



U.S. Selected Exports, Trade and Transportation

Wheat, Corn, Grain Sorghum, Cotton and Soybean Complex

27th January 2024

IGP Market Information: <http://www.dtnigp.com/index.cfm>

KSU Agriculture Today Podcast Link: <https://agtodayksu.libsyn.com/timeliness-of-corn-and-soybean-plantingworld-grain-supply-and-demand>

KSU Ag Manager Link: <https://www.agmanager.info/grain-marketing/publications/us-grain-exports-and-trade>

USDA Transportation Report: <https://www.ams.usda.gov/services/transportation-analysis/qtr>

USDA FAS Historical Grain Shipments: <https://apps.fas.usda.gov/export-sales/wkHistData.htm>,
<https://apps.fas.usda.gov/export-sales/complete.htm>

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- This summary based on reports for the 19th to 26th of Jan. 2024
- Outstanding Export Sales (Unshipped Balances) on the 18th of Jan. 2023
- Export Shipments in Current Marketing Year
- Daily Sales Reported for the 19th to 26th of Jan. 2024

U.S. EXPORT ACTIVITY

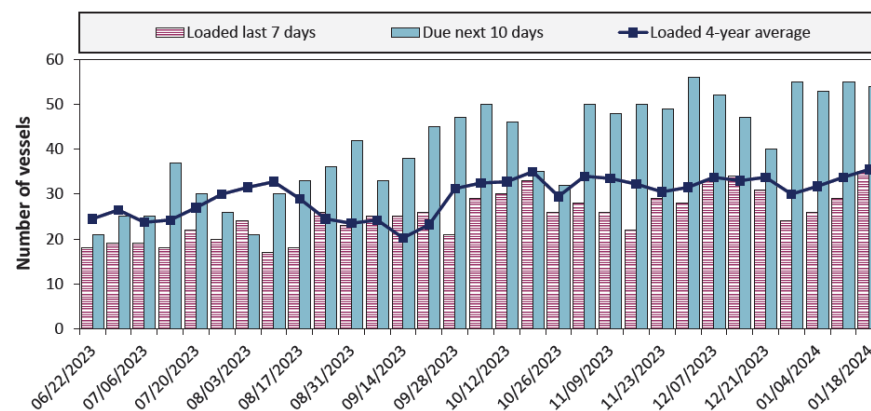
➤ Export Sales

For the week ending the 11th of January, unshipped balances of wheat, corn, and soybeans for marketing year (MY) 2023/24 totaled 35.17 million metric tons (mmts), unchanged from last week and up 17% from the same time last year.

- Net weekly wheat export sales were 0.708 mmts, up 453% from last week. Net corn export sales for MY 2023/24 were 1.251 mmts, up 157% from last week.
- Net soybean export sales were 0.781 mmts, up 179% from last week.

➤ Vessel Loadings

Figure 16. U.S. Gulf vessel loading activity



Note: U.S. Gulf includes Mississippi, Texas, and east Gulf
Source: USDA, Agricultural Marketing Service.

Table 12. U.S. export balances and cumulative exports (1,000 metric tons)

Grain Exports		Wheat						Corn	Soybeans	Total
		Hard red winter (HRW)	Soft red winter (SRW)	Hard red spring (HRS)	Soft white wheat (SWW)	Durum	All wheat			
Current unshipped (outstanding) export sales	For the week ending 1/11/2024	847	2,384	1,583	977	123	5,913	17,100	12,159	35,172
	This week year ago	985	644	1,390	1,232	120	4,369	12,029	13,661	30,059
	Last 4 wks. as % of same period 2022/23	92	374	108	76	69	134	144	97	121
Current shipped (cumulative) exports sales	2023/24 YTD	1,945	1,968	3,675	2,309	291	10,188	14,428	25,229	49,844
	2022/23 YTD	3,270	1,781	3,314	2,631	168	11,165	11,100	31,660	53,924
	YTD 2023/24 as % of 2022/23	59	111	111	88	173	91	130	80	92
	Total 2022/23	4,872	2,695	5,382	4,414	395	17,759	39,469	52,208	109,435
	Total 2021/22	7,172	2,786	5,254	3,261	196	18,669	59,764	57,189	135,622

Note: The marketing year for wheat is Jun. 1 to May 31 and, for corn and soybeans, Sep. 1 to Aug. 31. YTD = year-to-date; wks. = weeks.

Source: USDA, Foreign Agricultural Service.

Table 17. Weekly port region grain ocean vessel activity (number of vessels)

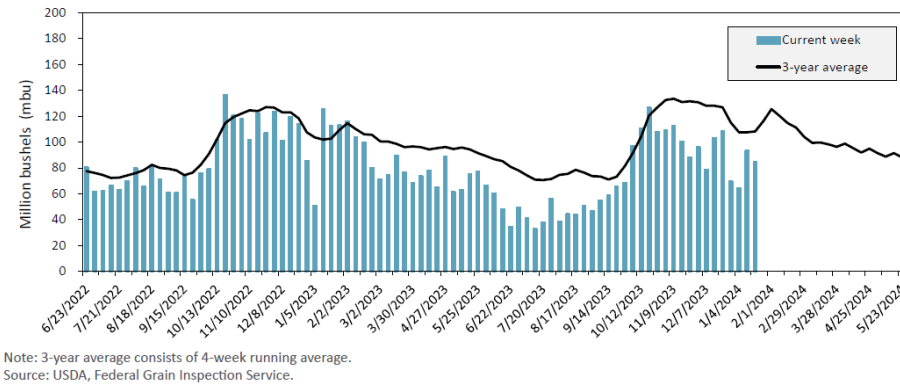
Date	Gulf			Pacific Northwest
	In port	Loaded 7-days	Due next 10-days	In port
1/18/2024	35	35	54	15
1/11/2024	29	29	55	11
2023 range	(8...38)	(17...34)	(21...56)	(1...24)
2023 average	22	26	39	10

Note: The data are voluntarily submitted and may not be complete.

Source: USDA, Agricultural Marketing Service.

➤ Export Inspections

Figure 14. U.S. grain inspected for export (wheat, corn, and soybeans)



GRAINS INSPECTED AND/OR WEIGHED FOR EXPORT

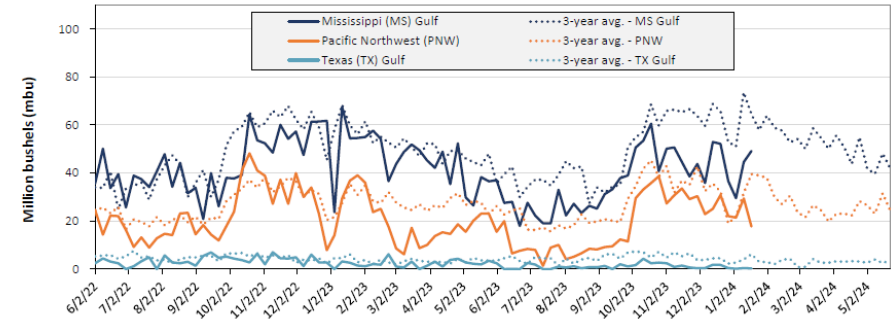
Week Ending the 18th of January 2024

GRAIN	WEEK ENDING			PREVIOUS	CURRENT
	01/18/2024	01/11/2024	01/19/2023	MARKET YEAR TO DATE	MARKET YEAR TO DATE
BARLEY	200	0	299	1,814	2,154
CORN	713,290	946,417	728,841	14,702,517	11,510,979
FLAXSEED	0	0	0	0	200
MIXED	0	0	0	24	0
OATS	0	0	0	3,794	6,486
RYE	0	0	0	72	0
SORGHUM	78,689	296,128	72,574	2,618,463	493,628
SOYBEANS	1,161,100	1,278,168	1,839,182	26,751,644	34,270,222
SUNFLOWER	0	0	0	4,109	2,160
WHEAT	314,521	242,409	349,393	10,723,042	12,777,082
Total	2,267,800	2,763,122	2,990,289	54,805,479	59,062,911
CROP MARKETING YEARS BEGIN JUNE 1 st FOR WHEAT, RYE, OATS, BARLEY AND FLAXSEED, SEPTEMBER 1 st FOR CORN, SORGHUM, SOYBEANS AND SUNFLOWER SEEDS. INCLUDES WATERWAY SHIPMENTS TO CANADA.					
Source: https://www.ams.usda.gov/mnreports/wa_gr101.txt					

- For the week ending January 18, 35 oceangoing grain vessels were loaded in the Gulf—30% more than the same period last year.
- Within the next 10 days (starting January 19), 54 vessels were expected to be loaded—42% more than the same period last year.

- As of January 18, the rate for shipping a metric ton (mt) of grain from the U.S. Gulf to Japan was \$57.75. This was unchanged from the previous week.
- The rate from the Pacific Northwest to Japan was \$30.50 per mt, unchanged from the previous week.

Figure 15. U.S. grain inspections for U.S. Gulf and PNW (wheat, corn, and soybeans)



Week ending 01/18/24 inspections (mbu):

MS Gulf: 49.2

PNW: 17.8

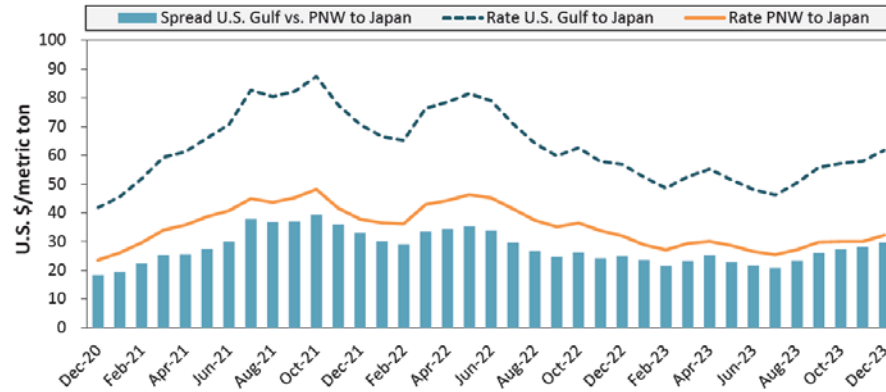
TX Gulf: 0.3

Percent change from	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 10	down 26	up 10	down 39
Last year (same week)	down 10	down 89	down 13	down 52
3-year average (4-week moving average)	down 19	down 92	down 23	down 37

OCEAN FREIGHT

Vessel Rates

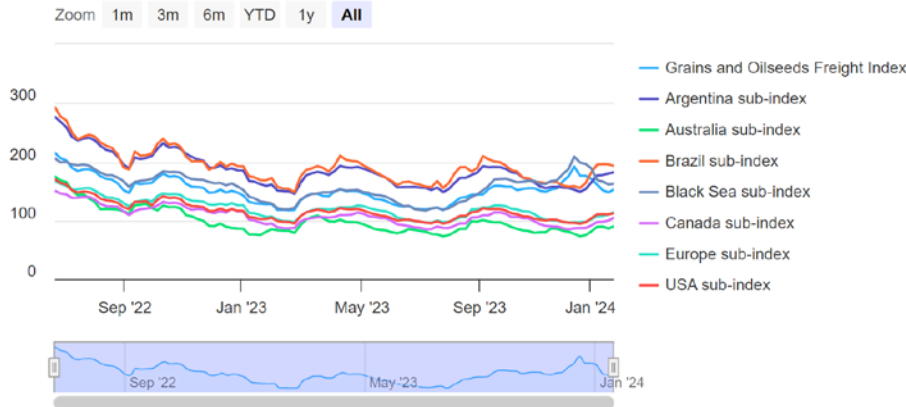
Figure 17. U.S. Grain vessel rates, U.S. to Japan



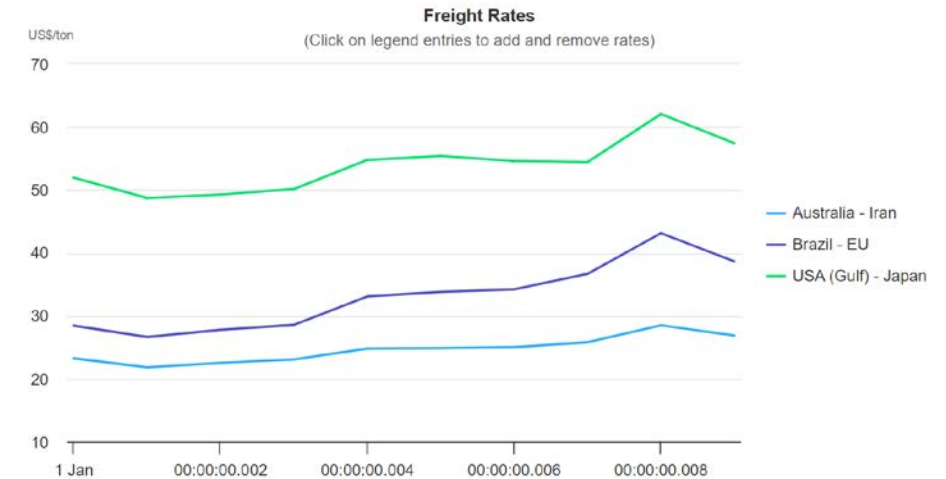
Note: PNW = Pacific Northwest
Source: O'Neil Commodity Consulting.

IGC Grains Freight Index – 23rd January 2024

New - IGC Grains and Oilseeds Freight Index (GOFI) & sub-Indices
(Weekly basis, 1 January 2013 = 100)



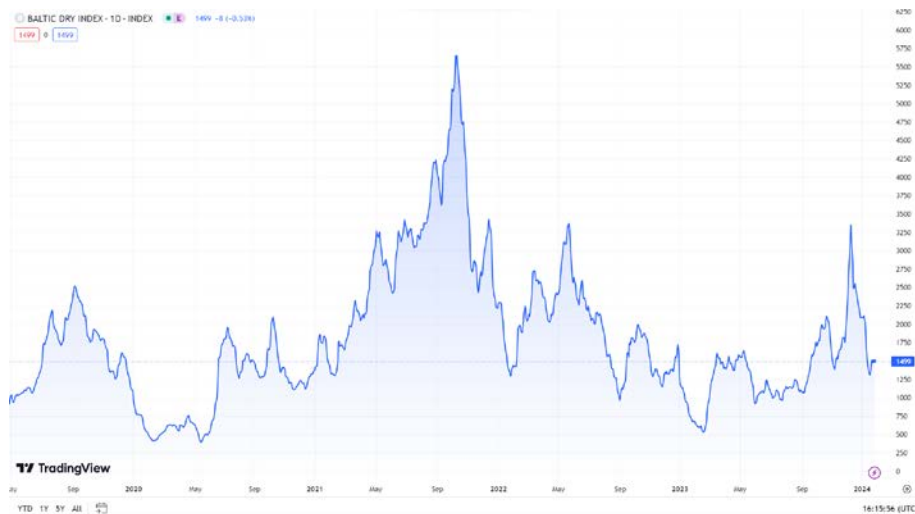
	23 Jan	Weekly Change	Annual Change	52 Week Low	52 Week High
IGC Grains and Oilseeds Freight Index	153	+5	21 %	0	192
Argentina sub-Index	188	+7	18 %	145	193
Australia sub-Index	96	+5	22 %	73	108
Brazil sub-Index	202	+13	20 %	148	210
Black Sea sub-Index	163	+2	24 %	117	209
Canada sub-Index	115	-2	23 %	85	114
Europe sub-Index	132	-	24 %	96	126
USA sub-Index	122	+3	20 %	95	121



	23 Jan	Weekly Change	Annual Change	52 Week Low	52 Week High
Australia - Iran	\$23	+1	18 %	\$17	\$29
Brazil - EU	\$29	+2	30 %	\$19	\$43
USA (Gulf) - Japan	\$52	+3	16 %	\$41	\$62.067

Source: IGC <https://www.igc.int/en/markets/marketinfo-freight.aspx>

➤ **Baltic Dry Freight Index – Daily = 1499**



Source: <https://www.tradingview.com/chart/?symbol=INDEX%3ABDI>

The Baltic Dry Index is reported daily by the Baltic Exchange in London. The index provides a benchmark for the price of moving the major raw materials by sea. The index is a composite of three sub-indices that measure different sizes of dry bulk carriers: Capesize, which typically transport iron ore or coal cargoes of about 150,000 tonnes; Panamax, which usually carry coal or grain cargoes of about 60,000 to 70,000 tonnes; and Supramax, with a carrying capacity between 48,000 and 60,000 tonnes.

Not restricted to Baltic Sea countries, the index provides "an assessment of the price of moving the major raw materials by sea. Taking in 23 shipping routes measured on a time-charter basis, for dry bulk carriers carrying a range of commodities including coal, iron ore, grain, and other commodities.

Because dry bulk primarily consists of materials that function as raw material inputs to the production of intermediate or finished goods, the index is also seen as an efficient economic indicator of future economic growth and production.

➤ **A weekly round-up of tanker and dry bulk market**

26 January 2024 Baltic Exchange - This report is produced by the Baltic Exchange - Source:

<https://www.balticexchange.com/en/data-services/WeeklyRoundup.html>.

Capesize: The capesize market witnessed a mixed and evolving week with notable fluctuations in different regions. The Pacific market started with limited activity and weather disruptions in North China, causing a decline in C5 rates. Projections of additional port closures due to adverse weather conditions added uncertainty. The North Atlantic continued to grapple with a significant shortage of available tonnage, compounded by additional delays in Rotterdam, leading to limited activity, with some operators nominating their own tonnage for their cargoes. A subtle change in

sentiment in the Pacific occurred by the middle of the week, with resistance from some owners leading to a slight increase in C5 rates. South Brazil and West Africa experienced fluctuations throughout the week, initially presenting a weaker outlook with a gap between bid and offer prices. However, towards the end of the week, there were reports of a few fixtures concluded at levels above the published C3 index on the day, suggesting a potential positive shift in sentiment. As the week concludes, the Pacific market seems relatively subdued, while the Atlantic exudes a renewed sense of optimism, exemplified by the BCI 5TC climbing by \$410, closing the week at \$17,708.

Panamax: An eventful week for the Panamaxes with the market finding some life in the first half of the week only to ease and flatline as the weekend approached. In the Atlantic, mid-February arrivals in EC South America supplied much of the action. Nicely described 82,000-dwt types were able to secure rates around the \$18,000 mark for second half arrival dates ex South America for trips Far East. Further north, activity was less liquid. In Asia, rates continued to improve ex NoPac with \$12,650 achieved by an 82,000-dwt delivery China for a grain NoPac round trip, the South saw a minor pick up too with Australia and Indonesia seeing marginally better demand and buoyed somewhat by the pick-up in South America. A solid week too for the period with various deals concluded as optimism in the market persisted. An 87,000-dwt agreed to \$19,500 basis 1 year's trading whilst several deals.

Ultramax/Supramax: A slight change in direction for the sector throughout the week with positive sentiment returning in a few areas. In the Atlantic firmer numbers were seen from South America with better levels of activity and a fairly tight tonnage count in place. Despite little fresh fixing being reported the US Gulf seemed to have found a bottom. From Asia, despite limited demand from SE Asia, the market was supported with better demand from the NoPac and a limited supply of fresh tonnage rates remained fairly healthy. Period cover was actively short, with a 58,000-dwt open China rumoured fixed in the mid \$14,000s for one year. Whilst a 61,000-dwt also open China was fixed for five/seven months trading at \$15,500. From the Atlantic, a 63,000-dwt was heard fixed delivery Santos for a trip to Chittagong at \$18,000 plus \$800,000 ballast bonus and a 61,000-dwt also fixed from Santos to SE Asia at \$17,250 plus

Table 18. Ocean freight rates for selected shipments, week ending 1/20/2024

Export region	Import region	Grain types	Entry date	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Heavy grain	Sep 12, 2023	Oct 1/ Nov 1, 2023	66,000	54.50
U.S. Gulf	China	Heavy grain	Sep 6, 2023	Oct 1/10, 2023	68,000	55.00
U.S. Gulf	Jamaica	Wheat	Nov 2, 2023	Dec 1/10, 2023	9,460	63.50
U.S. Gulf	Colombia	Wheat	Oct 26, 2023	Dec 15/25, 2023	27,500	99.00
U.S. Gulf	Guyana	Wheat	Nov 2, 2023	Dec 1/10, 2023	8,250	84.00
U.S. Gulf	S. Korea	Heavy grain	Oct 10, 2023	Nov 25/Dec 5, 2023	58,000	65.35
U.S. Gulf	S. Korea	Heavy grain	Sep 27, 2023	Oct 25/Nov 5, 2023	57,000	64.85
U.S. Gulf	S. Korea	Heavy grain	Sep 19, 2023	Nov 1/15, 2023	58,000	64.50
U.S. Gulf	S. Korea	Heavy grain	Aug 1, 2023	Oct 1/20, 2023	57,000	58.30
PNW	N. China	Heavy grain	Oct 19, 2023	Nov 16/22, 2023	66,000	28.00
PNW	Thailand	Heavy grain	Oct 20, 2023	Dec 5/15, 2023	66,000	22.50
PNW	Yemen	Wheat	Oct 6, 2023	Nov 5/15, 2023	30,000	74.43
PNW	Yemen	Wheat	Sep 26, 2023	Nov 5/15, 2023	24,740	91.89
WC US	Thailand	Wheat	Nov 9, 2023	Dec 1/10, 2023	60,500	35.25
Brazil	China	Heavy grain	Jan 20, 2024	Feb 2/8, 2024	63,000	40.50

Note: 50 percent of food aid from the United States is required to be shipped on U.S.-flag vessels. Rates shown are per metric ton (1 metric ton = 2,204.62 pounds), free on board (F.O.B), except where otherwise indicated, op = option
Source: Maritime Research, Inc.

GTR 01-25-24

\$725,000 ballast bonus. In Asia, a 58,000-dwt open North China was fixed for an Australian round redelivery Japan at \$11,000 and a 55,000-dwt also open North China fixed a trip via Indonesia redelivery China at \$9,000. Activity remained in the Indian Ocean, a 58,000-dwt fixing delivery Kandla trip via Arabian Gulf redelivery WC India at \$14,000.

Handysize: The Atlantic showed continued signs of positivity. On the Continent a 38,000-dwt open in Amsterdam via the UK to Morocco with an intended cargo of coal at \$16,000 whilst a 37,000-dwt was rumored to have been fixed basis delivery passing Skaw via the Baltic to Bangladesh with an intended cargo of fertilizer with redelivery in South Africa at \$19,250. Earlier in the week an ice classed 30,000-dwt fixed from Algeria via Kotka to EC South America at \$10,000. In contrast, the US Gulf was said to have limited cargo enquiry and sentiment remained negative for now with a 34,000-dwt fixing from SW Pass with an early February laycan to EC Mexico at \$13,000. In Asia, Charterer's appetite for period tonnage remained with a 32,000-dwt opening in South China was fixed for a 12 month period at \$10,250, whilst a 32,000-dwt opening in early March was fixed for five months at \$11,000 but further details were unknown on both.

➤ **Red Sea disturbances impact shipping, raise prices**

25 January 2024 Paola Attieh, Middle East Economy - The Red Sea plays a crucial role in facilitating East-West trade, particularly in the oil industry. Ships navigate through the Suez Canal, located north of the Red Sea, to reach Western countries via the Mediterranean. The Suez Canal serves as the shortest and fastest maritime route between Asia and Europe, handling approximately 12% of global trade. Additionally, the Bab el-Mandeb Strait, situated in the southern part of the Red Sea, connects to the Indian Ocean and the Arabian Sea, facilitating 40% of international trade. As a result, around 52% of global trade is at risk when disruptions occur in the Red Sea.

The shipping industry, which is vital for international trade, faces challenges at various points worldwide. One major concern is the instability caused by Houthi attacks on ships in the Gulf of Aden and the Red Sea, a crucial route for vessels transiting the Suez Canal. Consequently, the safety of this significant maritime artery is now in question, raising doubts about the feasibility of trade in the region.

Suez Canal traffic disrupted

The heightened risk of attacks has led shipping companies to reconsider using the Red Sea route through the Suez Canal. Between December 15 and 19, 2023, thirteen shipping companies announced the suspension of their services to and from Israel or through the Red Sea. This reorientation of shipping routes has resulted in longer travel times and increased costs.

Expensive and time-consuming shipping

Shipping expenses have surged by 200%, and further increases are expected as the conflict in the region continues. According to Bloomberg, the diversion of ships in the Red Sea has caused a 173% rise in container freight prices. Targeting ships also poses a prominent threat to trade and navigation. The security of the Bab el-Mandeb Strait is crucial for various aspects of the economy, including gasoline prices and security services. Insurance companies have played a major role in driving up shipping costs for companies crossing the Red Sea. Insurers have significantly increased insurance prices for cargo passing through the Red Sea and the Bab el-

Mandeb Strait. Typically, insurance rates amount to 0.6% of the cargo's value, but they may now reach 2%. Additionally, cargo insurers impose an additional war risk tax, further raising the shipping costs for goods using the Suez Canal route.

Re-routing

As an alternative to the Red Sea route, diverting ships around the Cape of Good Hope increases the travel time for journeys between Europe and Asia by 30 to 50%. This change in route has immediate economic consequences and creates logistical challenges for shipping companies in the medium term. For instance, Maersk, a major shipping company, has already started making arrangements to redirect its vessels through the Cape of Good Hope several months in advance. The Maersk Moscow 409E, scheduled to sail from the Netherlands to Malaysia on March 12, 2024, has already received instructions to take the Cape of Good Hope route. This change extends the journey by approximately 17 days compared to the usual route.

However, despite the challenges, the Red Sea crisis has not completely halted trade in the region. Ships carrying low-value cargo and displaying greater risk tolerance continue to follow their normal itineraries. Live data from MarineTraffic shows a significant but reduced number of cargo vessels and tankers sailing through the Bab el-Mandeb Strait into the Red Sea and the Suez Canal.

According to IMF data as of January 22, 2024, the seven-day moving average of traffic through the Bab el-Mandeb Strait decreased by 46% compared to the same period in the previous year. In contrast, Suez Canal traffic increased by 63%, and traffic around the Cape of Good Hope rose by 70%. The increase in diverted ship traffic leads to higher fuel and labor costs, while the average volume of goods reaching their destination decreases.

Most affected countries

The redirection of ships has negatively impacted Egypt's Suez Canal revenues. By January 12, 2024, revenue had dropped by 40% compared to the previous year. Additionally, the situation is exacerbated by the fact that canal fees are denominated in foreign currency, and the Egyptian government faces challenges in acquiring it due to rapid inflation.

Governments worldwide are actively engaged in diplomatic and strategic efforts to protect their shipping interests. India, heavily reliant on the Suez Canal for exporting goods to the Mediterranean, is particularly vulnerable to the Red Sea crisis. The Indian Ministry of Commerce and Industry reported that approximately 80% of their merchandise exports to Europe pass through the Red Sea region. European exports account for 15% of India's total merchandise exports.

Freight shipping costs: High-value goods vs. lower-value goods

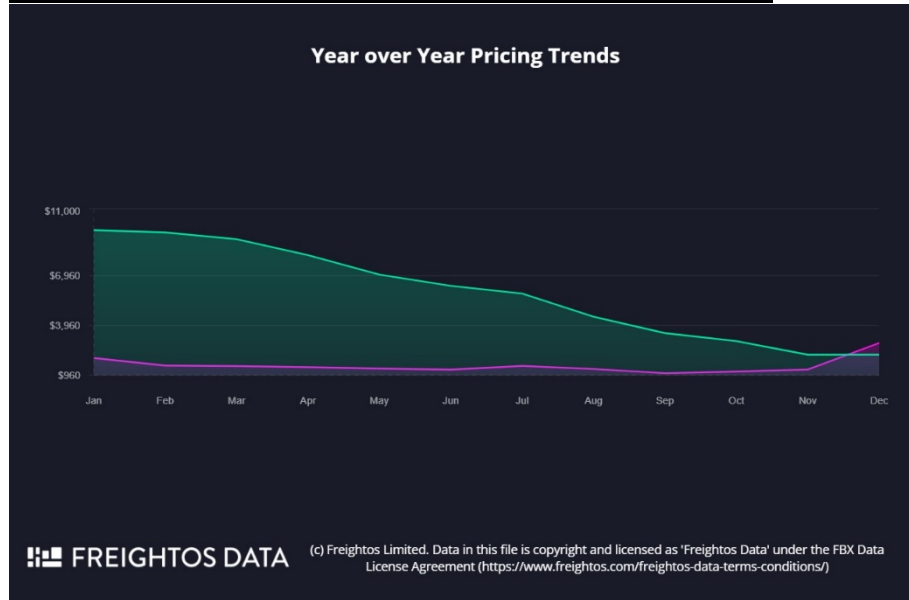
The redirection of shipping routes and subsequent price increases affect different sectors of the shipping industry in distinct ways. Bulk carriers, which transport less valuable goods such as raw materials, are not as significantly impacted as cargo vessels that carry higher-value goods. The Baltic Dry Index, which tracks the cost of transporting various raw materials, provides insights into the macroeconomic impact of shipping delays. While the index rose above \$3,000 in early to mid-December, the shipping cost dropped to \$1,503 as of January 22, approaching normal levels.

Conversely, cargo shipping, which handles more valuable goods and is more likely to avoid the Red Sea route, has experienced sustained price increases. The Drewry's World Container Index, which tracks the average transportation cost of a 40-foot

container on cargo ships, has soared from \$1,521/40 feet on December 14, 2023, to \$3,777/40 feet as of January 18, 2024. Flights from Asia to Europe, which typically pass through the Red Sea, have witnessed the most significant price hikes.

While the costlier shipping of high-value goods has been significantly impacted by the shift to the Cape of Good Hope due to increased insurance expenses, the transportation of low-value goods through bulk carriers persists in the Red Sea. Consequently, freight rates for high-value cargo using alternative routes have continued to rise, while rates for bulk carriers have reverted to normal levels. Furthermore, the Red Sea crisis remains intertwined with the ongoing conflict in the Middle East, suggesting that a resolution is unlikely in the foreseeable future.

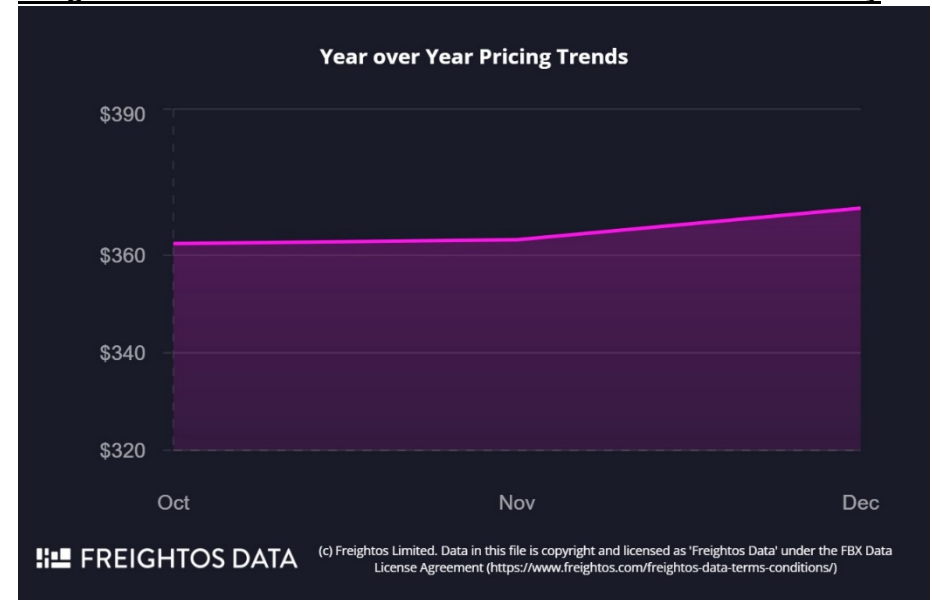
➤ **Freightos Baltic Index (FBX): Global Container Freight Index**



Source: <https://fbx.freightos.com/>

FBX stands for Freightos Baltic Index. It is the leading international Freight Rate Index, in cooperation with the Baltic Exchange, providing market rates for 40' containers (FEUs). Prices used in the index are rolling short term Freight All Kind (FAK) spot tariffs and related surcharges between carriers, freight forwarders and high-volume shippers. Index values are calculated by taking the median price for all prices (to ignore the influence of outliers on active lanes) with weighting by carrier. 50 to 70 million price points are collected every month. The weekly freight index is calculated as an average of the five business days from the same week and published each Friday.

➤ **Freightos West Coast N.A. – China/East Asia Container Index - Daily**



Source: <https://fbx.freightos.com/>

➤ **Weekly Update: Ocean rates up, but may be reaching ceiling from pre-Lunar New Year demand**

24 January 2024 AJOT — Key insights:

- Though US and UK strikes on Houthi targets continue, attacks on Red Sea vessels persist as well, as do carrier diversions away from the Suez Canal.
- With Lunar New Year a couple weeks away, and carriers still working to close the gap by increasing speeds and adding additional vessels to diverted lanes, ocean freight disruptions in the form of delays, empty container shortages, and cost increases may be reaching their peak.
- Asia - N. Europe and Mediterranean ocean rates may be leveling off this week at the \$5,500/FEU and \$6,500/FEU level, respectively, while Asia - N. America prices to the West and East Coast reaching \$4k/FEU and \$6k/FEU marks.
- Possible impacts of capacity shifts and equipment shortages on non-Red Sea lanes may be less severe than anticipated as carriers pushed off rate increases and surcharges for transatlantic shipments meant for this week.
- Though the latest data show total Panama Canal transits for all sectors hit a new low, container traffic – prioritized via advance bookings – has been impacted the least, with most services continuing to use the canal.
- Ocean delays due to the Red Sea crisis are reportedly starting to shift some ex-Asia ocean volumes to rail and air cargo alternatives. Ex-China air cargo rates have nonetheless declined since the start of the year, though some rates out of Asia and the Middle East have increased moderately recently, possibly reflecting this shift.

Ocean rates - Freightos Baltic Index:

- Asia-US West Coast prices (FBX01 Weekly) increased 15% to \$2,966/FEU.
- Asia-US East Coast prices (FBX03 Weekly) increased 19% to \$5,094/FEU.
- Asia-N. Europe prices (FBX11 Weekly) increased 15% to \$5,492/FEU.
- Asia-Mediterranean prices (FBX13 Weekly) increased 25% to \$6,773/FEU.

Air rates - Freightos Air index

- China - N. America weekly prices decreased 10% to \$4.8/kg
- China - N. Europe weekly prices fell 6% to \$3.34/kg.
- N. Europe - N. America weekly prices increased 5% to \$1.94/kg.

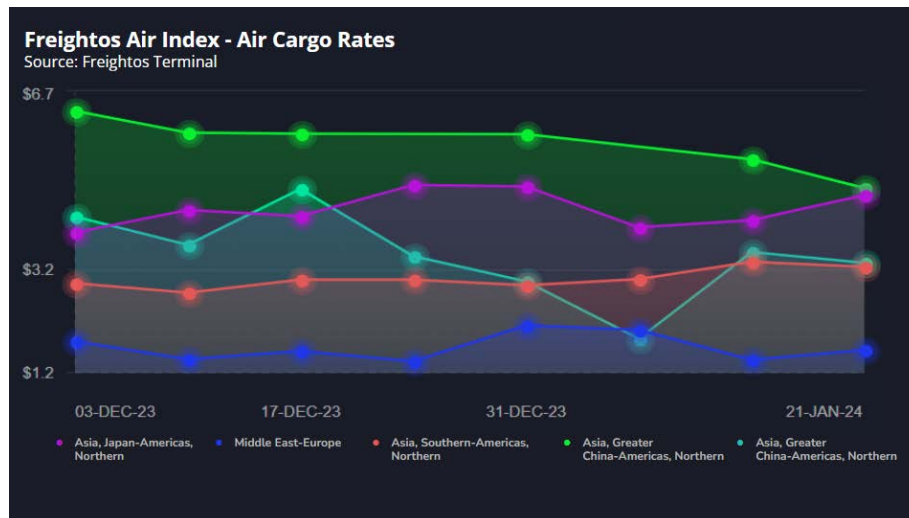
Analysis

Though US and UK strikes on Houthi positions continue this week, so do Houthi attacks on Red Sea vessels, with President Biden stating that the intensified efforts have not yet succeeded to provide deterrence.

As diversions away from the Red Sea continue just two and a half weeks before Lunar New Year, and carriers are still working to adjust their sailing speeds and add extra vessels to accommodate the longer routes, ocean freight disruptions and cost increases may be reaching their peak.

Empty container shortages in some Asian export hubs are posing a challenge to shippers eager to move goods before the holiday slowdown. Robert Katchatryan, CEO of freight forwarder FreightRight, reports that, last week, equipment shortages were already noticeable in Ningbo, where "alongside specialized equipment, even the regular 40' and HC containers were becoming limited."

Other shippers, hoping that rates and disruptions will ease after LNY, are canceling orders and causing problems for exporters. Despite reported disruptions to schedules and some vessel bunching at Asian hubs, congestion does not seem to be a serious problem yet, with most N. American ports already reporting that they've closed the gaps in arrivals due to diverted vessels or expect to do so soon.



Ocean rates increased 15-25% on the major ex-Asia tradelanes last week, with Asia - N. America West Coast prices nearing the \$3k/FEU mark, rates to the East Coast and N. Europe surpassing \$5k/FEU and prices to the Mediterranean climbing to almost \$6,700/FEU. But as West Coast daily rates so far this week are approaching \$4k/FEU and East Coast prices are up at the \$6k/FEU mark, Asia to N. Europe and Mediterranean daily rates have mostly leveled off.

Congestion, shifts of capacity to Suez Canal lanes, and equipment shortages may not be impacting non-Red Sea lanes as much as carriers had anticipated, as transatlantic rates have yet to climb and some carriers are postponing planned GRIs and surcharges until February.

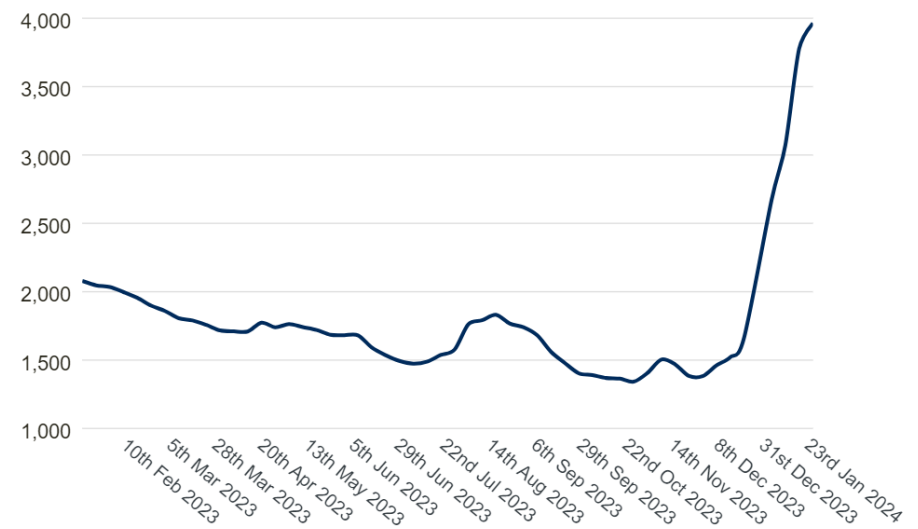
In another positive development for ocean freight, though total Panama Canal transits for all sectors hit a new low in December as many bulkers and tankers are taking alternate routes, container traffic – prioritized via advance bookings – has been impacted the least, with most services continuing to use the canal.

Ocean delays and shortages due to the Red Sea crisis are reportedly starting to shift some ex-Asia ocean volumes to rail and air cargo alternatives. And though Freightos Air Index data shows that air cargo rates from China to N. Europe and N. America have eased since the start of the year, prices from South Asia to N. America which have increased 12% since the start of the year and rates from the Middle East – important for sea-air options – to N. Europe climbed 13% last week, possibly reflecting some ocean to air shift.

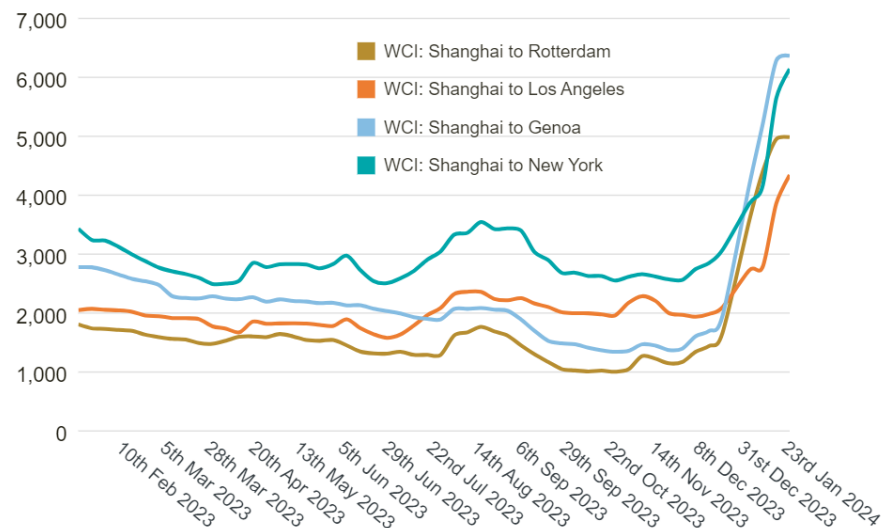
➤ Drewry World Container Index

25 January 2024 – Source: <https://www.drewry.co.uk/supply-chain-advisors/world-container-index-weekly-update/>. Drewry's World Container Index increased by 5% to \$3,964 per 40ft container this week.

Drewry World Container Index (WCI) - 25 Jan 24 (US\$/40ft)



Drewry WCI: Trade Routes from Shanghai (US\$/40ft)



Our detailed assessment for Thursday, 18 January 2024

The composite index increased by 5% to \$3,964 per 40ft container this week and has increased by 94% when compared with the same week last year.

The latest Drewry WCI composite index of \$3,964 per 40ft container is the highest since October 2022 and is 179% more than average 2019 (pre-pandemic) rates of \$1,420.

The average composite index for the year-to-date is \$3,371 per 40ft container, which is \$690 higher than the 10-year average rate of \$2,681 (which was inflated by the exceptional 2020-22 Covid period).

Freight rates on Shanghai to Los Angeles increased by 13% or \$484 to \$4,344 per 40ft container. Followed by rates on Shanghai to New York which surged by 9% or \$499 to \$6,143 per 40ft box. Likewise, rates on Rotterdam to Shanghai and Rotterdam to New York swelled by 5% to \$1,028 and \$1,576 per feu respectively. Similarly rates on Shanghai to Rotterdam, Shanghai to Genoa and New York to Rotterdam inched up by 1% to \$4,984, \$6,365 and \$615 per 40ft box respectively. While rates on Los Angeles to Shanghai remained stable. Drewry expects spot rates to plateau or decline in the next few weeks on the routes from Asia.

Route	Route code	11-Jan-24	18-Jan-24	25-Jan-24	Weekly change (%)	Annual change (%)
Composite Index	WCI-COMPOSITE	\$3,072	\$3,777	\$3,964	5% ▲	94% ▲
Shanghai - Rotterdam	WCI-SHA-RTM	\$4,406	\$4,951	\$4,984	1% ▲	186% ▲
Rotterdam - Shanghai	WCI-RTM-SHA	\$652	\$975	\$1,028	5% ▲	35% ▲
Shanghai - Genoa	WCI-SHA-GOA	\$5,213	\$6,282	\$6,365	1% ▲	129% ▲
Shanghai - Los Angeles	WCI-SHA-LAX	\$2,790	\$3,860	\$4,344	13% ▲	110% ▲
Los Angeles - Shanghai	WCI-LAX-SHA	\$766	\$762	\$762	0%	-33% ▼
Shanghai - New York	WCI-SHA-NYC	\$4,170	\$5,644	\$6,143	9% ▲	90% ▲
New York - Rotterdam	WCI-NYC-RTM	\$599	\$608	\$615	1% ▲	-49% ▼
Rotterdam - New York	WCI-RTM-NYC	\$1,513	\$1,506	\$1,576	5% ▲	-75% ▼

CEREAL GRAINS

➤ Wheat Export Shipments and Sales

Net sales of 451,400 mts for 2023/2024 were down 36% from the previous week, but up 45% from the prior 4-week average. Increases primarily for Mexico (171,100 mts, including decreases of 400 mts), the Philippines (95,500 mts, including decreases of 10,000 mts), Japan (69,500 mts), Thailand (56,500 mts), and Bangladesh (55,000 mts switched from unknown destinations), were offset by reductions for unknown destinations (90,500 mts), Egypt (35,000 mts), and China (3,000 mts). Net sales of 59,000 mts for 2024/2025 were reported for Egypt (35,000 mts), Japan (14,000 mts), and Mexico (10,000 mts).

Exports of 323,100 mts were up 32% from the previous week, but down 11% from the prior 4-week average. The destinations were primarily to China (90,300 mts), Mexico (67,000 mts), Indonesia (66,000 mts), Japan (24,700 mts), and the Dominican Republic (20,400 mts).

➤ Rice Export Shipments and Sales

Net sales of 28,900 mts for 2023/2024 were down 74% from the previous week and 54% from the prior 4-week average. Increases primarily for Venezuela (50,000 mts switched from unknown destinations), Honduras (15,600 mts), Mexico (10,300 mts), Haiti (7,200 mts), and Iraq (4,000 mts), were offset by reductions for unknown destinations (50,000 mts), Guatemala (11,800 mts), and Saudi Arabia (900 mts).

Exports of 71,500 mts were down 20% from the previous week, but up 8% from the prior 4-week average. The destinations were primarily to Iraq (44,000 mts), Haiti (7,200 mts), El Salvador (6,600 mts), Guatemala (5,200 mts), and Mexico (3,100 mts).

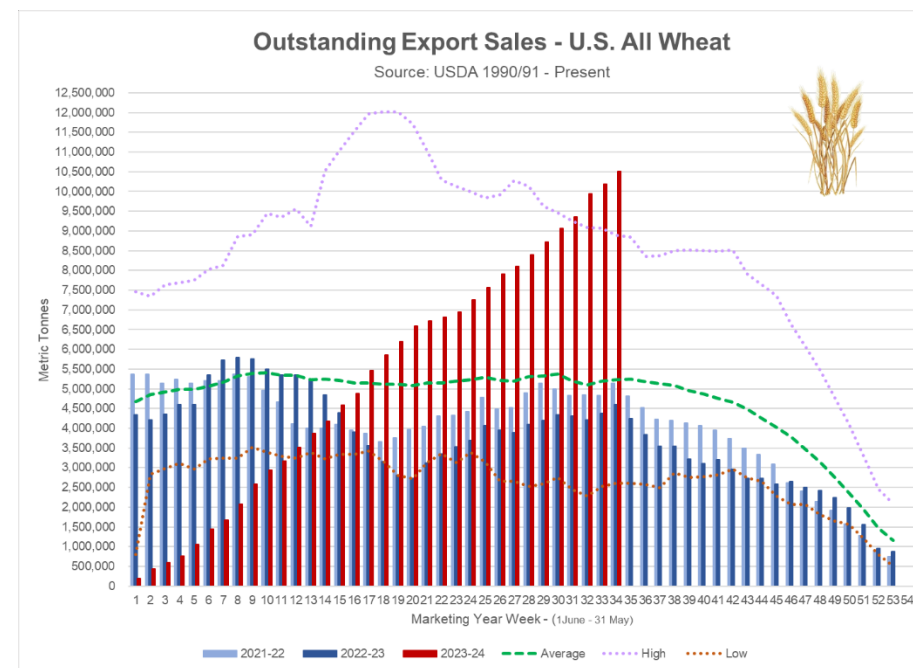
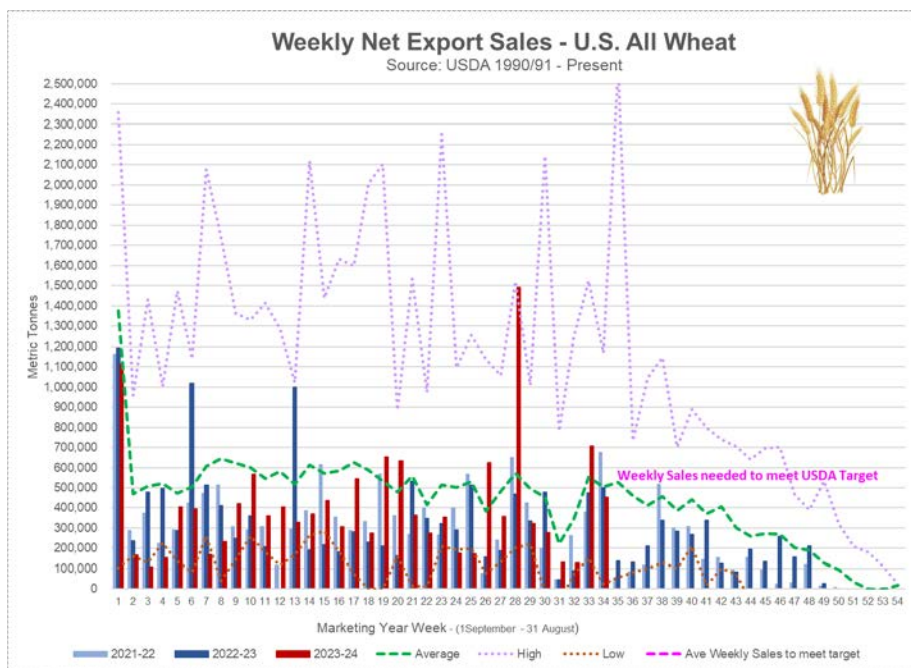
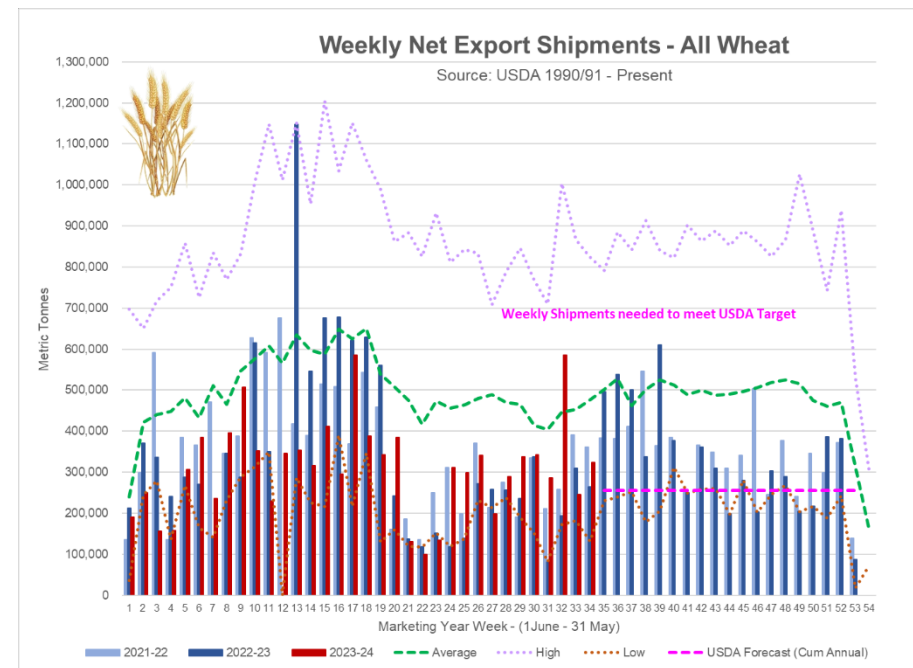
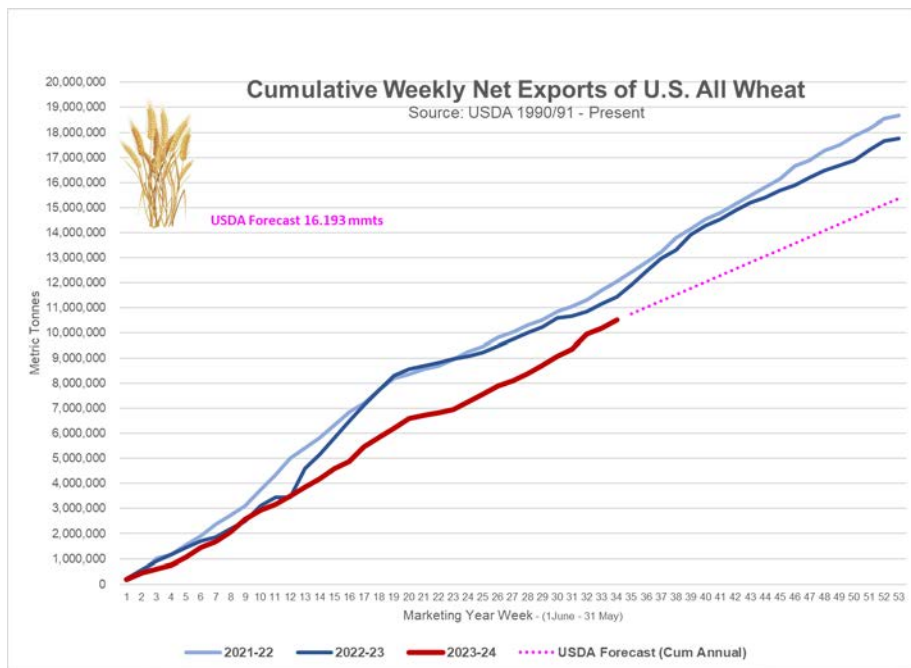
Table 15. Top 10 importers of all U.S. wheat

For the week ending 1/11/2024	Total commitments (1,000 mt)		% change current MY from last MY	Exports 3-year average 2020-22 (1,000 mt)
	YTD MY 2023/24	YTD MY 2022/23		
Mexico	2,478	2,645	-6	3,397
Philippines	2,162	1,765	23	2,615
Japan	1,498	1,768	-15	2,281
China	2,398	750	220	1,740
Korea	1,115	1,117	-0	1,426
Nigeria	202	692	-71	1,276
Taiwan	910	605	50	944
Thailand	387	610	-37	643
Columbia	218	412	-47	537
Indonesia	379	299	27	469
Top 10 importers	11,745	10,663	10	15,327
Total U.S. wheat export sales	16,101	15,534	4	20,411
% of YTD current month's export projection	82%	75%		
Change from prior week	708	473		
Top 10 importers' share of U.S. wheat export sales	73%	69%		75%
USDA forecast, January 2024	19,731	20,657	-4	

Note: The top 5 importers are based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for marketing year (MY) 2022/23 (Sep. 1 – Aug. 31). "Total commitments" = cumulative exports (shipped) + outstanding sales (unshipped), from FAS weekly export sales report, or export sales query. Total commitments' change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales. In rightmost column, "Exports" = carryover plus accumulated export (as defined in FAS marketing year ranking reports). mt = metric ton; yr. = year; avg. = average; YTD = year to date.

Source: USDA, Foreign Agricultural Service.

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COARSE GRAINS

➤ Corn Export Shipments and Sales

Net sales of 954,800 mts for 2023/2024 were down 24% from the previous week, but up 14% from the prior 4-week average. Increases primarily for Mexico (563,600 mts, including decreases of 400 mts), unknown destinations (155,500 mts), Colombia (144,900 mts, including 60,000 mts switched from unknown destinations and decreases of 100 mts), Honduras (52,100 mts), and Japan (37,600 mts, including 25,700 mts switched from unknown destinations and decreases of 400 mts), were offset by reductions for the Dominican Republic (30,000 mts) and Costa Rica (5,000 mts). Total net sales of 37,600 mts for 2024/2025 were for Mexico.

Exports of 931,800 mts were down 7% from the previous week and from the prior 4-week average. The destinations were primarily to Mexico (566,500 mts), Japan (152,600 mts), China (68,400 mts), Colombia (64,900 mts), and Panama (25,900 mts).

➤ Grain Sorghum Export Shipments and Sales

Total net sales of 60,300 mts for 2023/2024 were down 57% from the previous week and 21% from the prior 4-week average. Increases were for China. Total net sales of 1,100 mts for 2024/2025 were for China. Exports of 80,100 mts were down 73% from the previous week and 62% from the prior 4-week average. The destination was China.

Export Adjustment: Accumulated exports of sorghum to China were adjusted down 61,082 mts for week ending January 11th. This shipment was reported in error.

➤ Barley Export Shipments and Sales

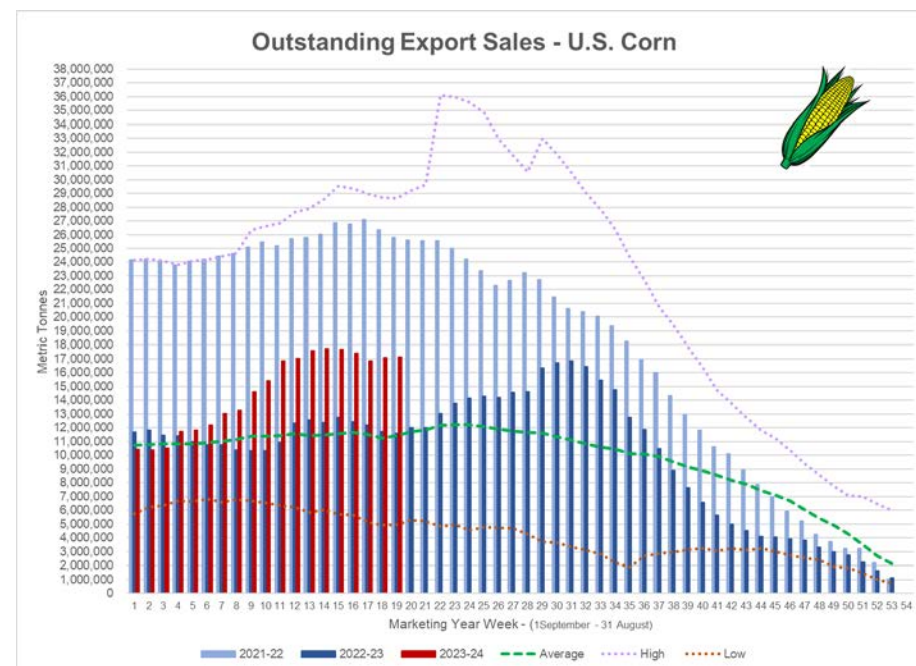
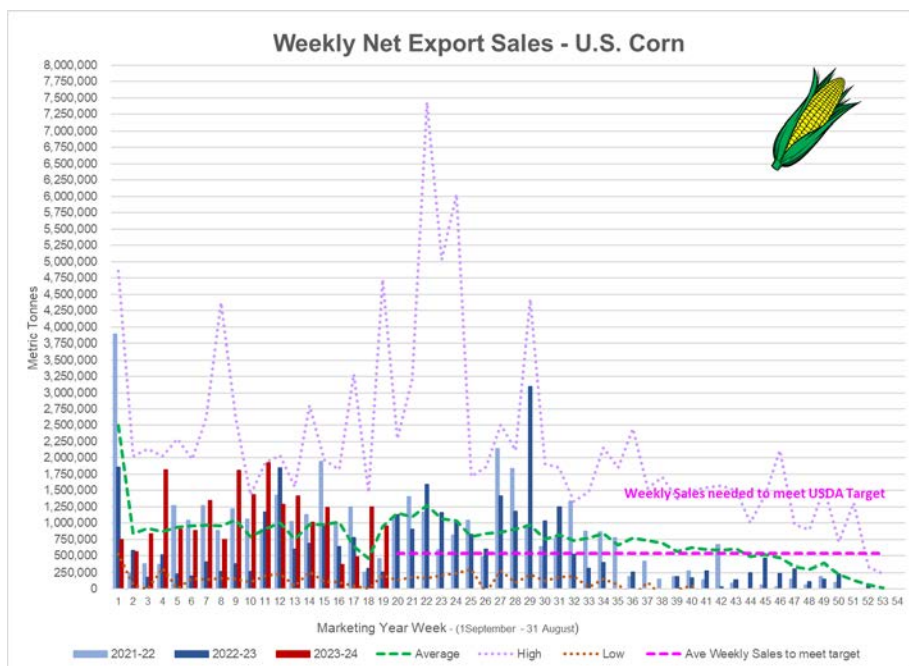
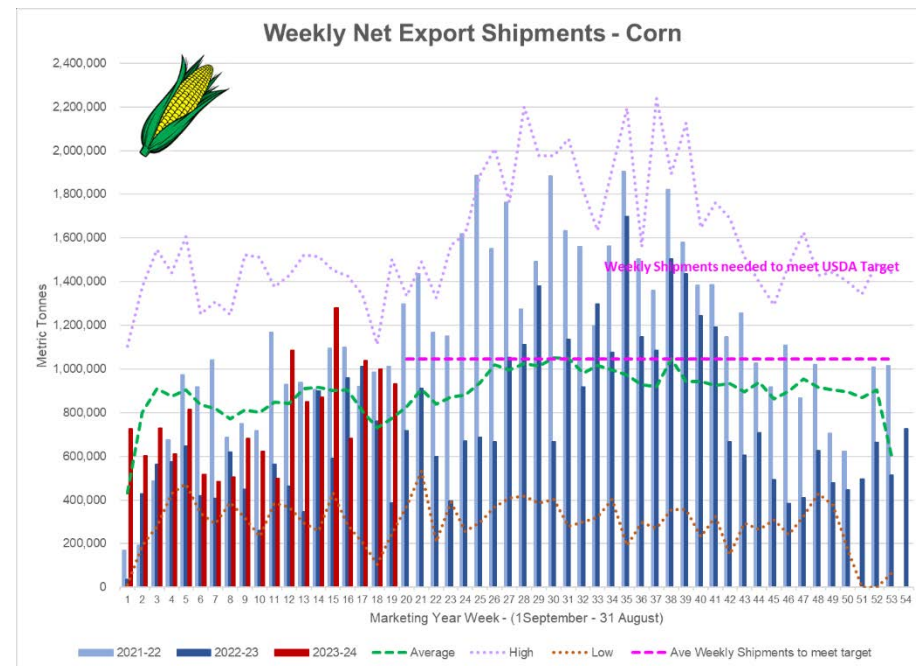
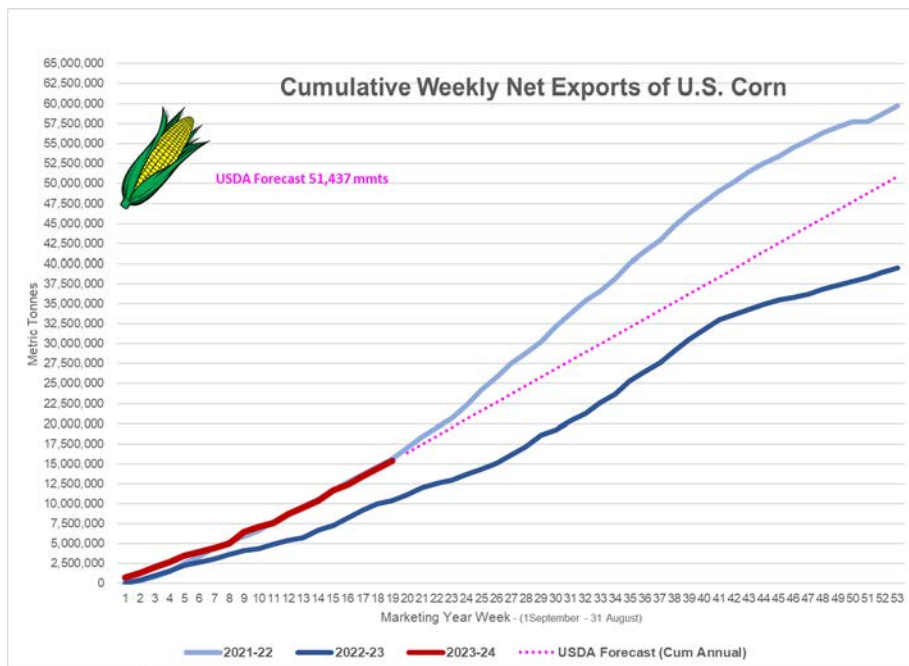
No net sales or exports were reported for the week.

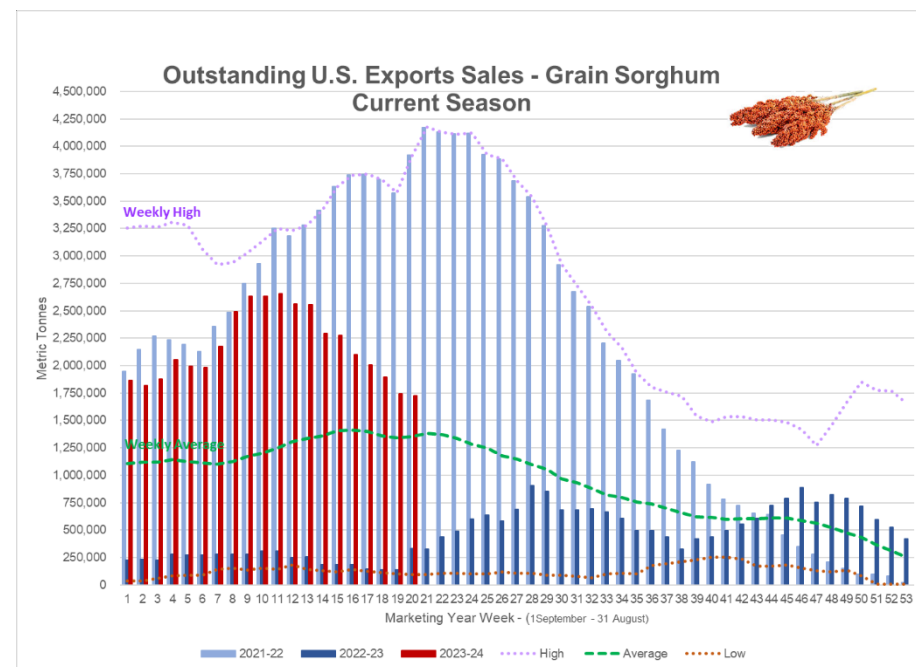
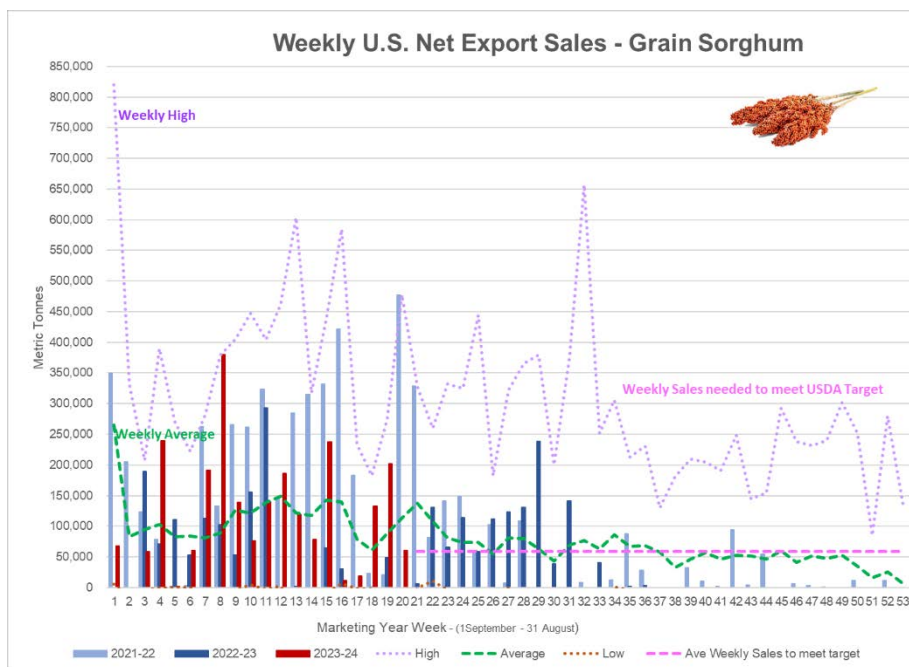
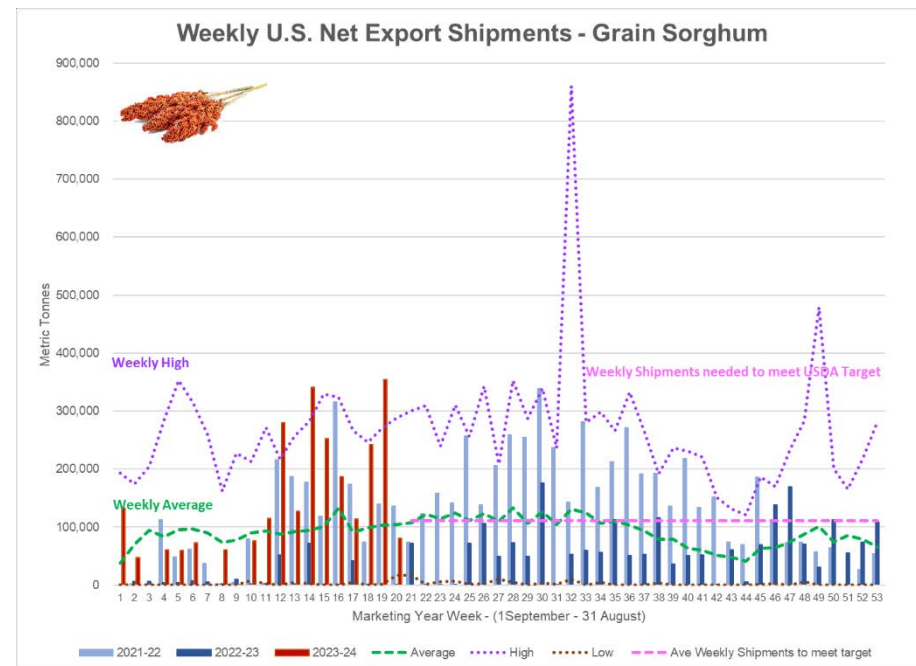
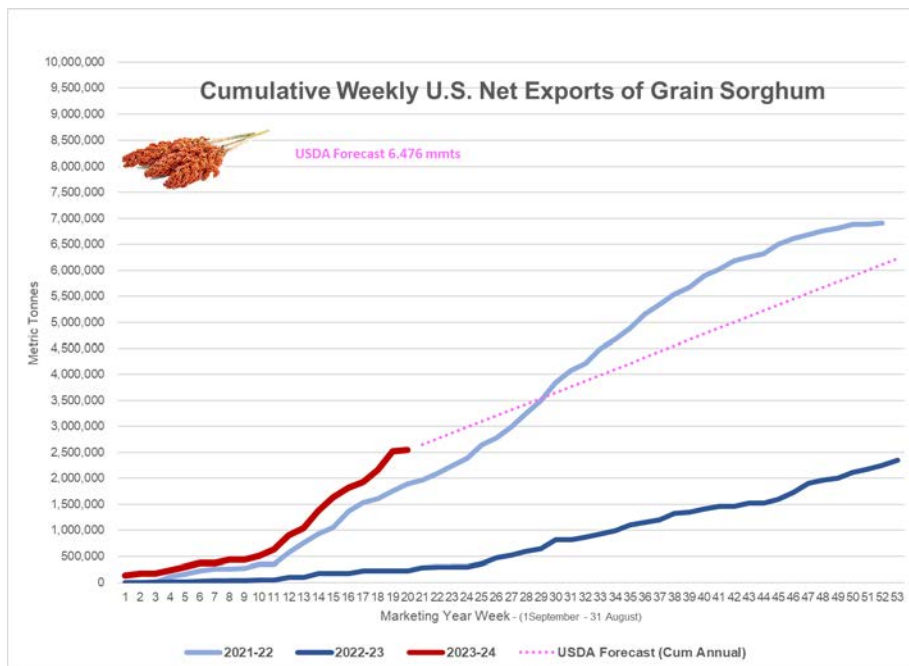
Table 13. Top 5 importers of U.S. corn

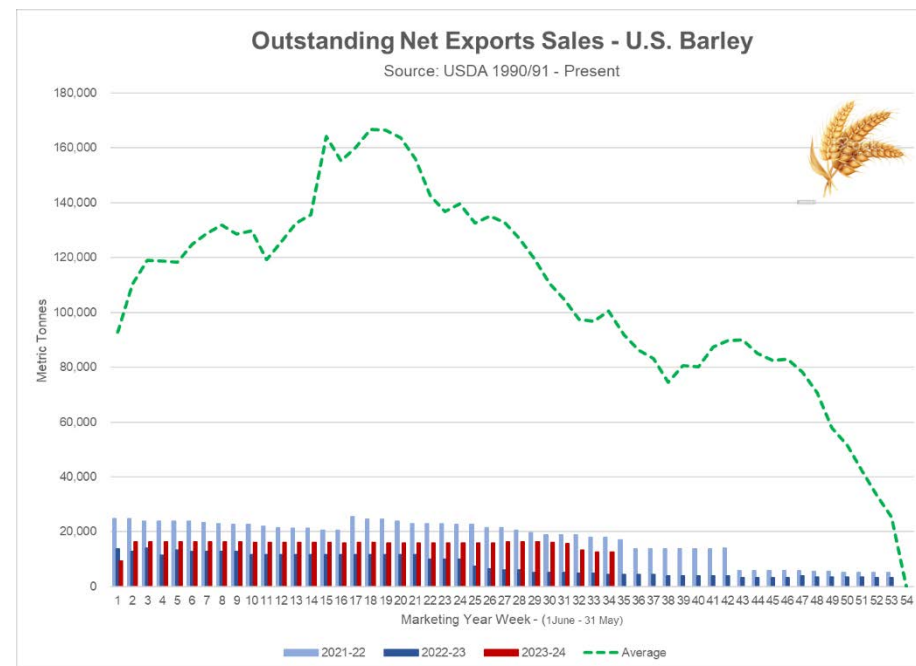
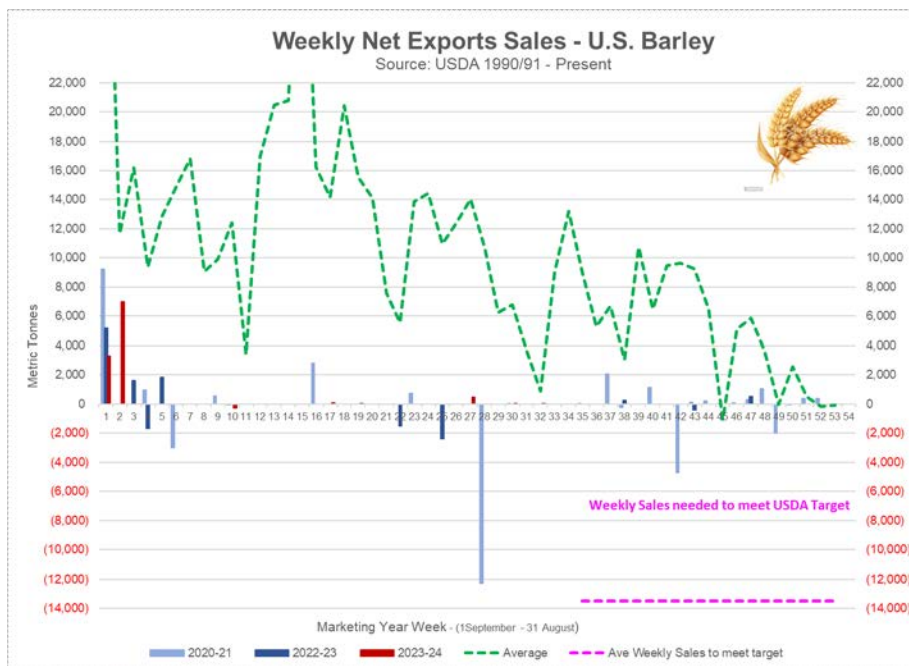
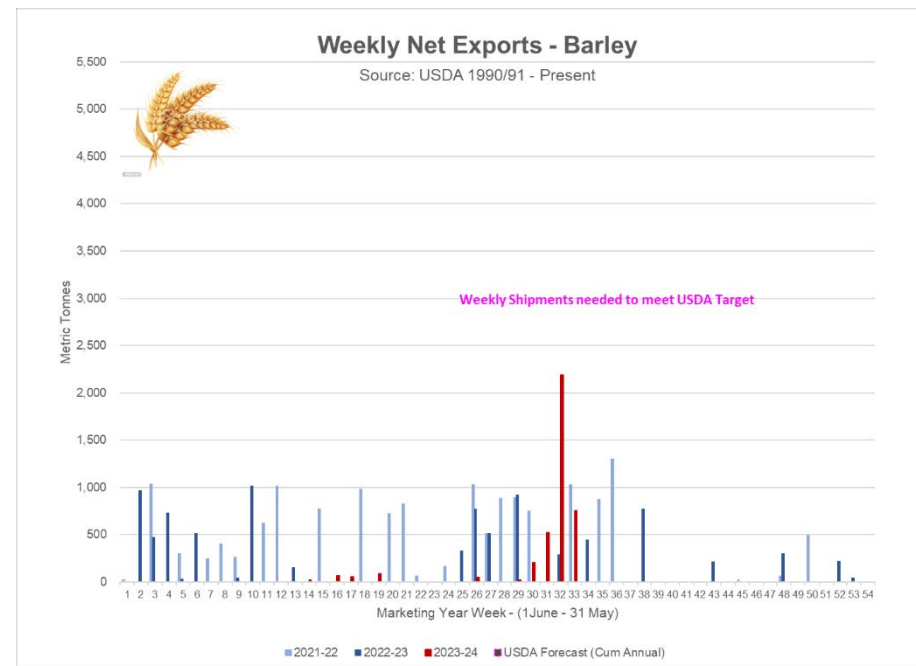
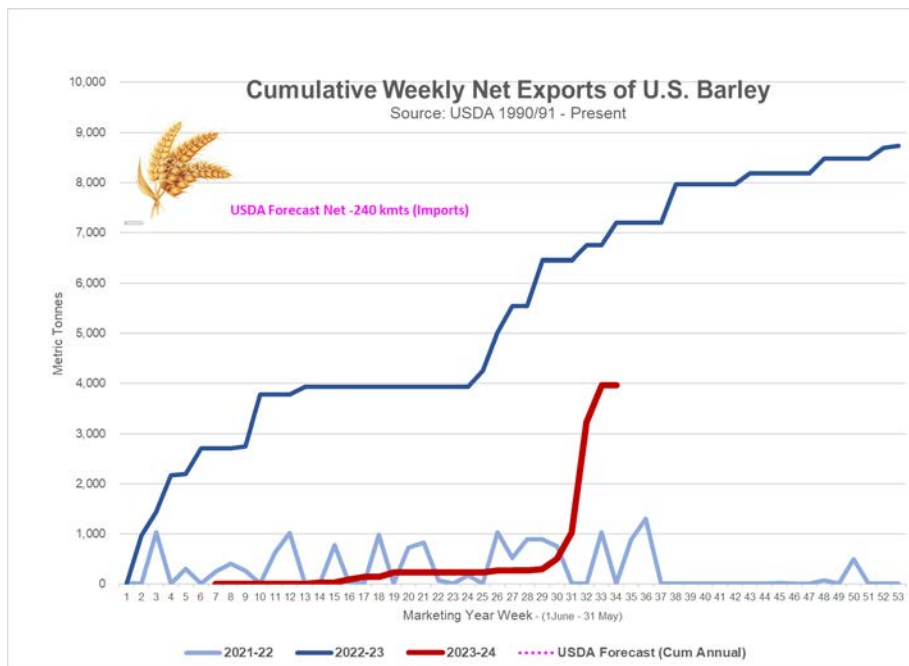
For the week ending 1/11/2024	Total commitments (1,000 mt)		% change current MY from last MY	Exports 3-year average 2020-22 (1,000 mt)
	YTD MY 2023/24	YTD MY 2022/23		
Mexico	14,724	11,158	32	15,227
China	1,819	3,935	-54	12,616
Japan	4,451	2,068	115	10,273
Colombia	2,772	461	502	4,398
Korea	562	158	257	2,563
Top 5 importers	24,327	17,779	37	45,077
Total U.S. corn export sales	31,527	23,128	36	56,665
% of YTD current month's export projection	59%	55%		
Change from prior week	1,251	1,132		
Top 5 importers' share of U.S. corn export sales	77%	77%		80%
USDA forecast January 2024	53,343	42,192	26	
Corn use for ethanol USDA forecast, January 2024	136,525	131,471	4	

Note: The top 5 importers are based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for marketing year (MY) 2022/23 (Sep. 1 – Aug. 31). "Total commitments" = cumulative exports (shipped) + outstanding sales (unshipped), from FAS weekly export sales report, or export sales query. Total commitments' change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales. In rightmost column, "Exports" = carryover plus accumulated exports (as defined in FAS marketing year ranking reports).
mt = metric ton; yr. = year; avg. = average; YTD = year to date.

Source: USDA, Foreign Agricultural Service.







OILSEED COMPLEX

➤ **Soybeans, Oil & Meal Export Shipment & Sales**

Soybeans:

Net sales of 560,900 mts for 2023/2024 were down 28% from the previous week, but up 6% from the prior 4-week average. Increases primarily for China (563,400 mts, including 253,000 mts switched from unknown destinations and decreases of 5,000 mts), Mexico (151,100 mts, including decreases of 500 mts), Indonesia (48,200 mts, including decreases of 2,100 mts), Japan (19,300 mts, including 19,000 mts switched from unknown destinations and decreases of 400 mts), and Vietnam (9,700 mts, including decreases of 1,100 mts), were offset by reductions primarily for unknown destinations (235,900 mts).

Exports of 1,117,500 mts were down 33% from the previous week and 3% from the prior 4-week average. The destinations were primarily to China (797,200 mts), Mexico (74,800 mts), Spain (71,500 mts), Portugal (71,500 mts), and Japan (21,900 mts).

Exports for Own Account: For 2023/2024, the current exports for own account outstanding balance of 2,100 mts are for Canada (1,400 mts) and Taiwan (700 mts).

Soybean Oil:

Net sales of 100 mts for 2023/2024 were up 42% from the previous week, but down 28% from the prior 4-week average. Increases were for Mexico.

Exports of 300 mts were down 18% from the previous week and 39% from the prior 4-week average. The destination was Canada.

Soybean Cake and Meal:

Net sales of 255,900 mts for 2023/2024 were down 27% from the previous week, but up 34% from the prior 4-week average. Increases primarily for Mexico (50,700 mts, including decreases of 4,300 mts), unknown destinations (50,200 mts), Honduras (27,600 mts, including decreases of 16,700 mts), Colombia (27,300 mts), and the Dominican Republic (19,700 mts), were offset by reductions primarily for Indonesia (29,300 mts) and Ireland (20,000 mts). Total net sales of 900 mts for 2024/2025 were for Canada.

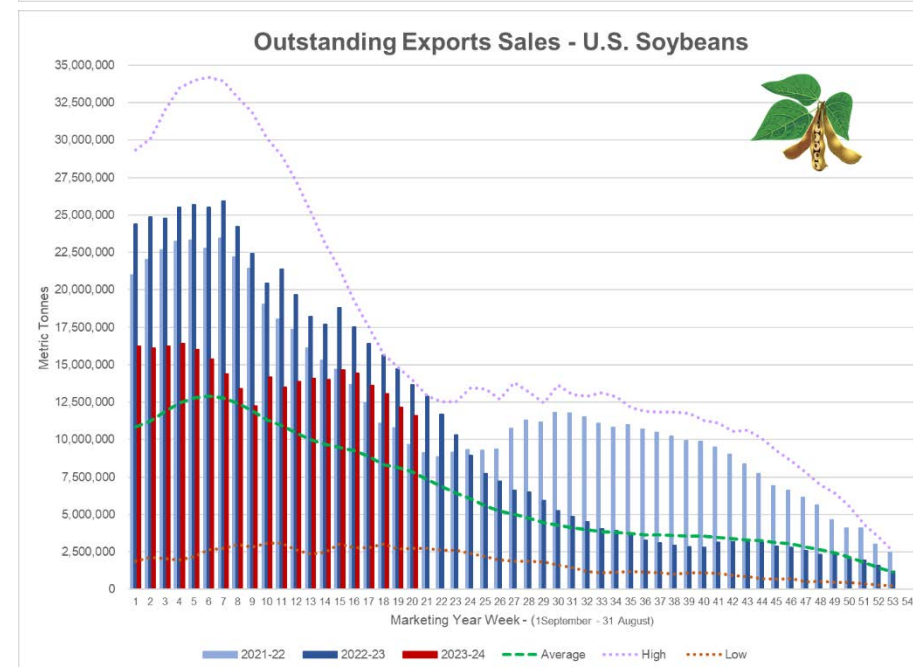
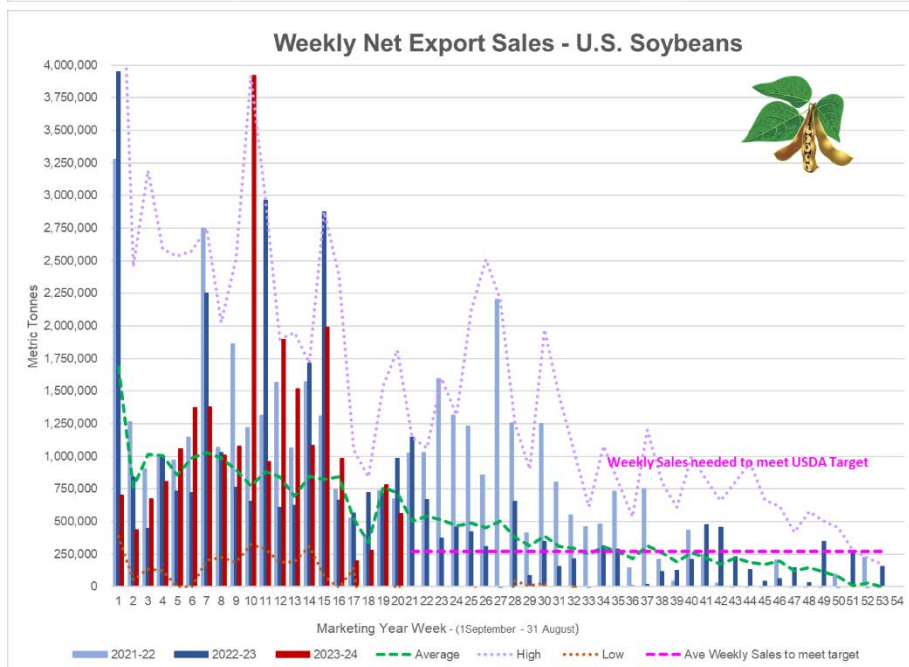
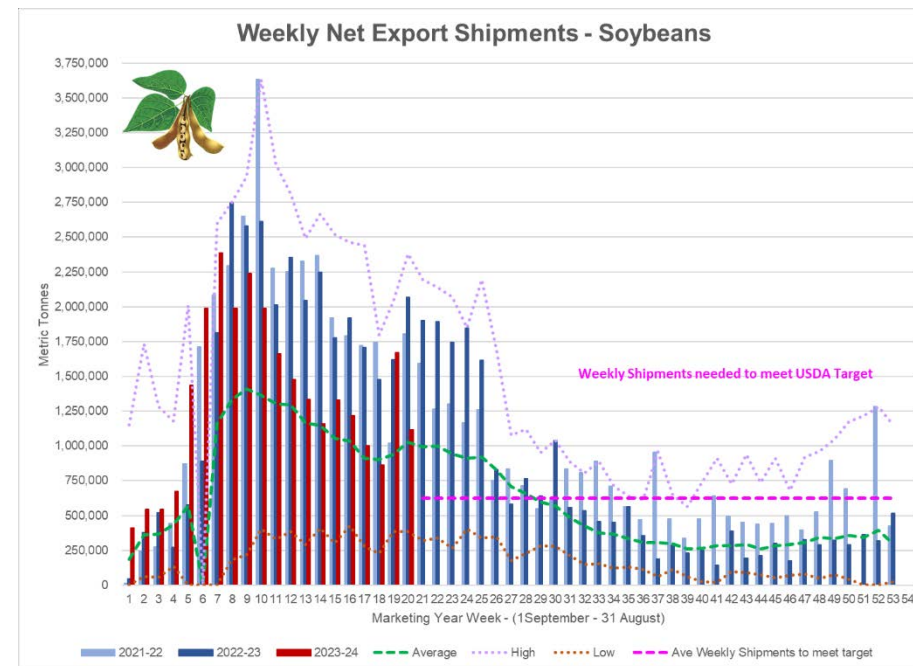
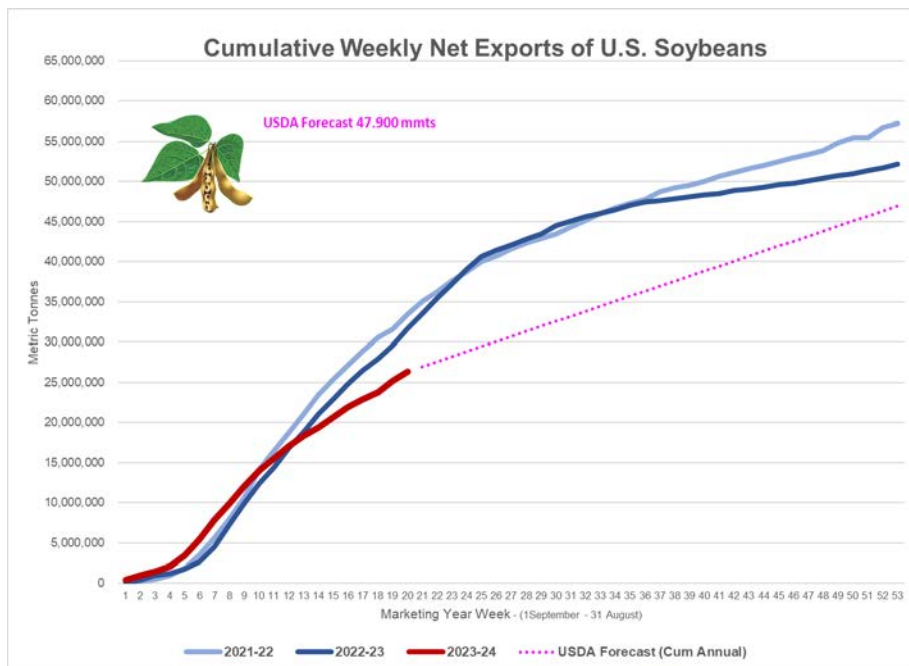
Table 14. Top 5 importers of U.S. soybeans

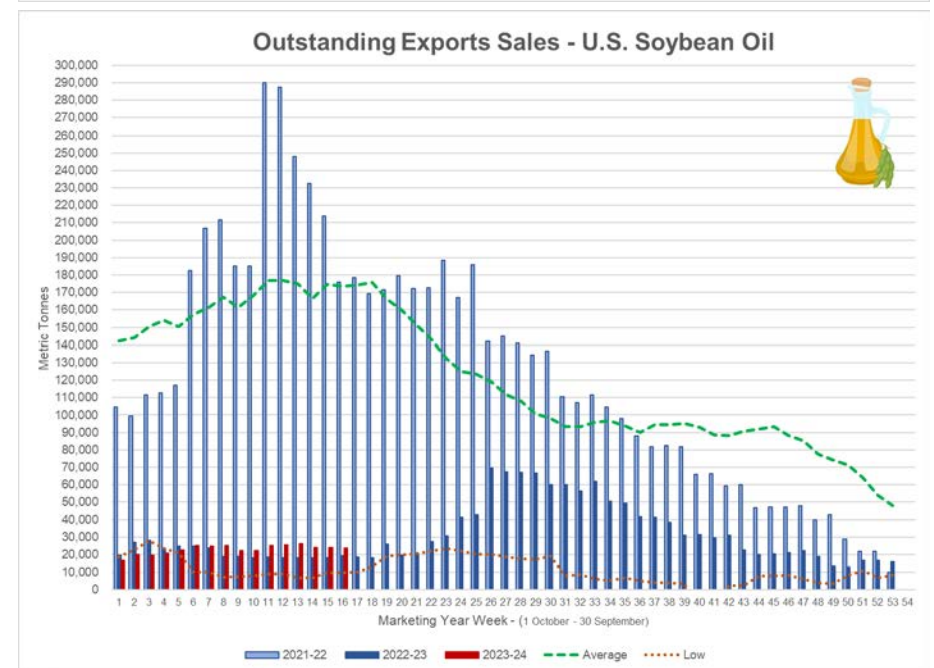
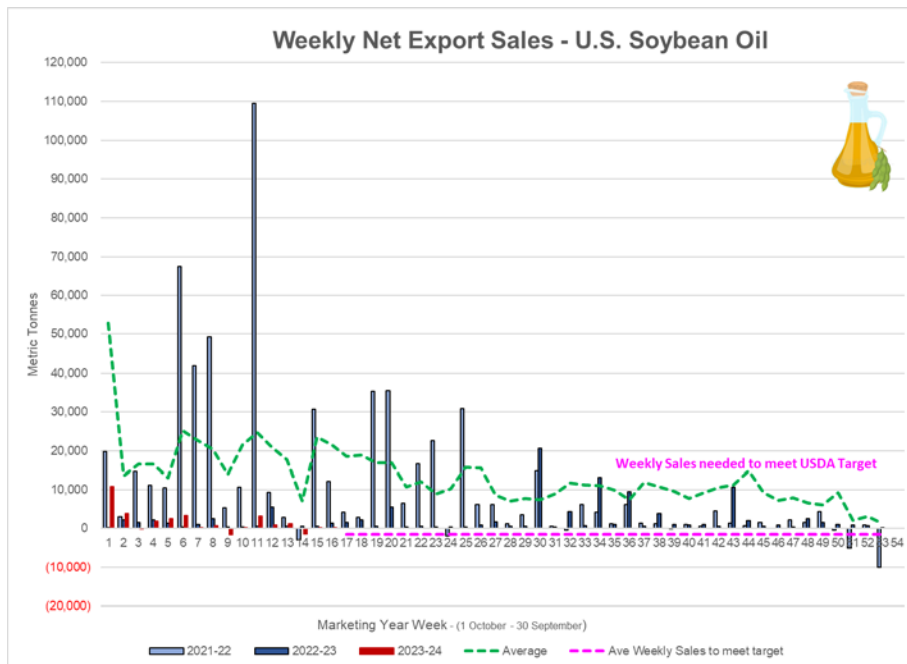
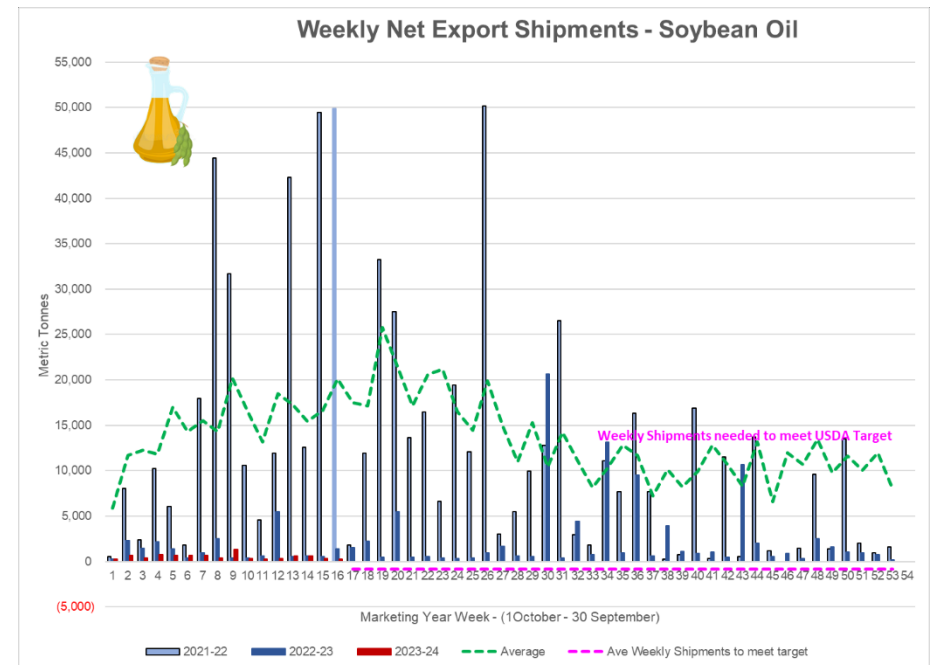
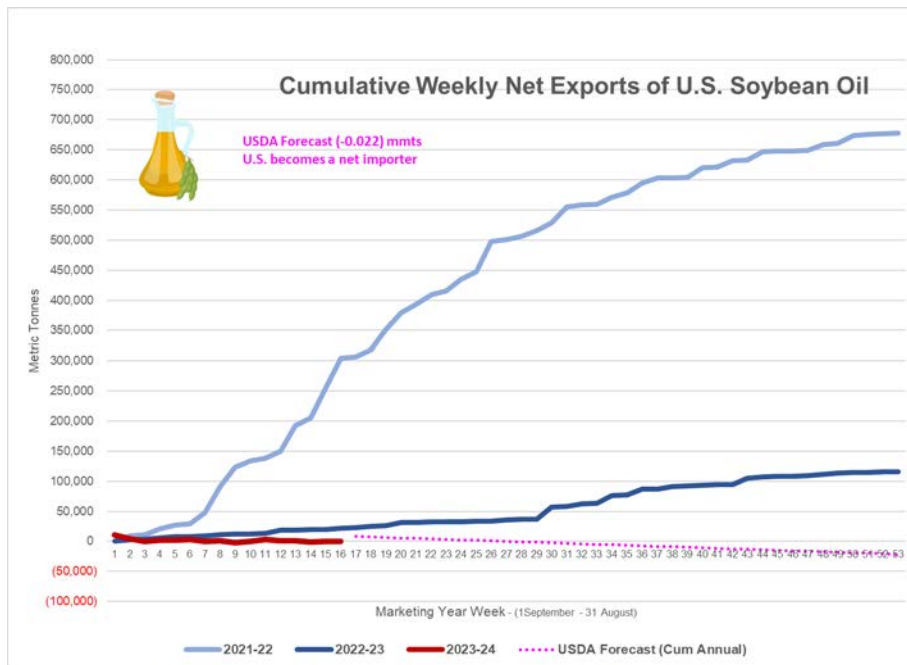
For the week ending 1/11/2024	Total commitments (1,000 mt)		% change current MY from last MY	Exports 3-year average 2020-22 (1,000 mt)
	YTD MY 2023/24	YTD MY 2022/23		
China	20,157	27,232	-26	32,321
Mexico	3,268	3,637	-10	4,912
Egypt	358	782	-54	2,670
Japan	1,419	1,541	-8	2,259
Indonesia	919	695	32	1,973
Top 5 importers	26,121	33,888	-23	44,133
Total U.S. soybean export sales	37,388	45,321	-18	56,656
% of YTD current month's export projection	78%	84%		
Change from prior week	781	986		
Top 5 importers' share of U.S. soybean export sales	70%	75%		78%
USDA forecast, January 2024	47,763	54,213	-12	

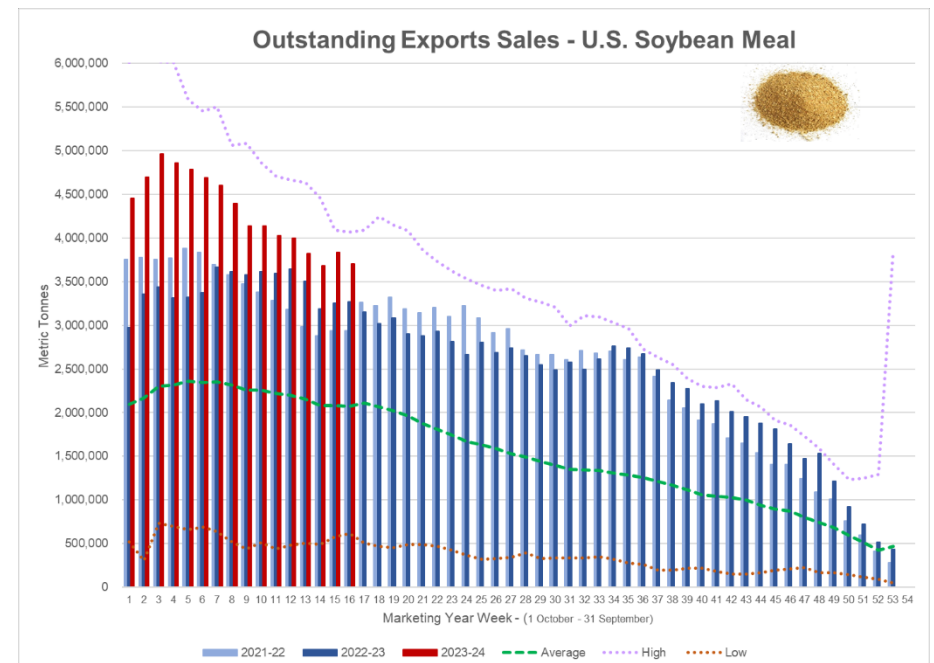
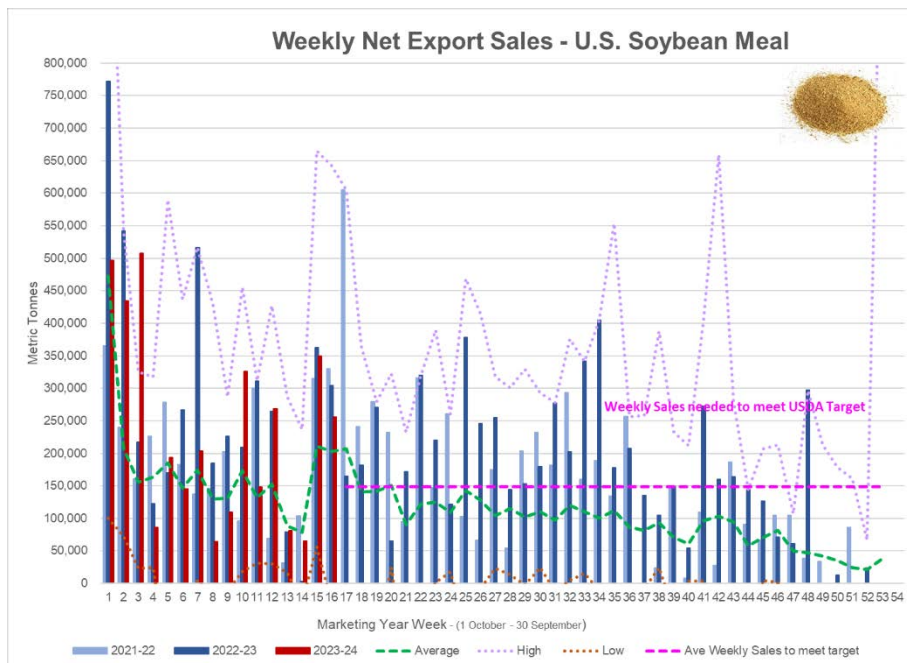
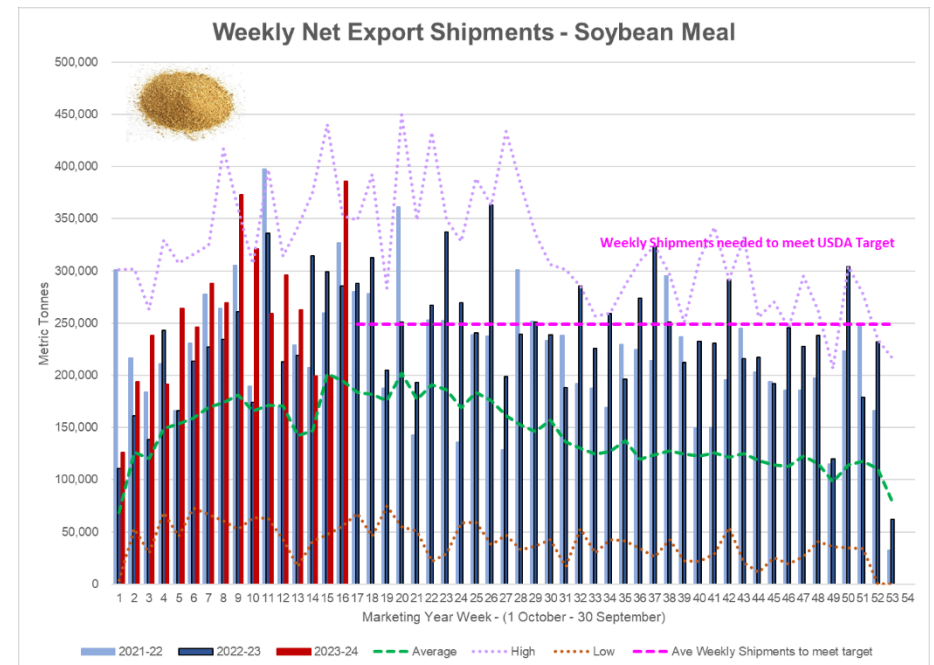
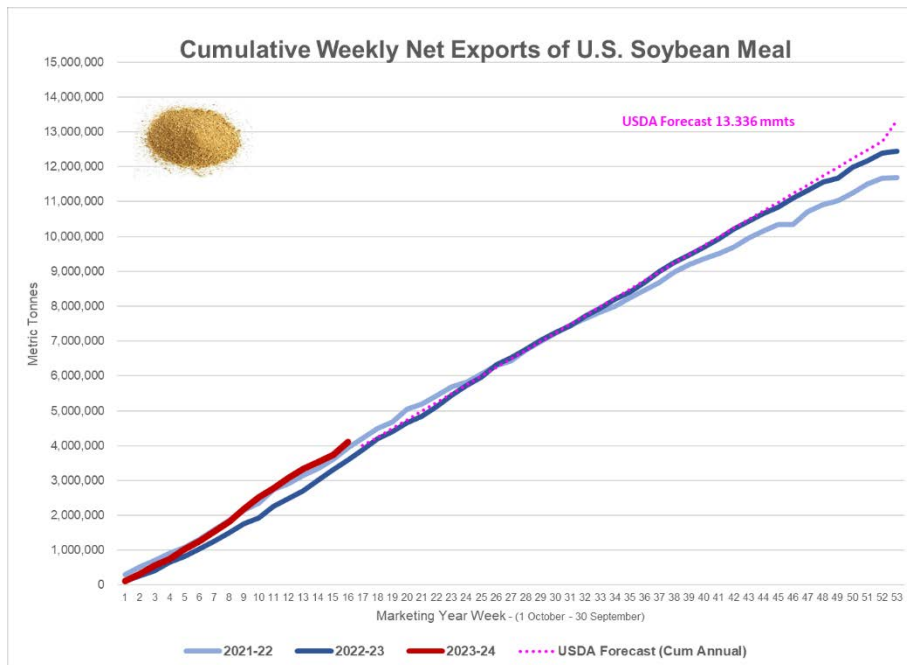
Note: The top 5 importers are based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for marketing year (MY) 2022/23 (Sep. 1 – Aug. 31). "Total commitments" = cumulative exports (shipped) + outstanding sales (unshipped), from FAS weekly export sales report, or export sales query. Total commitments' change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales. In rightmost column, "Exports" = carryover plus accumulated export (as defined in FAS marketing year ranking reports). mt = metric ton; yr. = year; avg. = average; YTD = year to date.

Source: USDA, Foreign Agricultural Service.

Exports of 385,700 mts--a marketing-year high--were up 93% from the previous week and 61% from the prior 4-week average. The destinations were primarily to the Philippines (103,200 mts), Japan (62,900 mts), South Korea (52,500 mts), Guatemala (40,700 mts), and Mexico (37,800 mts).







COTTON

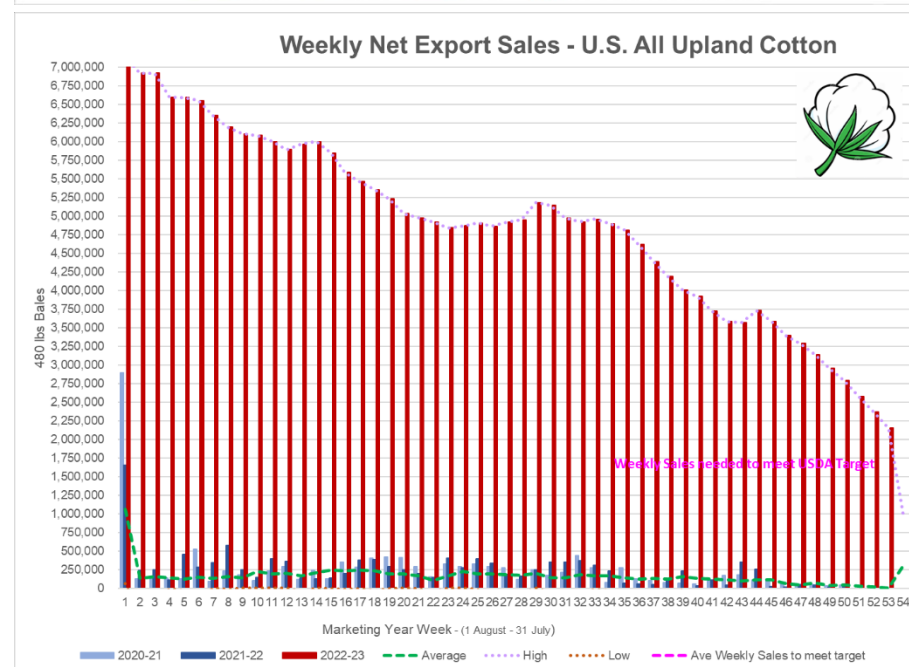
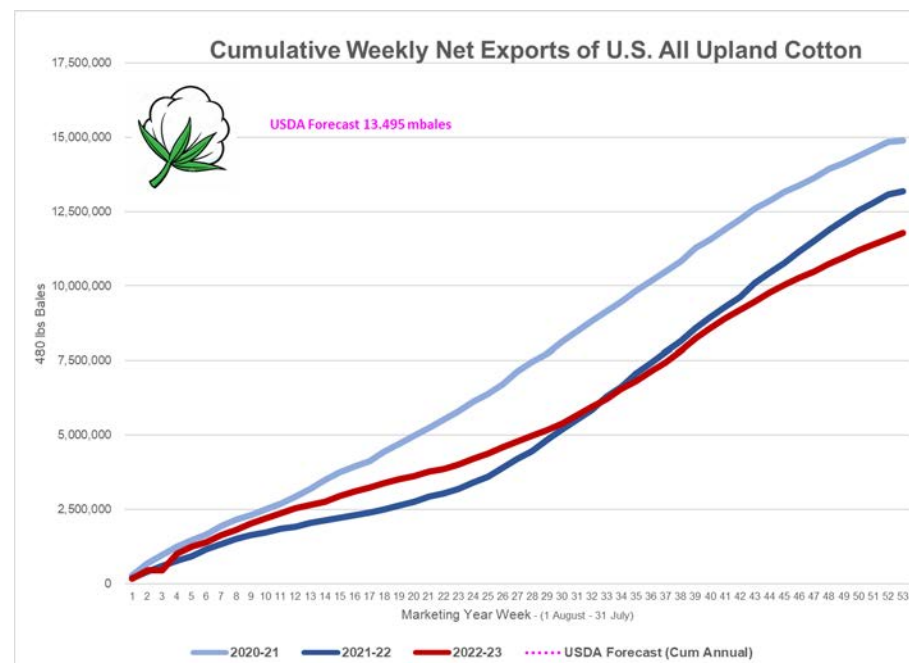
➤ Cotton Export Shipments & Sales

Net sales of 207,000 RB for 2023/2024 were down 51% from the previous week and 30% from the prior 4-week average. Increases primarily for China (103,300 RB, including decreases of 8,800 RB), Vietnam (33,800 RB, including 4,400 RB switched from China, 1,700 RB switched from Macau, and 400 RB switched from Japan), Bangladesh (21,700 RB, including 4,200 RB switched from Pakistan), Pakistan (15,100 RB), and Turkey (11,000 RB, including decreases of 600 RB), were offset by reductions for Macau (1,700 RB). Exports of 142,200 RB were down 45% from the previous week and 39% from the prior 4-week average. The destinations were primarily to China (53,400 RB), Vietnam (23,200 RB), Mexico (11,900 RB), Indonesia (9,300 RB), and Bangladesh (8,100 RB). Net sales of Pima totaling 4,700 RB for 2023/2024 were up 35% from the previous week and 64% from the prior 4-week average. Increases were primarily for Peru (2,000 RB), India (1,000 RB), China (900 RB), Colombia (500 RB), and Indonesia (200 RB).

Exports of 3,700 RB were down 21% from the previous week and 62% from the prior 4-week average. The destinations were primarily to China (1,300 RB), India (1,100 RB), Vietnam (600 RB), and Thailand (400 RB).

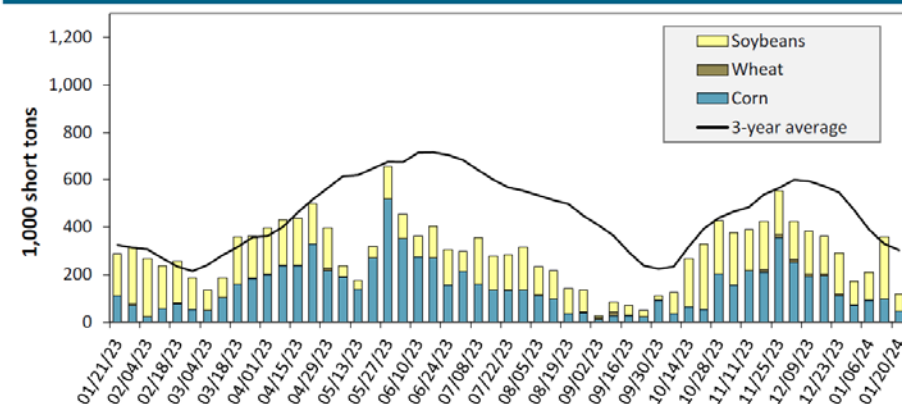
Optional Origin Sales: For 2023/2024, the current outstanding balance of 4,400 RB were reported for Bangladesh.

Exports for Own Account: For 2023/2024, exports for own account totaling 1,700 RB to China were applied to new or outstanding sales. The current exports for own account outstanding balance of 84,800 RB are for China (63,000 RB), Vietnam (13,200 RB), Pakistan (5,000 RB), South Korea (2,400 RB), and Turkey (1,200 RB).



BARGE MOVEMENTS

Figure 10. Barge movements on the Mississippi River (Locks 27-Granite City, IL)



Note: The 3-year average is a 4-week moving average. The U.S. Army Corps of Engineers has recently migrated its lock and vessel database and has noted the latest data may be revised in coming weeks.
Source: U.S. Army Corps of Engineers.

For the week ending the 20th of January, barged grain movements totaled 333,942 tons. This was 52% less than the previous week and 50% less than the same period last year.

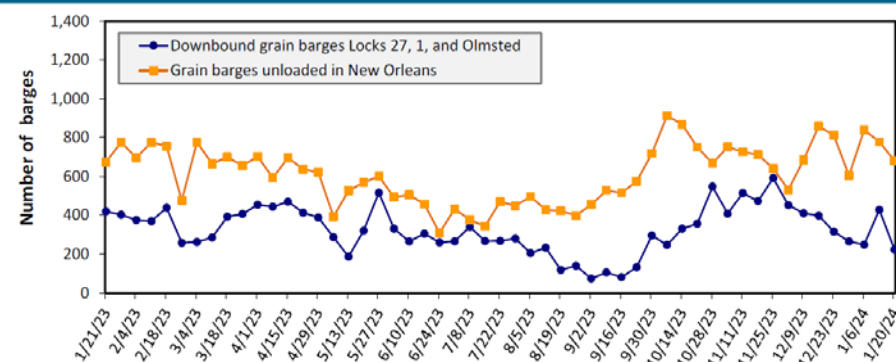
Table 10. Barged grain movements (1,000 tons)

For the week ending 01/20/2024	Corn	Wheat	Soybeans	Other	Total
Mississippi River (Rock Island, IL (L15))	0	0	0	0	0
Mississippi River (Winfield, MO (L25))	8	0	5	0	13
Mississippi River (Alton, IL (L26))	55	0	58	0	113
Mississippi River (Granite City, IL (L27))	47	0	71	0	117
Illinois River (La Grange)	26	0	33	0	58
Ohio River (Olmsted)	59	0	125	0	184
Arkansas River (L1)	0	8	24	0	32
Weekly total - 2024	106	8	220	0	334
Weekly total - 2023	261	13	368	26	669
2024 YTD	335	16	681	0	1,032
2023 YTD	525	29	971	45	1,570
2024 as % of 2023 YTD	64	55	70	0	66
Last 4 weeks as % of 2023	101	151	90	56	94
Total 2023	12,857	1,346	11,824	267	26,294

Note: "Other" refers to oats, barley, sorghum, and rye. Total may not add up due to rounding. YTD = year to date. Weekly total, YTD, and calendar year total include Mississippi River lock 27, Ohio River Olmsted lock, and Arkansas Lock 1. "L" (as in "L15") refers to a lock, locks, or lock and dam facility. The U.S. Army Corps of Engineers has recently migrated its lock and vessel database and has noted the latest data may be revised in coming weeks.

Source: U.S. Army Corps of Engineers.

Figure 12. Grain barges for export in New Orleans region



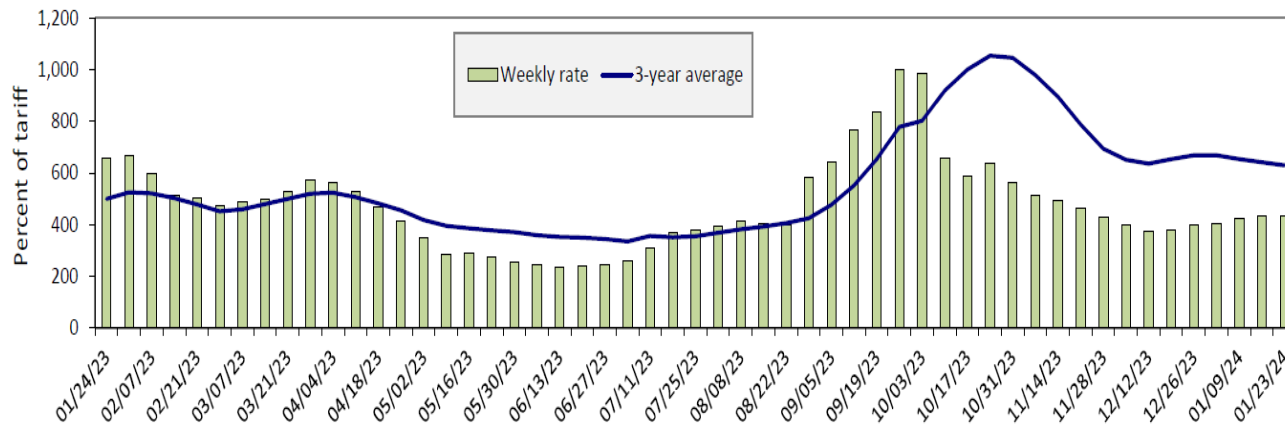
Note: Olmsted = Olmsted Locks and Dam. The U.S. Army Corps of Engineers has recently migrated its lock and vessel database and has noted the latest data may be revised in coming weeks.

Source: U.S. Army Corps of Engineers and USDA, Agricultural Marketing Service.

For the week ending January 20, 224 grain barges moved down river—204 fewer than last week. There were 681 grain barges unloaded in the New Orleans region, 12% fewer than last week.

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Figure 8. Illinois River barge freight rate



Note: Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); 3-year avg. = 4-week moving average of the 3-year average.

Source: USDA, Agricultural Marketing Service.

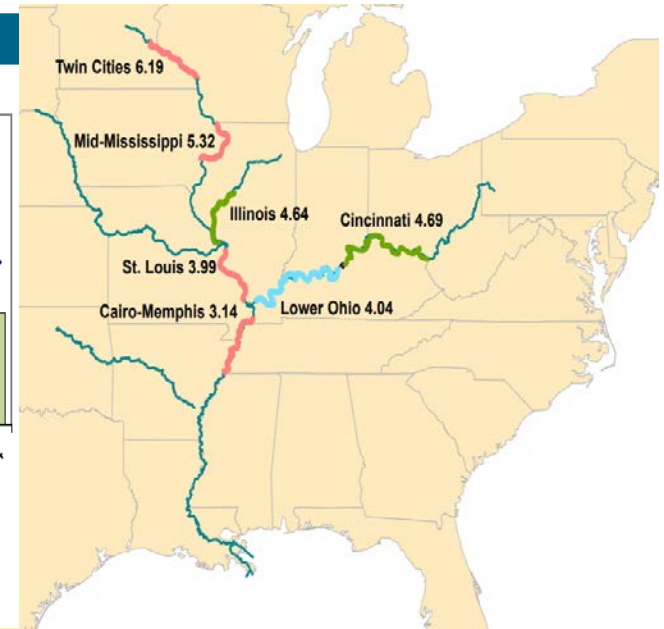


Table 9. Weekly barge freight rates: southbound only

Measure	Date	Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate	1/23/2024	-	-	433	323	343	343	270
	1/16/2024	-	-	431	328	352	352	274
\$/ton	1/23/2024	-	-	20.09	12.89	16.09	13.86	8.48
	1/16/2024	-	-	20.00	13.09	16.51	14.22	8.60
Measure	Time Period	Twin Cities	Mid-Mississippi	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Current week % change from the same week	Last year	-	-	-34	-28	-35	-35	-25
	3-year avg.	-	-	-31	-36	-37	-37	-34
Rate	February	-	-	411	313	324	324	266
	April	404	379	369	300	311	311	254

Note: Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); 3-year avg. = 4-week moving average of the 3-year avg.; ton = 2,000 pounds; "-" = data not available.

Source: USDA, Agricultural Marketing Service.

Benchmark Tariff Rate

Calculating barge rate per ton:

Select applicable index from market quotes are included in tables on this page.

The 1976 benchmark rates per ton are provided in map.

(Rate * 1976 tariff benchmark rate per ton)/100

➤ **Current Barge Freight Rates**

**IL RIVER
FREIGHT**

	1/25/2024	1/26/2024	
Jan LH	425/450	425/450	UNC
Feb	400/425	400/450	
March	375/400	375/425	
April	350/400	350/400	UNC
May	350/400	350/400	UNC
June	350/400	350/400	UNC
July	350/400	350/400	UNC

**MID
MISSISSIPPI**

	1/25/2024	1/26/2024	
McGregor			
Jan LH	out	out	UNC
Feb	out	out	UNC
March	375/425	375/425	UNC
April	350/385	350/385	UNC
May	350/385	350/385	UNC
June	325/375	325/375	UNC
July	325/375	325/375	UNC

LOWER

OHIO RIVER	1/25/2024	1/26/2024	
Jan LH	300/350	350/375	
Feb	300/325	325/350	
March	300/350	300/350	UNC
April	300/350	300/350	UNC
May	300/350	300/350	UNC
June	275/350	275/350	UNC
July	275/350	275/350	UNC

**UPPER
MISSISSIPPI
ST**

PAUL/SAVAGE	1/25/2024	1/26/2024	
Jan LH	out	out	UNC
Feb	out	out	UNC
March	out	out	UNC
April	375/425	375/425	UNC
May	375/425	375/425	UNC
June	350/400	350/400	UNC
July	350/400	350/400	UNC

**ST LOUIS
BARGE**

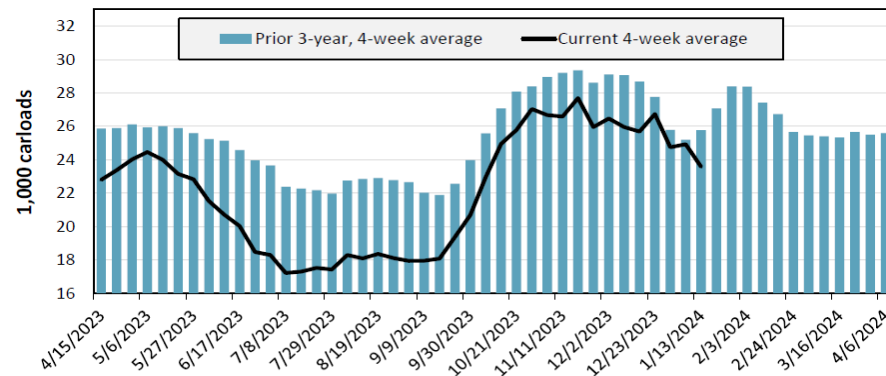
FREIGHT 14'	1/25/2024	1/26/2024	
Jan LH	300/325	325/350	
Feb	300/325	300/325	UNC
March	300/325	290/325	
April	250/300	250/300	UNC
May	250/300	250/300	UNC
June	250/300	250/300	UNC
July	250/300	250/300	UNC

MEMPHIS

CAIRO	1/25/2024	1/26/2024	
Jan LH	265/300	265/300	UNC
Feb	250/300	275/300	
March	260/300	260/300	UNC
April	230/275	230/275	UNC
May	230/275	230/275	UNC
June	230/275	230/275	UNC
July	230/275	230/275	UNC

RAIL MOVEMENTS

Figure 3. Total weekly U.S. Class I railroad grain carloads



For the 4 weeks ending January 13, grain carloads were down 5 percent from the previous week, down 5 percent from last year, and down 9 percent from the 3-year average.

Source: Surface Transportation Board.

- U.S. Class I railroads originated 23,128 grain carloads during the week ending the 13th of January. This was an 11-percent decrease from the previous week, 28% fewer than last year, and 23% fewer than the 3-year average.
- Average February shuttle secondary railcar bids/offers (per car) were \$263 above tariff for the week ending the 18th of January. This was \$225 less than last week and \$15 more than this week last year.
- Average non-shuttle secondary railcar bids/offers per car were \$338 above tariff. This was \$13 more than last week and \$100 lower than this week last year.

➤ **Mexico aims to compete with Panama Canal by using cargo trains**

25 January 2024 *Noi Mahoney, FreightWaves* - With drought at the Panama Canal and conflicts in the Red Sea and other global shipping lanes disrupting trade, officials in Mexico predict a golden opportunity for the country's \$2.8 billion Isthmus of Tehuantepec's Inter-oceanic Corridor (CIIT) project.

The initiative is converting the isthmus in southern Mexico, which represents the shortest distance between the Gulf of Mexico and the Pacific Ocean in the country, into a 188-mile rail corridor that could handle up to 1.4 million twenty-foot equivalent units annually by 2033.

The project could transform the Isthmus of Tehuantepec into a hub for global trade, Mexican authorities said.

"The Isthmus of Tehuantepec dry corridor offers a promising alternative to traditional routes like the Panama and Suez Canals," Oliver Contla, the trade and economy

director for the Mexican Embassy in Germany, recently blogged on LinkedIn. "By leveraging its geographic advantage, Mexico has the potential to become a major logistics hub, serving not only North America but the global economy."

Contla said investments in technology will be key to the CIIT project's viability.

"The success of the project critically depends on the implementation of cutting-edge technology at the ports of Coatzacoalcas and Salina Cruz, as well as on the railways," Contla said. "This technology must be capable of handling and transporting an immense volume of containers efficiently, ensuring seamless movement between the ports. Achieving this goal requires collaboration between the government and the private sector."

While Mexican authorities are bullish on the CIIT's prospects, global logistics operators said they are skeptical it could ever replace or even compete with the Panama Canal, which handles about 14,000 vessels and 8 million TEUs annually.

"The challenge really is that the Panama Canal is about 50 miles long, and the railroad to get from the Pacific to the Gulf is around 200 miles, so it's a much longer track," Pawan Joshi, executive vice president of products and strategy at e2open, told FreightWaves. "Another challenge — how many containers can [the railroad] move? It's also about the ports on either end, whether they're able to unload those containers; do they have the appropriate infrastructure?"

Austin, Texas-based e2open is a supply chain software provider. e2open's cloud-native global platform for supply chains connects more than 480,000 manufacturing, logistics, channel and distribution partners in multienterprise networks tracking over 15 billion transactions annually.

Joshi said the CIIT project could offer another option when global disruptions or droughts interrupt trade flows.

"At the least it provides an alternative and I think a lot of companies are looking to that," Joshi said. "The Canadian Pacific Kansas City Southern railroad is looking to start to invest some money on the Panama side to build more infrastructure and provide an alternative."

Joshi said for the CIIT project to become a viable complement to the Panama Canal, Mexico, the U.S. and other countries need to cooperate and invest in technology, infrastructure and planning in the region.

"I think there has to be coordination, not just with the Panama Canal authorities or the Mexican railroad authorities. I think there should also be cooperation between the origin and destination ports and the ocean liners," Joshi said. "It's important for countries like China and the U.S. to make sure that trade routes continue to operate and it's profitable to the companies on either side of the nations."

Joshi also said more cooperation between shippers and global port facilities could benefit shipping and transportation lanes around the world.

"If I can take 10%, 15% or 20% of the traffic that is going through the Panama Canal headed to Houston and actually move it intermodal using rail, by docking the ship in Long Beach and moving it over rail car, then all of a sudden, the viability of the Port of Houston starts changing," Joshi said. "There's a lot of cooperation that is needed and coordination that is needed. I have a strong belief that if all the stakeholders come together, you will come up with a much better solution and a much more efficient, faster, effective and much more profitable solution for everyone."

➤ **Current Secondary Rail Car Market**

BN SHUTTLE Bid/Ask/Last Bid/Ask/Last

Return Trip	1000 / -	800 / -
F/H February	800 / -	700 / 1100
February	700 / 1200	700 / 900
March	300 / 500	200 / 400
April	-125 / -25	-100 / -25
June, July	-300 / -125	-250 / -125

UP SHUTTLE Bid/Ask/Last Bid/Ask/Last

Return Trip	200 / -	250 / 500	
L/H January	200 / -	200 / -	UNC
F/H February	100 / 300	200 / 300	
February	0 / 300	100 / 200	
March	-250 / 0	-250 / 0	UNC
April, May	- / -200	- / -200	UNC
June, July	- / -100	- / -100	UNC

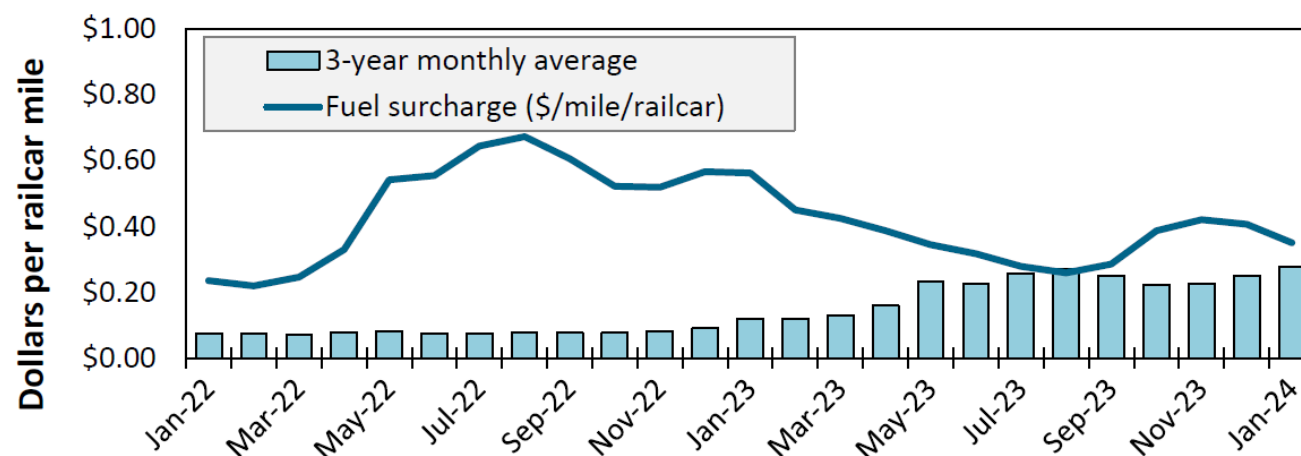
Table 4. Railcar auction offerings (dollars per car)

For the week ending: 1/18/2024		Delivery period							
		Feb-24	Feb-23	Mar-24	Mar-23	Apr-24	Apr-23	May-24	May-23
BNSF	COT grain units	no offer	no offer	no offer	no offer	no offer	0	no offer	0
	COT grain single-car	no offer	no offer	no offer	no offer	101	28	3	28
UP	GCAS/vouchers	10	n/a	10	n/a	no bid	n/a	no bid	n/a

Note: Auction offerings are for single-car and unit train shipments only. Bids and offers represent a premium/discount to tariff rates. n/a = not available. BNSF = BNSF Railway; COT = Certificate of Transportation; UP = Union Pacific Railroad; and GCAS = Grain Car Allocation System. Minimum bids for UP GCAS/vouchers are \$10.

Source: USDA, Agricultural Marketing Service.

Figure 7. Railroad fuel surcharges, North American weighted average



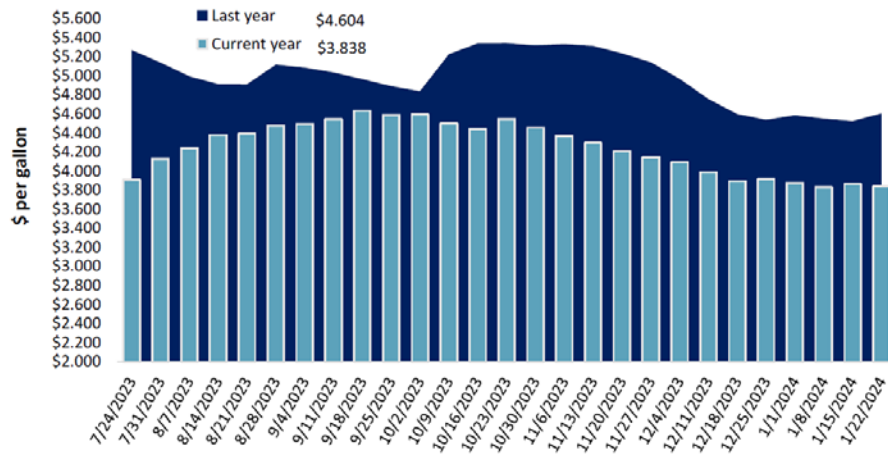
January 2024: \$0.35/mile, down 6 cents from last month's surcharge of \$0.41/mile; down 21 cents from the January 2023 surcharge of \$0.56/mile; and up 7 cents from the January prior 3-year average of \$0.28/mile.

Note: Weighted by each Class I railroad's proportion of grain traffic for the prior year.

Source: BNSF Railway, Canadian National Railway, CSX Transportation, Canadian Pacific Railway, Union Pacific Railroad, Kansas City Southern Railway, Norfolk Southern Corporation.

DIESEL FUEL PRICES

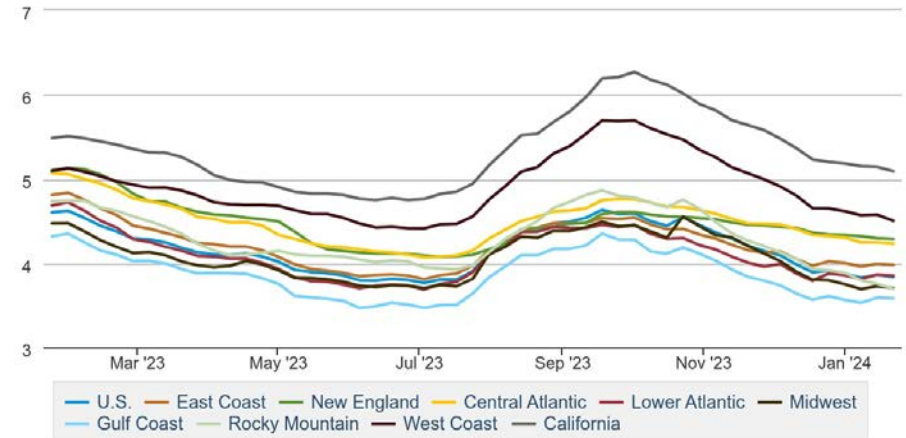
Figure 13. Weekly diesel fuel prices, U.S. average



Note: On June 13, 2022, the Energy Information Administration implemented a new methodology to estimate weekly on-highway diesel fuel prices.
Source: U.S. Department of Energy, Energy Information Administration.

On-Highway Diesel Fuel Prices

(dollars per gallon)



Data source: U.S. Energy Information Administration

Table 11. Retail on-highway diesel prices, week ending 1/22/2024 (U.S. \$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.979	-0.013	-0.831
	New England	4.288	-0.008	-0.816
	Central Atlantic	4.232	-0.017	-0.837
	Lower Atlantic	3.853	-0.012	-0.833
II	Midwest	3.704	-0.025	-0.769
III	Gulf Coast	3.584	-0.008	-0.736
IV	Rocky Mountain	3.696	-0.059	-1.040
V	West Coast	4.504	-0.072	-0.591
	West Coast less California	3.992	-0.091	-0.765
	California	5.092	-0.050	-0.392
Total	United States	3.838	-0.025	-0.766

Note: Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel. On June 13, 2022, the Energy Information Administration implemented a new methodology to estimate weekly on-highway diesel fuel prices.
Source: U.S. Department of Energy, Energy Information Administration.