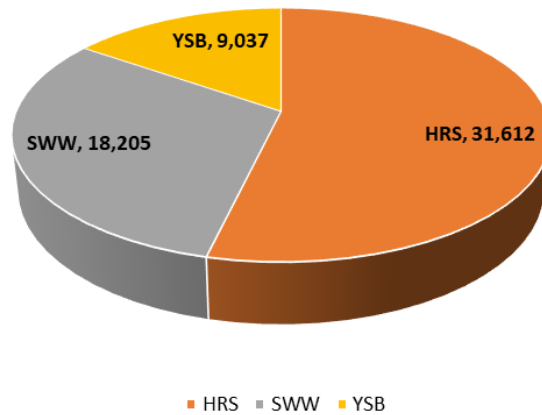
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		7-Dec-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			21,721					3,257	24,978
Taiwan	13,903		28,830						42,733
Hong Kong	196								196
Costa Rica									0
Indonesia			18,360						18,360
French Poly									0
Japan			3,376						3,376
Korea Rep.	759	245							1,004
Bangladesh			906						906
Malaysia			7,101		490				7,591
Jordan									0
Philippines			2,276	392					2,668
Thailand			8,129						8,129
Ireland									0
Burma									0
Nepal			2,572						2,572
Cambodia			905						905
Vietnam			10,996		343				11,339
Sub Total:	14,858	245	105,172	392	833	0	0	3,257	124,757
USDA Corrections/Additions to previous reports:									
Taiwan	4,995		490						5,485
China			882						882
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan			318						318
Philippines									0
Indonesia			2,302						2,302
Malaysia	563		245						808
Thailand			318						318
Vietnam			2,105						2,105
Burma									0
Cambodia									0
Sub Total:	5,558	0	6,660	0	0	0	0	0	12,218
Mt. Grand Total	20,416	245	111,832	392	833	0	0	3,257	136,975
Number of Containers	888	11	4,862	17	36	0	0	142	

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

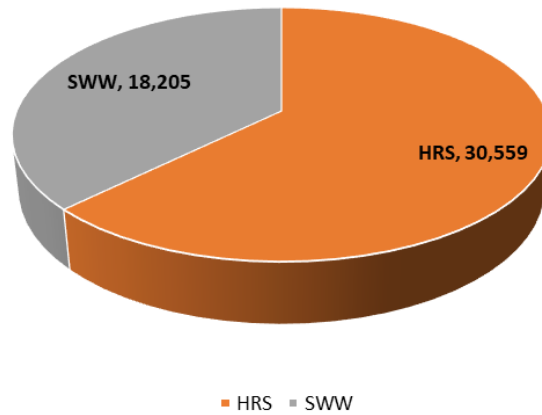


2023 YTD Grain Exports reported by USDA (in MT)

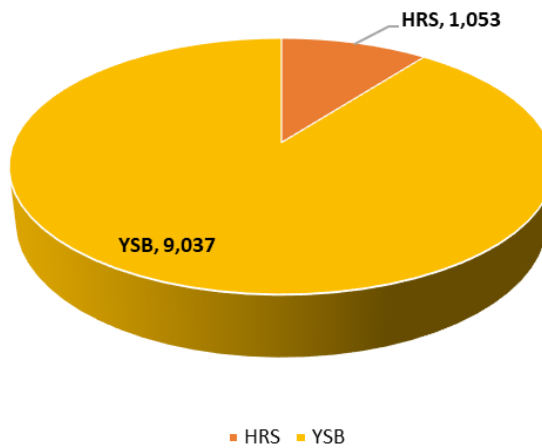
2023 YTD Exports to Burma



YTD Vessel Shipments to Burma



YTD Container Shipments to Burma



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

Source: USDA-data

Shipping News

Mike Schuler @MikeSchuler · 11h

The use of Private Maritime Security Companies represented a significant chunk of the overall cost of Somali piracy more than a decade ago. Incremental insurance, re-routing, and increased speed were other major cost contributors, in addition to military ops

 **Sal Mercogliano (WGOW Shipping)**     @mercogliano · 11h

Shipboard Guards Exchanged Fire with Attackers in Latest Red Sea Incident

gcaptain.com/shipboard-guar...

Suez Canal

Toll for a common Panamax Bulk Carrier of 65,000 mt of Grain will be close to \$266,600

Mike Schuler @MikeSchuler · 38m

Map of recent [#RedSeaShippingAttacks](#) from [@UK_MTO](#)



Panama Canal

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."

They are established as announced on [Advisory to Shipping No. A-48-2023](#):

Dates	Number of reservation slots
November 3 to 7	25
November 8 to 30	24
December 1 to 31	22
January 1 to 31, 2024	20
As of February 1, 2024	18

Container Freight Markets

Andrew Tan @MaritimeHub · 6h

...

Chinese shipyard unveils plans for world's first nuclear tanker powered by cutting-edge molten salt reactor



 South China Morning Post
scmp.com

Source: South China Morning Post

Lloyd's List @LloydsList · 19m

...

Missile fired at Maersk containership entering Red Sea

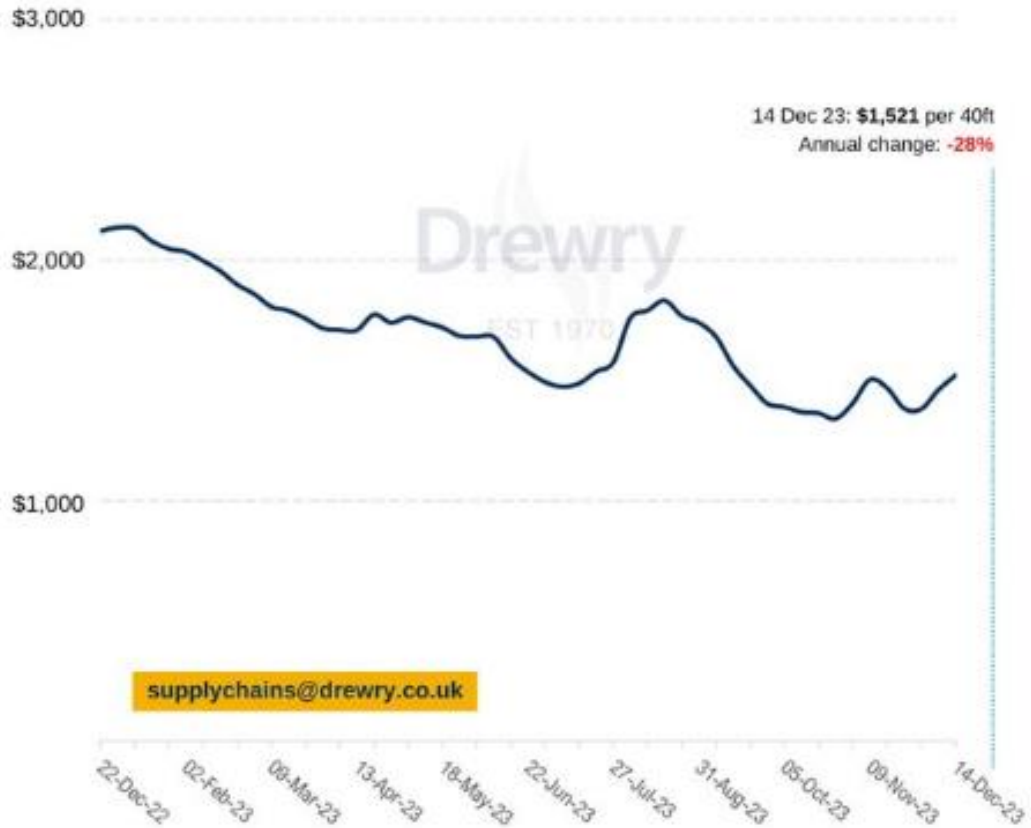




Supply Chain Advisors

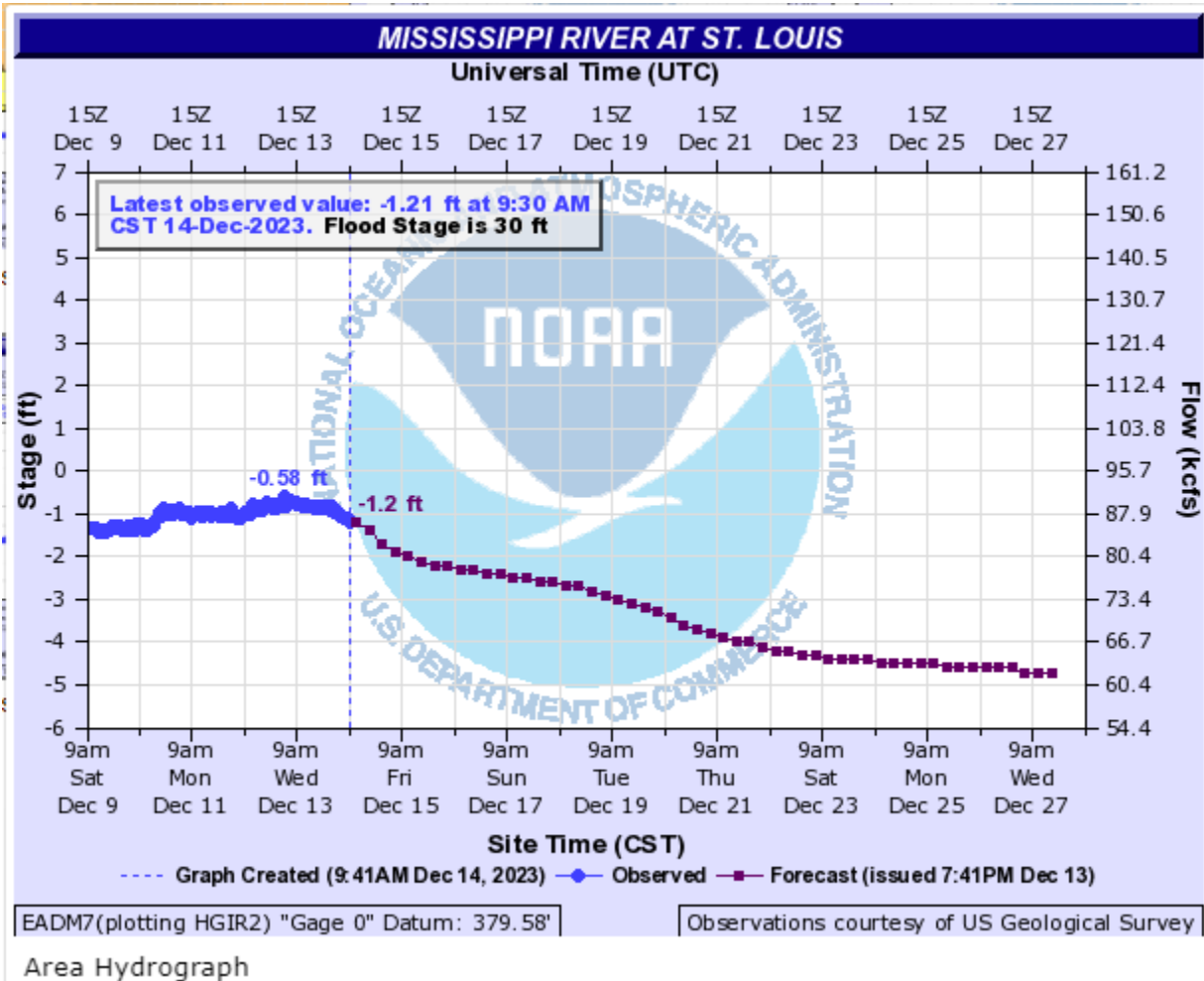
World Container Index - 14 Dec 2023

Assessed by Drewry \$ per 40ft container

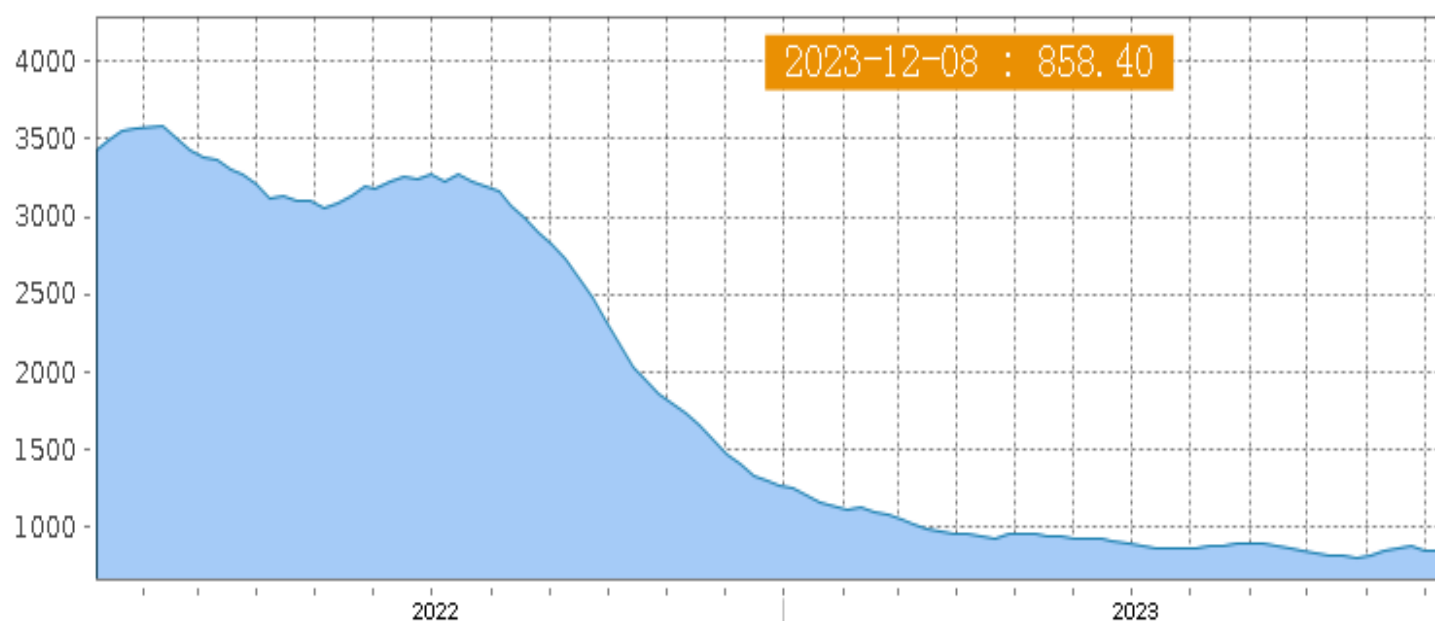


[Rail News:](#)

U.S. River Markets



China Containerized Freight Index



China Import Dry Bulk Freight Index



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

Secondary Rail Car Market Placement FH January 2024	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 500	\$ 650	\$ 0.13	\$ 0.16	\$ 4.92	\$ 6.40
UPRR Shuttle Trains	\$ (450)	\$ (200)	\$ (0.11)	\$ (0.05)	\$ (4.43)	\$ (1.97)

Barge Placement First Half January 2024

Placement FH January 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	350	\$ 17.21	0.44	0.47
St. Louis	330	\$ 14.51	0.37	0.40

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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