



## Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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### WEEKLY USA GRAIN AND PROTEIN REPORT March 19, 2022

As was expected, we continued to have wide swings in prices all week but did finish the week with all prices down a little from last week. US corn prices were down by USD 6 to 8 m/t with US soybeans down by only about USD 3 m/t and soymeal prices just steady on the week. After racing miles higher recently, US wheat dropped back a little this week with soft winter wheat down by USD 10 to 13 m/t and hard winter down by USD 7 m/t or so.

Every major wheat buying country in the world seems to be tendering for wheat these days as they try to lock up some supply since Ukraine and Russia are out of the game. Ukraine because they can't ship and Russia because of restrictions on payments. India, Romania and France are said to be booking as much wheat business as they can while other countries have clamped their borders shut for the export of any grains and oilseeds (and many other products).

The situation for Ukraine grains is going to be long term due to export port damages and 2022 crop planting difficulties. World buyers will be hunting everywhere for corn/maize, wheat and barley supplies.

One other side effect to the Ukraine situation is that many governments are having to review the grain import rules so that purchases can be made from countries that could not meet existing import specifications --- things like GMO restrictions and pesticide/fertilizer residue levels are all being studied carefully.

It is going to be a different world market for grains and oilseed for the next couple of years – perhaps longer.

March 23 to March 29, **Russian export grain taxes** are at: wheat USD 86.40 m/t – up USD 0.10, barley USD 79.60 m/t – up USD 2.20 m/t and corn USD 53.20 m/t – down USD 0.90 m/t.

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

US Gulf to Europe: Panamax	\$30/31.00	Steady
US Gulf to Spain: Panamax m/t	\$30/31.00	Steady
US Gulf Israel: Panamax m/t	\$67/68.00	Down \$1.00
US Gulf to Egypt: Panamax	\$67/68.00	Down \$1.00
US Gulf Turkey: Panamax m/t	\$68/69.00	Down \$1.00
US Gulf Morocco: Handi	\$67/68.00	Down \$2.00
US Gulf Algeria/Tunisia: Handi	\$69/70.00	Down \$1.00
US Gulf Nigeria: 30,000 m/t	\$64/65.00	Down \$2.00
US Gulf other Med: Handi	\$71/72.00	Down \$1.00
US Gulf South Africa: Handi	\$60/61.00	Steady
US Gulf to India: Panamax	\$70/71.00	Steady
US Gulf to Philippines: Panamax	\$74/75.00	Steady
US Gulf Japan: Panamax	\$75/76.00	Down \$4.00



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US Gulf China: Panamax	\$74/75.00	Down \$4.00
US PNW South Africa – 40,000 m/t	\$65/66.00	Steady
US PNW Egypt: Panamax	\$67/68.00	Up \$6.00
US PNW Philippines: Panamax	\$54/55.00	Down \$2.00
US PNW Japan: Panamax	\$44/45.00	Steady
US PNW China: Panamax	\$43/44.00	Steady
US East Coast Nigeria: Handisize	\$62/63.00	Down \$2.00
US Lakes – Europe – 30,000 m/t	\$65/66.00	Ports closed
US Lakes – Morocco – 30,000 m/t	\$68/69.00	Ports closed
France/Germany to Algeria: Handi	\$28/29.00	Steady
France/Germany to Bangladesh: 35/45,000 m/t	\$66/67.00	Down \$1.00
France/Germany to China: Panamax	\$77/78.00	Up \$1.00
France/Germany to Egypt: Panamax	\$34/35.00	Steady
France/Germany to India: Panamax	\$65/66.00	Steady
France/Germany to Iran: Panamax	\$65/66.00	Steady
France/Germany to Jordan: 35/45,000 (4k dis)	\$55/56.00	Steady
France/Germany to Morocco: Handi	\$26/27.00	Steady
France/Germany to Saudi Arabia: Panamax	\$78/79.00	Up \$1.00
France/Germany to South Africa: Handi	\$45/46.00	Steady
France/Germany to Turkey: Handi	\$38/39.00	Steady
France/Germany to Yemen: Handi	\$63/64.00	Steady
Argentina to Algeria: Handi	\$60/61.00	Up \$1.00
Argentina to China: Panamax	\$71/72.00	Down \$4.00
Argentina to Japan: Panamax	\$70/71.00	Down \$4.00
Argentina to Egypt: Panamax	\$64/65.00	Up \$1.00
Argentina to Europe: Panamax	\$55/56.00	Up \$1.00
Argentina to Morocco: Handi	\$57/58.00	Up \$1.00
Argentina to Libya: Handi	\$61/62.00	Steady
Argentina to Jordan: Panamax	\$60/61.00	Steady
Argentina to Saudi Arabia: Panamax	\$85/86.00	Up \$1.00
Argentina to Iran: Panamax	\$66/67.00	Steady
Argentina to India: Panamax	\$64/65.00	Steady
Argentina to Bangladesh: Panamax	\$71/72.00	Steady
Argentina to Indonesia: Panamax	\$60/61.00	Steady
Argentina to South Africa: Panamax	\$33/34.00	Steady
Argentina to Kenya: Handi	\$55/56.00	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	\$62/63.00	Up \$2.00
Brazil to China: Panamax	\$63/64.00	Down \$4.00
Brazil to Japan: Panamax	\$62/63.00	Down \$4.00
Brazil to South Korea: Panamax	\$66/67.00	Steady
Brazil to Europe: Panamax	\$58/59.00	Up \$1.00
Brazil to Morocco: Handi	\$60/61.00	Up \$1.00
Brazil to Iran: Panamax	\$62/63.00	Steady
Brazil to Bangladesh: Panamax	\$68.69.00	Steady
Brazil to Saudi Arabia 30/40,000 m/t	\$85/86.00	Up \$1.00
Brazil to Spain: Panamax	\$58/59.00	Up \$1.00
Brazil to Turkey/Egypt: Panamax	\$71/72.00	Up \$1.00



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<b><u>All Black Sea freight costs are no longer available</u></b>		
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – (no Handysize included)	2605	Down 113
Baltic Capesize Index (100,000 plus DWT)	2605	Up 970
Baltic Panamax Index (60,000 to 80,000 DWT)	2874	Down 313
Baltic Supramax Index (45,000 to 60,000 DWT)	2922	Down 17
Baltic Handysize Index (25,000 plus DWT)	1662	Up 114
Global Container Index - @Freightos	9488	Down 289

FOB port or location specified. Prices in US\$, in metric tons:  
All shipments in bulk grain vessels unless stated otherwise.  
 (NOLA is New Orleans, Louisiana, USA.)

ALL PRICES ARE FOR April 2022/June 2022

Wheat, USA Soft Red Winter, US Gulf	USD 444>>426 July
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 474>>460 July
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 410>>343 July
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 420>>350 July
Wheat, Romania 12.5 pro	USD 436>>350 July
Wheat, Superior, France, Rouen	USD 419>>355 July
Wheat, milling, 12.0%, Argentina, Upriver	USD 405>>355 July
Wheat, feed, Black Sea	USD 400>>330 July
Barley, France, Rouen port	USD 410>>370 July
Barley, feed, Argentina, up river	USD 375>>305 July
Barley, feed, Black Sea, 30,000+	USD 345/350
Barley, feed, Australia	USD 335/345
Corn, 2YC FOB NOLA USA	USD 354>>335 July
Corn, 3YC FOB USA Pacific northwest	USD 365>>358 July
Corn, FOB Argentina port, upriver	USD 328>>305 July
Corn, FOB Brazil port	USD 370>>315 July
Corn, FOB France – Atlantic	USD 393>>372 July
Corn, FOB Romania	USD 395>>355 July
Corn, FOB Russia	No prices
Corn, FOB Ukraine, 30,000+ m/t	No prices
Sorghum, FOB Argentina port	USD 285/295
Sorghum, FOB Texas	USD 415>>401 July
Soymeal, 48% protein, FOB NOLA	USD 605>>585 July
Soymeal, 48% protein, USA, Rotterdam	USD 635>>615 July
Soymeal, Argentina, Rotterdam – spot	USD 615/625 Mar/Apr
Soymeal, 47% pro, FOB Argentina	USD 560>>550 July
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 620/625 Mar/Apr
Soymeal, 48% protein, FOB Brazil	USD 570>>545 July



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Soybeans, FOB NOLA	USD 675>>665 July
Soybeans, Argentina, FOB	USD 680>>670 July
Soybeans, Brazil, FOB	USD 680>>671 July
Soybeans, Black Sea	No prices
Corn Gluten Meal, USA FOB NOLA	USD 850>>860 m/t July
Corn Gluten Feed, USA FOB NOLA	USD 365>>350 m/t July
DDGS corn, 35 profat, USA FOB NOLA	USD 405>>385 m/t July

This week it has been almost impossible to book any corn gluten meal or DDGS in containers for export. Domestic USA business has been very strong which is pulling product away from export markets and any export price indications that you do see tend to be sky-high.

Higher vessel fuel prices are also pushing container freight higher and container availability remains a problem. Of course, container lines, due to cleaning costs and delays, would much rather ship anything other than bulk agricultural products in their limited number of containers.

All corn by product prices are steady to higher this week with no one expecting lower prices in the near term.

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

There were no fish catches reported in the South of Peru this week due to a 15 day fishing ban. Everyone is still looking for the next Northern fishing season to begin in late April or perhaps early May.

Prices for the next season moved higher this week with reports that about 200,000 m/t of the next season's fishmeal production has been sold. At least one trade report had prices higher than my list below by about USD 25 m/t. According to MSI Ceres part of the upward pressure was due to the expectation that container rates will increase by about USD 20 to 25 m/t --- that would put freight to China at USD 120/125 m/t.

Rumors say that the IMARPE research cruise is showing good biomass levels, so everyone is looking forward to a generous fishing quota for the next season.

About the only concern this week regarding fishmeal is the deteriorating COVID situation in China that could affect demand later in 2022 but it is too soon to know if there will be an affect.

## PERU "INDICATION" FISHMEAL PRICES:

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

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,910
Danish fishmeal	64% protein	1,510
Peru fishmeal	64% protein	1,705
Chile fishmeal	67% protein	1,745
Iceland fishmeal	70% protein	1,915



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

<u>Specification</u>	<u>Price per m/t FOB vessel Peru port</u>	<u>Price per m/t Chile port</u>
	New season prices	
65% protein standard steam	1600/1620 m/t	
67% protein 150 TVN	1650/1670 m/t	
67% protein 120 TVN	1700/1720 m/t	1720/1740
67% protein 1000 hist, 120 TVN	1750/1770 m/t	1770/1790
68% protein 500 hist, 100 TVN	1800/1820 m/t	1800/1820
Fish oil, crude bulk	3200/3250	
Fish oil, crude drums	3300/3350	
Fish oil, flexi tank	3400/3450	
Fish oil, Omega 3: 28%EPA/DHA	3200/3300	

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

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