



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT June 04, 2022

Amazing how a couple of words from Russia can cause the market to drop much lower. While it does seem that there "might" be a compromise on some grain shipments out of the Ukraine, it may be that the "consideration" demanded by Russia may be too high to allow it to work.

Russia is getting many visits from grain short countries, many in Africa, and Russia is said to be looking at all possibilities to support them. While there is no international ban on Russian grain exports, payment by importing countries is a problem due to banking sanctions.

Will we shortly see the free flow of Ukraine grain in the near future – probably not, unless one wants to totally give in to Russia.

US corn prices dropped by about USD 20 m/t this week with soybeans down by about USD 8 m/t and soymeal down by about USD 25 m/t. Both USA winter and spring wheats were down by just over USD 40 m/t.

Much of the drop in prices this week was due to the futures markets interpretation of what was going to happen in the Black Sea and the "fear," expectation that grain exports will become much easier. Those in the futures market in the US with "long" positions used this week to sell out and take profits or to get out before there weren't any futures profits.

Of course, Russia wasn't the only story as there was improving rainfall in the US corn belt and US winter wheat harvest was chugging along nicely in the South --- but there has been some rainfall in Texas and Kansas that slowed wheat harvest a little in some area.

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

US Gulf to Europe: Panamax	\$36/37.00	Steady	X
US Gulf to Spain: Panamax m/t	\$36/36.00	Steady	X
US Gulf Israel: Panamax m/t	\$75/76.00	Up \$1.00	X
US Gulf to Egypt: Panamax	\$75/76.00	Up \$1.00	X
US Gulf Turkey: Panamax m/t	\$76/77.00	Up \$1.00	X
US Gulf Morocco: Handi	\$75/76.00	Steady	X
US Gulf Algeria/Tunisia: Handi	\$76/77.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$65/66.00	Up \$1.00	X
US Gulf other Med: Handi	\$77/78.00	Steady	X
US Gulf South Africa: Handi	\$60/61.00	Steady	X
US Gulf to India: Panamax	\$70/71.00	Steady	X
US Gulf to Philippines: Panamax	\$75/76.00	Steady	x
US Gulf Japan: Panamax	\$80/81.00	Down \$3.00	X
US Gulf China: Panamax	\$79/80.00	Down \$3.00	X
US PNW South Africa – 40,000 m/t	\$65/66.00	Steady	X
US PNW Egypt: Panamax	\$75/76.00	Steady	X
US PNW Philippines: Panamax	\$55/56.00	Up \$1.00	X



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US PNW Japan: Panamax	\$46/47.00	Down \$1.00	X
US PNW China: Panamax	\$45/46.00	Down \$1.00	X
US East Coast Nigeria: Handisize	\$62/63.00	Steady	X
US Lakes – Europe – 30,000 m/t	\$67/68.00	Down \$1.00	X
US Lakes – Morocco – 30,000 m/t	\$70/71.00	Up \$1.00	X
France/Germany to Algeria: Handi	\$27/28.00	steady	X
France/Germany to Bangladesh	\$67/68.00	Up \$2.00	X
France/Germany to China: Panamax	\$77/78.00	Up \$3.00	X
France/Germany to Egypt: Panamax	\$34/35.00	Steady	X
France/Germany to India: Panamax	\$65/66.00	Steady	X
France/Germany to Iran: Panamax	\$65/66.00	Steady	X
France/Germany to Jordan	\$55/56.00	Steady	X
France/Germany to Morocco: Handi	\$26/27.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$89/90.00	Up \$1.00	X
France/Germany to South Africa: Handi	\$45/46.00	Steady	X
France/Germany to Turkey: Handi	\$38/39.00	Steady	X
France/Germany to Yemen: Handi	\$63/64.00	Steady	X
Argentina to Algeria: Handi	\$69/70.00	Up \$1.00	X
Argentina to China: Panamax	\$77/78.00	Down \$1.00	X
Argentina to Japan: Panamax	\$76/77.00	Down \$1.00	X
Argentina to Egypt: Panamax	\$74/75.00	Up \$1.00	X
Argentina to Europe: Panamax	\$65/66.00	Up \$1.00	X
Argentina to Morocco: Handi	\$67/68.00	Up \$1.00	X
Argentina to Libya: Handi	\$70/71.00	Up \$2.00	X
Argentina to Jordan: Panamax	\$60/61.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$95/96.00	Up \$1.00	X
Argentina to Iran: Panamax	\$66/67.00	Steady	X
Argentina to India: Panamax	\$64/65.00	Steady	X
Argentina to Bangladesh: Panamax	\$69/70.00	Steady	X
Argentina to Indonesia: Panamax	\$60/61.00	Steady	X
Argentina to South Africa: Panamax	\$33/34.00	Steady	X
Argentina to Kenya: Handi	\$59/60.00	Steady	X
Argentina to Spain: Panamax	\$65/66.00	Up \$1.00	X
Argentina to Tunisia: Handi	\$69/70.00	Up \$1.00	X
Brazil to Algeria/Tunisia: Handi	\$71/72.00	Up \$1.00	X
Brazil to China: Panamax	\$69/70.00	Down \$2.00	X
Brazil to Japan: Panamax	\$68/69.00	Down \$2.00	X
Brazil to South Korea: Panamax	\$66/67.00	Steady	X
Brazil to Europe: Panamax	\$68/69.00	Up \$1.00	X
Brazil to Morocco: Handi	\$70/71.00	Up \$1.00	X
Brazil to Iran: Panamax	\$62/63.00	Steady	X
Brazil to Bangladesh: Panamax	\$66/67.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$95/96.00	Up \$1.00	X
Brazil to Spain: Panamax	\$68/69.00	Up \$1.00	X
Brazil to Turkey/Egypt: Panamax	\$81/82.00	Up \$1.00	X
Black Sea freight – Romania and Russia			
Black Sea to China: Panamax	\$66/67.00	Steady	X



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Black Sea to Indonesia: Panamax	\$69/70.00	Up \$1.00	X
Black Sea to Egypt: 40/50,000	\$28/29.00	Steady	X
Black Sea to Egypt: 30,000	\$31/32.00	Steady	X
Black Sea to Iran: Panamax	\$61/62.00	Steady	X
Black Sea to Europe: Panamax	\$30/31.00	Steady	X
Black Sea to Morocco – Handi	\$33/34.00	Down \$1.00	X
Black Sea to Tunisia/Algeria – Handi	\$32/33.00	Down \$1.00	X
Black Sea to Jordan: Panamax	\$40/41.00	Up \$1.00	X
Black Sea to Libya – Handi	\$34/35.00	Down \$1.00	X
Black Sea to Saudi: Panamax	\$63/64.00	Down \$3.00	X
Black Sea to Turkey – Handi	\$26/27.00	Down \$2.00	X
Black Sea to South Africa – Handi	\$57/58.00	Steady	X
Baltic Dry Index	2633	Down 48	X
Baltic Capesize Index	2927	Up 109	X
Baltic Panamax Index	2851	Down 197	X
Baltic Supramax Index	2703	Down 93	X
Baltic Handysize Index	1595	Down 52	X
Global Container Index - Freightos	7370	Down 481	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 2022/August 2022

Wheat, USA Soft Red Winter, US Gulf	USD 405 -- 444 October	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 456 -- 480 October	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	No prices	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 425/428	X
Wheat, Romania 12.5 pro	USD 405/410	X
Wheat, Superior, France, Rouen	USD 413/416	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 470/490	X
Wheat, feed, Black Sea	USD 385>>370 October	X
Barley, France, Rouen port	USD 365/375	X
Barley, feed, Argentina, up river	USD 370/375	X
Barley, feed, Black Sea, 30,000+	USD 380/385	X
Barley, feed, Australia	USD 385/390	X
Corn, 2YC FOB NOLA USA	USD 325/330	X
Corn, 3YC FOB USA Pacific northwest	USD 355>>345 September	X
Corn, FOB Argentina port, upriver	USD 295/300	X
Corn, FOB Brazil port	USD 315/320	X
Corn, FOB France – Atlantic	USD 360/365	X
Corn, FOB Romania	USD 360/365	X
Corn, FOB Russia	No prices	X



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Corn, FOB Ukraine, 30,000+ m/t	No prices	X
Sorghum, FOB Argentina port	USD 310/320	X
Sorghum, FOB Texas	USD 370>>360 October	X
Soymeal, 48% protein, FOB NOLA	USD 490>>480 October	X
Soymeal, 48% protein, USA, Rotterdam	USD 525>>515 October	X
Soymeal, Argentina, Rotterdam – spot	USD 525/530	X
Soymeal, 47% pro, FOB Argentina	USD 470>>460 October	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 530/535	X
Soymeal, 48% protein, FOB Brazil	USD 475>>465 October	X
Soybeans, FOB NOLA	USD 670>>630 October	X
Soybeans, Argentina, FOB	USD 660>>605 October	X
Soybeans, Brazil, FOB	USD 680>>640 October	X
Soybeans, Black Sea	No prices	X
Corn Gluten Meal, USA FOB NOLA	USD 815/820 m/t August	X
Corn Gluten Feed, USA FOB NOLA	USD 305/310 m/t August	X
DDGS corn, 35 profat, USA FOB NOLA	USD 330/335 m/t Sept.	x

While both corn and soymeal prices were lower on the week, export prices were steady to just a little lower. Container prices are dropping a little, so CNF prices look to be about USD 10 m/t lower for all corn byproducts.

Reports from the USA say that Mississippi barge rates are higher which may stop FOB prices from moving any lower --- barge rates are up as much as USD 18 m/t according to the US Grains Council.

Business was quite slow this week due to the holiday on Monday as most buyers had booked their short term needs before the 3 day weekend.

With ethanol production moving higher we could see some softening in DDGS prices in the near term but both corn gluten meal and corn gluten feed look quite steady — for now.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in North/Central Peru has reached 1.12 million m/t which leaves 1.675 mm/t on the quota. Daily catch last week ranged from the high 30,000 to just over 60,000 with about 500 vessels out fishing every day.

There are still a number of mini-bans on fishing, but overall fishing is still quite good. Juvenile levels are said to be dropping which may mean fewer bans in coming days.

There was very little new business done this week. It is said that Chinese buyers are looking for lower prices and if fishing stays good, they may just see some price weakness.

Lots of talk in the industry about the possibility of not landing the full quota before expiry --- some still seem to feel that 2.0 mm/t of landing may be as high as we will get this season.

MSI Ceres mentioned this week that a La Nina effect has made it very cold in Peru and that finding the anchovies and avoiding too many juveniles has become quite a challenge for the fishing fleet.



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PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,095
Danish fishmeal	64% protein	1,635
Peru fishmeal	64% protein	1,740
Chile fishmeal	67% protein	1,785
Iceland fishmeal	70% protein	2,100

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	1550/1570 m/t	
67% protein 150 TVN	1600/1620 m/t	
67% protein 120 TVN	1650/1670 m/t	1670/1690
67% protein 1000 hist, 120 TVN	1700/1720 m/t	1720/1740
68% protein 500 hist, 100 TVN	1750/1770 m/t	1770/1790
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	3700/3800	

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

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