



Hammersmith Reports

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WEEKLY USA GRAIN AND PROTEIN REPORT May 13, 2023

This week was WASDE week once again and Friday's post-report pricing activity had soybeans dropping by USD 8-10 m/t while new crop corn didn't do much and US winter wheat moved higher by about USD 11 m/t.

Prior to the WASDE corn prices had been down by about USD 7 m/t while soybeans were down by USD 11.

The WASDE showed soybean production at record levels which is what pushed prices lower. Corn production was also seen as higher in the report but higher consumption for ethanol and grater corn exports made the Friday corn market more bullish than bearish. The WASDE report sees corn prices dropping by about 27% with soybean prices down by close to 15%.

Wheat prices were up/down depending on the type of US wheat with soft red winter wheat lower on the week but up a little after the report while hard red winter wheat moved higher by close to USD 11 m/t. US spring wheat too was a little higher on the week. Lower forecasted wheat yields in the WASDE was what pushed most wheat prices higher --- even with lower projected exports. The WASDE also sees wheat prices as dropping by about 10%.

And in the Black Sea, the negotiations on the renewal of the Black Sea Grain Corridor continue but most pundits seem to feel the extension will only be for another 60 days --- not long enough to give any certainty to grain markets.

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

US Gulf to Europe: Panamax	\$30.00	Steady	x
US Gulf to Spain: Panamax m/t	\$30.00	Steady	X
US Gulf Israel: Panamax m/t	\$30.00	Steady	x
US Gulf to Egypt: Panamax	\$30.00	Steady	X
US Gulf Turkey: Panamax m/t	\$31.00	Steady	X
US Gulf Morocco: Handi	\$33.00	Down \$1.00	X
US Gulf Algeria/Tunisia: Handi	\$34.00	Down \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$44.00	Steady	X
US Gulf other Med: Handi	\$36.00	Down \$1.00	X
US Gulf South Africa: Handi	\$41.00	Steady	x
US Gulf to India: Panamax	\$47.00	Steady	X
US Gulf to Philippines: Panamax	\$52.00	Steady	X
US Gulf Japan: Panamax	\$51.00	Down \$2.00	X
US Gulf China: Panamax	\$50.00	Down \$3.00	X
US PNW South Africa – 40,000 m/t	\$65.00	Steady	X

US PNW Egypt: Panamax	\$31.00	Steady	X
US PNW Philippines: Panamax	\$39.00	Steady	X
US PNW Japan: Panamax	\$29.00	Down \$1.00	X
US PNW China: Panamax	\$28.00	Down \$1.00	X
US East Coast Nigeria: Handisize	\$45.00	Steady	X
US Lakes – Europe – 30,000 m/t	\$51.00	Down \$2.00	X
US Lakes – Morocco – 30,000 m/t	\$60.00	Down \$2.00	X
France/Germany to Algeria: Handi	\$30.00	Steady	X
France/Germany to Bangladesh	\$82.00	Steady	X
France/Germany to China: Panamax	\$80.00	Steady	X
France/Germany to Egypt: Panamax	\$24.00	Steady	X
France/Germany to India: Panamax	\$53.00	Steady	X
France/Germany to Iran: Panamax	\$45.00	Steady	X
France/Germany to Jordan	\$37.00	Steady	x
France/Germany to Morocco: Handi	\$29.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$62.00	Steady	X
France/Germany to South Africa: Handi	\$46.00	Steady	X
France/Germany to Turkey: Handi	\$33.00	Steady	x
France/Germany to Yemen: Handi	\$63.00	Steady	x
Argentina to Algeria: Handi	\$53.00	Steady	X
Argentina to China: Panamax	\$47.00	Down \$1.00	X
Argentina to Japan: Panamax	\$47.00	Down \$1.00	X
Argentina to Egypt: Panamax	\$56.00	Steady	X
Argentina to Europe: Panamax	\$42.00	Steady	X
Argentina to Morocco: Handi	\$52.00	Steady	X
Argentina to Libya: Handi	\$54.00	Steady	X
Argentina to Jordan: Panamax	\$55.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$64.00	Steady	x
Argentina to Iran: Panamax	\$61.00	Steady	X
Argentina to India: Panamax	\$62.00	Steady	x
Argentina to Bangladesh: Panamax	\$66.00	Steady	x
Argentina to Indonesia: Panamax	\$60.00	Steady	x
Argentina to South Africa: Panamax	\$35.00	Steady	X
Argentina to Kenya: Handi	\$49.00	Adjusted	X
Argentina to Spain: Panamax	\$42.00	Steady	x
Argentina to Tunisia: Handi	\$53.00	Steady	x
Brazil to Algeria/Tunisia: Handi	\$53.00	Steady	X
Brazil to China: Panamax	\$42.00	Down \$1.00	X
Brazil to Japan: Panamax	\$43.00	Down \$1.00	X
Brazil to South Korea: Panamax	\$48.00	Steady	X
Brazil to Europe: Panamax	\$42.00	Steady	X
Brazil to Morocco: Handi	\$52.00	Steady	X
Brazil to Iran: Panamax	\$61.00	Steady	X
Brazil to Bangladesh: Panamax	N/A	Steady	
Brazil to Saudi Arabia 30/40,000 m/t	\$65.00	Steady	X
Brazil to Spain: Panamax	\$42.00	Steady	X
Brazil to Turkey/Egypt: Panamax	\$63.00	Steady	X
Australia to Saudi: Panamax	\$54.00	Steady	X
Australia to Europe: Panamax	\$63.00	Up \$1.00	X

Black Sea freight			
Black Sea to China: Panamax	Russia \$60 Ukraine \$64		X
Black Sea to Indonesia: Panamax	Russia \$59 Ukraine \$70		X
Black Sea to Bangladesh : Panamax	Russia \$52 Ukraine \$60		X
Black Sea to Egypt: 40/50,000	\$27 Russia \$29 Ukraine		X
Black Sea to Egypt: 30,000	\$21 Russia \$39 Ukraine		X
Black Sea to Iran: Panamax	\$53 Russia \$63 Ukraine		x
Black Sea to Europe: Panamax	\$29 Russia \$32 Ukraine		x
Black Sea to Morocco – Handi	\$31 Russia \$49 Ukraine		x
Black Sea to Tunisia/Algeria – Handi	\$30 Russia \$48 Ukraine		x
Black Sea to Jordan: Panamax	\$37 Russia \$53 Ukraine		X
Black Sea to Libya – Handi	\$34.00		X
Black Sea to Saudi: Panamax	\$50 Russia \$55 Ukraine		X
Black Sea to Turkey – Handi	\$20 Russia \$27 Ukraine		X
Black Sea to South Africa – Handi	\$57.00		x
Russia to Turkey (Izmir)– coaster 3 to 5,000 m/t	\$41.00	Steady	X
Russia to Egypt – coaster 3 to 5,000 m/t	\$76.00	Steady	X
Baltic Dry Index	1558	No change	X
Baltic Capesize Index	2456	Up 72	X
Baltic Panamax Index	1402	Down 99	X
Baltic Supramax Index	1105	Up 9	X
Baltic Handysize Index	632	Down 13	X
Global Container Index - Freightos	1437	Down 60	x

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 258/261	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 365/368	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 240>>230 Aug	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 255>>250 Aug	X

Wheat, Romania 12.5 pro	USD 260>>255 Aug	X
Wheat, Superior, France, Rouen	USD 257/260	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 325/330	X
Wheat, feed, Black Sea	USD 230/235	X
Barley, France, Rouen port	USD 261/264	X
Barley, feed, Argentina, upriver	USD 245/250	X
Barley, feed, Black Sea, 30,000+	USD 240/245	X
Barley, feed, Australia	USD 245/250	X
Corn, 2YC FOB NOLA USA	USD 265>>220 Aug	X
Corn, 3YC FOB USA Pacific northwest	USD 290>>260 Aug	X
Corn, FOB Argentina port, upriver	USD 235>>205 Aug	X
Corn, FOB Brazil port	USD 240>>220 Aug	X
Corn, FOB France – Atlantic	USD 267/270	X
Corn, FOB Romania	USD 240/245	X
Corn, FOB Russia	USD 250/255	X
Corn, FOB Ukraine, 30,000+ m/t	USD 225/230	X
Sorghum, FOB Argentina port	USD 270/280	x
Sorghum, FOB Texas	USD 310>>290 Aug	x
Soymeal, 48% protein, FOB NOLA	USD 495/500	X
Soymeal, 48% protein, USA, Rotterdam	USD 525/530	X
Soymeal, 47% pro, FOB Argentina	USD 495>>475 Aug	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 520/525	X
Soymeal, 48% protein, FOB Brazil	USD 485>>465 Aug	X
Soybeans, FOB NOLA	USD 545>>520 Aug	X
Soybeans, Argentina, FOB	USD 525<<520 Aug	X
Soybeans, Brazil, FOB	USD 490<<50- Aug	X
Soybeans, Black Sea	USD 480/485 Ukraine	X
Corn Gluten Meal, USA FOB NOLA	USD 710/720	x
Corn Gluten Feed, USA FOB NOLA	USD 250/260	X
DDGS corn, 35 profat, USA FOB NOLA	USD 290<<300 Aug	x

It was easier to find export prices for corn byproducts this week. DDGS prices for June/July are up by about USD 5 m/t while reports show that DDGS for later in 2023 are up by about USD 10 m/t. Corn gluten meal prices continue to move a little lower as demand from the pet food industry seems to have dropped off a little.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

No news yet on the new quota for North/Central Peru – probably nothing new before late May.

There was a little more fishing in the south of Peru with the total catch now up to just under 22,000 m/t which yields close to 5,200 m/t of fishmeal. There is still 315,000 m/t left on the quota.

Presales for the next fishing season are reported to be 100/125,000 m/t booked. There is no panic about the fishing happening a little later than had been expected --- China, 85% of the market, has good fishmeal stock levels and isn't worried about new shipments --- well, not yet.

Every trade report this week is discussing El Nino with some disagreement on whether we will see a

major or minor El Nino event for the rest of the year but it does now look like there will be some kind of an event that may or may not have an effect on Peru fishing later in 2023. Some say that there is an 80% chance of a moderate El Nino event before the end of the year.

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	1,795
Peru fishmeal	64% protein	2,010
Chile fishmeal	67% protein	2,000
Iceland fishmeal	70% protein	1,980

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

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