



## Hammersmith Reports

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 March 18, 2023

Well what do you know --- a down week for soybeans and soymeal --- we haven't seen that too often lately. Soybeans dropped by as much as USD 15 mt while soymeal was down by just over USD 20 m/t. Trade reports say that it is the effect of the massive Brazil soybean harvest that has finally broken the price trend for beans and meal. On the other hand Argentina has reduced its estimate of soybean production once again so we may not see further price weakness for soybeans.

Old crop corn prices were higher on the week – up by about USD 4 to 6 m/t. The increase in corn prices is said to be due to the announced corn sale to China and to following along to the strong price rally in wheat --- after all both are great feed items.

The rally in wheat prices looks to be related to the lack of agreement on the Black Sea grain corridor. While it looks like the agreement will be extended, Russia wants only a 60 day extension which will just increase tensions in the grain markets. Ukraine and everyone else is pushing for 120 days. There were also trade comments that concerns about the US banking system have scared the market and caused some players to cover wheat shorts which helped to push things even higher.

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

US Gulf to Europe: Panamax	\$27.00	Up \$1.00
US Gulf to Spain: Panamax m/t	\$27.00	Up \$1.00
US Gulf Israel: Panamax m/t	\$34.00	Up \$1.00
US Gulf to Egypt: Panamax	\$34.00	Up \$1.00
US Gulf Turkey: Panamax m/t	\$35.00	Up \$1.00
US Gulf Morocco: Handi	\$37.00	Up \$1.00
US Gulf Algeria/Tunisia: Handi	\$38.00	Up \$1.00
US Gulf Nigeria: 30,000 m/t	\$45.00	Steady
US Gulf other Med: Handi	\$40.00	Up \$1.00
US Gulf South Africa: Handi	\$41.00	Steady
US Gulf to India: Panamax	\$47.00	Steady
US Gulf to Philippines: Panamax	\$52.00	Steady
US Gulf Japan: Panamax	\$54.00	Up \$1.00
US Gulf China: Panamax	\$53.00	Up \$1.00
US PNW South Africa – 40,000 m/t	\$65.00	Steady
US PNW Egypt: Panamax	\$34.00	Steady
US PNW Philippines: Panamax	\$39.00	Steady
US PNW Japan: Panamax	\$31.00	Up \$2.00
US PNW China: Panamax	\$30.00	Up \$1.00
US East Coast Nigeria: Handisize	\$45.00	Steady
US Lakes – Europe – 30,000 m/t	Closed	Steady
US Lakes – Morocco – 30,000 m/t	Closed	Steady

France/Germany to Algeria: Handi	\$31.00	Steady
France/Germany to Bangladesh	\$83.00	Steady
France/Germany to China: Panamax	\$80.00	Steady
France/Germany to Egypt: Panamax	\$24.00	Steady
France/Germany to India: Panamax	\$53.00	Steady
France/Germany to Iran: Panamax	\$45.00	Steady
France/Germany to Jordan	\$37.00	Steady
France/Germany to Morocco: Handi	\$30.00	Steady
France/Germany to Saudi Arabia: Panamax	\$62.00	Steady
France/Germany to South Africa: Handi	\$46.00	Steady
France/Germany to Turkey: Handi	\$33.00	Steady
France/Germany to Yemen: Handi	\$63.00	Steady
Argentina to Algeria: Handi	\$70.00	Steady
Argentina to China: Panamax	\$48.00	Up \$1.00
Argentina to Japan: Panamax	\$48.00	Steady
Argentina to Egypt: Panamax	\$73.00	Steady
Argentina to Europe: Panamax	\$62.00	Steady
Argentina to Morocco: Handi	\$69.00	Steady
Argentina to Libya: Handi	\$71.00	Steady
Argentina to Jordan: Panamax	\$55.00	Steady
Argentina to Saudi Arabia: Panamax	\$64.00	Steady
Argentina to Iran: Panamax	\$61.00	Steady
Argentina to India: Panamax	\$62.00	Steady
Argentina to Bangladesh: Panamax	\$66.00	Steady
Argentina to Indonesia: Panamax	\$60.00	Steady
Argentina to South Africa: Panamax	\$35.00	Steady
Argentina to Kenya: Handi	\$43.00	Up \$3.00
Argentina to Spain: Panamax	\$62.00	Steady
Argentina to Tunisia: Handi	\$70.00	Steady
Brazil to Algeria/Tunisia: Handi	\$70.00	Steady
Brazil to China: Panamax	\$43.00	Up \$1.00
Brazil to Japan: Panamax	\$44.00	Up \$1.00
Brazil to South Korea: Panamax	\$48.00	Steady
Brazil to Europe: Panamax	\$63.00	Steady
Brazil to Morocco: Handi	\$69.00	Steady
Brazil to Iran: Panamax	\$61.00	Down \$1.00
Brazil to Bangladesh: Panamax	N/A	
Brazil to Saudi Arabia 30/40,000 m/t	\$78.00	Steady
Brazil to Spain: Panamax	\$63.00	Steady
Brazil to Turkey/Egypt: Panamax	\$77.00	Steady
Australia to Saudi: Panamax	\$45.00	Up \$1.00
Australia to Europe: Panamax	\$55.00	Down \$1.00
<b>Black Sea freight – Romania and Russia</b>		
Black Sea to China: Panamax	Russia \$56 Ukraine \$61	
Black Sea to Indonesia: Panamax	\$60.00	
Black Sea to Bangladesh : Panamax	Russia \$47 Ukraine \$54	

Black Sea to Egypt: 40/50,000	\$18 Russia \$31 Ukraine	
Black Sea to Egypt: 30,000	\$20 Russia \$34 Ukraine	
Black Sea to Iran: Panamax	\$47 Russia \$65 Ukraine	
Black Sea to Europe: Panamax	\$32.00	
Black Sea to Morocco – Handi	\$31 Russia 36 Ukraine	
Black Sea to Tunisia/Algeria – Handi	\$30 Russia \$35 Ukraine	
Black Sea to Jordan: Panamax	\$37.00	
Black Sea to Libya – Handi	\$32.00	
Black Sea to Saudi: Panamax	\$60.00	
Black Sea to Turkey – Handi	\$17 Russia	Down \$1
Black Sea to South Africa – Handi	\$57.00	Steady
Russia to Turkey (Izmir)– coaster 3 to 5,000 m/t	\$64.00	Down \$3.00
Russia to Egypt – coaster 3 to 5,000 m/t	\$95.00	Down \$2.00
Baltic Dry Index	1535	Up 111
Baltic Capesize Index	1913	Up 169
Baltic Panamax Index	1723	Up 69
Baltic Supramax Index	1318	down 71
Baltic Handysize Index	694	Up 110
Global Container Index - Freightos	1463	Down 327

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 April 2023/June 2023

Wheat, USA Soft Red Winter, US Gulf	USD 301>>288 July
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 365>>355 July
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 255/265
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 270/280
Wheat, Romania 12.5 pro	USD 285/290
Wheat, Superior, France, Rouen	USD 290/293
Wheat, milling, 12.0%, Argentina, Upriver	USD 335/340
Wheat, feed, Black Sea	USD 255/260 July
Barley, France, Rouen port	USD 288/291
Barley, feed, Argentina, upriver	USD 320/325
Barley, feed, Black Sea, 30,000+	USD 265/270
Barley, feed, Australia	USD 275/280
Corn, 2YC FOB NOLA USA	USD 285>>280 July
Corn, 3YC FOB USA Pacific northwest	USD 305>>300 July
Corn, FOB Argentina port, upriver	USD 290>>260 July

Corn, FOB Brazil port	USD 290>>265 July
Corn, FOB France – Atlantic	USD 307/310
Corn, FOB Romania	USD 260/270
Corn, FOB Russia	USD 260/265
Corn, FOB Ukraine, 30,000+ m/t	USD 245/250
Sorghum, FOB Argentina port	USD 305/315
Sorghum, FOB Texas	USD 310/315
Soymeal, 48% protein, FOB NOLA	USD 565>>545 July
Soymeal, 48% protein, USA, Rotterdam	USD 595>>575 July
Soymeal, 47% pro, FOB Argentina	USD 540>>525 July
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 595/600
Soymeal, 48% protein, FOB Brazil	USD 565>>515 July
Soybeans, FOB NOLA	USD 580>>575 July
Soybeans, Argentina, FOB	USD 555<<570 July
Soybeans, Brazil, FOB	USD 540<<555 July
Soybeans, Black Sea	No prices
Corn Gluten Meal, USA FOB NOLA	USD 795/805
Corn Gluten Feed, USA FOB NOLA	USD 285/290
DDGS corn, 35 profat, USA FOB NOLA	USD 335>>330 July

Corn gluten meal export prices dropped a little this week as soymeal prices were weaker but both corn gluten feed and DDGS were steady to a little higher. However, DDGS export prices are looking a little higher in June and July – up by about USD 5 m/t.

The USD 20 m/t drop in soymeal prices this week has certainly helped weaken some prices or at least stopped any increases – not that increases were expected as the market has been in a trading range for weeks now.

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

Peru seems to have discovered a new storm this week to upset the fish – not that there is much fishing – a “yaku cyclone” has hit Peru with very high winds and steady rain. Luckily for Peru it is passing through not hanging around like an El Nino event does. However, the “Yaku” does seem to have raised water temperatures – at least for a short time.

According to MSI Ceres weekly report, fishmeal stocks in China re very good with new arrivals from Peru most days. Local sellers seem to be discounting the prices for “old stock” fishmeal by about USD 15 to 30 m/t. Advance prices in China for the next Peru fishing season are steady.

The IMARPE research cruise is chugging along merrily in Peru and there seems to be a question about Yaku caused costal mud slides and how they could affect the fish.

Trade estimates are that about 70,000 m/t of next fishing seasons fishmeal production has been sold.

## PERU “INDICATION” FISHMEAL PRICES:

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

Type	Protein %	Price per
------	-----------	-----------

		m/t USD
Herring fishmeal	72% protein	2,055
Danish fishmeal	64% protein	1,720
Peru fishmeal	64% protein	1,800
Chile fishmeal	67% protein	1,830
Iceland fishmeal	70% protein	2,035

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	1700/1710 m/t	
67% protein 150 TVN	1750/1760 m/t	
67% protein 120 TVN	1800/1810 m/t	1800/1810
67% protein 1000 hist, 120 TVN	1850/1860 m/t	1830/1840
68% protein 500 hist, 100 TVN	1900/1910 m/t	1900/1910
Fish oil, crude bulk	5100/5150	
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