



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 May 06, 2023

It looks like much of the market prices activity this week was once again driven by whatever was happening in the Black Sea. Prices rallied and dipped on every news story with most grains finishing the week higher.

USA corn prices were up by about USD 5 m/t with soybeans up by USD 6 to 9 m/t and US hard red winter wheat up by USD 20 m/t and spring wheat up by USD 12 m/t. Soymeal ended the week down by about USD 7 m/t.

On the weather side, the US will see more rain in the corn belt with a good chunk of needed rainfall over the next couple of weeks.

All reports this week said that wheat prices were pushed higher by the uncertainty about the Black Sea grain corridor with the current agreement coming to an end on May18 with lots of strong talk from Russia ahead of new negotiations .

The rally by soybeans is said to be due to an "oversold" position that pushed prices too low and got buyer back into the market. There is also a feeling that the US will not lose market share to Brazilian soybeans --- while Brazil prices are lower deliver is said to be troublesome out of Brazil, as normally is the situation at harvest every year.

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

US Gulf to Europe: Panamax	\$30.00	Up \$1.00
US Gulf to Spain: Panamax m/t	\$30.00	Up \$1.00
US Gulf Israel: Panamax m/t	\$30.00	Down \$1.00
US Gulf to Egypt: Panamax	\$30.00	Down \$1.00
US Gulf Turkey: Panamax m/t	\$31.00	Down \$1.00
US Gulf Morocco: Handi	\$34.00	Down \$1.00
US Gulf Algeria/Tunisia: Handi	\$35.00	Down \$1.00
US Gulf Nigeria: 30,000 m/t	\$44.00	Down \$1.00
US Gulf other Med: Handi	\$37.00	Down \$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	\$53.00	Down \$2.00
US Gulf China: Panamax	\$53.00	Down \$1.00
US PNW South Africa – 40,000 m/t	\$65.00	Steady
US PNW Egypt: Panamax	\$31.00	Down \$1.00
US PNW Philippines: Panamax	\$39.00	Steady
US PNW Japan: Panamax	\$30.00	Steady
US PNW China: Panamax	\$30.00	Steady

US East Coast Nigeria: Handysize	\$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	\$30.00	Steady
France/Germany to Bangladesh	\$82.00	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	\$29.00	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	\$53.00	Up \$4.00
Argentina to China: Panamax	\$48.00	Down \$1.00
Argentina to Japan: Panamax	\$48.00	Steady
Argentina to Egypt: Panamax	\$56.00	Up \$3.00
Argentina to Europe: Panamax	\$42.00	Up \$3.00
Argentina to Morocco: Handi	\$52.00	Up \$4.00
Argentina to Libya: Handi	\$54.00	Up \$3.00
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	\$42.00	Up \$3.00
Argentina to Tunisia: Handi	\$53.00	Up \$4.00
Brazil to Algeria/Tunisia: Handi	\$53.00	Up \$3.00
Brazil to China: Panamax	\$43.00	Down \$3.00
Brazil to Japan: Panamax	\$44.00	Down \$3.00
Brazil to South Korea: Panamax	\$48.00	Steady
Brazil to Europe: Panamax	\$42.00	Up \$3.00
Brazil to Morocco: Handi	\$52.00	Up \$3.00
Brazil to Iran: Panamax	\$61.00	Steady
Brazil to Bangladesh: Panamax	N/A	Steady
Brazil to Saudi Arabia 30/40,000 m/t	\$65.00	Up \$3.00
Brazil to Spain: Panamax	\$42.00	Up \$3.00
Brazil to Turkey/Egypt: Panamax	\$63.00	Up \$4.00
Australia to Saudi: Panamax	\$54.00	Up \$1.00
Australia to Europe: Panamax	\$62.00	Up \$1.00
Black Sea freight		

Black Sea to China: Panamax	Russia \$60 Ukraine \$70	
Black Sea to Indonesia: Panamax	Russia \$59 Ukraine \$64	
Black Sea to Bangladesh : Panamax	Russia \$52 Ukraine \$60	
Black Sea to Egypt: 40/50,000	\$27 Russia \$32 Ukraine	
Black Sea to Egypt: 30,000	\$21 Russia \$42 Ukraine	
Black Sea to Iran: Panamax	\$53 Russia \$65 Ukraine	
Black Sea to Europe: Panamax	\$29 Russia \$32 Ukraine	
Black Sea to Morocco – Handi	\$32 Russia \$49 Ukraine	
Black Sea to Tunisia/Algeria – Handi	\$30 Russia \$49 Ukraine	
Black Sea to Jordan: Panamax	\$37.00	Steady
Black Sea to Libya – Handi	\$34.00	Steady
Black Sea to Saudi: Panamax	\$50 Russia \$55 Ukraine	
Black Sea to Turkey – Handi	\$20 Russia \$41 Ukraine	
Black Sea to South Africa – Handi	\$57.00	Steady
Russia to Turkey (Izmir)– coaster 3 to 5,000 m/t	\$41.00	Down \$1.00
Russia to Egypt – coaster 3 to 5,000 m/t	\$76.00	Down \$4.00
Baltic Dry Index	1558	Down 18
Baltic Capesize Index	2384	Up 83
Baltic Panamax Index	1501	Down 85
Baltic Supramax Index	1096	Down 69
Baltic Handysize Index	645	Down 18
Global Container Index - Freightos	1497	Down 102

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 June 2023/August 2023

Wheat, USA Soft Red Winter, US Gulf	USD 270>>265 Aug
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 365>>360 Aug
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 235/240
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 255/260
Wheat, Romania 12.5 pro	USD 260/265
Wheat, Superior, France, Rouen	USD 267/270
Wheat, milling, 12.0%, Argentina, Upriver	USD 325/330
Wheat, feed, Black Sea	USD 230/235

Barley, France, Rouen port	USD 250/253
Barley, feed, Argentina, upriver	USD 240/245
Barley, feed, Black Sea, 30,000+	USD 240/245
Barley, feed, Australia	USD 255/260
Corn, 2YC FOB NOLA USA	USD 270>>250 Aug
Corn, 3YC FOB USA Pacific northwest	USD 295>>275 Aug
Corn, FOB Argentina port, upriver	USD 245>>210 Aug
Corn, FOB Brazil port	USD 245>>225 Aug
Corn, FOB France – Atlantic	USD 273/276
Corn, FOB Romania	USD 235/240
Corn, FOB Russia	USD 235/240
Corn, FOB Ukraine, 30,000+ m/t	USD 225/230
Sorghum, FOB Argentina port	USD 280/290
Sorghum, FOB Texas	USD 325>>300 Aug
Soymeal, 48% protein, FOB NOLA	USD 495/500
Soymeal, 48% protein, USA, Rotterdam	USD 525/530
Soymeal, 47% pro, FOB Argentina	USD 480>>475 Aug
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 510/515
Soymeal, 48% protein, FOB Brazil	USD 475>>470 Aug
Soybeans, FOB NOLA	USD 565>>545 Aug
Soybeans, Argentina, FOB	USD 535<<550 Aug
Soybeans, Brazil, FOB	USD 490<<505 Aug
Soybeans, Black Sea	USD 480/485 Ukraine
Corn Gluten Meal, USA FOB NOLA	No prices
Corn Gluten Feed, USA FOB NOLA	No prices
DDGS corn, 35 profat, USA FOB NOLA	No prices

Sorry but no reliable prices for corn byproducts available this week as info from suppliers/exporters had a very, very wide spread in prices. However, this week's US Grains Council report says that export DDGS prices were down by close to USD 30 m/t this week --- that is a very significant drop in the prices by the USGC, if correct.

It is certain the prices for all corn byproducts are a little lower on the week but in some cases, there is as much as a USD 50 m/t spread between suppliers for corn gluten meal and USD 25 m/t for DDGS.

We will have to see what the coming week brings and if prices calm down a little so a decent export price can be determined.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

A little more fishing in the south of Peru again this week, about 4,700 m/t which brings the total catch up to 17,900 m/t and leaves 320,000 m/t on the quota.

No word yet about the north/central quota but the latest info from IMARPE is that the latest juvenile fish level is up at about 82% and that spawning has dropped off a little. IMARPE has said that there will be another research cruise in May. So, it looks like we will not have any fishing starting until late May at the earliest but perhaps it will be early June. No quota announcement expected for 2 to 3 weeks.

According to the MSI Ceres comments from the IFFO conference in Madrid super prime fishmeal and fishily prices are being pushed quite a bit higher as demand looks to be very strong. Speculation on the new quota ranges from a low of 800,000 m/t to a high of 1.2 mm/t.

Peru fishmeal exports to the end of March reached 356,000 m/t with 300,000 m/t going to China --- 90% of all fishmeal shipments from Peru went to Asia.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,065
Danish fishmeal	64% protein	1,800
Peru fishmeal	64% protein	2,005
Chile fishmeal	67% protein	2,015
Iceland fishmeal	70% protein	2,000

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	1800/1810 m/t	
67% protein 150 TVN	1850/1860 m/t	
67% protein 120 TVN	1900/1910 m/t	1800/1810
67% protein 1000 hist, 120 TVN	1950/1960 m/t	1850/1860
68% protein 500 hist, 100 TVN	2000/2010 m/t	1890/1900
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	5800/5900	

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