

## HJ O'NEIL COMMODITY CONSULTING

### Transportation and Export Report for 7 December 2023

As the old saying goes, "what goes up, must come down." Dry bulk markets were not kind to Capesize vessel owners this week as that sector witnessed an historic one day drop off today. Markets seem confused over the increases in Chinese imports in face of the subdued economy there. The question that therefore arises is, can a freight rally be sustained ? FFA paper markets look defensive at the moment. Physical Panamax markets are up slightly from last week but off their current highs for the week. Everyone is still wrestling with the low water situation at the Panama Canal and Dry Bulk vessel transits have dropped by about 60% in the last two months. Since we are now entering the dry season in Panama, things do not have the potential to improve much until April or May. Grain ships are now moving from the U.S. Gulf to Asia via the Suez Canal and COGH. Latin American shipments are routing via the Straights of Magellan.

#### BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
7-Dec-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	30150	31223	-1,073	-3.4%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	16317	16698	-381	-2.3%
S1C: US GULF-China-So.Japan	Index	39779	36457	3,322	9.1%
P7: Trial- Miss. River - Qingdao	per ton	61.31	62.19	-0.88	-1.4%
P8: Trial- Santos - Qingdao	per ton	43.70	45.24	-1.54	-3.4%

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

Four weeks ago:	\$9.30-\$8.35
Three weeks ago:	\$8.80-\$9.50
Two weeks ago:	\$10.06-\$10.48
One week ago:	\$11.50-\$12.75
This week	\$13.20-10.75

#### 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					
7-Dec-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.70	1.23	0.53	\$20.86	PNW
SOYBEANS	0.60	1.30	0.70	\$25.72	PNW
OCEAN FREIGHT	\$63.00	\$32.50	.77-.83	\$30.50	January

### Grain Vessel Market Indications:

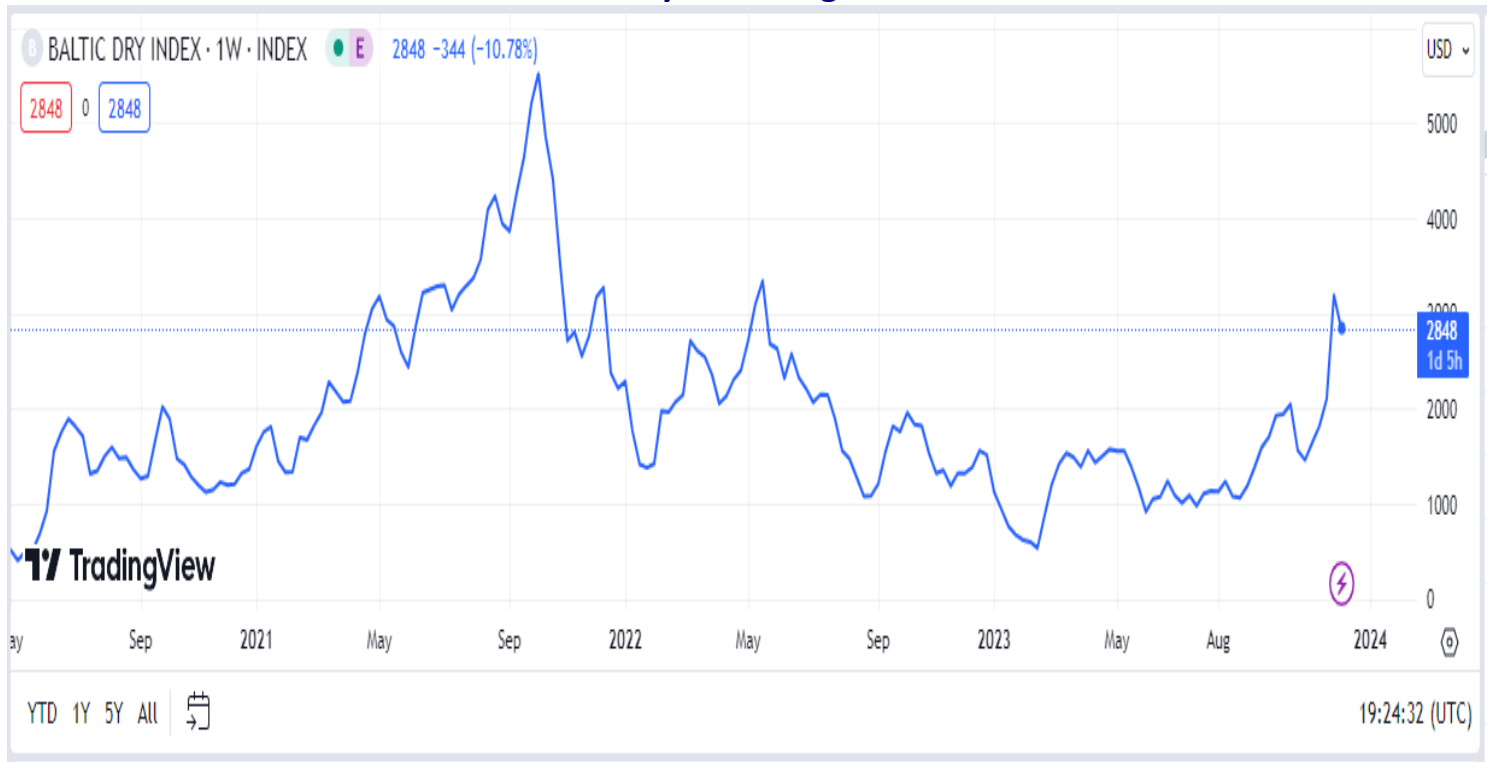
**\*\* Rates are estimates for the nearly 30-day period. 60-90 days forward physical rates will usually be higher.**

Soybean Panamax USG to Spain is running \$34.00 - \$35.50/mt.

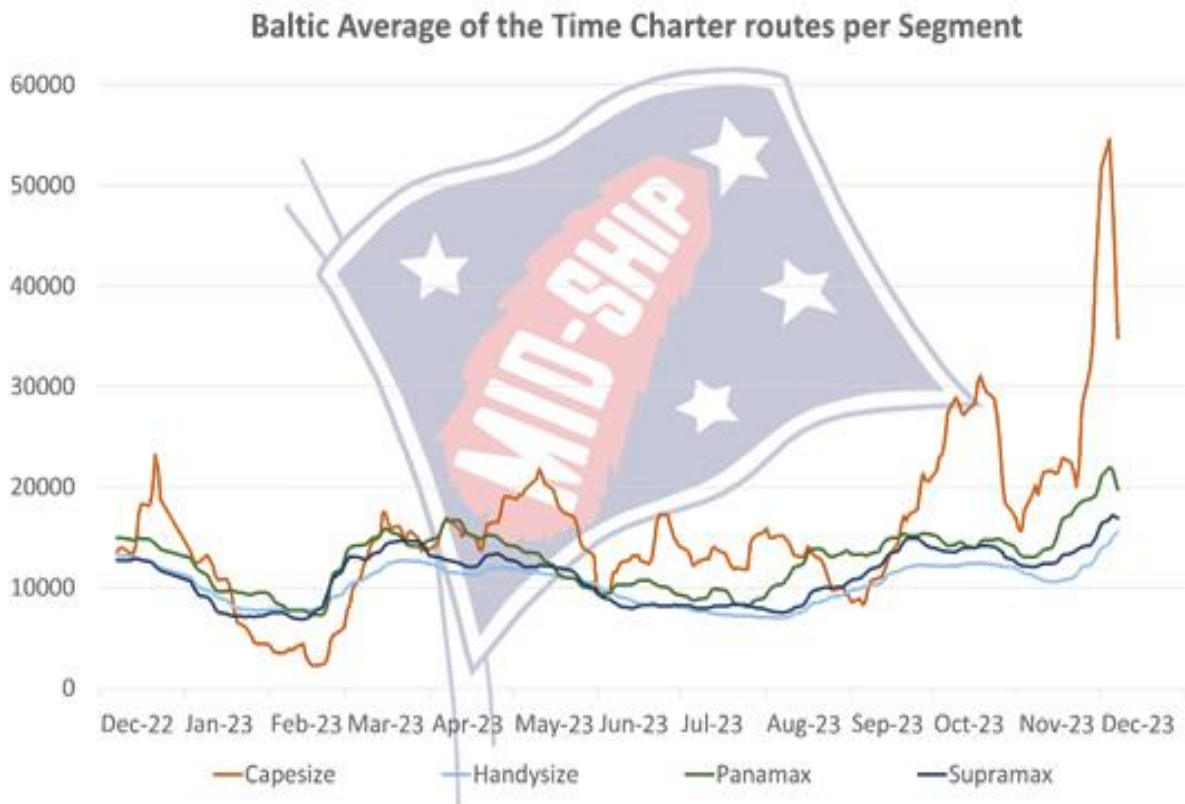
Soybean Brazil to Spain about \$43.50 - \$44.50/mt.

Route and Vessel Size	Current Week USD/MT	Change	Remarks
55,000 U.S. Gulf-Japan	\$63.75	Up \$1.00	Handymax \$64.00 mt
55,000 U.S. PNW- Japan	\$33.00	Up \$0.50	Handymax at \$33.50 mt
65,000 U.S. Gulf – China	\$63.00	Up \$1.00	North or South China
PNW to China	\$32.50	Up \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$23.50	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$20.75	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$34.50	Up \$0.50	<u>West Coast Colombia at \$38.00</u>
50,000 USG- E/C Colombia	\$31.50		
<u>East Coast Colombia</u> From Argentina	\$42.00		
40-45,000 U.S. Gulf - Guatemala	\$34.00	Up \$0.50	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$41.00	Up \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$40.00	Up \$0.50	55,000-60,000 mt Egypt Romania - Russia- Ukraine \$25.00 - \$29.00 - \$25.50? France \$34.50, Bulgaria \$26.00
PNW - Egypt	\$40.50		
58-74,000 U.S. Gulf – Europe – Rotterdam	\$31.00	Down \$1.00	Handymax at +\$2.50 more
Brazil, Santos –China	\$48.00	Up \$0.25	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$45.50		60-66,000 Post Panamax
Up-River Port North Brazil	\$51.25		55-60,000 mt
56-60,000 Argentina-China	\$53.25	Down \$0.25	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

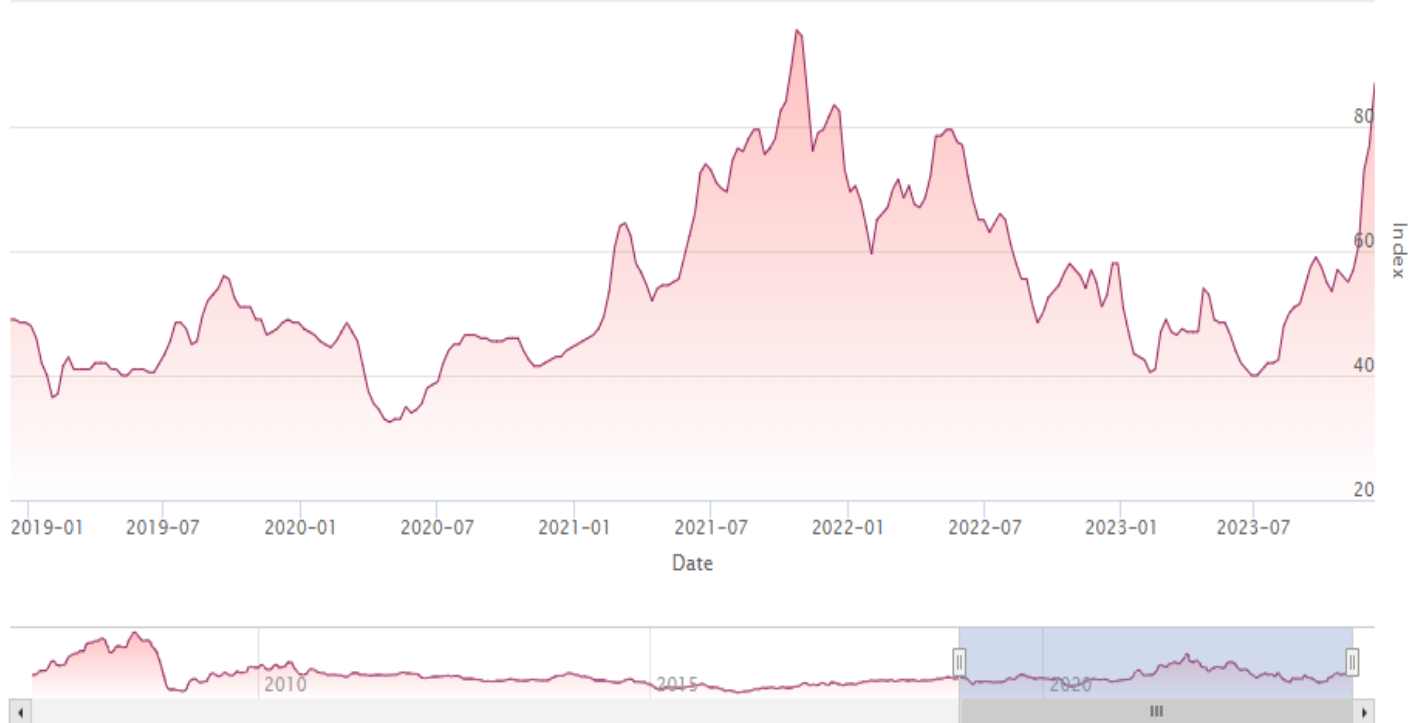


# YAMAMIZU Index



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

From 2018-12-06 To 2023-12-06



China Import Dry Bulk Freight Index					
2023-12-07					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1274.74	-99.75
Iron ore Freight Index			Point	1287.66	-178.48
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	10.754	-1.649
Soybean Freight Index			Point	1367.19	-16.12
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	45.39	-0.66
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	32.78	-0.45
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	62.91	-0.49

**7 December 2023 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 =	4.6825
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	4.8800
<b>Jan.</b>	0.60	<b>\$215.74</b>	1.12	<b>\$236.21</b>	K =	4.9950
<b>Feb.</b>	0.63	<b>\$216.92</b>	1.15	<b>\$237.39</b>	N =	5.0800
<b>Mar.</b>	0.66	<b>\$218.10</b>	1.16	<b>\$237.78</b>	U =	5.0850
<b>Apr.</b>	0.61	<b>\$220.66</b>	1.11	<b>\$240.34</b>	Z =	5.1325
<b>May</b>	0.62	<b>\$221.05</b>	1.14	<b>\$241.52</b>		
<b>Jun.</b>	0.60	<b>\$223.61</b>	1.12	<b>\$244.08</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>Jan.</b>	2.05	<b>\$272.82</b>
<b>Feb.</b>	2.05	<b>\$272.82</b>
<b>Mar.</b>	2.05	<b>\$272.82</b>
<b>Apr.</b>	2.05	<b>\$277.35</b>
<b>May</b>	2.05	<b>\$277.35</b>

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**

<b>SRW Wheat</b>	<b>USD/MT</b>	<b>Fob Vessel</b>	<b>US Gulf</b>	
	<b>Jan.</b>	<b>Feb.</b>	<b>Mar.</b>	<b>Apr.</b>
FOB U.S. GULF	\$276.40	\$274.56	\$274.56	\$271.72
Basis	1.10	1.05	1.05	0.90
WZ	6.2600			
WH	6.4225			
WK	6.4950			

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

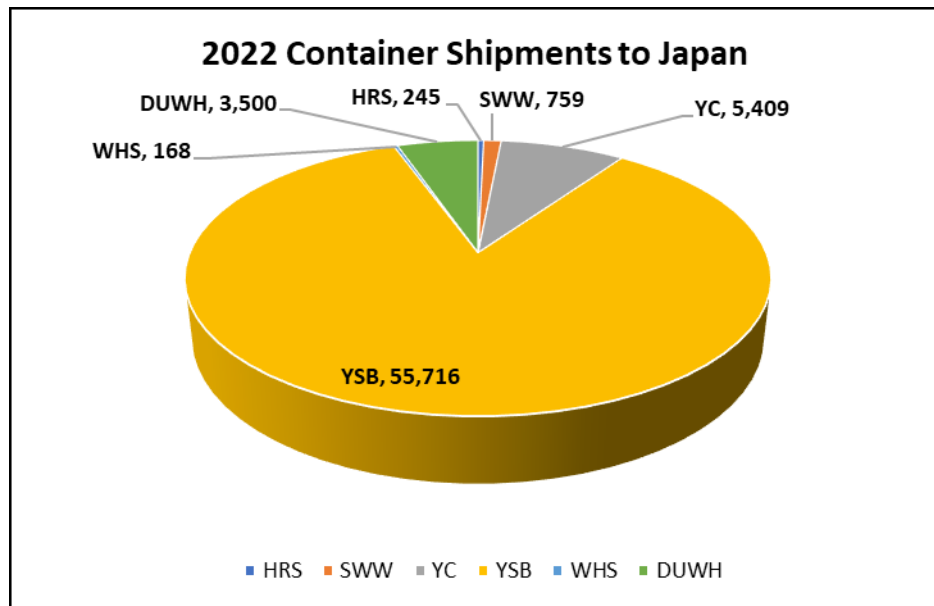
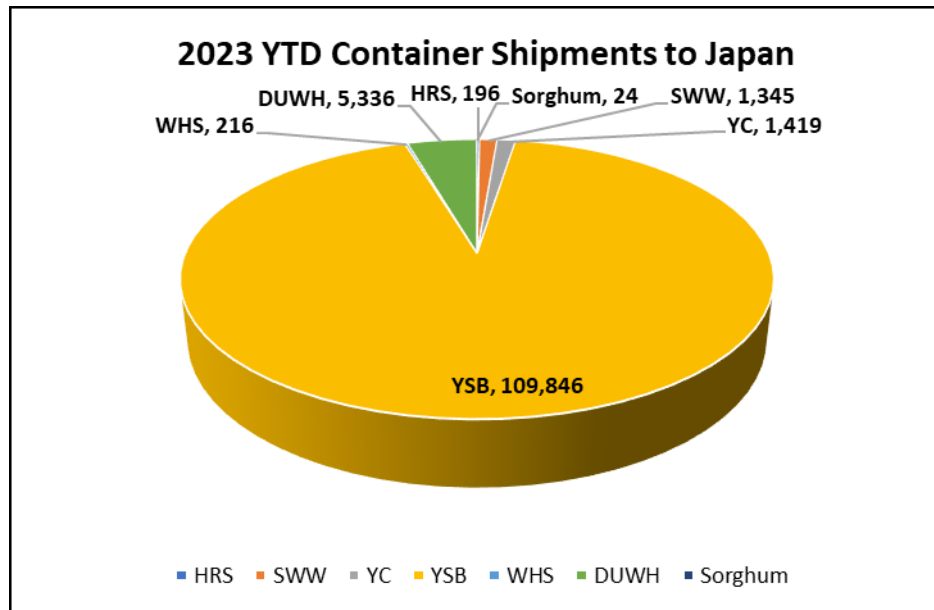
<b>U.S. Yellow Soybeans (USD/MT) FOB Vessel</b>				
# 2 YSB	U.S. Gulf #2 YSB		PNW #2 YSB	
14.0 % Moisture	Basis	Flat Price	Basis	Flat Price
<b>Jan.</b>	0.70	<b>\$507.70</b>	1.38	<b>\$532.69</b>
<b>Feb.</b>	0.61	<b>\$511.19</b>	1.30	<b>\$536.54</b>
<b>Mar.</b>	0.65	<b>\$512.66</b>	1.31	<b>\$536.91</b>
<b>Apr.</b>	0.60	<b>\$515.97</b>	1.26	<b>\$540.22</b>
<b>May</b>	0.60	<b>\$515.97</b>	1.25	<b>\$539.85</b>
<b>Soybean Futures</b>				
<b>Jan.</b>	\$ 13.1175			
<b>Mar.</b>	\$ 13.3025			
<b>May</b>	\$ 13.4425			
<b>July</b>	\$ 13.5050			
<b>Aug.</b>	\$ 13.2925			
<b>Sept.</b>	\$ 12.9050			

<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>Jan.</b>	52.00	<b>\$ 505.83</b>
<b>Feb.</b>	40.00	<b>\$ 482.45</b>
<b>Mar.</b>	33.00	<b>\$ 474.74</b>
<b>Apr.</b>	28.00	<b>\$ 465.81</b>
<b>May</b>	25.00	<b>\$ 462.50</b>
<b>SBM Futures</b>		
<b>SMZ</b>	\$ 424.50	
<b>SMF</b>	\$ 406.80	
<b>SMH</b>	\$ 397.60	
<b>SMK</b>	\$ 394.50	
<b>SMN</b>	\$ 394.90	
<b>SMQ</b>	\$ 392.30	

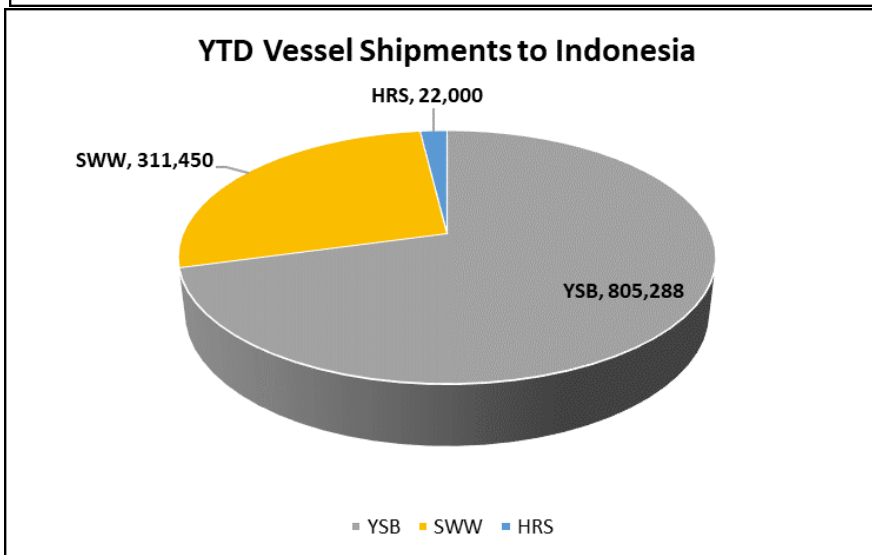
**Data sheet below:** *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		30-Nov-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			19,367					3,943	23,310
Taiwan	8,644		17,237						25,881
Hong Kong	171								171
Costa Rica									0
Indonesia			18,139						18,139
French Poly									0
Japan			2,421					24	2,445
Korea Rep.	220								220
Bangladesh			685						685
Malaysia			4,482		490				4,972
Jordan									0
Philippines									0
Thailand			5,877		465				6,342
Ireland									0
Burma									0
Nepal			465						465
Cambodia									0
Vietnam			6,978		784				7,762
Sub Total:	9,035	0	75,651	0	1,739	0	0	3,967	90,392
USDA Corrections/Additions to previous reports:									
Taiwan	22,135		21,204						43,339
China	1,666		35,922					5,044	42,632
Hong Kong									0
Korea Rep.	1,224	316	98						1,638
Un Kingdom									0
Japan	195		2,201						2,396
Philippines									0
Indonesia			29,583						29,583
Malaysia			6,736						6,736
Thailand			3,159						3,159
Vietnam			9,939		3,012				12,951
Burma									0
Cambodia			196						196
Sub Total:	25,220	316	109,038	0	3,012	0	0	5,044	142,630
<b>Mt. Grand Total</b>	<b>34,255</b>	<b>316</b>	<b>184,689</b>	<b>0</b>	<b>4,751</b>	<b>0</b>	<b>0</b>	<b>9,011</b>	<b>233,022</b>
Number of Containers	1,489	14	8,030	0	207	0	0	392	

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

Source: USDA-data

## Shipping News

### Suez Canal

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

### Panama Canal

**Tom Craig** @LTDManagement · 2h

Shipping Fuel? It Can Now Cost \$4 Million to Skip the Queue at the 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."

## December 2023



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26 CLOSED	27 CLOSED	28 CLOSED	29 CLOSED	30 CLOSED	1 CLOSED	2 CLOSED
3 CLOSED	4 CLOSED	5 CLOSED	6 CLOSED	7 0 Super 0 Regular	8 0 Super 0 Regular	9 0 Super 0 Regular
10 0 Super 0 Regular	11 0 Super 0 Regular	12 0 Super 0 Regular	13 0 Super 0 Regular	14 0 Super 0 Regular	15 0 Super 0 Regular	16 0 Super 0 Regular
17 0 Super 0 Regular	18 0 Super 0 Regular	19 0 Super 0 Regular	20 0 Super 0 Regular	21 0 Super 0 Regular	22 0 Super 0 Regular	23 0 Super 0 Regular
24 0 Super 0 Regular	25 0 Super 0 Regular	26 0 Super 0 Regular	27 0 Super 0 Regular	28 0 Super 0 Regular	29 0 Super 0 Regular	30 0 Super 0 Regular
31 0 Super 0 Regular	1 0 Super 0 Regular	2 0 Super 0 Regular	3 0 Super 0 Regular	4 0 Super 0 Regular	5 0 Super 0 Regular	6 0 Super 0 Regular

■ Available Slots in Period One
 ■ Available Slots in Period Two
 ■ Available Slots in Period Three
 ■ Unavailable Slots

## Vessels statistics and transit backlog in the Panama Canal

### Vessels in queue for transit in the Panama Canal

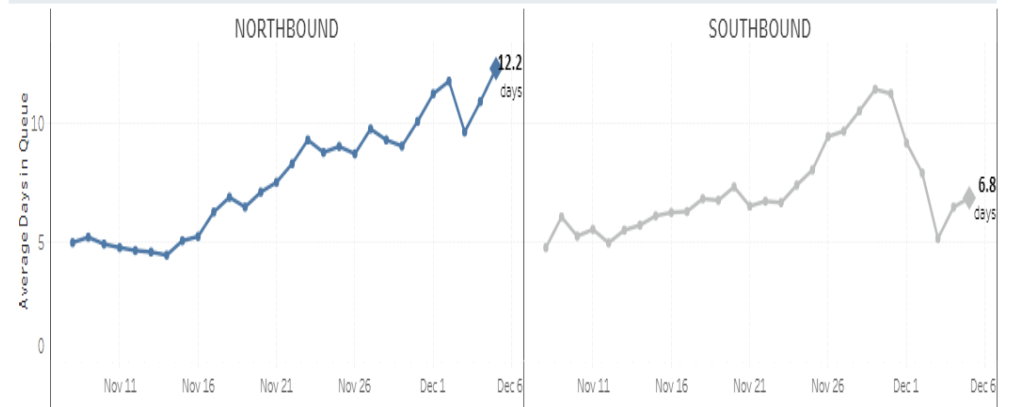
Updated at: 12/5/2023 4:11:29 PM

Locks	Booked	Non-Booked
Neopanamax	10	3
Panamax	35	30
<b>Vessels in Queue for Transit</b>	<b>45</b>	<b>33</b>

### Average days in queue of non-booked vessels ready for transit. Last 28 days

Daily Queue at Midnight

Vessel Size



### Count of days of non-booked vessels in queue for transit per lock type and direction

Initiated at: 12/5/2023 4:11:20 PM

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

**Ed Finley-Richardson** ✓ @ed\_fin · 6h

Argus: An Aframax tanker hauling crude from Mexico's west coast to the US Gulf coast has sailed around South America to avoid record-long wait times at the drought-stricken Panama Canal.



## 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

## Rail News:

**Chesty** @ChestyPullerGst · 4h

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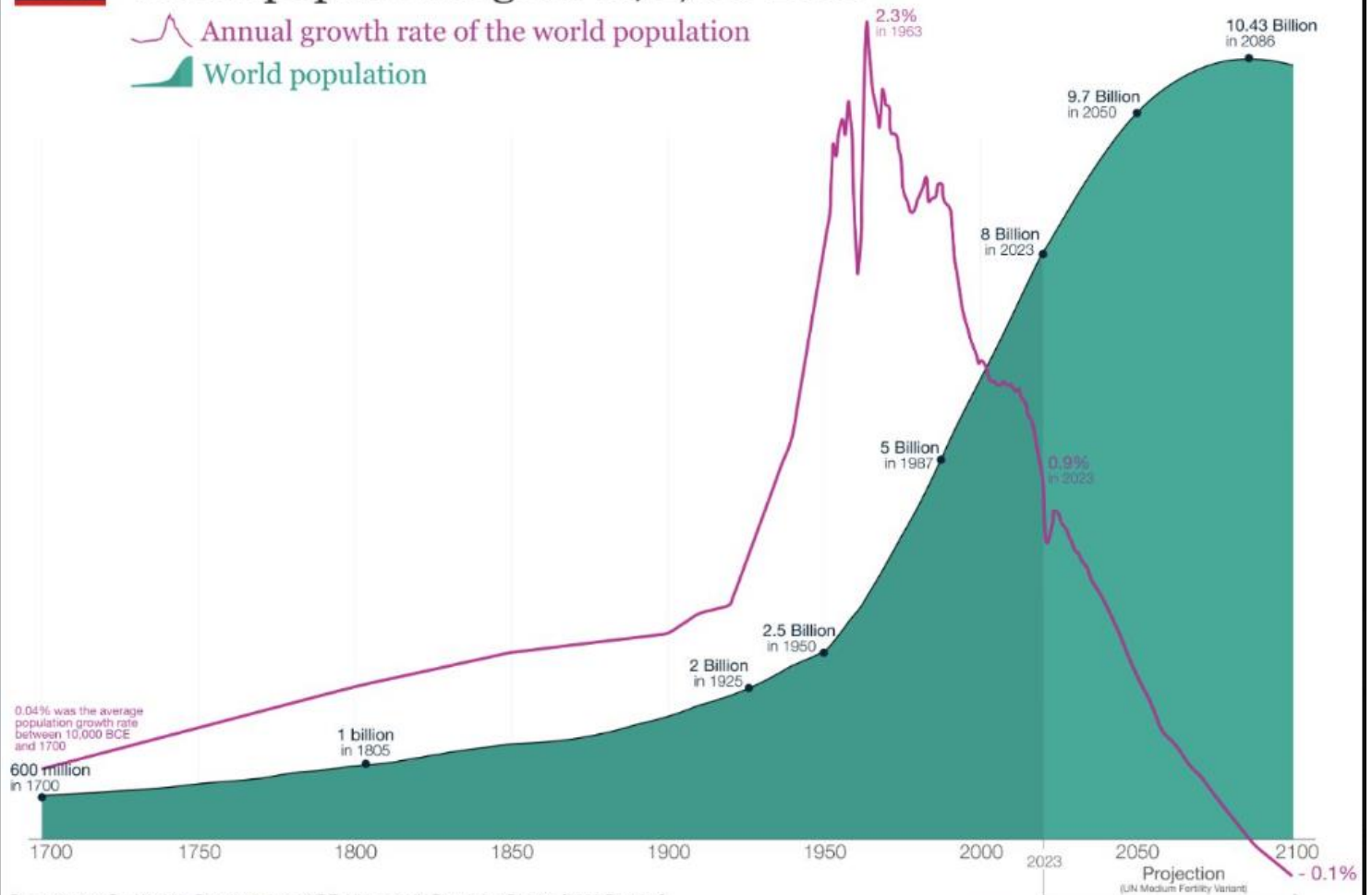
Stealth aircraft. Nuclear submarines. Special Forces. Nuclear weapons. All of it pales in comparison to the United States' most terrifying ability:

Deploying a fully-functional Burger King to any combat theater within 24 hours.



# World population growth, 1700-2100

Annual growth rate of the world population  
World population



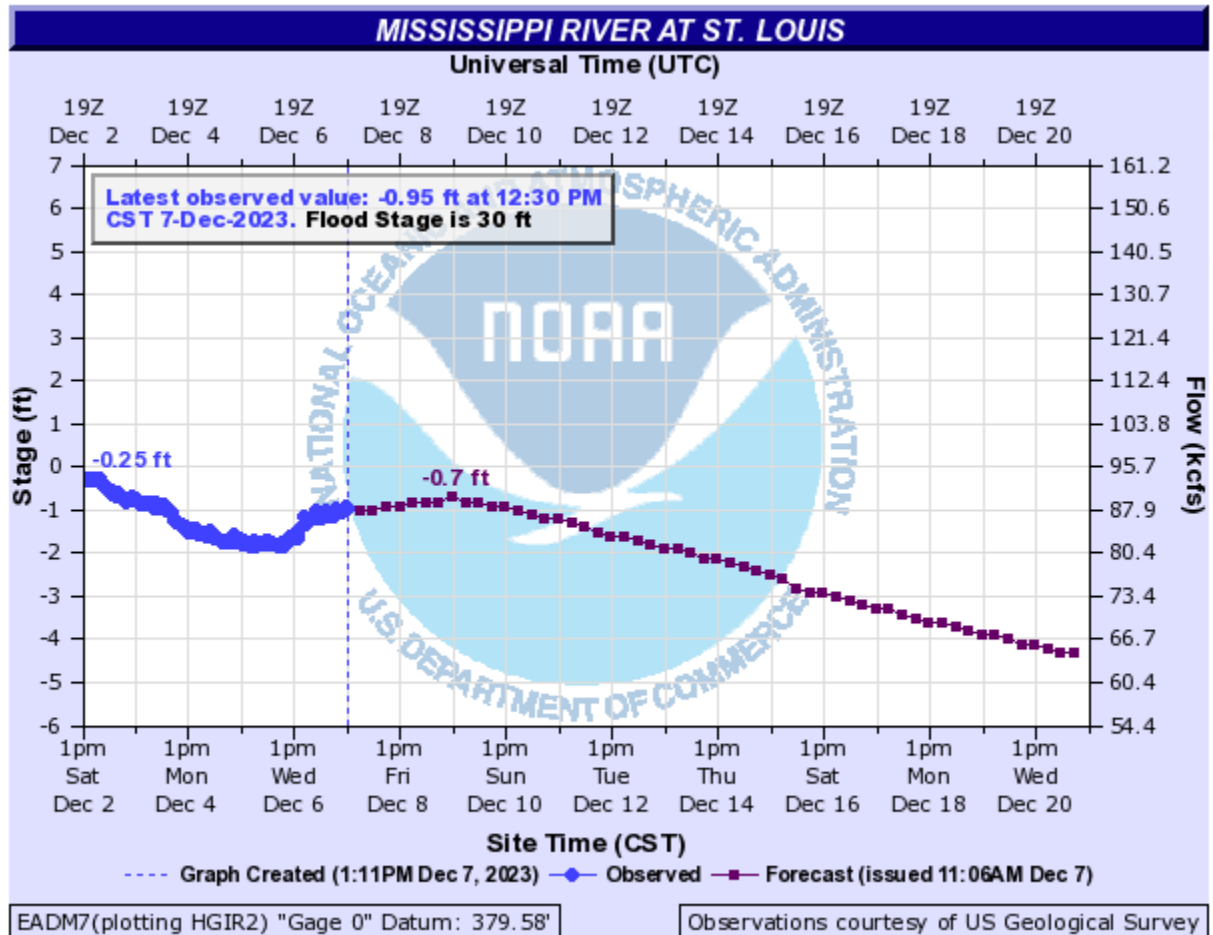
Data sources: Our World in Data based on HYDE, UN, and UN Population Division [2022 Revision]  
This is a visualization from [OurWorldinData.org](https://OurWorldinData.org), where you find data and research on how the world is changing.

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The President of Venezuela, Nicolás Maduro has announce tonight that the Esequiba Region of Western Guyana is now “Official” a Territory of Venezuela, with a State Map being Released and Oil Expeditions said to be in the Planning Stages.

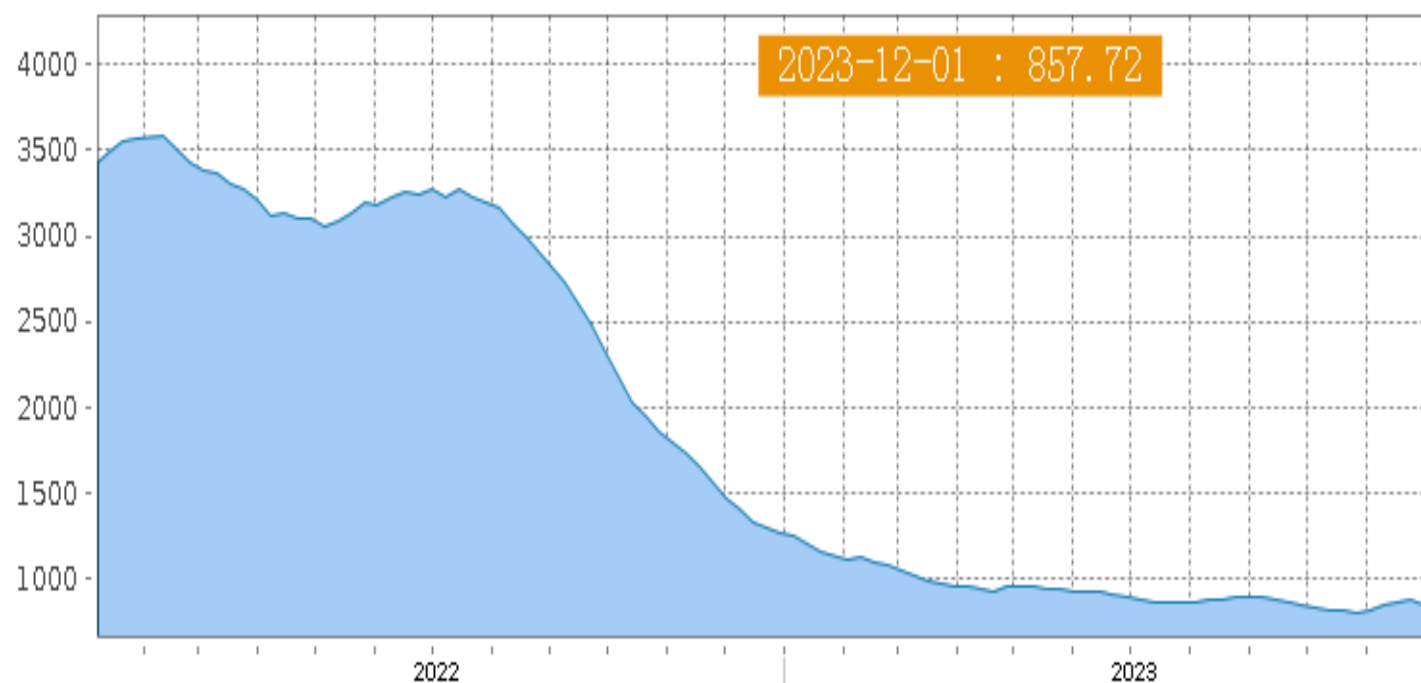


## U.S. River Markets



Area Hydrograph

## China Containerized Freight Index



## China Import Dry Bulk Freight Index



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

Secondary Rail Car Market Placement LH December 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 300	\$ 450	\$ 0.08	\$ 0.11	\$ 2.95	\$ 4.43
UPRR Shuttle Trains	\$ (450)	\$ (250)	\$ (0.11)	\$ (0.06)	\$ (4.43)	\$ (2.46)

### Barge Placement Last Half December 2023

Placement LH December 2023	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	Closed			0.00
Illinois River (Pekin and South)	385	\$ 26.27	0.67	0.71
Mid-Mississippi	Closed	\$ -	0.00	0.00
Lower Ohio	385	\$ 18.93	0.48	0.52
St. Louis	340	\$ 14.95	0.38	0.41

Best Regards,

Jay

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

[joneil@ksu.edu](mailto:joneil@ksu.edu)

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