



Hammersmith Reports

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WEEKLY USA GRAIN AND PROTEIN REPORT April 08, 2023

This weekend we have Easter, Passover and Ramadan religious days all coming together which tends to cause some price excitement in grain and oilseed markets. No buyer/seller wants to be uncovered over a long weekend that is 4 or 5 days in some countries and 3 days in others.

Looking at USA prices overall it was a down week for everything with much of the drop coming on Thursday as the US headed into the long weekend with markets closed on Friday. Corn prices were down by about USD 7 m/t on the week with soybeans down by about USD 5 m/t and soymeal down by close to USD 13 m/t. All US wheat was lower too with winter wheat down by about USD 6 m/t and spring wheat down by close to USD 9 m/t.

The market seemed to be surprised by the drop in US hard red winter wheat as the growing conditions are still not good with rainfall badly needed so next week may be a stronger week for HRW prices. In general, wheat prices seem to be following lower Black Sea wheat prices which have been going lower led by Russia.

Corn prices are said to be lower on weather forecasts for drier and warmer weather which will allow farmers to get out and get planting. Corn export sales have not been all that great which also helps move prices lower.

Soybean prices were also lower on the improving planting weather and, like corn, soybean exports for the week were down, although shipments for the year are ahead of forecasts. Soybeans are also facing strong competition from the Brazil crop, especially with Brazil forecasting 21% higher soybean exports. There was a comment in trade reports that USA soybean ending stocks may be lower than expected which could put upward pressure on soybean and soymeal prices.

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

US Gulf to Europe: Panamax	\$28.00	Up \$1.00
US Gulf to Spain: Panamax m/t	\$28.00	Up \$1.00
US Gulf Israel: Panamax m/t	\$33.00	Up \$1.00
US Gulf to Egypt: Panamax	\$33.00	Up \$1.00
US Gulf Turkey: Panamax m/t	\$34.00	Up \$1.00
US Gulf Morocco: Handi	\$36.00	Up \$1.00
US Gulf Algeria/Tunisia: Handi	\$37.00	Up \$1.00
US Gulf Nigeria: 30,000 m/t	\$45.00	Steady
US Gulf other Med: Handi	\$39.00	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	\$56.00	Up \$4.00

US Gulf China: Panamax	\$56.00	Up \$4.00
US PNW South Africa – 40,000 m/t	\$65.00	Steady
US PNW Egypt: Panamax	\$33.00	Steady
US PNW Philippines: Panamax	\$39.00	Steady
US PNW Japan: Panamax	\$30.00	Up \$1.00
US PNW China: Panamax	\$30.00	Up \$1.00
US East Coast Nigeria: Handisize	\$45.00	Steady
US Lakes – Europe – 30,000 m/t	\$53.00	Steady
US Lakes – Morocco – 30,000 m/t	\$62.00	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
There are some major adjustments to freight rates from Argentina and Brazil this week based upon new freight estimates published in several trade sources.		
Argentina to Algeria: Handi	\$49.00	Adjusted
Argentina to China: Panamax	\$53.00	Up \$5.00
Argentina to Japan: Panamax	\$52.00	Up \$5.00
Argentina to Egypt: Panamax	\$54.00	Adjusted
Argentina to Europe: Panamax	\$40.00	Adjusted
Argentina to Morocco: Handi	\$48.00	Adjusted
Argentina to Libya: Handi	\$51.00	Adjusted
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	Steady
Argentina to Spain: Panamax	\$40.00	Adjusted
Argentina to Tunisia: Handi	\$49.00	Adjusted
Brazil to Algeria/Tunisia: Handi	\$50.00	Adjusted
Brazil to China: Panamax	\$48.00	Up \$6.00
Brazil to Japan: Panamax	\$49.00	Up \$6.00
Brazil to South Korea: Panamax	\$48.00	Steady
Brazil to Europe: Panamax	\$40.00	Adjusted
Brazil to Morocco: Handi	\$49.00	Adjusted
Brazil to Iran: Panamax	\$61.00	Steady
Brazil to Bangladesh: Panamax	N/A	

Brazil to Saudi Arabia 30/40,000 m/t	\$62.00	Adjusted
Brazil to Spain: Panamax	\$40.00	Adjusted
Brazil to Turkey/Egypt: Panamax	\$60.00	Adjusted
Australia to Saudi: Panamax	\$49.00	Up \$2.00
Australia to Europe: Panamax	\$59.00	Up \$1.00
Black Sea freight – Romania and Russia		
Black Sea to China: Panamax	Russia \$61 Ukraine \$65	
Black Sea to Indonesia: Panamax	Russia \$57 Ukraine \$62	
Black Sea to Bangladesh : Panamax	Russia \$50 Ukraine \$56	
Black Sea to Egypt: 40/50,000	\$21 Russia \$25 Ukraine	
Black Sea to Egypt: 30,000	\$22 Russia \$34 Ukraine	
Black Sea to Iran: Panamax	\$55 Russia \$60 Ukraine	
Black Sea to Europe: Panamax	\$29 Russia \$32 Ukraine	
Black Sea to Morocco – Handi	\$33 Russia \$37 Ukraine	
Black Sea to Tunisia/Algeria – Handi	\$32 Russia \$36 Ukraine	
Black Sea to Jordan: Panamax	\$37.00	Steady
Black Sea to Libya – Handi	\$32.00	Steady
Black Sea to Saudi: Panamax	\$62 Russia \$67 Ukraine	
Black Sea to Turkey – Handi	\$20 Russia \$33 Ukraine	
Black Sea to South Africa – Handi	\$57.00	Steady
Russia to Turkey (Izmir)– coaster 3 to 5,000 m/t	\$53.00	Steady
Russia to Egypt – coaster 3 to 5,000 m/t	\$85.00	Steady
Baltic Dry Index	1560	Up 171
Baltic Capesize Index	2041	Up 376
Baltic Panamax Index	1851	Up 216
Baltic Supramax Index	1161	Down 37
Baltic Handysize Index	643	Down 44
Global Container Index - Freightos	1416	Down 65

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 285>>280 Aug
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 382>>370 Aug
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 260>>250 Aug
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 275>>265 Aug
Wheat, Romania 12.5 pro	USD 280>>270 Aug
Wheat, Superior, France, Rouen	USD 285>>280 Aug
Wheat, milling, 12.0%, Argentina, Upriver	USD 330/335
Wheat, feed, Black Sea	USD 255>>250 Aug
Barley, France, Rouen port	USD 275/278
Barley, feed, Argentina, upriver	USD 285/290
Barley, feed, Black Sea, 30,000+	USD 245/250
Barley, feed, Australia	USD 265/270
Corn, 2YC FOB NOLA USA	USD 297>>269 Aug
Corn, 3YC FOB USA Pacific northwest	USD 319>>293 Aug
Corn, FOB Argentina port, upriver	USD 275>>245 Aug
Corn, FOB Brazil port	USD 285>>250 Aug
Corn, FOB France – Atlantic	USD 275/278
Corn, FOB Romania	USD 265/270
Corn, FOB Russia	USD 265/270
Corn, FOB Ukraine, 30,000+ m/t	USD 250/260
Sorghum, FOB Argentina port	USD 300/310
Sorghum, FOB Texas	USD 345>>334 July
Soymeal, 48% protein, FOB NOLA	USD 530>>525 Aug
Soymeal, 48% protein, USA, Rotterdam	USD 560>>550 Aug
Soymeal, 47% pro, FOB Argentina	USD 505>>500 Aug
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 525/530
Soymeal, 48% protein, FOB Brazil	USD 480>>460 Aug
Soybeans, FOB NOLA	USD 585>>560 Aug
Soybeans, Argentina, FOB	USD 570<<590 Aug
Soybeans, Brazil, FOB	USD 505<<530 Aug
Soybeans, Black Sea	USD 480/485 Ukraine
Corn Gluten Meal, USA FOB NOLA	USD 770/775
Corn Gluten Feed, USA FOB NOLA	USD 270/280
DDGS corn, 35 profat, USA FOB NOLA	USD 340>>325 July

Weakness in corn and soymeal prices has helped to move most corn byproduct prices lower. Corn gluten meal and corn gluten feed were both down by about USD 30 m/t this week which should get some strong export interest from buyers.

DDGS nearby prices were higher due to some supply problems in the US but looking out a little further the DDGS prices were steady – perhaps we will see some DDGS price weakness this week.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Still waiting to hear what the next fishing quota will be --- trader estimates range from 1.8 million m/t to as high as 2.8 mm/t. Looking at some numbers from MSI CERES, the quota has been up around 2.8 mm/t several times in the past 10 years, but the actual catch has only reached or exceeded 2.8 mm/t once back in 2015 when the catch reached 3.2 mm/t. It looks like, on average, the catch for the season could be around 2.4 mm/t maximum, no matter what the quota is set at. Of course, this is all just based on averages over 10 years.

The trade seems to feel that fishing will start this coming week but as we are in the Easter holidays there have been no announcements on quotas and dates. Everything may just happen on Monday when Peru is back to work.

Still no business being done in Peru fishmeal, but I do see that prices in Europe have moved higher. Could they be expecting a low quota and higher prices?

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,085
Danish fishmeal	64% protein	1,750
Peru fishmeal	64% protein	1,815
Chile fishmeal	67% protein	1,845
Iceland fishmeal	70% protein	2,065

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
65% 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	4300/4400	
Fish oil, crude drums	No prices	
Fish oil, flexi tank	No prices	
Fish oil, Omega 3: 28%EPA/DHA	5800/5900	

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

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