

Transportation and Export Report for 27 April 2023

The dull trend continues. Dry Bulk markets have not been very exciting over the last two months, but I guess that is a good thing for Grain Buyers and vessel Charters.

Vessel owners and FFA paper Traders have done their best to resist selling at lower levels but, on the other side of the coin, there is not sufficient demand growth to support a rally. We are now in Q2 of 2023 and the anticipated bull market has not materialized. Buyers are happy but vessel owners are starting to cry.

Operating costs have increased but revenues have not.

Panamax FFA paper for Q2 was down \$100 points to \$14,700/day, Q3 slipped 800 points to \$16,200/day.

U.S. Container Grain export volumes continue to slip back and are looking pitiful.

It is rumored that a labor deal in West Coast container ports has been mostly negotiated but there is no confirmation nor any details. Time will tell.

The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
27-Apr-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	23950	24827	-877	-3.5%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	13321	13648	-327	-2.4%
S1C: US GULF-China-So.Japan	Index	24429	24071	358	1.5%
P7: Trial- Miss. River - Qingdao	per ton	53.15	54.42	-1.27	-2.3%
P8: Trial- Santos - Qingdao	per ton	43.40	43.78	-0.38	-0.9%

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

Four weeks ago:	\$8.55-\$7.85
Three weeks ago:	\$8.60-\$8.70
Two weeks ago:	\$8.60-\$8.40
One week ago:	\$8.10-\$8.40
This week	\$8.10-\$8.40

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

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

Panamax Market Spreads to Asia -China					
27-Apr-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.68	1.35	0.67	\$26.38	BOTH
SOYBEANS	0.77	1.80	1.03	\$37.85	GULF
OCEAN FREIGHT	\$54.00	\$29.50	.62-.67	\$24.50	MAY

Current Grain Vessel Market Indications:

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

Soybean Panamax USG to Spain is running \$30.00 - \$31.50/mt.

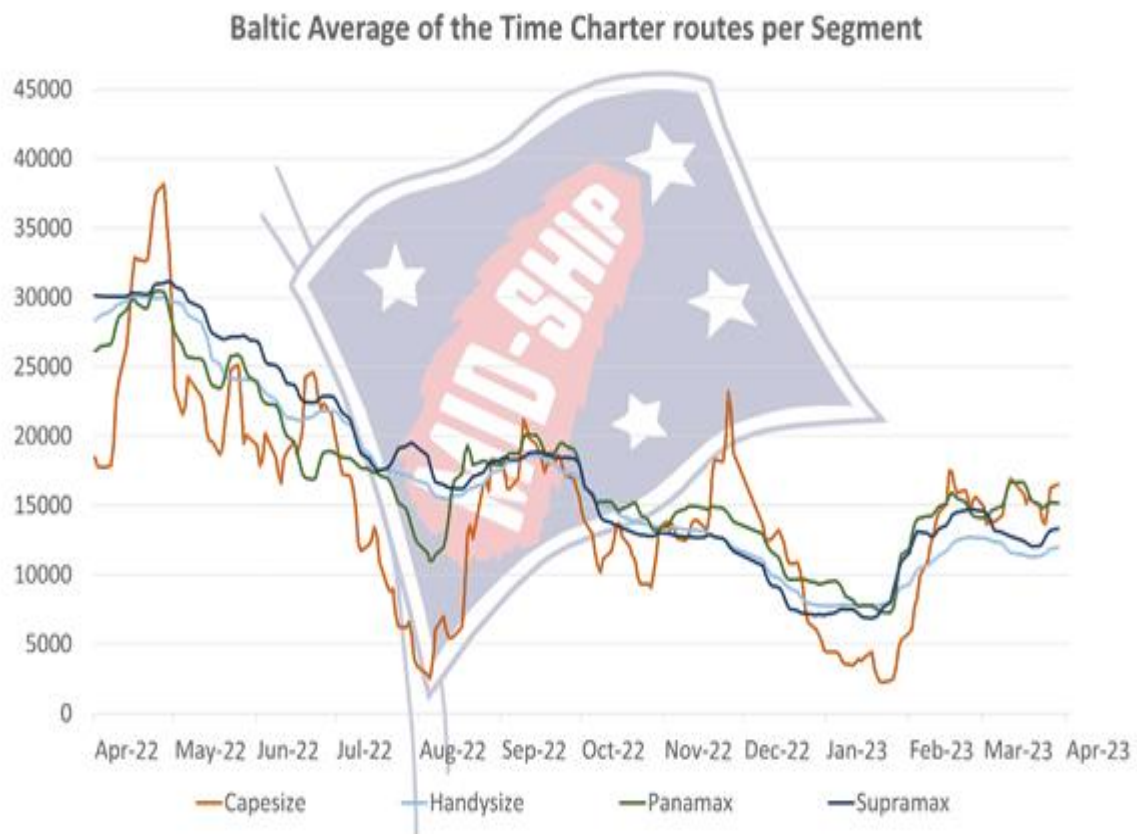
Soybean Brazil to Spain about \$40.00 - \$41.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$54.75	Unchanged	Handymax \$55.00 mt
55,000 U.S. PNW- Japan	\$30.00	Unchanged	Handymax at \$29.50 mt
65,000 U.S. Gulf – China	\$54.00	Unchanged	North or South China
PNW to China	\$29.50	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$23.25	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$20.00	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$31.00	Unchanged	<u>West Coast Colombia at \$34.00</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	\$33.50	Unchanged	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$34.50	Down \$0.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$31.00	Down \$1.00	55,000-60,000 mt Egypt
PNW to Egypt	\$32.00		Romania - Russia- Ukraine \$17.00 - \$23.00 - \$50.00 - France \$24.50, Bulgaria \$17.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$29.00	Unchanged	Handymax at +\$2.50 more
Brazil, Santos –China	\$46.00	Unchanged	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$44.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$50.00		55-60,000 mt
56-60,000 Argentina-China	\$49.00	Unchanged	Up-River with Top Off Plus \$3.85-\$4.75
Deep draft			

Baltic Dry Bulk Freight Index



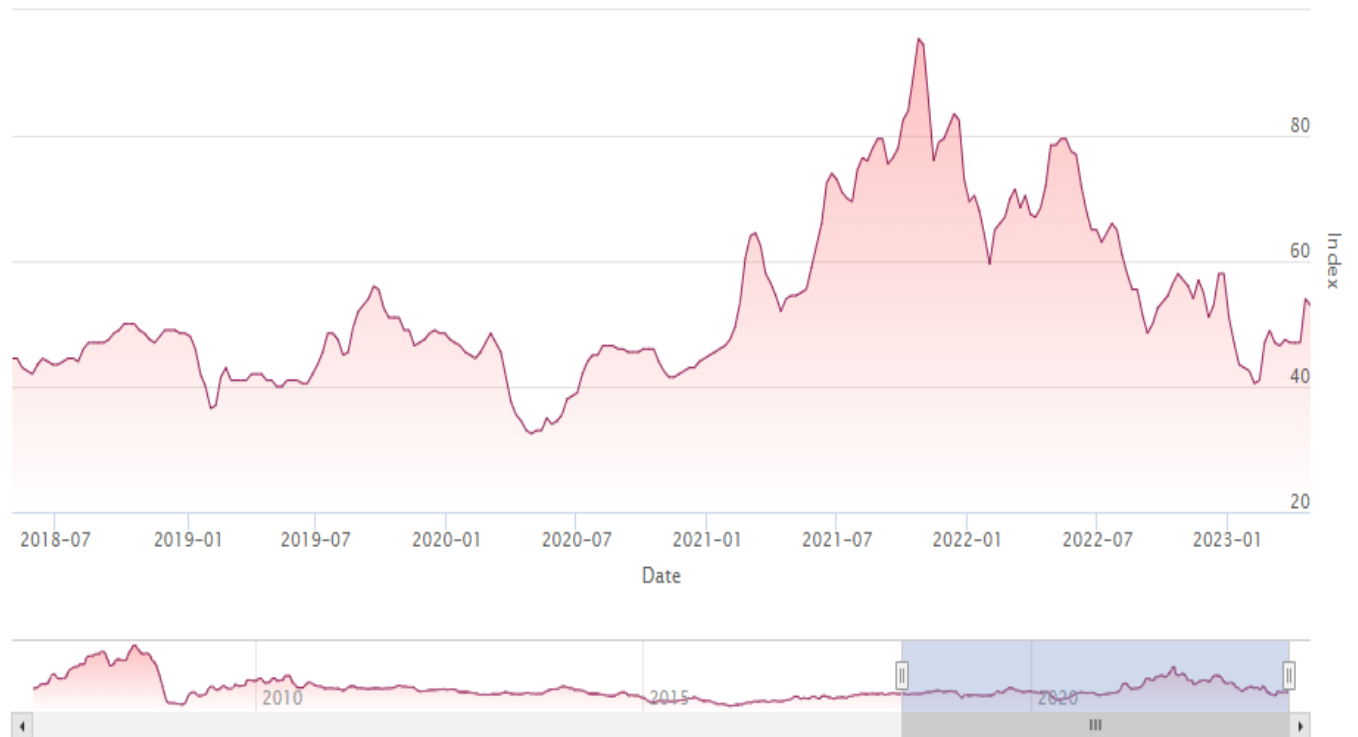
The Baltic Dry Bulk Freight Index- Cape-Panamax-Supra and Handy



YAMAMIZU Index


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

From 2018-04-26 To 2023-04-26



China Import Dry Bulk Freight Index

2023-04-27

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1095.76	16.22
Iron ore Freight Index			Point	1057.07	34.64
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.819	0.463
Soybean Freight Index			Point	1247.6	-3.55
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	43.4	-0.16
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	29.72	-0.07
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	54.12	-0.1

April 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		K =	6.2700
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	N =	5.8150
May	0.68	\$273.61	1.35	\$299.98	U =	5.3075
June	0.95	\$266.32	1.63	\$293.09	Z =	5.3075
July	0.80	\$260.42	1.48	\$287.19	H =	5.4075
Aug.	1.28	\$259.34	1.95	\$285.71	K =	5.4775
Sept.	1.10	\$252.25	1.75	\$277.84		
Oct.	1.08	\$251.46	1.72	\$276.66		

PNW rail markets for April-May are extremely thin, and rail road incentives to Exporters to promote movement west are making values difficult to pin point. PNW Fob vessel values are therefore a bit of a guessing game.

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
May	1.85	\$319.67
June	1.95	\$305.69
July	1.90	\$303.72
Aug. (Z)	2.40	\$303.43
Oct.	2.20	\$295.55

Fob vessel Texas Gulf #2 Sorghum is about 117 % the value of #2 Yellow Corn at NOLA.

SRW Wheat is now at 96% the value of Corn Fob the USG for May-June-July

U.S. SRW Wheat Fob Vessel at the Center U.S. Gulf				
SRW Wheat	USD/MT	Fob Vessel	US Gulf	
	May	June	July	Aug.
FOB U.S. GULF	\$261.89	\$258.76	\$249.58	\$253.80
Basis	0.98	0.75	0.50	0.50
WK	6.1475			
WN	6.2925			
WU	6.4075			

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
May	0.77	\$552.53	1.80	\$590.37
June	0.95	\$550.69	2.00	\$589.27
July	0.90	\$548.85	1.90	\$585.60
Aug.	1.01	\$533.51	2.01	\$570.26
Oct.	1.30	\$509.08	2.30	\$545.82
Soybean Futures				
May	\$ 14.2675			
July	\$ 14.0375			
Aug.	\$ 13.5100			
Sept.	\$ 12.7525			
Nov.	\$ 12.5550			
Jan.	\$ 13.6350			

Soybean cargo demand at PNW ports is thin and rail delivery markets there are very difficult to accurately pinpoint. The above Fob vessel values in the PNW are therefore based on best guesses off interior values.

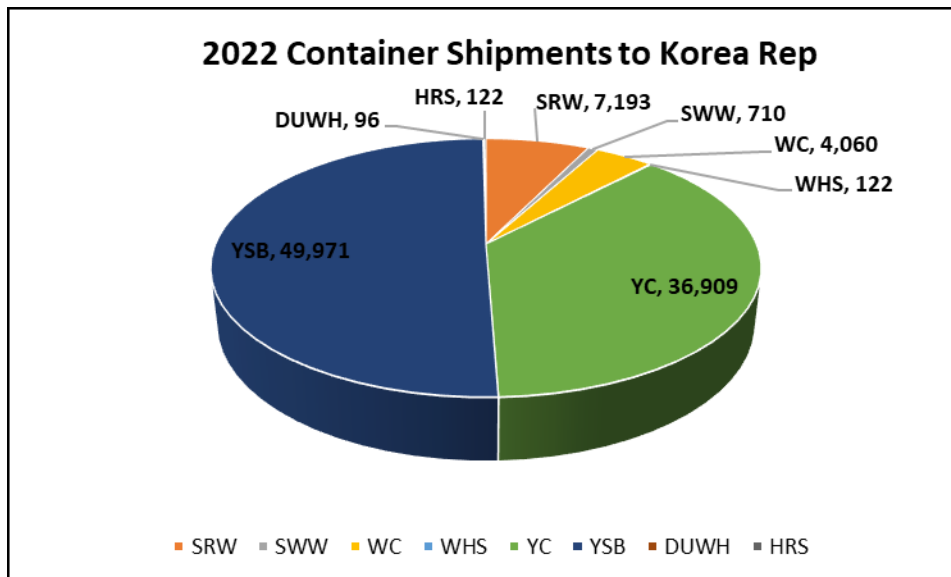
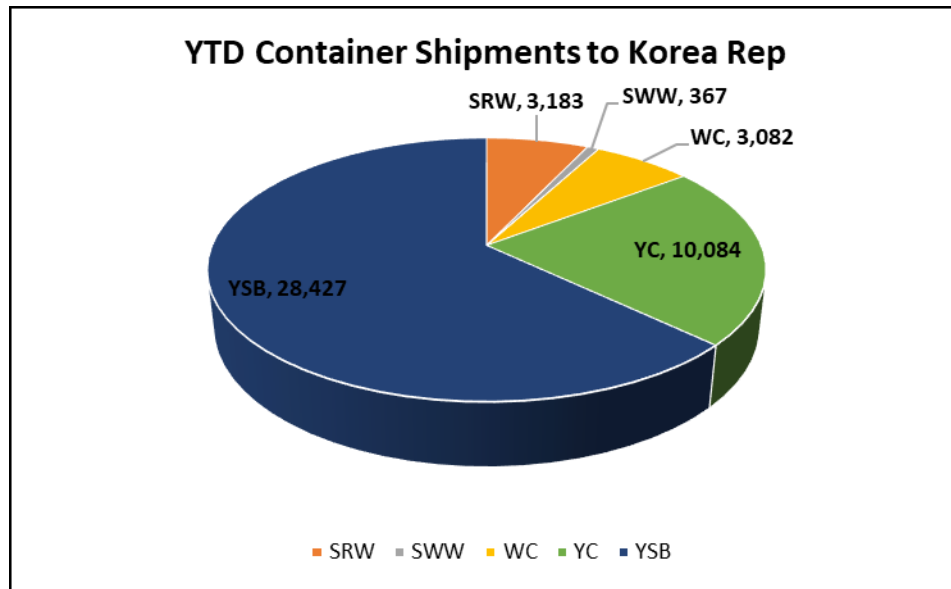
U.S. Soybean and SBM Markets Fob Vessel:

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
May	24.00	\$ 498.22
June	23.00	\$ 496.57
July	23.00	\$ 496.57
Aug.	28.00	\$ 495.57
Nov.	47.00	\$ 494.91
SBM Futures		
SMK	\$ 427.90	
SMN	\$ 427.40	
SMQ	\$ 421.50	
SMU	\$ 411.60	
SMV	\$ 403.60	
SMZ	\$ 401.90	

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).*

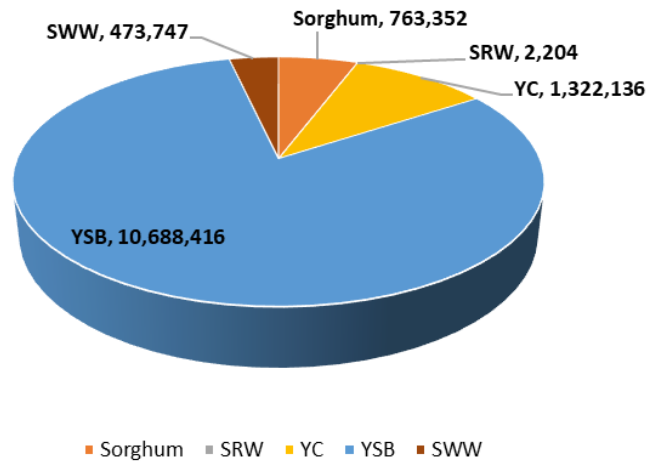
CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		20-Apr-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			220					1,416	1,636
Taiwan	4,456		2,840	490					7,786
Hong Kong	904								904
Costa Rica	98								98
Indonesia			17,901						17,901
French Poly									0
Japan			3,461						3,461
Korea Rep.	73		930						1,003
Dominican Rep	24								24
Malaysia			539						539
Netherlands	3,550								3,550
Philippines									0
Thailand			2,106				1,076		3,182
Nepal			392						392
Burma									0
Senegal			196						196
Cambodia									0
Vietnam			1,982		1,960				3,942
Sub Total:	9,105	0	30,567	490	1,960	0	1,076	1,416	44,614
USDA Corrections/Additions to previous reports:									
Taiwan									0
China								294	294
Hong Kong									0
Korea Rep.			588						588
Un Kingdom									0
Japan			171						171
Philippines									0
Indonesia			1,273						1,273
Malaysia			416						416
Thailand			147						147
Vietnam			1,077						1,077
Burma									0
Cambodia									0
Sub Total:	0	0	3,672	0	0	0	0	294	3,966
Mt. Grand Total	9,105	0	34,239	490	1,960	0	1,076	1,710	48,580
Number of Containers	396	0	1,489	21	85	0	47	74	

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

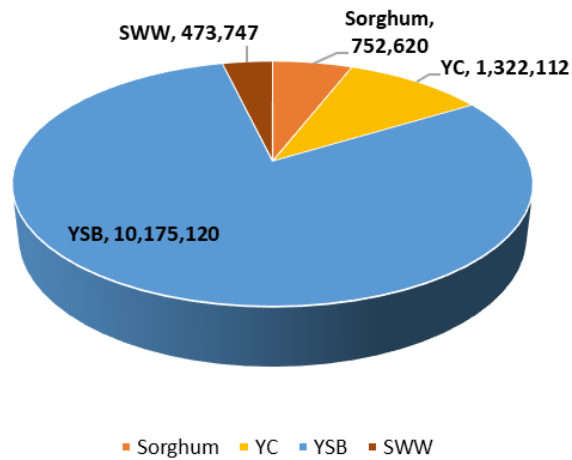


2023 YTD Grain Exports reported by USDA (in MT)

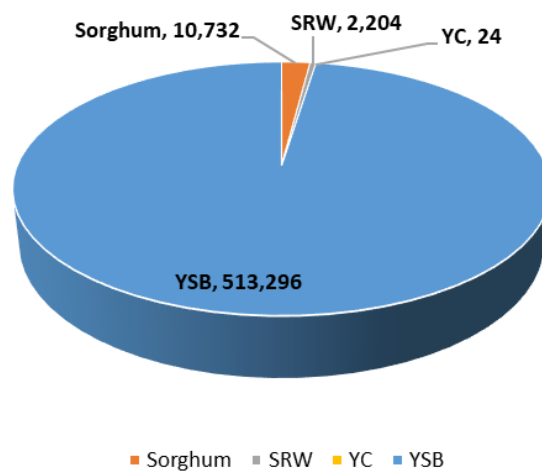
2023 YTD Exports to China Main



YTD Vessel Shipments to China Main



YTD Container Shipments to China Main



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

Source: USDA-data

Shipping News

Joakim Hannisdahl @JHannisdahl · Apr 12

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Looking at Gersemi's [#DryBulk](#) [#shipping](#) earnings index going back to 1741, 2021 was the best year on record besides war-time and the 2003-'08 super-cycle

We expect earnings to stay elevated also in the years to come

Ukrainian Grain Association @UkrGrain · 6h

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Ukraine calls on world to pressure Russia over grain deal! UA Navy says Russia refused to allow movement of 4 ships in Black Sea Grain Deal. As a result, 3 vessels, including the one destined for Ethiopia, were unable to leave the ports. [aljazeera.com/news/2023/4/25...](https://www.aljazeera.com/news/2023/4/25...)

April 26, 2023

By RFE/RL's Ukrainian Service

Ukrainian Navy Says Russia Refused To Allow Movement Of Four Ships In Black Sea Grain Deal



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U.S. Container Freight Markets

Tom Craig @LTDMManagement · 21m

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Imagine a \$10bil loss. Imagine carrier bankruptcy & M&A. Consolidation. [#Oligopoly](#). Market power. Imagine rates. What will rate shoppers say then? Capital intensive & ROI? [#Regionalization](#)? Then? [#BCO](#) [#forwarder](#) [#trade](#) [#supplychain](#) [#logistics](#) [#maritime](#)



joc.com

Container shipping heading for \$10 billion loss in 2024: Drewry | Jour...

A period of record profitability for ocean carriers is coming to a stark end, and amid a worsening supply-demand balance, the industry wi...

US Rail News:

Corps closes additional Mississippi River locks and dams due to high water levels

U.S. ARMY CORPS OF ENGINEERS, ST. PAUL DISTRICT

Published April 24, 2023 / Updated: April 24, 2023



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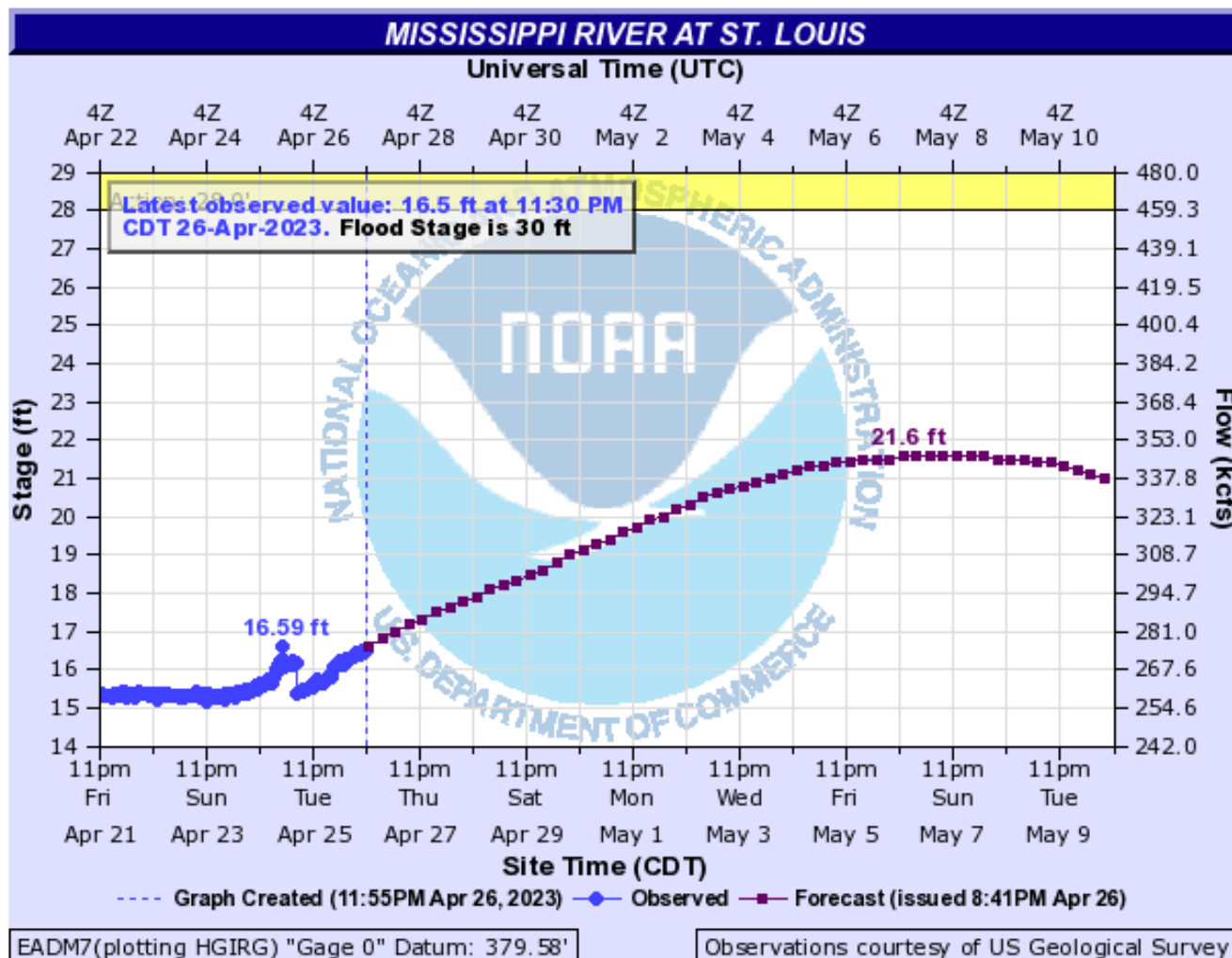
ST. PAUL, Minn. --The U.S. Army Corps of Engineers, St. Paul District, closed several Mississippi River locks and dams to all commercial and recreational traffic this past weekend and anticipates more closures in the coming days.

The current lock and dam closures with the St. Paul District include:

- Lower St. Anthony Falls Lock and Dam, Minneapolis;
- Lock and Dam 1, Minneapolis;
- Lock and Dam 3, Welch, Minnesota;
- Lock and Dam 4, Alma, Wisconsin;
- Lock and Dam 5, Minnesota City, Minnesota;
- Lock and Dam 5A, Fountain City, Wisconsin;
- Lock and Dam 6, Trempealeau, Wisconsin; and
- Lock and Dam 8, Genoa, Wisconsin;

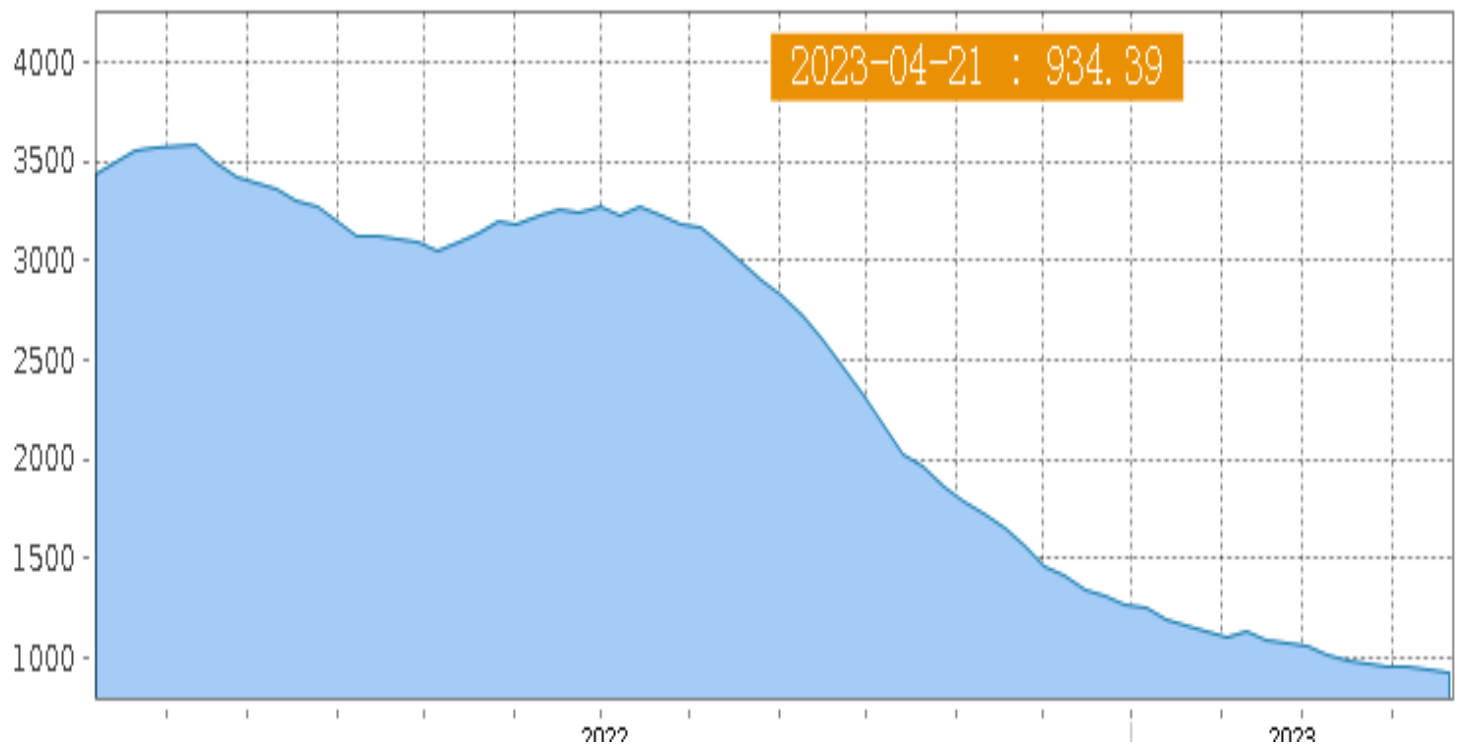
Corps officials anticipate closing Lock and Dam 10, Guttenberg, Iowa, within the next day.

All of the locks are expected to be closed for around a week to 10 days depending on the location and river levels and when it is safe to resume navigation. Lock and Dam 2, Hastings, Minnesota; Lock and Dam 7, La Crescent, Minnesota; and Lock and Dam 9, Lynxville, Wisconsin, are not expected to close at this time.



Area Hydrograph

China Containerized Freight Index



China Import Dry Bulk Freight Index



Secondary Rail Car Market for Car placement period: Last Half May 2023

Secondary Rail Car Market Placement LH May 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (250)	\$ (200)	\$ (0.06)	\$ (0.05)	\$ (2.46)	\$ (1.97)
UPRR Shuttle Trains	\$ (450)	\$ (350)	\$ (0.11)	\$ (0.09)	\$ (4.43)	\$ (3.44)

Barge Placement Last Half May 2023

Placement LH May 2023	% of Tariff	MT	Corn BU	Soybeans-Wheat BU
Upper Mississippi	450	\$ 30.70	0.78	0.84
Illinois River (Pekin and South)	345	\$ 23.54	0.60	0.64
Mid-Mississippi	400	\$ 19.67	0.50	0.54
Lower Ohio	285	\$ 14.01	0.36	0.38
St. Louis	280	\$ 12.31	0.31	0.34

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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