



Hammersmith Reports

Representative Office :

3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

Phone : +33.6.8068.4564

Email : wbacon@hammersmith.biz

WWW : hammersmithltd.blogspot.com

WEEKLY USA GRAIN AND PROTEIN REPORT February 04, 2023

USA corn prices slipped a little lower this week – only a couple of dollars m/t – while soybeans and soymeal were very strong and US wheat showed a little strength. US soybeans were up by USD 8 or 9 m/t while soymeal jumped USD 20 to 25 m/t. Most US wheat prices were only a dollar or two m/t higher.

Soymeal prices are at the highest level seen in about 8 years, according to trade comments, and probably have room to go higher. Argentina's soybean crop is said to be in the blooming stage but is facing very high temperatures and very low rainfall – not all that good for much of the soybean region.

USA exporters reported new export sales of soybeans which helped to keep the soybean prices up. However, with Brazil soybeans on the way and being offered at about USD 20 to 30 m/t lower than US soybeans the US exports will soon slow.

Trade reports on Friday said that the next few months, up to about June, should be very good export months for US corn, as the USA will be the supplier with corn stocks and at competitive prices. Who knows, perhaps there might even be some business to the EU other than just Spain.

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

US Gulf to Europe: Panamax	\$26/27.00	Down \$1.00
US Gulf to Spain: Panamax m/t	\$26/27.00	Down \$1.00
US Gulf Israel: Panamax m/t	\$34/35.00	Down \$5.00
US Gulf to Egypt: Panamax	\$34/35.00	Down \$5.00
US Gulf Turkey: Panamax m/t	\$35/36.00	Down \$5.00
US Gulf Morocco: Handi	\$41/42.00	Steady
US Gulf Algeria/Tunisia: Handi	\$42/43.00	Steady
US Gulf Nigeria: 30,000 m/t	\$47/48.00	Steady
US Gulf other Med: Handi	\$44/45.00	Steady
US Gulf South Africa: Handi	\$41/42.00	Steady
US Gulf to India: Panamax	\$47/48.00	Steady
US Gulf to Philippines: Panamax	\$56/57.00	Steady
US Gulf Japan: Panamax	\$50/51.00	Down \$2.00
US Gulf China: Panamax	\$49/50.00	Down \$2.00
US PNW South Africa – 40,000 m/t	\$65/66.00	Steady
US PNW Egypt: Panamax	\$37/38.00	Down \$3.00
US PNW Philippines: Panamax	\$39/40.00	Steady
US PNW Japan: Panamax	\$28/29.00	Steady
US PNW China: Panamax	\$28/29.00	Steady
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	\$29/30.00	Down \$1.00
France/Germany to India: Panamax	\$54/55.00	Down \$2.00
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	\$63/64.00	Up \$1.00
Argentina to China: Panamax	\$42/43.00	Down \$1.00
Argentina to Japan: Panamax	\$43/44.00	Down \$1.00
Argentina to Egypt: Panamax	\$69/79.00	Up \$1.00
Argentina to Europe: Panamax	\$58/59.00	Up \$1.00
Argentina to Morocco: Handi	\$62/63.00	Up \$1.00
Argentina to Libya: Handi	\$64/65.00	Up \$1.00
Argentina to Jordan: Panamax	\$54/55.00	Steady
Argentina to Saudi Arabia: Panamax	\$60/61.00	Steady
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	\$45/46.00	Steady
Argentina to Spain: Panamax	\$58/59.00	Up \$1.00
Argentina to Tunisia: Handi	\$63/64.00	Up \$1.00
Brazil to Algeria/Tunisia: Handi	\$66/67.00	Up \$1.00
Brazil to China: Panamax	\$38/39.00	Steady
Brazil to Japan: Panamax	\$39/40.00	Steady
Brazil to South Korea: Panamax	\$49/50.00	Steady
Brazil to Europe: Panamax	\$59/60.00	Up \$1.00
Brazil to Morocco: Handi	\$65/66.00	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	\$75/76.00	Steady
Brazil to Spain: Panamax	\$59/60.00	Up \$1.00
Brazil to Turkey/Egypt: Panamax	\$73/74.00	Up \$1.00
Australia to Saudi: Panamax	\$40/41.00	Steady
Australia to Europe: Panamax	\$49/50.00	Down \$1.00
Black Sea freight – Romania and Russia		
Black Sea to China: Panamax	\$63/64.00	Down \$4.00
Black Sea to Indonesia: Panamax	\$61/62.00	Up \$1.00

Black Sea to Egypt: 40/50,000	\$23 Russia \$18 Romania	Steady
Black Sea to Egypt: 30,000	\$26 Russia \$21 Romania	Steady
Black Sea to Iran: Panamax	\$58/59.00	Down \$3.00
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	Steady
Black Sea to South Africa – Handi	\$57/58.00	Steady
Russia to Turkey – coaster 3,000 m/t	\$70.00	New
Russia to Egypt – coaster 3,000 m/t	\$100.00	New
Baltic Dry Index	621	Down 55
Baltic Capesize Index	429	Down 105
Baltic Panamax Index	940	Down 114
Baltic Supramax Index	682	Up 32
Baltic Handysize Index	436	Up 5
Global Container Index - Freightos	2062	Down 152

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 330>>318 June
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 389>>383 June
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 275/280
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 300/305
Wheat, Romania 12.5 pro	USD 300/305
Wheat, Superior, France, Rouen	USD 317/320
Wheat, milling, 12.0%, Argentina, Upriver	USD 340>>350 April
Wheat, feed, Black Sea	USD 265/270
Barley, France, Rouen port	USD 297/300
Barley, feed, Argentina, upriver	USD 345/350
Barley, feed, Black Sea, 30,000+	USD 275/280
Barley, feed, Australia	USD 280/285
Corn, 2YC FOB NOLA USA	USD 305>>295 June
Corn, 3YC FOB USA Pacific northwest	USD 330>>320 June
Corn, FOB Argentina port, upriver	USD 300>>275 June
Corn, FOB Brazil port	USD 310>>280 June
Corn, FOB France – Atlantic	USD 329/331
Corn, FOB Romania	USD 270/275
Corn, FOB Russia	USD 265/270

Corn, FOB Ukraine, 30,000+ m/t	USD 255/260
Sorghum, FOB Argentina port	USD 310/315
Sorghum, FOB Texas	USD 365/370
Soymeal, 48% protein, FOB NOLA	USD 615>>565 June
Soymeal, 48% protein, USA, Rotterdam	USD 650>>600 June
Soymeal, 47% pro, FOB Argentina	USD 590>>540 June
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 600/605
Soymeal, 48% protein, FOB Brazil	USD 570>>530 June
Soybeans, FOB NOLA	USD 605>>595 June
Soybeans, Argentina, FOB	USD 590>>580 June
Soybeans, Brazil, FOB	USD 595>>575 June
Soybeans, Black Sea	No prices
Corn Gluten Meal, USA FOB NOLA	USD 840/845 m/t
Corn Gluten Feed, USA FOB NOLA	USD 320/325 m/t
DDGS corn, 35 profat, USA FOB NOLA	USD 345>>330 m/t June

USA corn byproduct prices were all higher this week due mostly to strong domestic demand in the US. Of course, the higher move for soymeal prices also helped to move corn byproducts higher. The latest USDA corn crushing report shows lower DDGS production, so any demand increase is bound to push prices higher.

Corn gluten meal prices were higher too – much as one would expect for a 60% protein product when soymeal prices were up by at least USD 20 m/t.

There was quite a bit of interest from buyers in Egypt for both DDGS and CGM but the foreign exchange problems in Egypt still make sellers very wary of new Egypt business. Not much sense in shipping if you don't get paid for months or perhaps not at all.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Well, it looks like the northern Peru fishing season is over with the total catch at about 1.9 million m/t – leaving 283,000 m/t on the quota. All in all it wasn't too bad a fishing season with only January being a low catch month – exactly as had been expected.

Fishing in the south of Peru is moving along slowly with just 8,600 m/t landed so far but lots of time until the 337,000 m/t quota expires.

Business has not picked up yet following the end to Chinese new year but that will happen soon. Producers are looking to get higher prices for the little fishmeal that remains unsold. There has been some talk that producers are looking for about USD 30 m/t higher than the prices shown below.

Available stocks of super prime and prime fishmeal are very, very low so buyers will have to be happy with slightly lower grade product. MSI Ceres said this week that the best quality available now looks to be 66% protein prime. They added that quality levels are a little different with this season due to the very high juvenile levels and abnormally low oil/fat levels.

Also from MSI Ceres are the Peru fishmeal exports to Asia which shows quantities down by 187,000 m/t in 2022 to 919,400 m/t --- shipments to China dropped by 155,500 m/t. According to China fishmeal import numbers, total fishmeal imports were down by 22.1% but Peru still represents 48.8% of China's fishmeal imports. China's statistics show fishmeal imports from 22 countries.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,130
Danish fishmeal	64% protein	1,785
Peru fishmeal	64% protein	1,770
Chile fishmeal	67% protein	1,800
Iceland fishmeal	70% protein	2,090

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	1690/1700 m/t	
67% protein 120 TVN	1740/1750 m/t	1740/1750
67% protein 1000 hist, 120 TVN	1790/1800 m/t	1780/1790
68% protein 500 hist, 100 TVN	1840/1850 m/t	1820/1830
Fish oil, crude bulk	No prices	
Fish oil, crude drums	No prices	
Fish oil, flexi tank	No prices	
Fish oil, Omega 3: 28%EPA/DHA	No prices	

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

The information contained herein is based on sources that we believe to be dependable, but we do not represent that it is accurate or complete. Nothing contained herein should be considered as an offer to sell or a solicitation of an offer to buy. All references to prices are subject to change without notice. Any opinions expressed herein are solely those of the author.

Copyright © 2023 Wayne S. Bacon