



## Hammersmith Reports

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### WEEKLY USA GRAIN AND PROTEIN REPORT January 14, 2023

Monday is a holiday in the USA – Martin Luther Day – which helped to push prices higher on Friday since no one wants to be exposed on a long weekend.

The major push in prices was due to this week's somewhat bullish USDA WASDE report.

Corn prices finished the week about USD 8 m/t higher while soybeans were up by close to USD 10 m/t with US wheat much calmer only moving up by USD 3 to 4 m/t.

The WASDE report showed lower world production numbers for both corn and soybeans which certainly was the main mover for grains. Of course, with Argentina lowering its corn crop estimate this also helped push corn higher. However, there were some comments this week that corn prices may have moved too high recently and that a price pull back could be possible.

Argentina also lowered the production number of soybeans – down by 15% -- which added to the bullish market situation. Export numbers for soybeans continue to be very good, which helps to keep soybean prices firm. The US fully expects soybean exports to meet or exceed the USDA forecasts.

Wheat prices were said to be higher on WASDE projections for the lowest US wheat stocks in 15 years. However, higher US wheat plantings could keep wheat prices from moving higher. There is also a very large supply of wheat available in export markets from both Russia and Australia.

### **Estimated Bulk Grain Freight in USD per m/t, basis heavy grains.**

US Gulf to Europe: Panamax	\$27/28.00	Down \$2.00
US Gulf to Spain: Panamax m/t	\$27/28.00	Down \$2.00
US Gulf Israel: Panamax m/t	\$41/42.00	Down \$4.00
US Gulf to Egypt: Panamax	\$41/42.00	Down \$4.00
US Gulf Turkey: Panamax m/t	\$42/43.00	Down \$4.00
US Gulf Morocco: Handi	\$41/42.00	Down \$3.00
US Gulf Algeria/Tunisia: Handi	\$42/43.00	Down \$3.00
US Gulf Nigeria: 30,000 m/t	\$47/48.00	Steady
US Gulf other Med: Handi	\$44/45.00	Down \$3.00
US Gulf South Africa: Handi	\$41/42.00	Steady
US Gulf to India: Panamax	\$47/48.00	Steady
US Gulf to Philippines: Panamax	\$59/60.00	Down \$1.00
US Gulf Japan: Panamax	\$52/53.00	Down \$2.00
US Gulf China: Panamax	\$51/52.00	Down \$2.00
US PNW South Africa – 40,000 m/t	\$65/66.00	Steady
US PNW Egypt: Panamax	\$42/43.00	Down \$5.00
US PNW Philippines: Panamax	\$40/41.00	Steady
US PNW Japan: Panamax	\$28/29.00	Down \$3.00
US PNW China: Panamax	\$28/29.00	Down \$2.00

US East Coast Nigeria: Handisize	\$46/47.00	Steady
US Lakes – Europe – 30,000 m/t	Closed	Steady
US Lakes – Morocco – 30,000 m/t	Closed	Steady
France/Germany to Algeria: Handi	\$31/32.00	Steady
France/Germany to Bangladesh	\$83/84.00	Steady
France/Germany to China: Panamax	\$80/81.00	Steady
France/Germany to Egypt: Panamax	\$31/32.00	Steady
France/Germany to India: Panamax	\$65/66.00	Down \$5.00
France/Germany to Iran: Panamax	\$45/46.00	Steady
France/Germany to Jordan	\$37/38.00	Steady
France/Germany to Morocco: Handi	\$30/31.00	Steady
France/Germany to Saudi Arabia: Panamax	\$62/63.00	Steady
France/Germany to South Africa: Handi	\$46/47.00	Steady
France/Germany to Turkey: Handi	\$33/34.00	Steady
France/Germany to Yemen: Handi	\$63/64.00	Steady
Argentina to Algeria: Handi	\$60/61.00	Up \$1.00
Argentina to China: Panamax	\$43/44.00	Down \$2.00
Argentina to Japan: Panamax	\$44/45.00	Down \$2.00
Argentina to Egypt: Panamax	\$66/67.00	Up \$1.00
Argentina to Europe: Panamax	\$55/56.00	Up \$1.00
Argentina to Morocco: Handi	\$59/60.00	Up \$1.00
Argentina to Libya: Handi	\$62/63.00	Up \$1.00
Argentina to Jordan: Panamax	\$54/55.00	Steady
Argentina to Saudi Arabia: Panamax	\$65/66.00	Up \$1.00
Argentina to Iran: Panamax	\$61/62.00	Steady
Argentina to India: Panamax	\$62/63.00	Steady
Argentina to Bangladesh: Panamax	\$66/67.00	Steady
Argentina to Indonesia: Panamax	\$60/61.00	Steady
Argentina to South Africa: Panamax	\$34/35.00	Steady
Argentina to Kenya: Handi	\$53/54.00	Steady
Argentina to Spain: Panamax	\$55/56.00	Up \$1.00
Argentina to Tunisia: Handi	\$60/61.00	Up \$1.00
Brazil to Algeria/Tunisia: Handi	\$63/64.00	Up \$1.00
Brazil to China: Panamax	\$38/39.00	Down \$2.00
Brazil to Japan: Panamax	\$39/40.00	Down \$2.00
Brazil to South Korea: Panamax	\$49/50.00	Steady
Brazil to Europe: Panamax	\$56/57.00	Steady
Brazil to Morocco: Handi	\$62/63.00	Up \$1.00
Brazil to Iran: Panamax	\$61/62.00	Steady
Brazil to Bangladesh: Panamax	N/A	
Brazil to Saudi Arabia 30/40,000 m/t	\$74/75.00	Up \$1.00
Brazil to Spain: Panamax	\$56/57.00	Steady
Brazil to Turkey/Egypt: Panamax	\$70/71.00	Up \$1.00
Australia to Saudi: Panamax	\$40/41.00	Steady
Australia to Europe: Panamax	\$50/51.00	Down \$1.00
<b>Black Sea freight – Romania and Russia</b>		
Black Sea to China: Panamax	\$67/68.00	Steady

Black Sea to Indonesia: Panamax	\$60/61.00	Steady
Black Sea to Egypt: 40/50,000	\$26/27.00	Steady
Black Sea to Egypt: 30,000	\$28/29.00	Steady
Black Sea to Iran: Panamax	\$61/62.00	Steady
Black Sea to Europe: Panamax	\$30/31.00	Steady
Black Sea to Morocco – Handi	\$31/32.00	Steady
Black Sea to Tunisia/Algeria – Handi	\$30/31.00	Steady
Black Sea to Jordan: Panamax	\$39/40.00	Steady
Black Sea to Libya – Handi	\$32/33.00	Steady
Black Sea to Saudi: Panamax	\$62/63.00	Steady
Black Sea to Turkey – Handi	\$25/26.00	Down \$2.00
Black Sea to South Africa – Handi	\$57/58.00	Steady
Baltic Dry Index	946	Down 566
Baltic Capesize Index	1299	Up 169
Baltic Panamax Index	1069	Down 230
Baltic Supramax Index	686	Down 153
Baltic Handysize Index	500	Down 52
Global Container Index - Freightos	2238	Up 70

All shipments in bulk grain vessels unless stated otherwise.  
(NOLA is New Orleans, Louisiana, USA.)

FOB port or location specified. Prices in US\$, in metric tons:

ALL PRICES ARE FOR February 2023/April 2023

Wheat, USA Soft Red Winter, US Gulf	USD 325/327
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 380>>370 April
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 270/275
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 310/315
Wheat, Romania 12.5 pro	No info
Wheat, Superior, France, Rouen	USD 321/324
Wheat, milling, 12.0%, Argentina, Upriver	USD 350>>365 April
Wheat, feed, Black Sea	No info
Barley, France, Rouen port	USD 295/298
Barley, feed, Argentina, upriver	USD 350/355
Barley, feed, Black Sea, 30,000+	USD 275/280
Barley, feed, Australia	USD 275/280
Corn, 2YC FOB NOLA USA	USD 305>>295 April
Corn, 3YC FOB USA Pacific northwest	USD 330>>325 April
Corn, FOB Argentina port, upriver	USD 300/305
Corn, FOB Brazil port	USD 305>>300 April
Corn, FOB France – Atlantic	USD 320/323
Corn, FOB Romania	No info
Corn, FOB Russia	No info
Corn, FOB Ukraine, 30,000+ m/t	USD 260/265
Sorghum, FOB Argentina port	USD 280/285
Sorghum, FOB Texas	USD 365>>360 April

Soymeal, 48% protein, FOB NOLA	USD 590>>555 April
Soymeal, 48% protein, USA, Rotterdam	USD 625>>590 April
Soymeal, 47% pro, FOB Argentina	USD 595>>530 April
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 625/630
Soymeal, 48% protein, FOB Brazil	USD 575>>530 April
Soybeans, FOB NOLA	USD 610>>600 April
Soybeans, Argentina, FOB	USD 600>>575 April
Soybeans, Brazil, FOB	USD 590>>575 April
Soybeans, Black Sea	No prices
Corn Gluten Meal, USA FOB NOLA	USD 825/830 m/t
Corn Gluten Feed, USA FOB NOLA	USD 300/305 m/t
DDGS corn, 35 profat, USA FOB NOLA	USD 345>>330 m/t April

All corn byproduct FOB prices were a little lower this week due to lower logistics costs in the USA. Mississippi River barge rates dropped this week by close to USD 10 m/t as the river problems are improving. However, heavy snowfall in parts of the US may push prices higher in coming days – especially for container export shipments.

USA ethanol and DDGS production was up this week which should make prices a little weaker in March/April but the strength in soybean/soymeal prices and the rally in corn prices may mean that the future will be steady to higher for prices.

## SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

While the political situation in Peru is not very good these days, the fishmeal industry just keep chugging along but daily catch numbers are dropping off. Daily catch numbers in the north are now at or below 20,000 m/t per day --- much of the drop is due to fishing bans in some areas.

Total catch is now up to 1.57 million m/t which leaves 710,000 m/t available on the quota but only 19 days fishing left. To reach full quota the daily average catch is going to have to get up to close to 40,000 m/t but this does seem unlikely. If the catch finishes the month at the current daily level then close to 325,000 m/t of the quota may not be used.

New business is very slow as most producers do not want to book any further sales until they know about when their production will end and this all depends on the daily catch numbers.

Fishmeal prices will probably be steady to higher in the coming weeks.

## PERU "INDICATION" FISHMEAL PRICES:

### European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,235
Danish fishmeal	64% protein	1,780
Peru fishmeal	64% protein	1,775
Chile fishmeal	67% protein	1,805
Iceland fishmeal	70% protein	2,155

ALL PRICES SHOWN ARE IN CONTAINER, ON VESSEL, AT ORIGIN --- US DOLLARS  
Minimum shipment of 200 m/t for fishmeal

Specification	Price per m/t FOB Vessel Peru port	Price per m/t Chile port
67% protein standard steam	1640/1650 m/t	
67% protein 150 TVN	1670/1680 m/t	
67% protein 120 TVN	1720/1730 m/t	1710/1720
67% protein 1000 hist, 120 TVN	1770/1780 m/t	1760/1770
68% protein 500 hist, 100 TVN	1840/1850 m/t	1810/1820
Fish oil, crude bulk	4200/4300	3700/3800
Fish oil, crude drums	No prices	
Fish oil, flexi tank	No prices	
Fish oil, Omega 3: 28%EPA/DHA	4400/4500	

INFORMATION: gtee = guarantee, TVN = total volatile nitrogen, hist = histamine

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