

Transportation and Export Report for 14 September 2023

Dry Bulk Capesize markets found additional support from increased business from Eastern Australia to China and better cargo volumes in the Pacific Basin. Panamax markets moved up on high demand out of East Coast South America and demand that is anticipated to arrive from the oncoming North American grain harvest.

Q4 FFA Panamax markets traded up 200 points to \$13,800/day and Cal.2024 was slightly lower at \$11,600/day. The Panama Canal still has a low water problem and container vessels must load lighter to meet the restricted draft requirements. Grain vessel wait times are still running 10-12 days through the old locks. Mississippi River tow sizes reduced to 5 wide south bound. Cairo to Vicksburg draft 9'0" max and 9'6" draft at Vicksburg Mississippi.

The BALTIC DRY-BULK PANAMAX INDEX CHANGES

Panamax Ocean Freight Indices					
14-Sep-2023		This Week	Last Week	Difference	Percent Change
P2A: Gulf/Atlantic - HK-Korea	Index	25268	22223	3,045	13.7%
P3A: PNW/Pacific - RV Korea-Taiwan	Index	14025	12367	1,658	13.4%
S1C: US GULF-China-So.Japan	Index	22607	21739	868	4.0%
P7: Trial- Miss. River - Qingdao	per ton	57.14	53.83	3.31	6.1%
P8: Trial- Santos - Qingdao	per ton	42.64	40.26	2.38	5.9%

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

Four weeks ago:	\$7.95-\$8.05
Three weeks ago:	\$7.55-\$7.75
Two weeks ago:	\$7.45-\$7.60
One week ago:	\$7.90-\$7.93
This week	\$8.25-\$8.50

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

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

Panamax Market Spreads to Asia -China					
14-Sep-2023	GULF	PNW	Bushel Spread	Tonne Spread	Advantage
CORN	1.30	2.00	0.70	\$27.56	GULF
SOYBEANS	1.15	1.95	0.80	\$29.39	GULF
OCEAN FREIGHT	\$55.50	\$29.50	.66-.71	\$26.00	October

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 nearly 30-day period. 60-90 days forward physical rates will usually be higher.**

Soybean Panamax USG to Spain is running \$28.75 - \$29.75/mt.

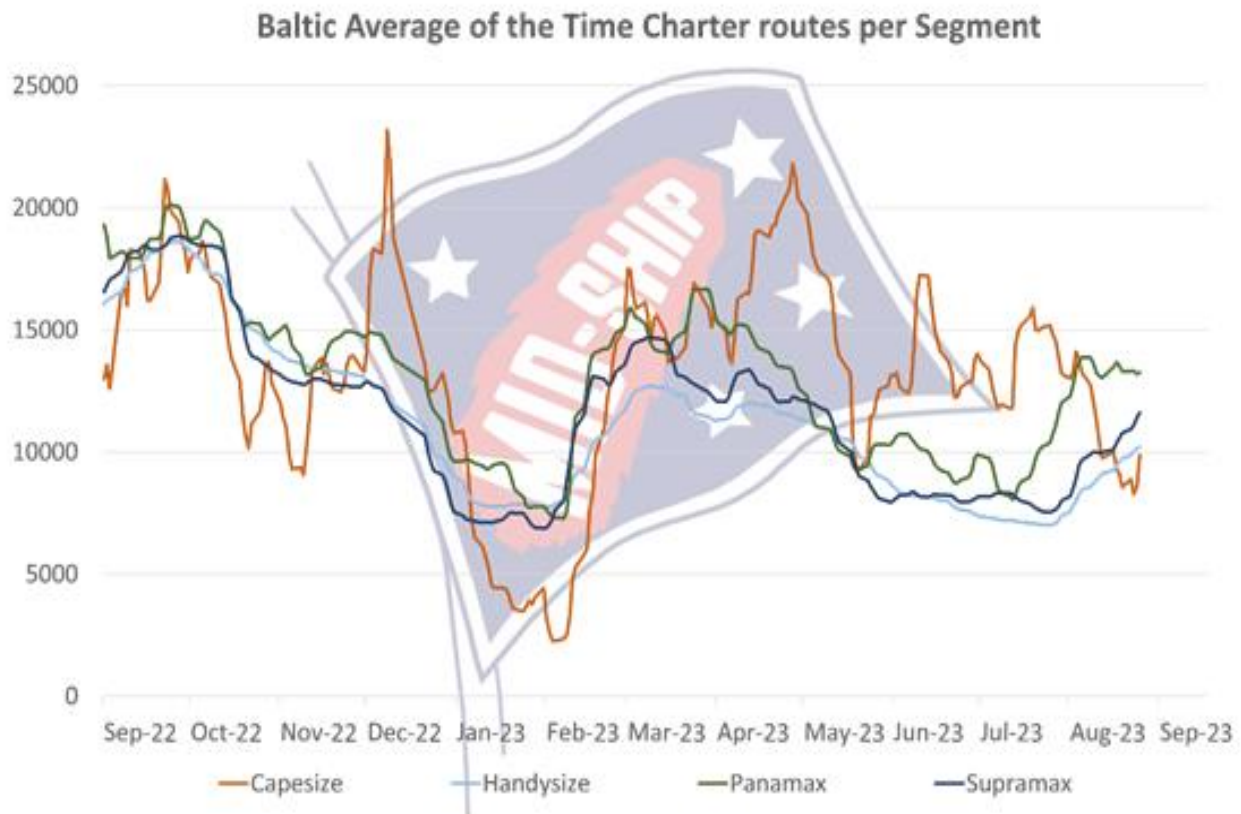
Soybean Brazil to Spain about \$38.50 - \$40.00/mt.

Route and Vessel Size	Current Week USD/MT	Change	Remarks
55,000 U.S. Gulf-Japan	\$56.00	Up \$2.00	Handymax \$56.50 mt
55,000 U.S. PNW- Japan	\$30.00	Up \$1.00	Handymax at \$30.50 mt
65,000 U.S. Gulf – China PNW to China	\$55.50 \$29.50	Up \$2.00 Up \$1.00	North or South China
25,000 U.S. Gulf- Veracruz, México	\$21.75	Up \$0.50	3,000 MT daily discharge rate
35-40,000 U.S. Gulf- Veracruz, México	\$19.00	Up \$0.25	Deep draft and 6,000 MT per day discharge rate.
30-38,000 U.S. Gulf- Colombia 50,000 USG- E/C Colombia <u>East Coast Colombia</u> From Argentina	\$30.25 \$27.00 \$38.00	Up \$1.00	<u>West Coast Colombia at \$32.00</u>
40-45,000 U.S. Gulf - Guatemala	\$30.25	Up \$1.00	Acajutla/Quetzal - 8,000 out
30,000 US Gulf-Morocco	\$35.25	Up \$1.50	5,000 discharge rate
55-60,000 U.S. Gulf –Egypt PNW - Egypt	\$34.00 \$34.50	Up \$1.50	55,000-60,000 mt Egypt Romania - Russia- Ukraine \$15.50 - \$17.00 - \$45.00?? France \$21.00, Bulgaria \$16.00
58-74,000 U.S. Gulf – Europe – Rotterdam	\$27.75	Up \$0.25	Handymax at +\$2.50 more
Brazil, Santos –China Brazil, Santos –China Up-River Port North Brazil	\$44.00 \$42.00 \$47.75	Up \$1.00	54-59,000 Supramax-Panamax 60-66,000 Post Panamax 55-60,000 mt
56-60,000 Argentina-China Deep draft	\$49.75	Up \$1.00	Up-River with Top Off Plus \$3.75-\$4.75

Baltic Dry Bulk Freight Index



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

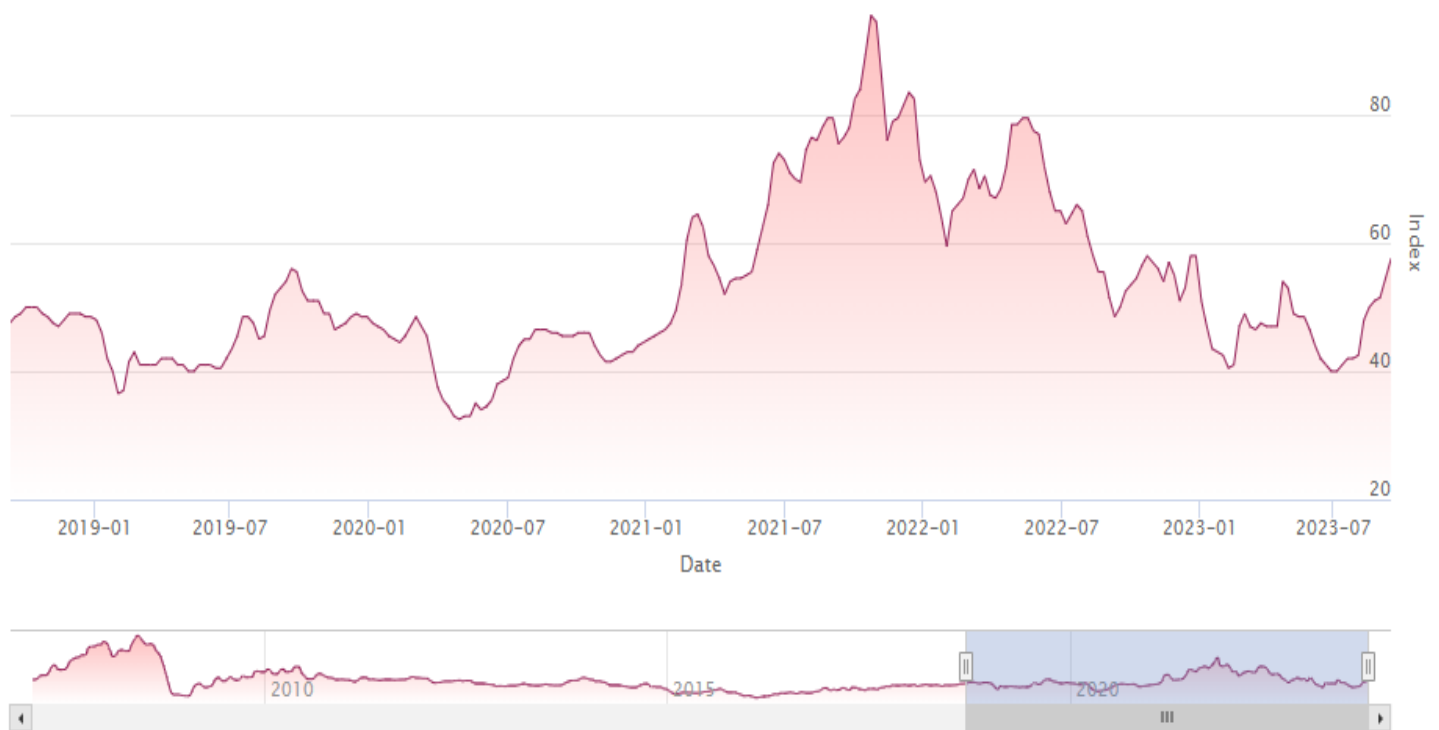


YAMAMIZU Index



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

From 2018-09-13 To 2023-09-13



China Import Dry Bulk Freight Index

2023-09-14

Description	Volume	Cargo	Unit	Rate	Change
Composite Index			Point	1036.56	14.38
Iron ore Freight Index			Point	983.73	16.38
Dampier(West Australia)-Qingdao (China)	170000/10%	Iron ore	\$/ton	8.461	0.158
Soybean Freight Index			Point	1236.97	8.65
Santos(Brazil)— North China	66000/10%	Soybean	\$/ton	41.93	0.27
Tacoma(West America)—North China	63000/10%	Soybean	\$/ton	29.48	0.22
Mississippi(US Gulf)—North China	66000/10%	Soybean	\$/ton	55.54	0.42

14 September 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 =	4.8050
Max. 14.5% moisture	BASIS	FLAT PRICE	BASIS	FLAT PRICE	H =	4.9450
Oct.	1.30	\$240.34	2.00	\$267.90	K =	5.0275
Nov.	1.16	\$234.83	1.85	\$261.99	N =	5.0750
Dec.	1.04	\$230.11	1.73	\$257.27	U =	5.0500
Jan.	0.86	\$228.53	1.55	\$255.69	Z =	5.0950
Feb..	0.83	\$227.35	1.52	\$254.51		
Mar.	0.83	\$227.35	1.52	\$254.51		

There are currently no corn vessels the PNW export facility lineups. PNW rail corn markets for 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 until we get out to new crop.

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
Oct.	1.45	\$246.25
Nov.	1.45	\$246.25
Dec.	1.45	\$246.25
Jan.	1.40	\$249.79
Feb.	1.40	\$249.79

Fob vessel Texas Gulf #2 Sorghum is about 104 % 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	
	Oct.	Nov.	Dec.	Jan.
FOB U.S. GULF	\$254.91	\$254.91	\$253.07	\$253.62
Basis	1.00	1.00	0.95	0.70
WZ	5.9375			
WH	6.2025			
WK	6.3675			

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
Oct.	1.15	\$542.15	1.95	\$571.54
Nov.	0.90	\$532.96	1.67	\$561.25
Dec.	0.85	\$536.73	1.62	\$565.02
Jan.	0.89	\$538.20	1.66	\$566.49
Feb	0.93	\$543.07	1.70	\$571.36
Soybean Futures				
Nov.	\$ 13.6050			
Jan.	\$ 13.7575			
Mar.	\$ 13.8500			
May	\$ 13.9075			
July	\$ 13.9000			
Aug.	\$ 13.6700			

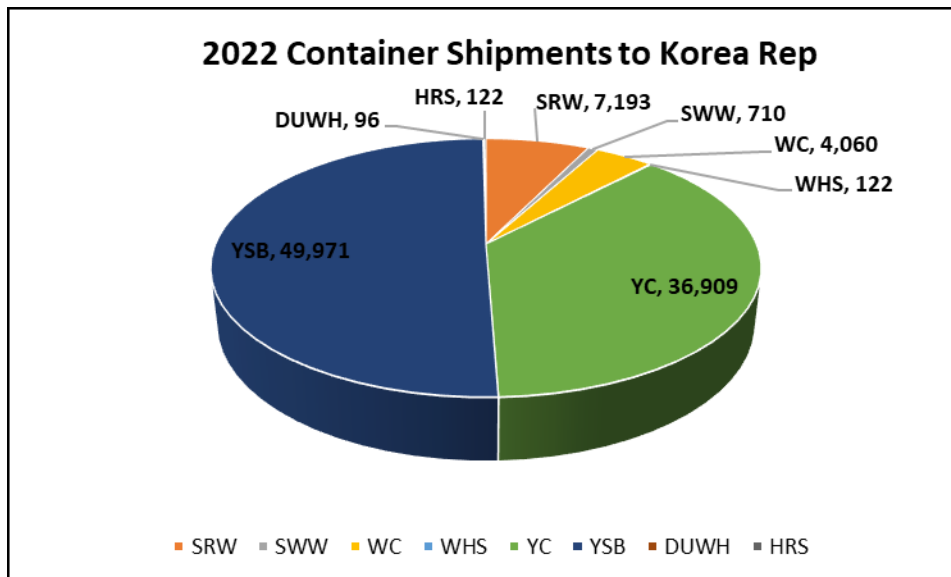
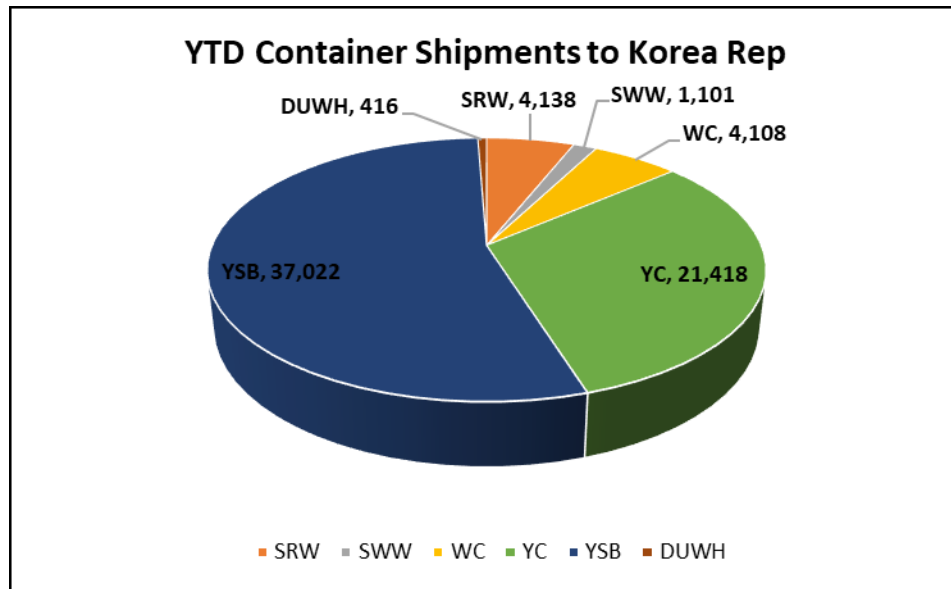
Currently, there are no soybean vessels in the PNW vessel lineup. Soybean cargo demand at PNW ports is therefore very thin and rail delivery markets there are difficult to accurately determine. Above Fob vessel values in the PNW are based on best guesses off interior values and spreads.

U.S. SBM (USD/MT) FOB Vessel		
Fob U.S. Gulf Port	47.5 Pro. SBM	
max 12.5 % moisture	Basis	Flat Price
Oct.	47.00	\$ 493.26
Nov.	46.00	\$ 491.05
Dec.	43.00	\$ 487.75
Jan.	40.00	\$ 481.02
Feb.	37.00	\$ 471.10
SBM Futures		
SMV	\$ 400.40	
SMZ	\$ 399.40	
SMF	\$ 396.30	
SMH	\$ 390.30	
SMK	\$ 385.90	
SMN	\$ 385.50	

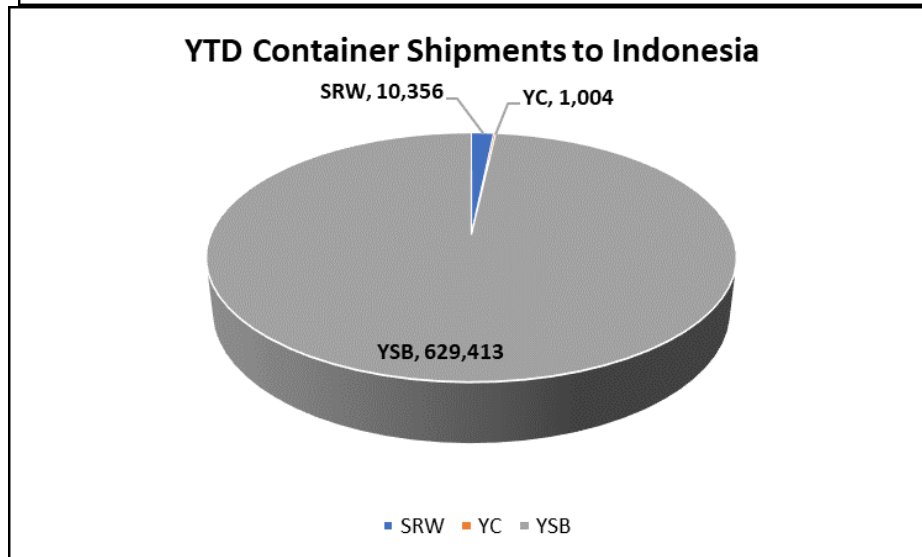
Data sheet below: *USDA weekly export inspections report with corrections to the last three weeks' grain export inspections reports. (This usually covers a 2-5-week prior time frame).*

CONTAINER SHIPMENTS of GRAIN									
USDA Grain Inspections Report:		7-Sep-2023							
Last Week	metric tons								MT
	YC	WC	YSB	SRW	NS	HRW	SWH	Sorghum	TOTAL
China			9,749					2,768	12,517
Taiwan	8,274	24	3,331	1,274					12,903
Hong Kong	539								539
Costa Rica									0
Indonesia			6,856						6,856
French Poly									0
Japan			2,765						2,765
Korea Rep.									0
Bangladesh									0
Malaysia			832						832
Netherlands									0
Philippines			245						245
Thailand			1,592						1,592
Nepal									0
Burma									0
Ireland									0
Cambodia									0
Vietnam			3,059		881				3,940
Sub Total:	8,813	24	28,429	1,274	881	0	0	2,768	42,189
USDA Corrections/Additions to previous reports:									
Taiwan			710						710
China			612						612
Hong Kong									0
Korea Rep.									0
Un Kingdom									0
Japan									0
Philippines									0
Indonesia									0
Malaysia									0
Thailand									0
Vietnam			49						49
Burma									0
Cambodia									0
Sub Total:	0	0	1,371	0	0	0	0	0	1,371
Mt. Grand Total	8,813	24	29,800	1,274	881	0	0	2,768	43,560
Number of Containers	383	1	1,296	55	38	0	0	120	

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

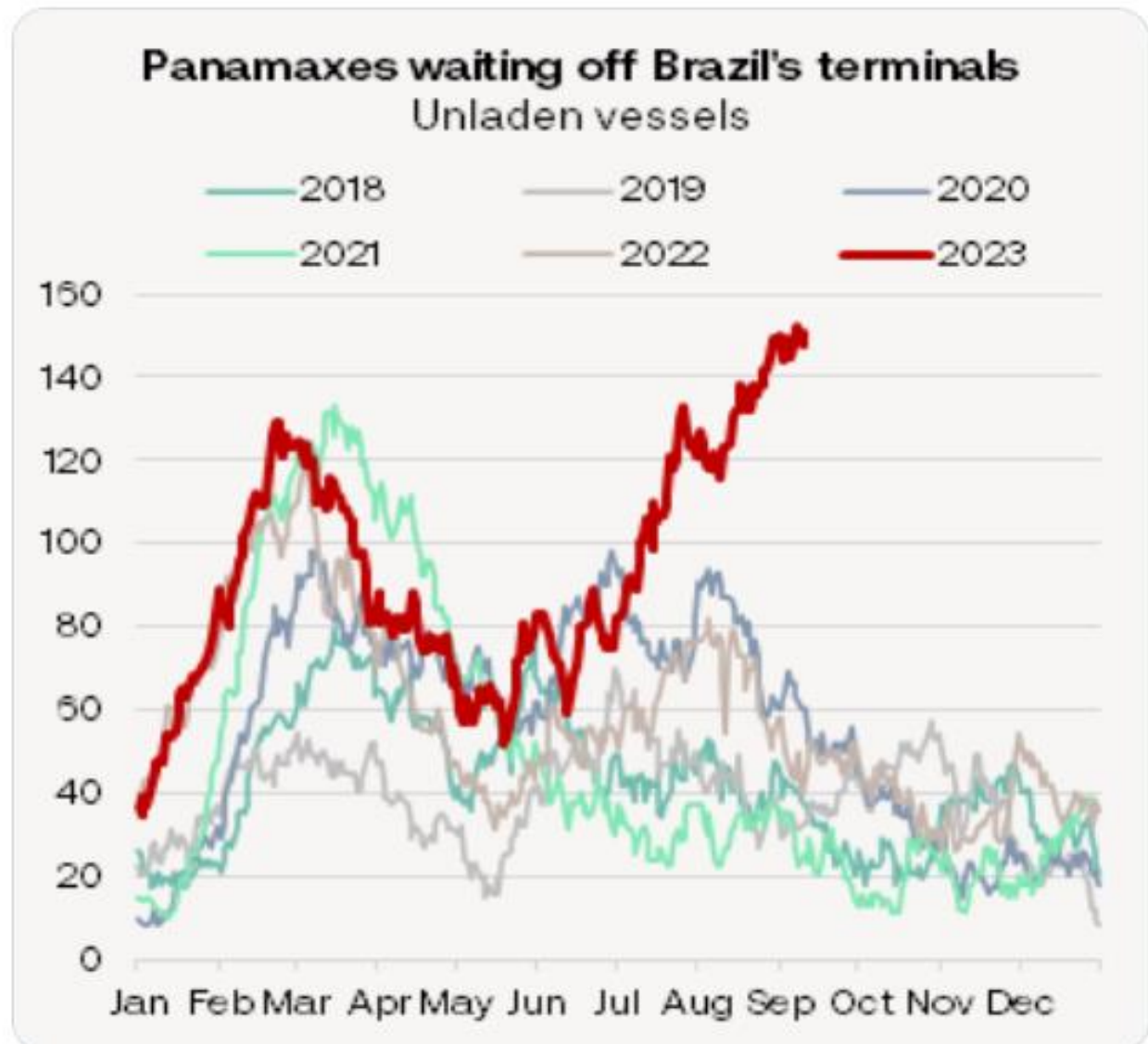
Source: USDA-data

Shipping News

BreakWave  @DryBulkETF · 8h

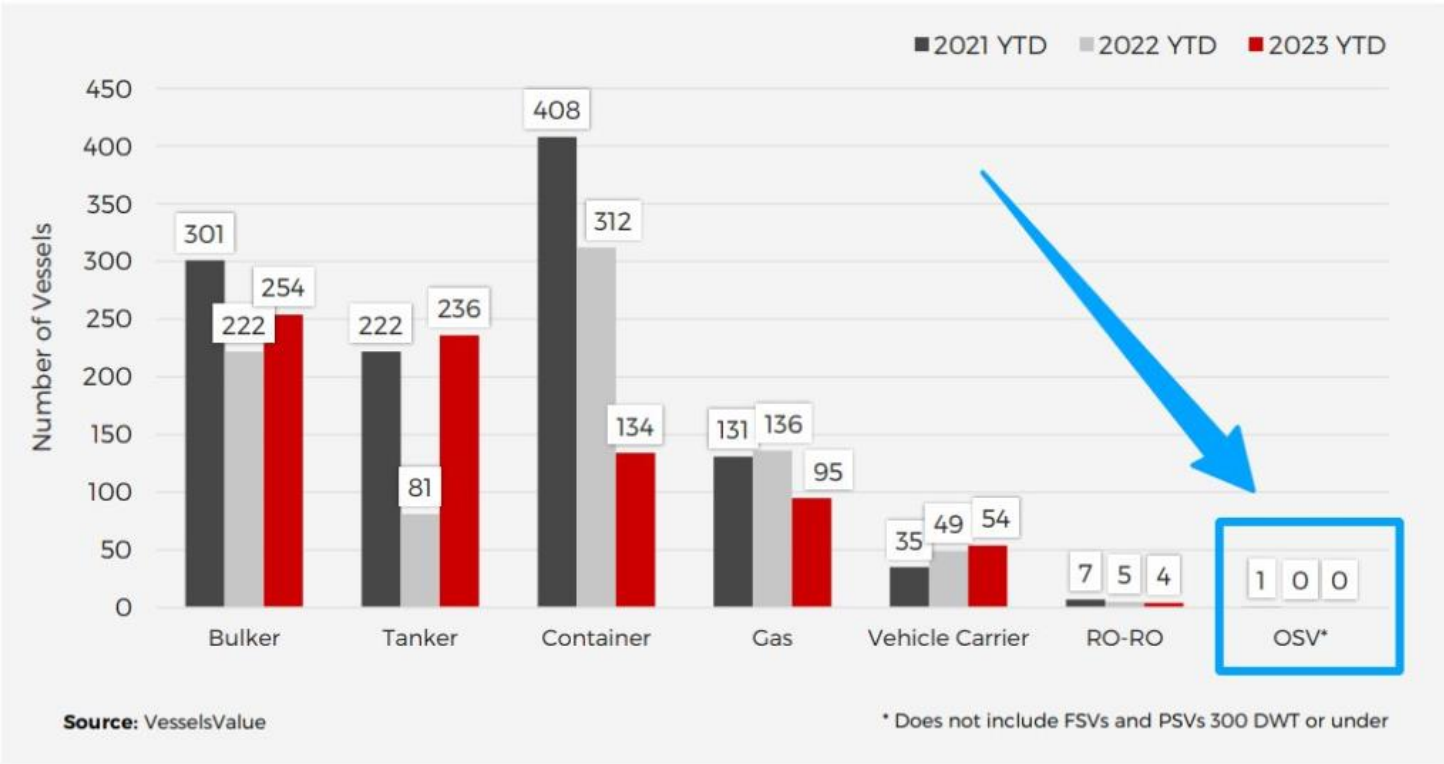
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Spot the odd one out... (source: Braemar Research)



NEWBUILDING ACTIVITY

Newbuilding Orders YTD by Number of Vessels



The Panama Canal

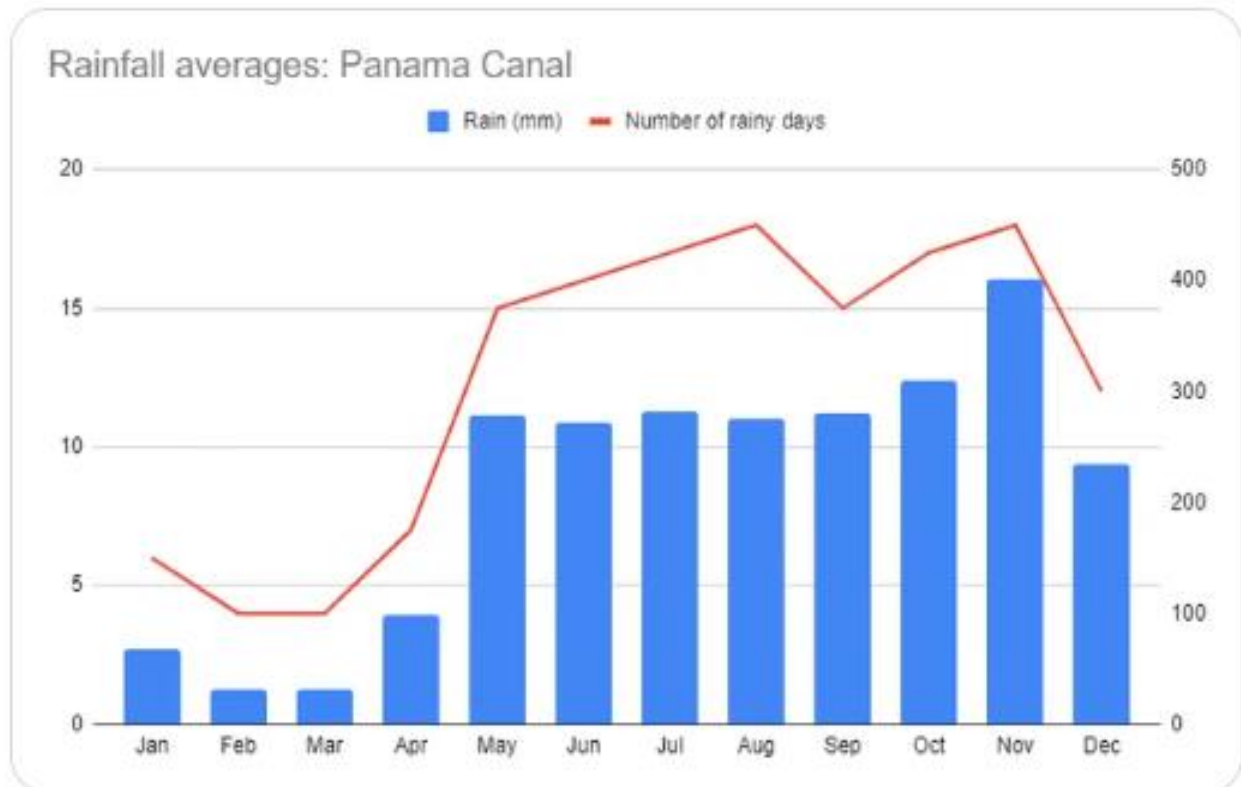
Historical Rain Fall--

Valan. @valan43 · 20h

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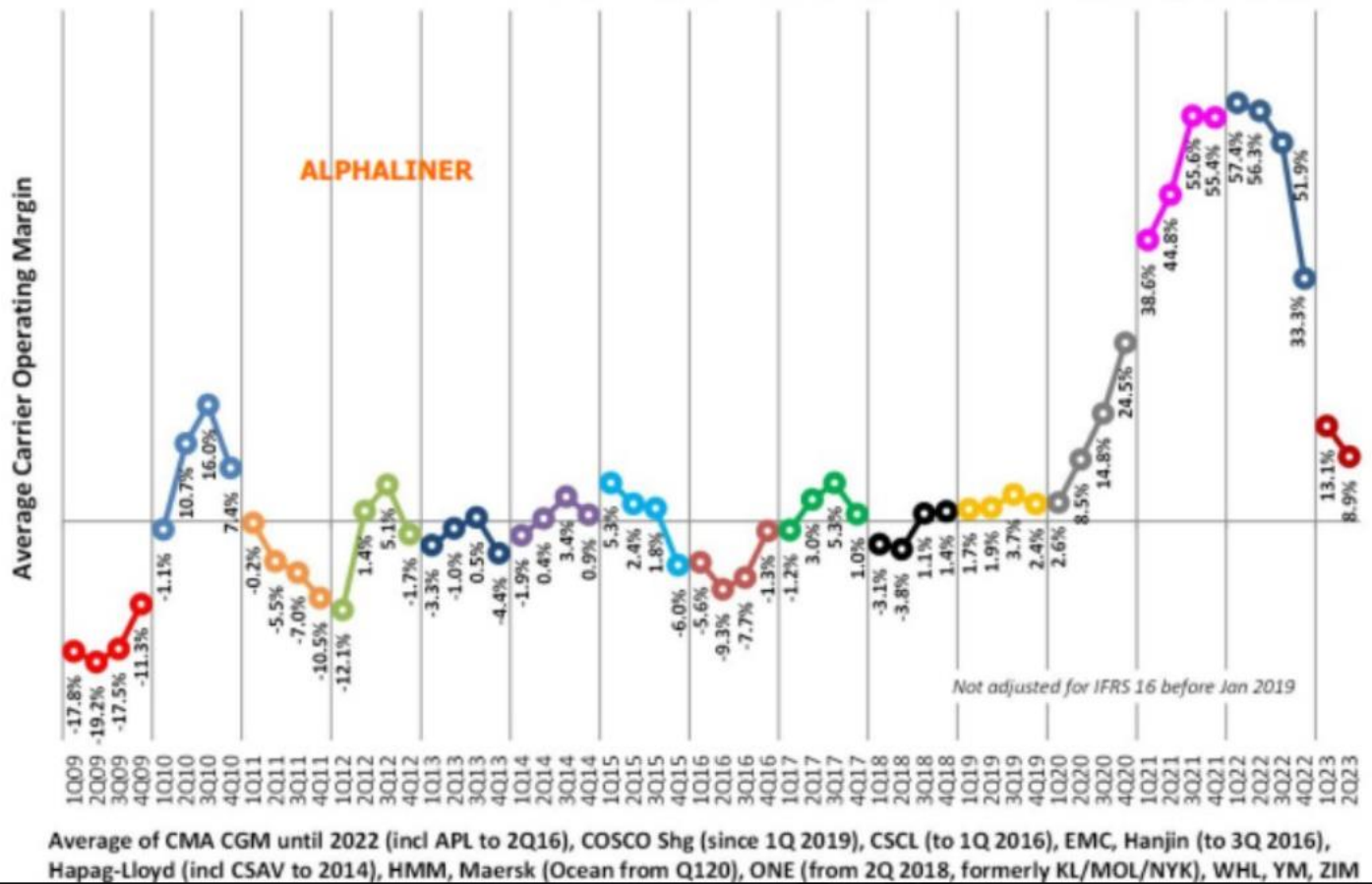
Panama canal Average Rainfall monthly...

Water level can increase?



Container Freight Markets

Main carriers: Average core EBIT margin by quarter

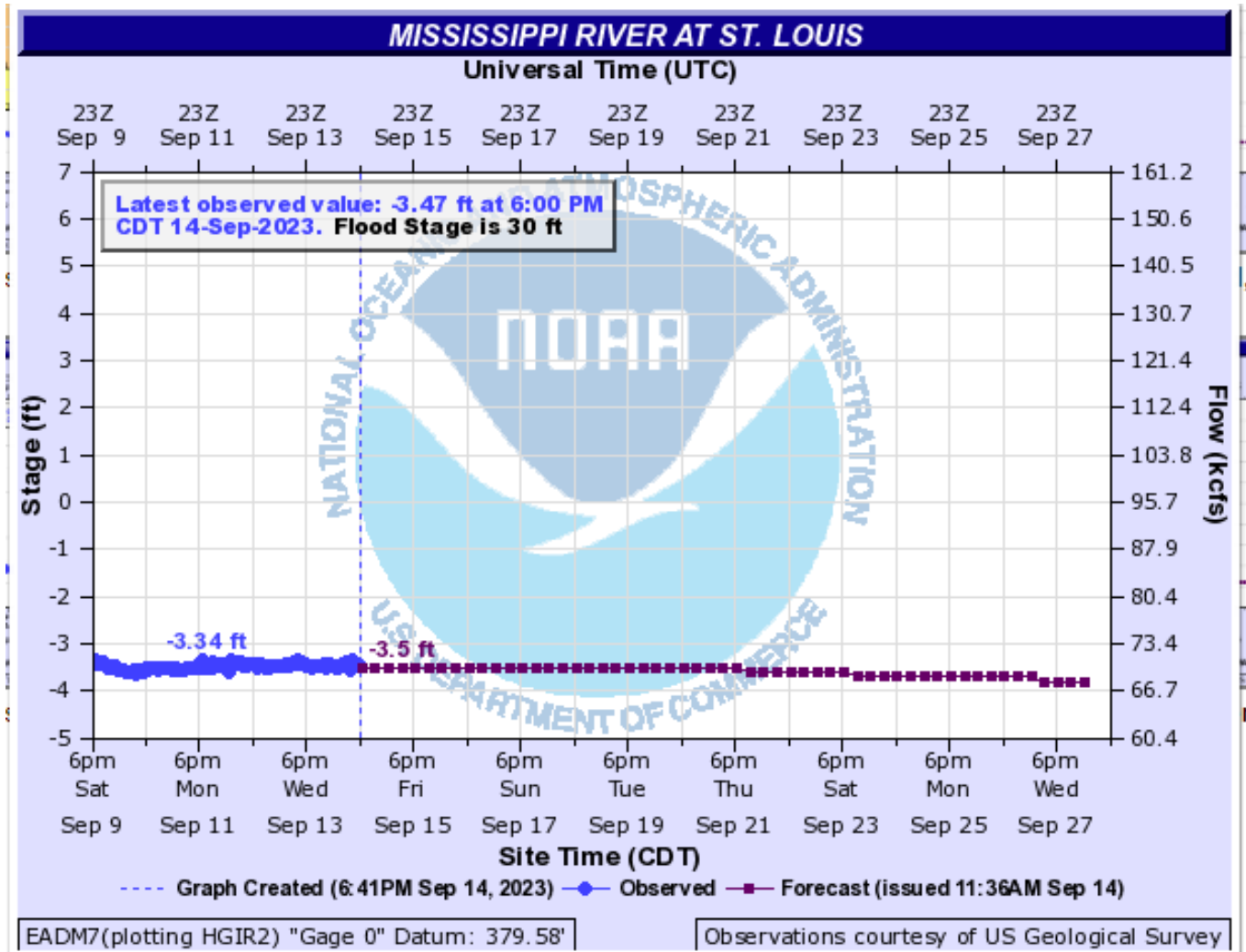


Black Sea

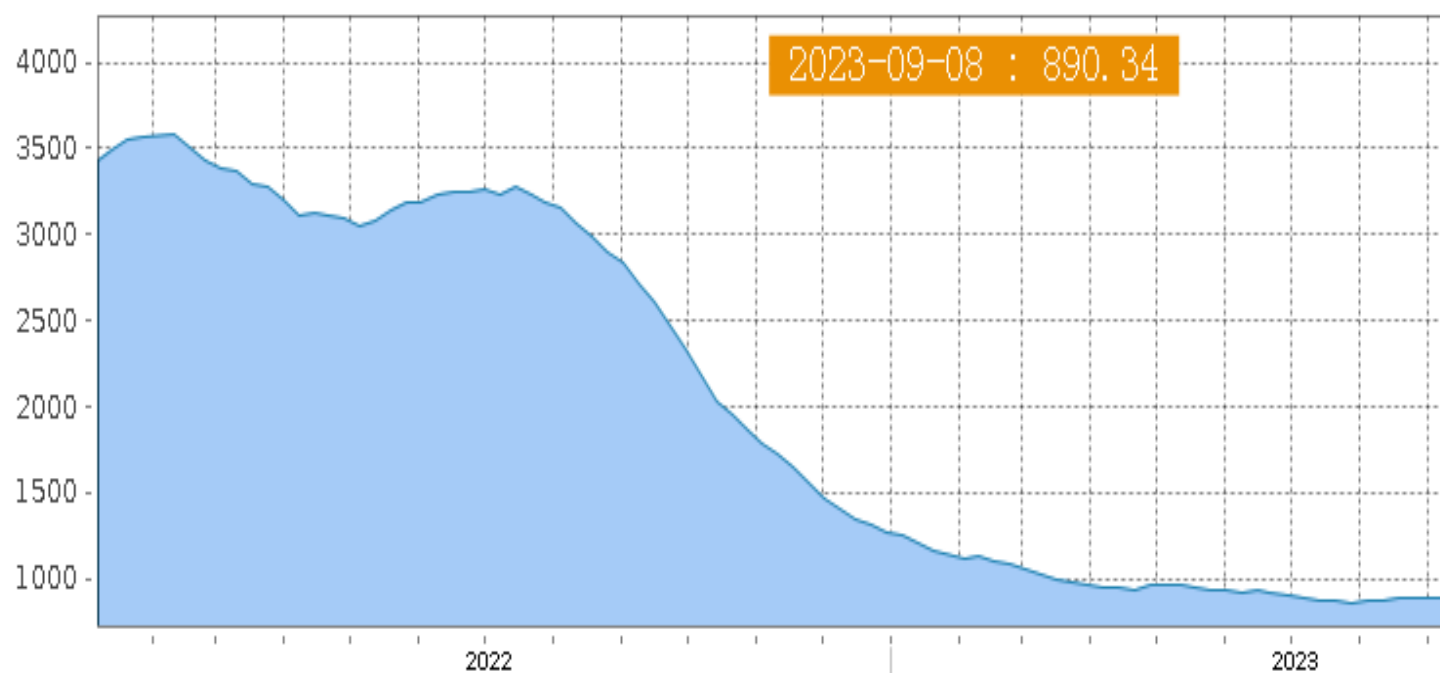
US Rail News:

U.S. River Markets

Mississippi River tow sizes reduced to 5 wide south bound. Cairo to Vicksburg 9'0" max and 9'6" at Vicksburg Mississippi.



China Containerized Freight Index



China Import Dry Bulk Freight Index



Secondary Rail Car Market for Car placement period: First Half October 2023

Secondary Rail Car Market Placement FH October 2023	BID USD	ASK USD	BID BU.	ASK BU.	BID MT	ASK MT
BNSF Shuttle Trains	\$ 900	\$ 1,200	\$ 0.23	\$ 0.30	\$ 8.86	\$ 11.81
UPRR Shuttle Trains	\$ 750	\$ 1,100	\$ 0.19	\$ 0.28	\$ 7.38	\$ 10.83

Barge Placement First Half October 2023

Placement FH October 2023	% of		Corn	Soybeans-Wheat
	Tariff	MT	BU	BU
Upper Mississippi	900	\$ 61.41	1.56	1.67
Illinois River (Pekin and South)	900	\$ 61.41	1.56	1.67
Mid-Mississippi	900	\$ 44.25	1.12	1.20
Lower Ohio	900	\$ 44.25	1.12	1.20
St. Louis	900	\$ 39.58	1.01	1.08

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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