

## Transportation and Export Report for 22 June 2023

Slow steaming seems to apply to dry bulk freight markets just as it does to vessel speeds. Markets are simply going nowhere slowly. Every week there are reports of potential improvement in freight values and optimistic projections; but by weeks end everything has lost steam and settled back without much change. Most significant market news involves logistical concerns. As mentioned, there has been an agreement reached between the PMA and ILWU on a new 6-year labor contract for West Coast container ports. The Panama Canal continues to struggle with low water conditions and has implemented reduced vessel drafts for transits. By July 19 the maximum draft for transits will be down to 11.7 meters or 38.5 fresh-water feet. This will obviously affect grain cargoes out of the U.S. Gulf which could otherwise load out at 44.5 feet for the Canal and 49ft. for other routes. Container vessels will be most affected.

### The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
22-Jun-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	18032	18564	-532	-2.9%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	10054	10268	-214	-2.1%
S1C: US GULF-China-So.Japan	Index	14564	15339	-775	-5.1%
P7: Trial- Miss. River - Qingdao	per ton	46.58	47.37	-0.79	-1.7%
P8: Trial- Santos - Qingdao	per ton	36.17	36.43	-0.26	-0.7%

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

Four weeks ago:	\$8.65-\$8.75
Three weeks ago:	\$8.15-\$7.50
Two weeks ago:	\$8.20-\$8.52
One week ago:	\$8.45-\$8.50
This week	\$7.95-\$8.00

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

Mississippi River:	(9 elevators)	1-5 days
Mid-Stream loaders:	(6+ Rigs)	0-1 days
Texas Gulf	(5 elevators)	0-2 days (4 facilities at zero days.)
Pacific Northwest:	(9 elevators)	0-3 days (4 facilities at zero days)
NOLA vessel draft now at 49 ft./ 14.935 meters fresh water.		

Panamax Market Spreads to Asia -China					
22-Jun-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.53	1.23	0.70	\$27.56	GULF
SOYBEANS	0.70	1.55	0.85	\$31.23	GULF
OCEAN FREIGHT	\$47.50	\$26.00	.55-.59	\$21.50	JULY

Currently no corn vessels in the loading queue in the PNW and no soybean vessels. It's all wheat and SBM.

### 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 \$27.0 -\$28.50/mt.

Soybean Brazil to Spain about \$36.00 -\$37.00/mt.

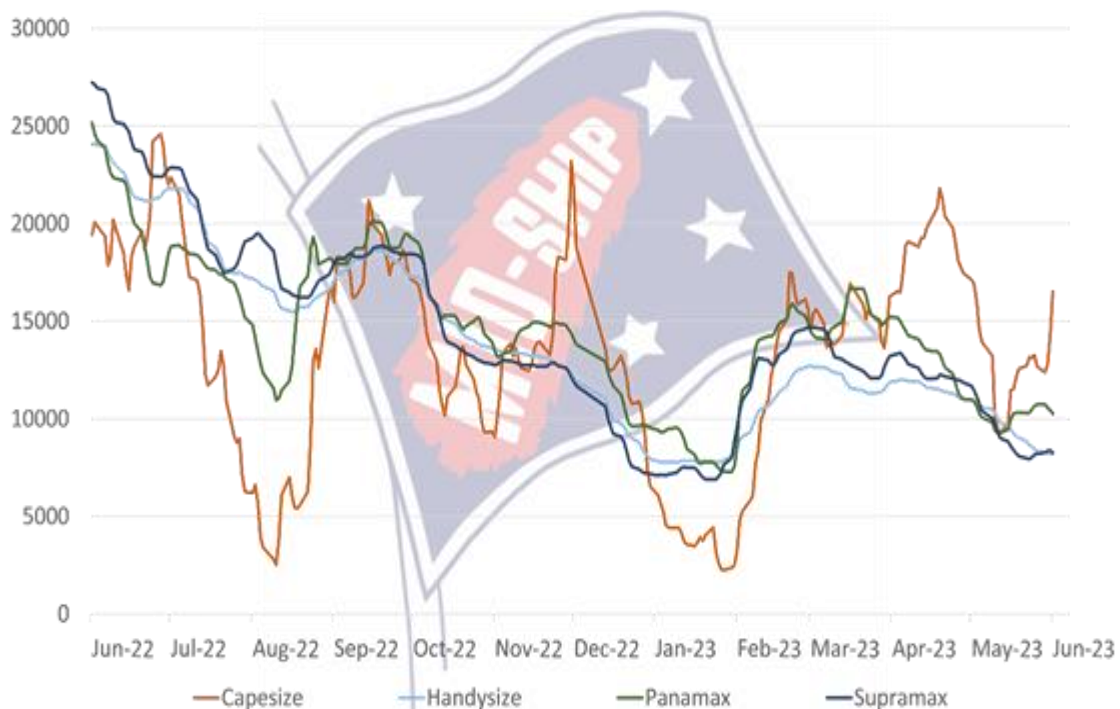
Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$48.50	Unchanged	Handymax \$48.50 mt
55,000 U.S. PNW- Japan	\$26.50	Down \$0.50	Handymax at \$26.50 mt
65,000 U.S. Gulf – China	\$47.50	Unchanged	North or South China
PNW to China	\$26.00	Down \$0.50	
25,000 U.S. Gulf- Veracruz, México	\$22.00	Unchanged	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$18.50	Unchanged	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$27.25	Unchanged	<u>West Coast Colombia at \$30.25</u>
50,000 USG- E/C Colombia	\$25.25		
<u>East Coast Colombia</u> From Argentina	\$35.25		
40-45,000 U.S. Gulf - Guatemala	\$29.75	Unchanged	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$31.50	Unchanged	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$28.50	Unchanged	55,000-60,000 mt Egypt
PNW to Egypt	\$29.50		Romania - Russia- Ukraine \$16.00 -\$17.50 - \$49.00 - France \$23.00, Bulgaria \$16.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$26.00	Down \$0.50	Handymax at +\$2.50 more
Brazil, Santos –China	\$38.00	Unchanged	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$36.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$42.00		55-60,000 mt
56-60,000 Argentina-China	\$44.00	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

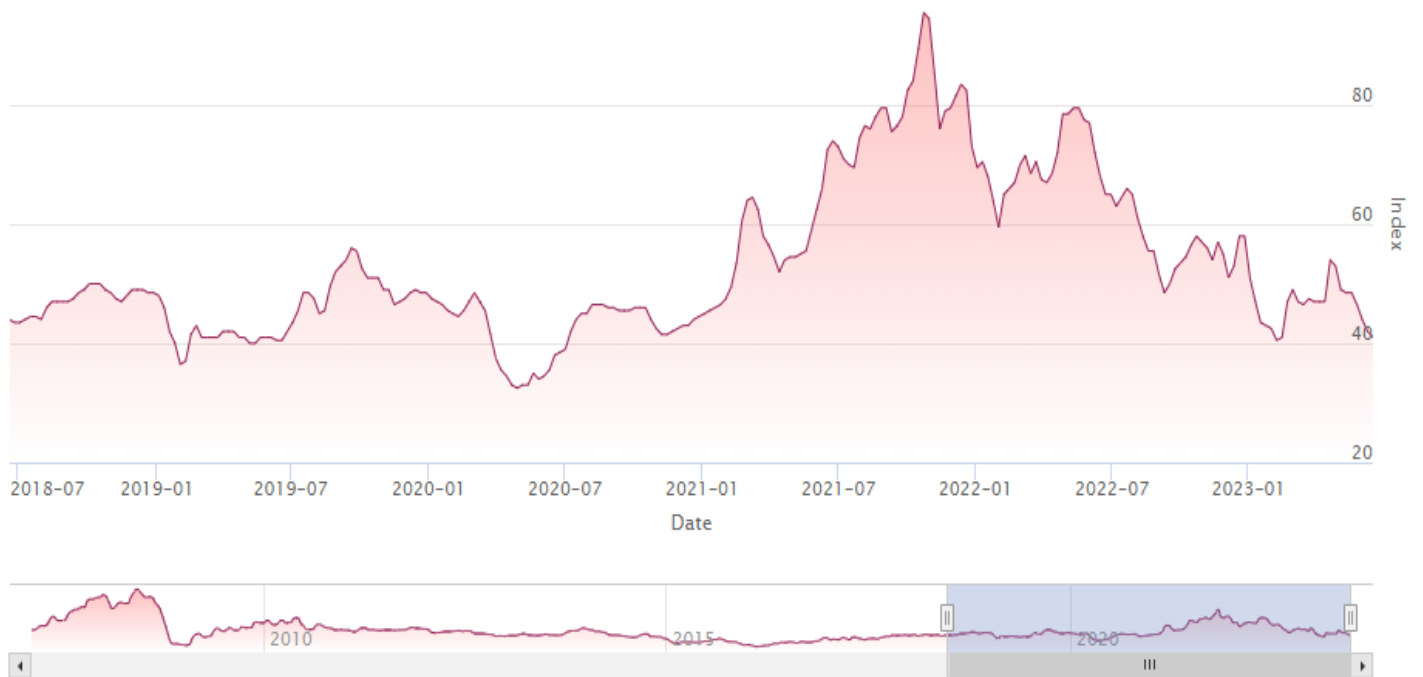
Baltic Average of the Time Charter routes per Segment



## YAMAMIZU Index

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

From 2018-06-21 To 2023-06-21



## China Import Dry Bulk Freight Index

2023-06-21

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	976.24	5.4
Iron ore Freight Index			Point	964.53	7.16
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	7.954	0.006
Soybean Freight Index			Point	1071.92	-2.55
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	36.39	-0.11
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	26.36	0
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	47.56	-0.11

**22 June 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>		N =	6.6050
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	U =	6.1700
<b>July</b>	0.53	<b>\$280.89</b>	1.23	<b>\$308.45</b>	Z =	6.2075
<b>Aug.</b>	0.94	<b>\$279.91</b>	1.62	<b>\$306.68</b>	H =	6.2800
<b>Sept.</b>	0.72	<b>\$271.24</b>	1.40	<b>\$298.01</b>	K =	6.2975
<b>Oct.</b>	0.74	<b>\$273.51</b>	1.42	<b>\$300.28</b>	N =	6.2600
<b>Nov.</b>	0.79	<b>\$275.48</b>	1.45	<b>\$301.46</b>		
<b>Dec.</b>	0.83	<b>\$277.05</b>	1.48	<b>\$302.64</b>		

PNW rail corn markets for July-August 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. Very few corn vessels are being loaded out of the PNW.

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>July</b>	1.15	<b>\$305.30</b>
<b>Aug. (Z)</b>	1.60	<b>\$307.36</b>
<b>Sept. (Z)</b>	1.35	<b>\$297.52</b>
<b>Oct.</b>	1.40	<b>\$299.49</b>
<b>Nov.</b>	1.45	<b>\$301.46</b>

Fob vessel Texas Gulf #2 Sorghum is about 109 % 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>July</b>	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>
FOB U.S. GULF	\$288.07	\$293.85	\$300.47	\$310.66
Basis	0.45	0.47	0.65	0.75
WN	7.3900			
WU	7.5275			
WZ	7.7050			

### **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>July</b>	0.70	<b>\$577.05</b>	1.55	<b>\$608.29</b>
<b>Aug. (X)</b>	1.88	<b>\$561.25</b>	2.75	<b>\$593.22</b>
<b>Oct.</b>	1.00	<b>\$528.92</b>	1.86	<b>\$560.52</b>
<b>Nov.</b>	0.96	<b>\$527.45</b>	1.85	<b>\$560.15</b>
<b>Dec.</b>	0.94	<b>\$529.93</b>	1.85	<b>\$560.15</b>
<b>Soybean Futures</b>				
<b>July</b>	\$ 15.0050			
<b>Aug.</b>	\$ 14.1825			
<b>Sept.</b>	\$ 13.4775			
<b>Nov.</b>	\$ 13.3950			
<b>Jan.</b>	\$ 13.4825			
<b>Mar.</b>	\$ 13.3800			

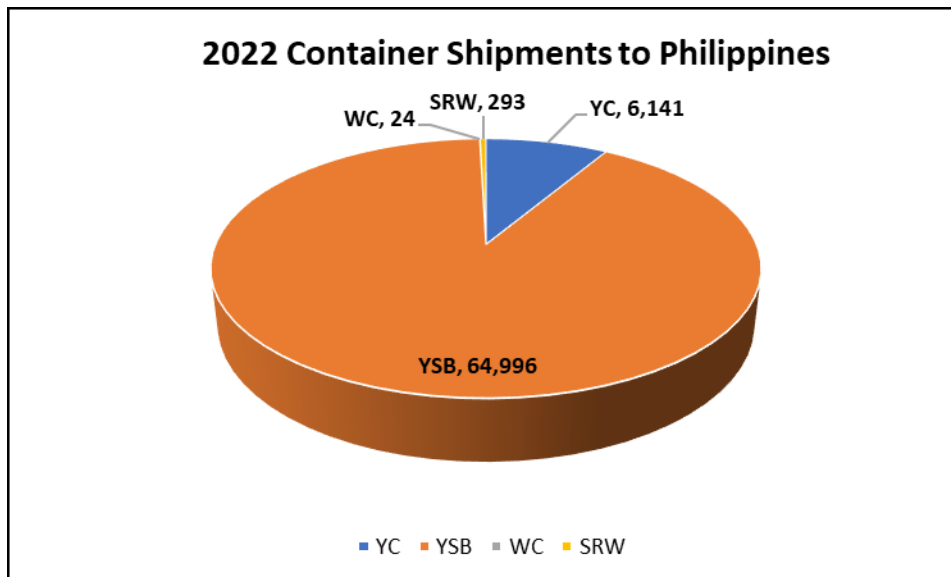
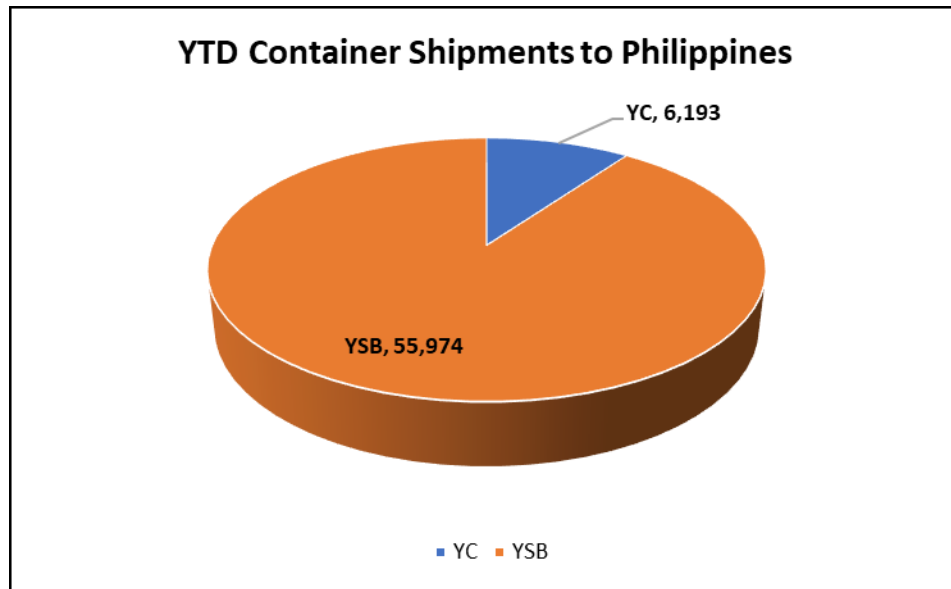
Soybean cargo demand at PNW ports is thin and rail delivery markets there are very difficult to accurately pinpoint. Currently, there are no soybean vessels in the PNW vessel lineup. Above Fob vessel values in the PNW are therefore based on best guesses off interior values.

<b>U.S. SBM (USD/MT) FOB Vessel</b>		
Fob U.S. Gulf Port	<b>47.5 Pro. SBM</b>	
max 12.5 % moisture	Basis	Flat Price
<b>July</b>	26.00	<b>\$ 496.90</b>
<b>Aug.</b>	29.00	<b>\$ 497.01</b>
<b>Oct.</b>	42.00	<b>\$ 504.72</b>
<b>Nov.</b>	40.00	<b>\$ 502.74</b>
<b>Dec.</b>	40.00	<b>\$ 502.74</b>
<b>SBM Futures</b>		
<b>SMN</b>	\$ 424.70	
<b>SMQ</b>	\$ 421.80	
<b>SMU</b>	\$ 418.80	
<b>SMV</b>	\$ 415.80	
<b>SMZ</b>	\$ 416.00	
<b>SMF</b>	\$ 414.70	

**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:		15-Jun-2022							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			4,383						4,383
Taiwan	2,349		1,004						3,353
Hong Kong	294								294
Costa Rica	49								49
Indonesia			8,154						8,154
French Poly									0
Japan			2,371						2,371
Korea Rep.			196						196
Dominican Rep									0
Malaysia									0
Netherlands									0
Philippines			1,323						1,323
Thailand			514						514
Morocco									0
Burma									0
Ireland		48							48
Cambodia									0
Vietnam			954						954
Sub Total:	2,692	48	18,899	0	0	0	0	0	21,639
USDA Corrections/Additions to previous reports:									
Taiwan			24						24
China			24						24
Hong Kong									0
Korea Rep.			24						24
Un Kingdom									0
Japan									0
Philippines									0
Indonesia			220						220
Malaysia									0
Thailand									0
Vietnam			490						490
Burma									0
Cambodia									0
Sub Total:	0	0	782	0	0	0	0	0	782
<b>Mt. Grand Total</b>	<b>2,692</b>	<b>48</b>	<b>19,681</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,421</b>
Number of Containers	117	2	856	0	0	0	0	0	

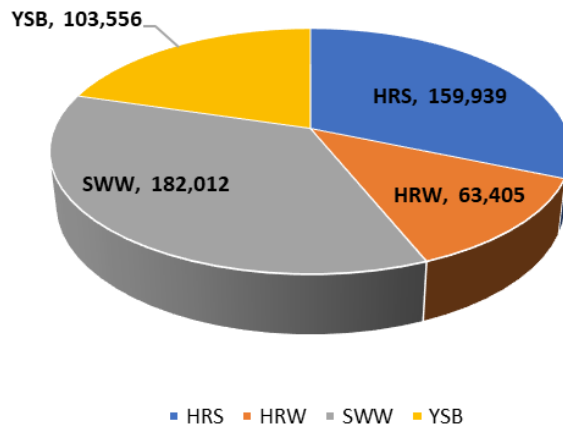
2023 YTD Totals versus 2022 Annual Totals Container Shipments (in MT)



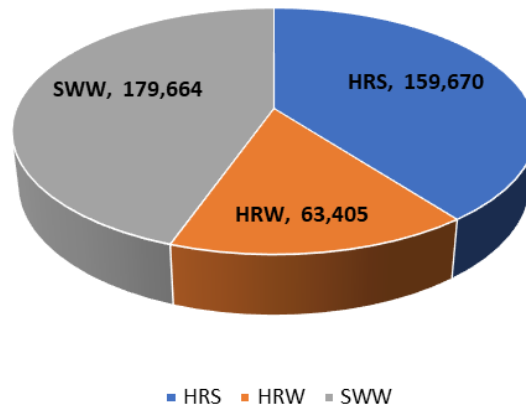


2023 YTD Grain Exports reported by USDA (in MT)

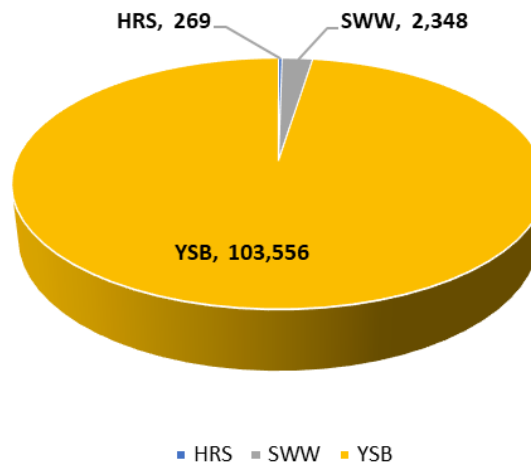
**2023 YTD Exports to Thailand**



**YTD Vessel Shipments to Thailand**



**YTD Container Shipments to Thailand**



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

Source: USDA-data

## Shipping News

**Marhelm**  @MarhelmData · 10h

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DROUGHT WORSENING IN PANAMA - STARTING NEXT MONTH, DRAFT CUTS WILL MEAN ~25% LESS DAILY TRAFFIC THROUGH THE PANAMA CANAL.

OUR TAKE: BULLISH SHIPPING RATES



splash247.com

'Extreme' measures under consideration at drought-hit Panama Canal...  
New draft restrictions from the drought-stricken Panama Canal will mean that from next month the waterway will have slashed its draft b...

## **Advisory To Shipping No. A-26-2023**

June 14, 2023

**TO :** All Shipping Agents, Owners, and Operators

**SUBJECT :** Correction to Advisory to Shipping No. A-25-2023

This Advisory to Shipping replaces the Advisory to Shipping No. A-25-2023, it corrects the draft in meters of the 43.0 feet restriction and separates dates and draft restrictions per set of locks.

The Panama Canal Authority announces the postponement of the maximum authorized draft of **13.41 m (44.0 feet) TFW** in the neopanamax locks until June 19, 2023. Therefore, the maximum authorized draft of **13.56 m (44.5 feet) TFW** will remain in effect until June 18, 2023.

The maximum authorized draft of **13.26 m (43.5 feet) TFW** in the neopanamax locks will be in effect for June 25, 2023.

The maximum authorized drafts for the following weeks are summarized in the following table:

### **NEOPANAMAX LOCKS**

<b>EFFECTIVE DATE</b>	<b>MAXIMUM AUTHORIZED DRAFT (TFW)</b>
Until June 18, 2023	13.56 m (44.5 feet)
June 19, 2023	13.41 m (44.0 feet)
June 25, 2023	13.26 m (43.5 feet)
July 19, 2023	13.11 m (43.0 feet)

### **PANAMAX LOCKS**

<b>EFFECTIVE DATE</b>	<b>MAXIMUM AUTHORIZED DRAFT (TFW)</b>
July 09, 2023	11.89 m (39.0 feet) Panamax locks Only
July 19, 2023	11.73 m (38.5 feet) Panamax locks Only

The ACP will continue to monitor the level of Gatun Lake and announce future draft adjustments in a timely manner.

### **ORIGINAL SIGNED**

Boris Moreno Vásquez  
Vice President for Operations



## Waiting Times Updates

### VESSELS IN QUEUE FOR TRANSIT IN THE PANAMA CANAL

LOCKS	Booked	Non-Booked
NeoPanamax	12	12
Panamax	17	25
<b>Vessels in Queue for Transit</b>	<b>29</b>	<b>37</b>

### WAITING TIME FORECAST

VESSEL TYPE	North Bound	South Bound
NeoPanamax	7-8 Days	9-10 Days
Panamax Plus	0-1 Day	3-4 Days
Super	3-4 Days	3-4 Days
Regulars	2-3 Days	4-5 Days

CONTAINER VESSELS will need to lighten their loads.

## Not All Ships are Getting bigger



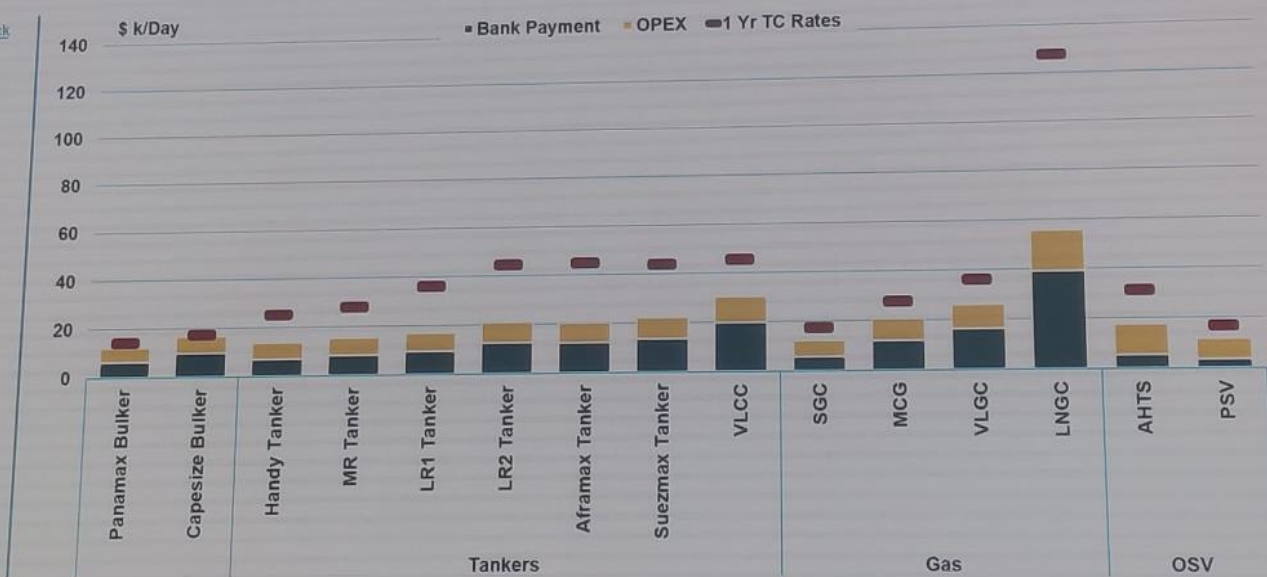


## Break Even Levels

5 Yr Old prices are generally supported by earnings

### Health Check

- Changing Dynamics
- Longer Term Transitions
- Shipbuilding and Value Outlook



**Green Marine** @worldmaritimene · 7h

Danish shipping company [@DS\\_NORDEN](#) has placed a newbuilding order for six Supramax dry cargo vessels with Dalian COSCO KHI Ship Engineering (DACKS) [bit.ly/3Xnf2C4](https://bit.ly/3Xnf2C4) #maritime #shipping #biofuels #decarbonization



offshore-energy.biz

Norden inks order for six Supramaxes with DACKS

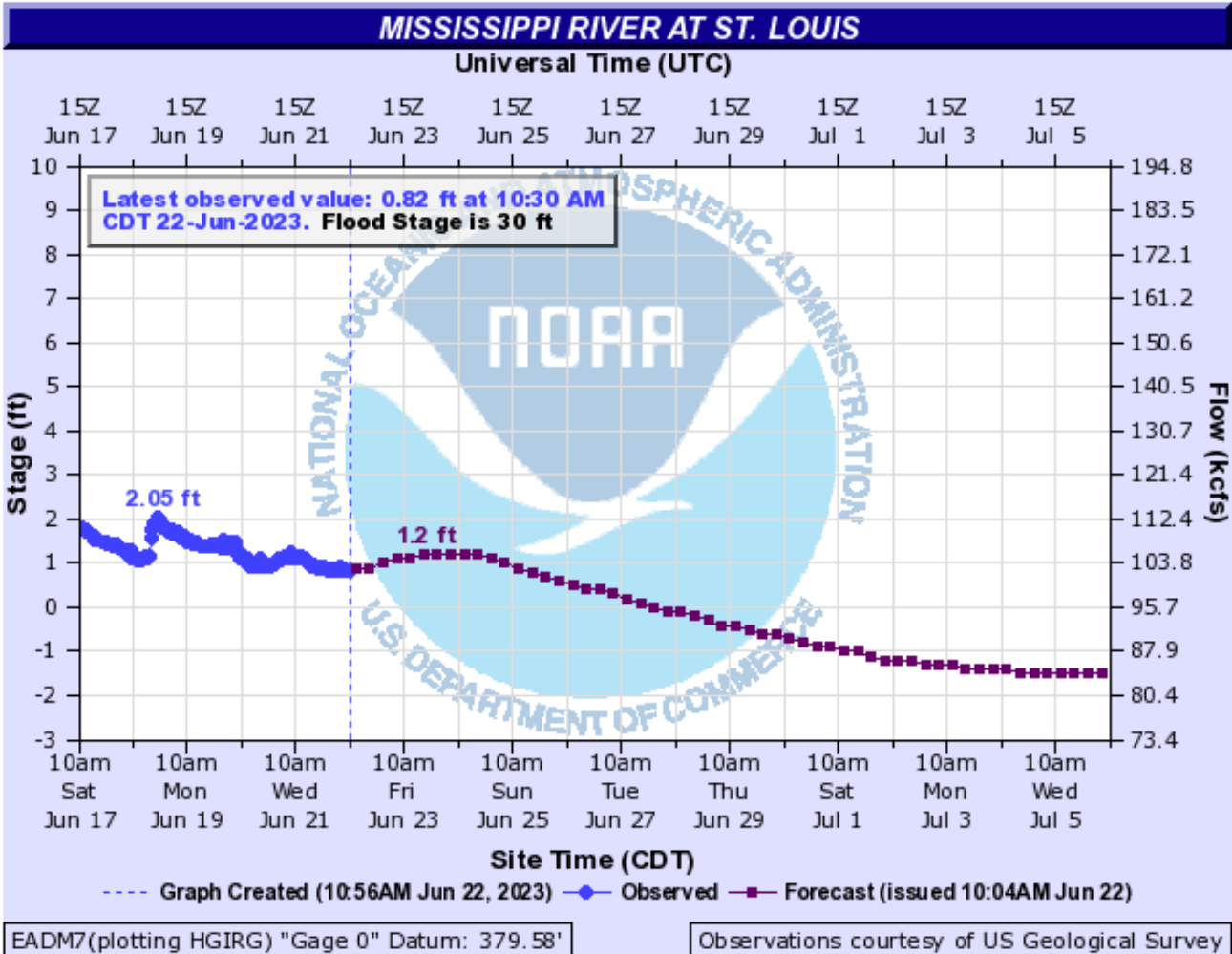
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Ukraine-Black Sea Shipments

U.S. Container Freight Markets

US Rail News:

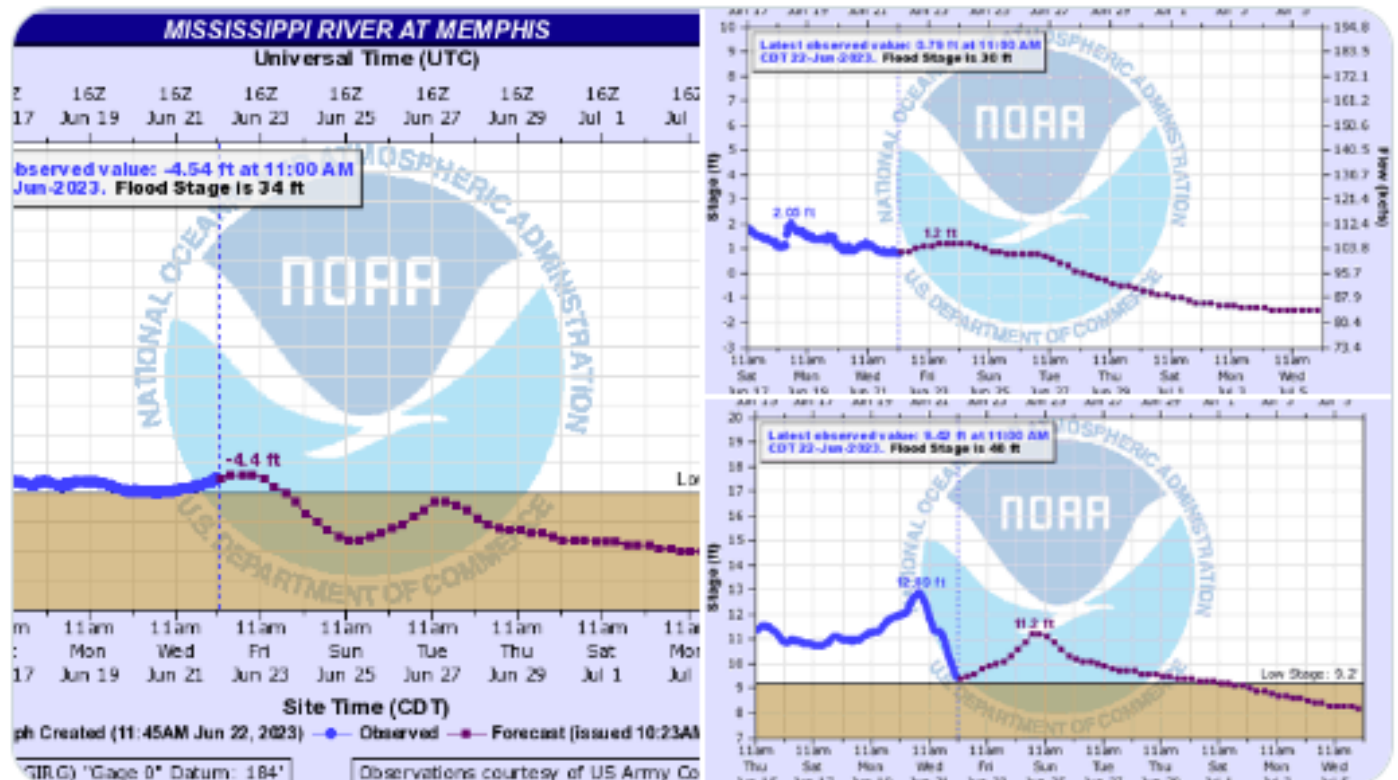
U.S. River Markets



Mary Kennedy @MaryCKenn · 19m

...

Drafts are cut, tow sizes reduced and this isn't looking good right now.





Mary Kennedy @MaryCKenn · 10h

REMINDER 📌

120-Day Lock Closures on Illinois River Start June 1



[dtnpf.com](https://dtnpf.com)

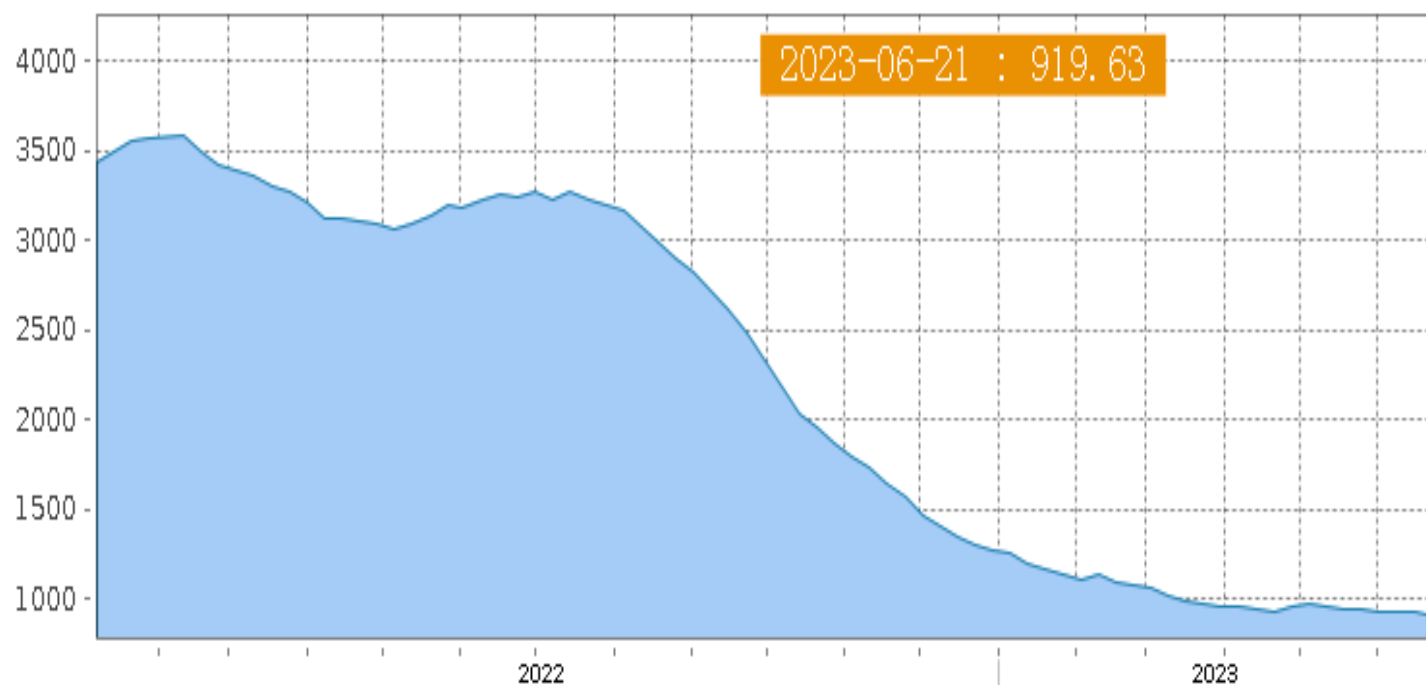
120-Day Lock Closures on Illinois River Start June 1

The U.S. Army Corps of Engineers will soon begin phase 2 of extended lock closures on the Illinois River for much-needed repairs.

## China Import Dry Bulk Freight Index



## China Containerized Freight Index



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

Secondary Rail Car Market Placement LH July 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ (300)	\$ (20)	\$ (0.08)	\$ (0.01)	\$ (2.95)	\$ (0.20)
UPRR Shuttle Trains	\$ (450)	\$ (350)	\$ (0.11)	\$ (0.09)	\$ (4.43)	\$ (3.44)

### **Barge Placement Last Half July 2023**

Placement LH July 2023	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	350	\$ 23.88	0.61	0.65
Illinois River (Pekin and South)	285	\$ 19.45	0.49	0.53
Mid-Mississippi	285	\$ 14.01	0.36	0.38
Lower Ohio	270	\$ 13.27	0.34	0.36
St. Louis	250	\$ 11.00	0.28	0.30

Best Regards,

Jay

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

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

Follow me on Twitter @ igpjay



\*\*\* 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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