



## Transportation and Export Report for 9 August 2023

It was another mixed week for Dry Bulk markets. Without much in the news, U.S. Gulf-Atlantic markets received some buying support while Pacific markets were flat. Panamax sectors performed better than all other sectors. Unless something interesting pops up on the physical demand side, it will be difficult for the Panamax market to maintain its current levels.

Q3 FFA Panamax markets moved back down to \$10,750/day. Q4 is trading flat at \$11,300/day, and Cal.2024 at \$11,000/day. The water situation at the Panama Canal is not improving and container vessels are stacking up. This should move some of the U.S East Coast container business back to the West Coast. The West Coast Canada port strike appears to have been settled.

### The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
9-Aug-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	20809	19518	1,291	6.6%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	8529	7251	1,278	17.6%
S1C: US GULF-China-So.Japan	Index	11871	12014	-143	-1.2%
P7: Trial- Miss. River - Qingdao	per ton	49.00	47.11	1.89	4.0%
P8: Trial- Santos - Qingdao	per ton	37.00	36.17	0.83	2.3%

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

Four weeks ago:	\$7.90-\$8.05
Three weeks ago:	\$7.45-\$7.65
Two weeks ago:	\$7.55-\$7.65
One week ago:	\$7.65-\$8.10
This week	\$8.00-\$8.35

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

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

Panamax Market Spreads to Asia -China					
9-Aug-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	0.60	1.48	0.88	\$34.64	GULF
SOYBEANS	1.45	2.25	0.80	\$29.39	GULF
OCEAN FREIGHT	\$47.50	\$25.50	.56-.60	\$22.00	September

Currently there are no Corn or Soybean vessels in the PNW loading queue. 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 \$25.50 - \$26.50/mt.

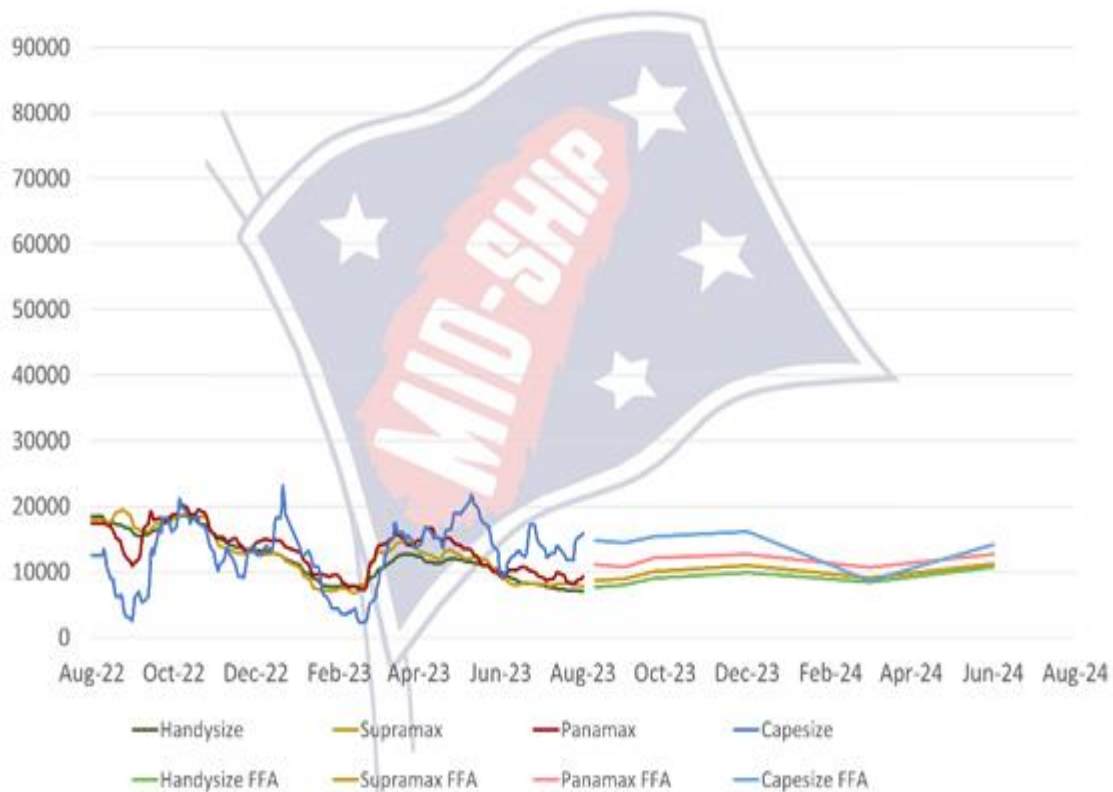
Soybean Brazil to Spain about \$35.00 - \$36.00/mt.

Route and Vessel Size	Current Week USD/MT	Change from previous week	Remarks
55,000 U.S. Gulf-Japan	\$48.00	Up \$1.50	Handymax \$47.50 mt
55,000 U.S. PNW- Japan	\$26.00	Unchanged	Handymax at \$25.50 mt
65,000 U.S. Gulf – China	\$47.50	Up \$1.50	North or South China
PNW to China	\$25.50	Unchanged	
25,000 U.S. Gulf- Veracruz, México	\$20.75	Up \$0.25	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$18.25	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia	\$28.00	Up \$0.50	<u>West Coast Colombia at \$30.00</u>
50,000 USG- E/C Colombia	\$24.75		
<u>East Coast Colombia</u> From Argentina	\$34.50		
40-45,000 U.S. Gulf - Guatemala	\$28.00	Up \$0.25	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$31.50	Up \$1.00	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt	\$29.75	Up \$1.25	55,000-60,000 mt Egypt
PNW to Egypt	\$30.25		Romania - Russia- Ukraine \$14.50 - \$16.50 - \$45.00?? France \$24.00, Bulgaria \$15.50
58-74,000 U.S. Gulf – Europe – Rotterdam	\$24.00	Up \$0.50	Handymax at +\$2.50 more
Brazil, Santos –China	\$38.00	Up \$1.00	54-59,000 Supramax-Panamax
Brazil, Santos –China	\$36.00		60-66,000 Post Panamax
Up-River Port North Brazil	\$41.75		55-60,000 mt
56-60,000 Argentina-China	\$43.75	Up \$1.00	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

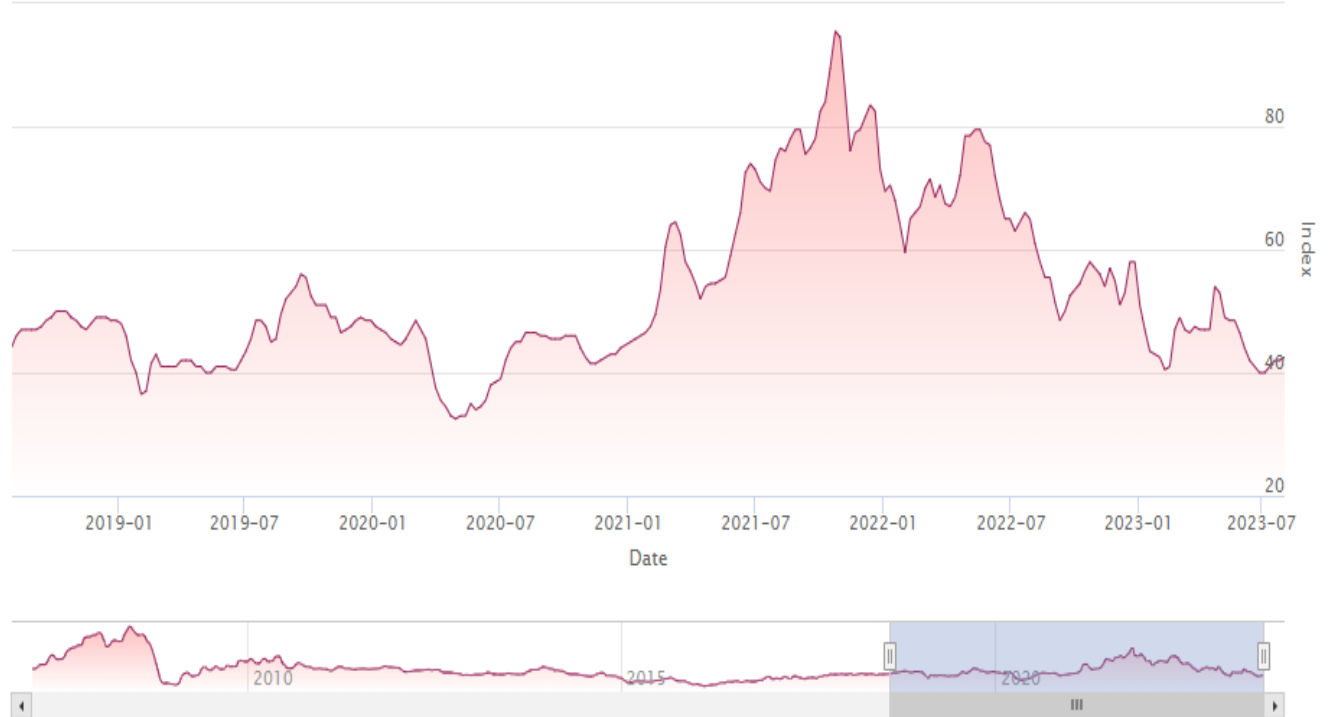


# YAMAMIZU Index



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

From 2018-08-02 To 2023-08-02



China Import Dry Bulk Freight Index					
2023-08-09					
Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	969.89	-3.39
Iron ore Freight Index			Point	980.44	-11.56
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.338	-0.206
Soybean Freight Index			Point	1061.39	5.68
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	35.92	0.14
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	25.46	0.11
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	47.66	0.36

## 9 August 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		U =	4.8100
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	Z =	4.9425
<b>Sept.</b>	0.61	<b>\$213.37</b>	1.46	<b>\$246.84</b>	h =	5.0825
<b>Oct.</b>	0.62	<b>\$218.98</b>	1.45	<b>\$251.66</b>	K =	5.1650
<b>Nov.</b>	0.76	<b>\$224.50</b>	1.59	<b>\$257.17</b>	N =	5.2100
<b>Dec.</b>	0.81	<b>\$226.46</b>	1.63	<b>\$258.75</b>	U =	5.1275
<b>Jan.</b>	0.70	<b>\$227.64</b>	1.52	<b>\$259.93</b>		
<b>Feb.</b>	0.75	<b>\$229.61</b>	1.57	<b>\$261.89</b>		

There are currently no corn vessels the PNW export facility lineups. PNW rail corn markets for August-Sept. are extremely thin. Without export business, not even big rail road incentives to Exporters to promote movement west & negative rail car values, can encourage business. PNW Fob vessel values are therefore a pure 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
<b>Sept. ( Z)</b>	1.40	<b>\$249.69</b>
<b>Oct.</b>	1.40	<b>\$249.69</b>
<b>Nov.</b>	1.50	<b>\$253.63</b>
<b>Dec.</b>	1.50	<b>\$253.63</b>
<b>Jan.</b>	1.50	<b>\$259.14</b>

Fob vessel Texas Gulf #2 Sorghum is about 117 % 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	
	Sept.	Oct.	Nov.	Dec.
FOB U.S. GULF	\$254.63	\$264.46	\$274.38	\$276.22
Basis	0.58	0.58	0.85	0.90
WU	6.3500			
WZ	6.6175			
WH	6.8775			

### 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>Sept. (X)</b>	1.45	<b>\$534.06</b>	2.25	<b>\$563.46</b>
<b>Oct.</b>	1.32	<b>\$529.29</b>	2.11	<b>\$558.31</b>
<b>Nov.</b>	1.15	<b>\$523.04</b>	1.94	<b>\$552.07</b>
<b>Dec.</b>	1.10	<b>\$524.88</b>	1.88	<b>\$553.54</b>
<b>Jan.</b>	1.12	<b>\$525.61</b>	1.90	<b>\$554.27</b>
<b>Soybean Futures</b>				
<b>Aug.</b>	\$ 14.3150			
<b>Sept.</b>	\$ 13.5525			
<b>Nov.</b>	\$ 13.0850			
<b>Jan.</b>	\$ 13.1850			
<b>Mar.</b>	\$ 13.2125			
<b>May</b>	\$ 13.2500			

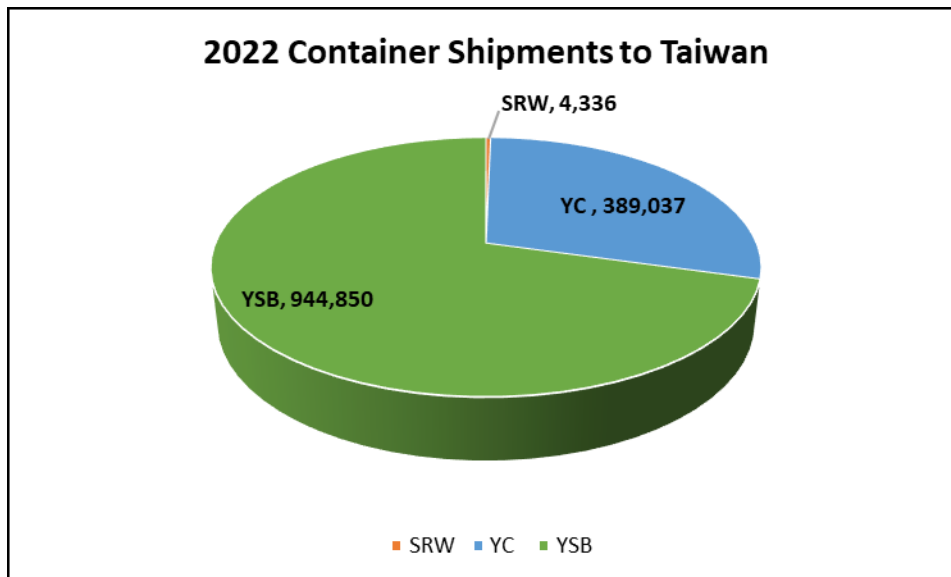
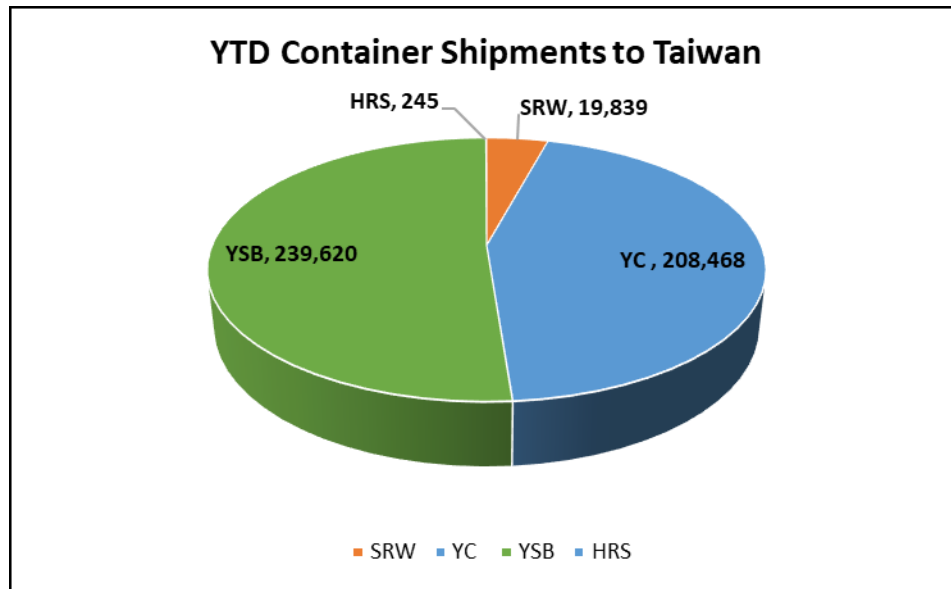
Currently, there are no soybean vessels in the PNW vessel lineup. Soybean cargo demand at PNW ports is therefore very thin and rail delivery markets there are difficult to accurately determine. Above Fob vessel values in the PNW are based on best guesses off interior values and spreads.

<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>Sept.</b>	33.00	<b>\$ 491.38</b>
<b>Oct.</b>	43.00	<b>\$ 484.11</b>
<b>Nov.</b>	43.00	<b>\$ 478.26</b>
<b>Dec.</b>	42.00	<b>\$ 477.16</b>
<b>Jan.</b>	39.00	<b>\$ 468.45</b>
<b>SBM Futures</b>		
<b>SMQ</b>	\$ 426.30	
<b>SMU</b>	\$ 412.70	
<b>SMV</b>	\$ 396.10	
<b>SMZ</b>	\$ 390.80	
<b>SMF</b>	\$ 385.90	
<b>SMF</b>	\$ 378.40	

**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:		3-Aug-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			342	906					1,248
Taiwan	13,681		7,029	1,959					22,669
Hong Kong	489								489
Costa Rica									0
Indonesia			18,902						18,902
French Poly									0
Japan			3,251						3,251
Korea Rep.	1,028								1,028
Bangladesh									0
Malaysia			1,836						1,836
Netherlands									0
Philippines	196		931						1,127
Thailand			269						269
Nepal			490						490
Burma									0
Spain									0
Cambodia			269						269
Vietnam			6,536						6,536
Sub Total:	15,394	0	39,855	2,865	0	0	0	0	58,114
USDA Corrections/Additions to previous reports:									
Taiwan	147		24						171
China			24						24
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan			490						490
Philippines									0
Indonesia			784						784
Malaysia									0
Thailand									0
Vietnam			293		587				880
Burma									0
Cambodia									0
Sub Total:	147	0	1,615	0	587	0	0	0	2,349
<b>Mt. Grand Total</b>	<b>15,541</b>	<b>0</b>	<b>41,470</b>	<b>2,865</b>	<b>587</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,463</b>
Number of Containers	676	0	1,803	125	26	0	0	0	

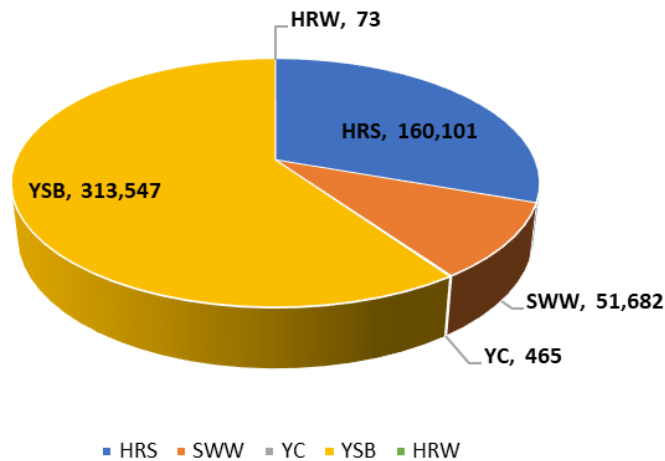
2023 YTD Totals versus 2022 Annual Totals Container Shipments (in MT)



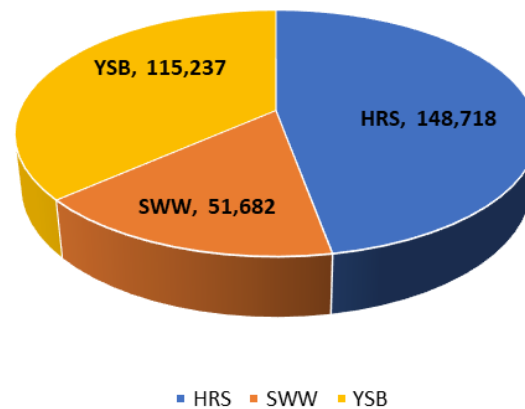


2023 YTD Grain Exports reported by USDA (in MT)

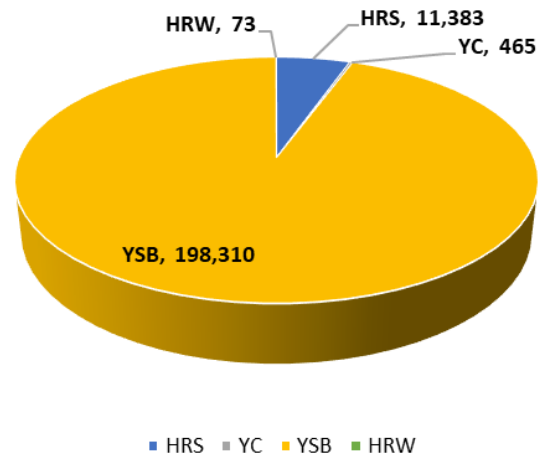
**2023 YTD Exports to Vietnam**



**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

**Splash** @Splash\_247 · Aug 1

Why investing in dry bulk companies is a bad idea [dlvr.it/St4jG2](https://dlvr.it/St4jG2)



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## Container Freight Markets

**Lori Ann LaRocco** @loriannlarocco · 3h

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'TRADE ALERT 'Going to get worse': Panama Canal pileup due to drought reaches 154 vessels @CNBC #panamacanal



cnbc.com

'This is going to get worse before it gets better': Panama Canal pileup ...  
Ongoing drought conditions and Panama Canal restrictions due to lower water levels are causing massive shipping congestion at the ke...

- There are 154 commercial vessels waiting to cross the Panama Canal, with an average wait time of 21 days.
- Panama Canal Authority has reduced the number of ships allowed to pre-book transit through the Panamax locks, and restrictions due to ongoing drought conditions will remain in effect until August 21.
- 40% of all U.S. container traffic travels through the Panama Canal every year.
- "This is going to get worse before it gets better," said one marine shipping expert.

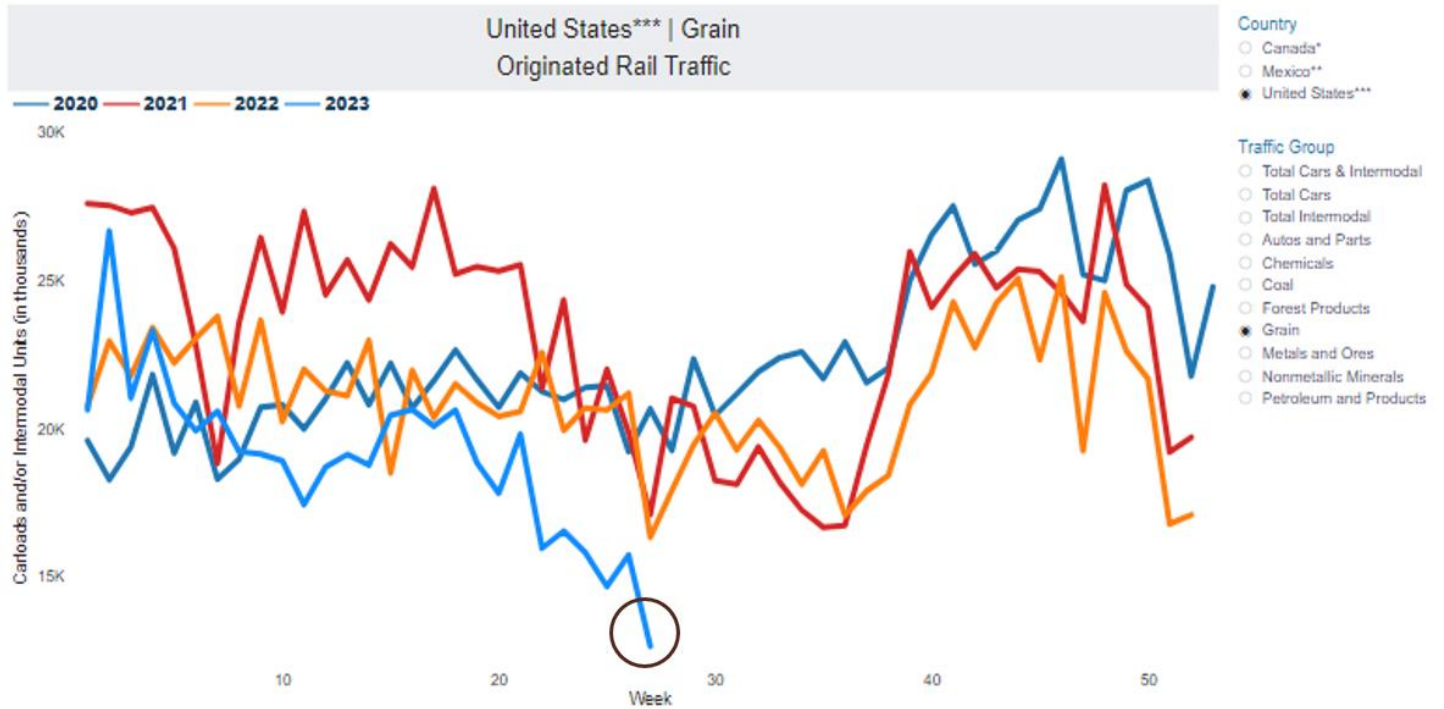
The massive pileup is a result of water conservation measures the Panama Canal Authority deployed in late July due to drought. The PCA has temporarily lowered the availability of

booking slots from August 8-August 21 for Panamax vessels, which are the largest vessels that can cross the canal. These vessels can carry 4,500 twenty-foot equivalent units (TEUs). The number of pre-booking slots was reduced to 14 daily from 23.

Published Aug 7, 2023 2:34 PM by [The Maritime Executive](#)

The International Longshore and Warehouse Union Canada confirmed that three-quarters of its membership had voted in favor of the new four-year contract for work in Canada's West Coast ports bringing to an end five months of negotiations and 35 days of disruption at the ports. The employers represented by the British Columbia Maritime Employers Association (BCMEA) voted to accept the contract terms after they were negotiated by the Canada Industrial Relations Board which was called in by the government to help resolve several impasses between the two sides.

# RAILROAD GRAIN TRAFFIC



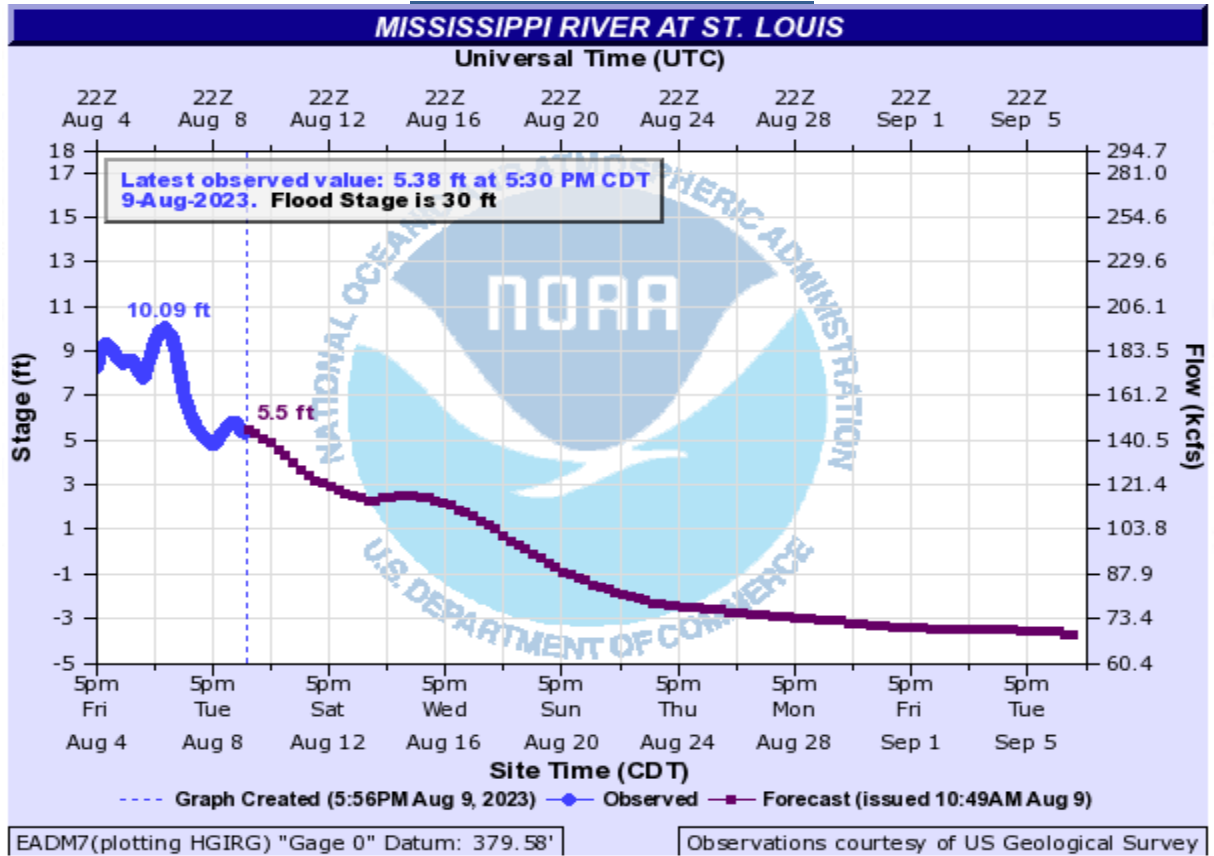
\*Canadian traffic includes the U.S. operations of Canadian railroads.

\*\*Mexican traffic includes the U.S. operations of Mexican railroads.

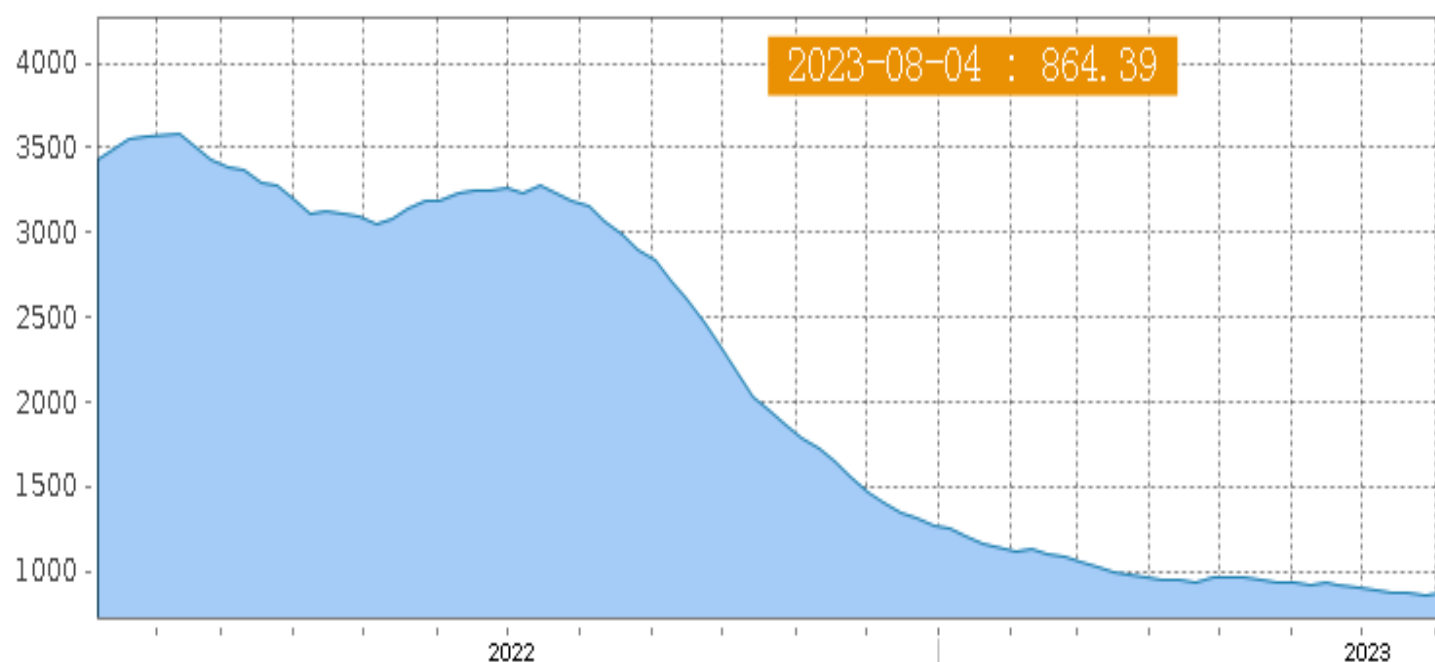
\*\*\*United States traffic excludes the U.S. operations of Canadian and Mexican railroads.

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## U.S. River Markets



## China Containerized Freight Index



## China Import Dry Bulk Freight Index



### Secondary Rail Car Market for Car placement period: First Half September 2023

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

### **Barge Placement First Half September 2023**

Placement FH September 2023	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	600	\$ 40.94	1.04	1.11
Illinois River (Pekin and South)	675	\$ 46.06	1.17	1.25
Mid-Mississippi	625	\$ 29.50	0.75	0.80
Lower Ohio	625	\$ 30.73	0.78	0.84
St. Louis	450	\$ 27.49	0.70	0.75

Best Regards,

Jay

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