



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT June 05, 2021

It was another up week for prices again this week – corn prices were up by USD 10 to 12 m/t, soybeans up by around USD 20 m/t and US wheat up by about USD 9 m/t. While soymeal did not end the week higher the increase was all seen in soy oil, where prices jumped over 8%.

Most of the rally in US grains and oilseeds was due to continued hot and dry weather in parts of the US. The forecasts for the next couple of weeks look to remain hot and dry – not exactly perfect for new crops.

Corn was higher on the hot dry weather and stories of possible lower corn yields in Brazil. While we are going to have lots of corn come new crop it doesn't take much to push prices higher, especially as there is very little old crop corn left.

Soybeans were the same as corn – hot, dry US weather – but some see the Brazil soybean crop to be even higher than expected which could be bearish in the long term.

US wheat prices too were weather related with hot, dry weather not being good for spring wheat while winter wheat had been hoping for a little rainfall to finish things off.

There doesn't seem to be much reason to expect lower prices in the near term but if we do get some unexpected rainfall in the US then prices could weaken from current high levels.

Russia has set its grain export tax level for June 09-15 as follows: wheat USD 29.40 m/t, barley USD 39.60 m/t and corn at USD 50.00 m/t.

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

US Gulf to Europe: Panamax (10,000 disch)	\$22/23.00	Down \$2.00	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$22/23.00	Down \$2.00	X
US Gulf Israel: Panamax m/t	\$52/53.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$52/53.00	Steady	X
US Gulf Turkey: Panamax m/t	\$53/54.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$50/51.00	Steady	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$51/52.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$51/52.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$54/55.00	Steady	X
US Gulf South Africa: 45,000 m/t	No prices	Steady	X
US Gulf to India: Panamax	\$67/68.00	Up \$1.00	X
US Gulf to Philippines: Panamax	\$68/69.00	Up \$1.00	X
US Gulf Japan: Panamax	\$66/67.00	Steady	X
US Gulf China: Panamax	\$65/66.00	Steady	X



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US PNW South Africa – 40,000 m/t	\$38/39.00	Steady	X
US PNW Egypt: Panamax	\$53/54.00	Steady	X
US PNW Philippines: Panamax	\$47/48.00	Steady	X
US PNW Japan: Panamax	\$39/40.00	Steady	X
US PNW China: Panamax	\$38/39.00	Steady	X
US East Coast Egypt: Panamax	\$42/43.00	Steady	X
US East Coast Nigeria: Handisize	\$55/56.00	Steady	X
US Lakes – Europe – 30,000 m/t	\$55/56.00	Steady	X
US Lakes – Morocco – 30,000 m/t	\$56/57.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$22/23.00	Down \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$57/58.00	Up \$1.00	X
France/Germany to China: Panamax	\$52/53.00	Steady	X
France/Germany to Egypt: Panamax (10,000 dis)	\$23/24.00	Down \$1.00	X
France/Germany to India: Panamax	\$38/39.00	Steady	X
France/Germany to Iran: Panamax	\$48/49.00	Steady	X
France/Germany to Jordan: 35/45,000 (4k dis)	\$40/41.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$23/24.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$53/54.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$27/28.00	Down \$1.00	X
France/Germany to Yemen: 30,000 m/t	\$55/56.00	Steady	x
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$31/32.00	Steady	X
Argentina to China: Panamax, with top-off	\$61/62.00	Steady	X
Argentina to Japan: Panamax, with top-off	\$60/61.00	Steady	X
Argentina to Egypt: Panamax	\$35/36.00	Steady	X
Argentina to Europe: Panamax	\$25/26.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$28/29.00	Steady	X
Argentina to Libya: 25/30,000 m/t	\$34/35.00	Steady	X
Argentina to Jordan: Panamax	\$40/41.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$54/55.00	Up \$1.00	X
Argentina to Iran: Panamax	\$59/60.00	Steady	X
Argentina to India: Panamax	\$52/53.00	Steady	X
Argentina to South Africa: Panamax	\$27/28.00	Steady	X
Argentina to Spain: Panamax	\$25/26.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$31/32.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$50/51.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$55/56.00	Steady	X
Brazil to Japan: Panamax	\$55/56.00	Steady	X
Brazil to South Korea: Panamax	\$57/58.00	Steady	X
Brazil to Europe: Panamax	\$31/32.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$34/35.00	Steady	X
Brazil to Iran: Panamax	\$56/57.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$54/55.00	Steady	X
Brazil to Spain: Panamax	\$31/32.00	Steady	X
Brazil to Turkey/Egypt: Panamax	\$42/43.00	Steady	X
Australia to China: Panamax – round trip	\$19/20.00	Up \$1.00	X
Australia to Japan: Panamax – round trip	\$50/50.50	Steady	X
Australia to Saudi Arabia: Panamax	\$53/54.00	Steady	X



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Ukraine to China: Panamax	\$41/42.00	Steady	X
Ukraine to Indonesia: Panamax	\$36/37.00	Steady	X
Ukraine to Bangladesh, Panamax	\$59/60.00	steady	X
Ukraine to India, Panamax	\$39/40.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$24/25.00	Up \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$33/34.00	Steady	X
Ukraine to Turkey: Izmir: coaster (1,000 disch)	\$27/28.00	Up \$4.00	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$35/36.00	Up \$7.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$20/21.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$24/25.00	Up \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$33/34.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$45/47.00	Up \$2.00	X
Black Sea to Iraq: Panamax (4,000 disch)	\$48/49.00	Steady	X
Black Sea to Iran: Panamax	\$41/42.00	Steady	X
Black Sea to Europe: Panamax (8,000 disch)	\$26/27.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$21/22.00	steady	X
Black Sea to Spain: Panamax (8,000 disch)	\$26/27.00	Steady	X
Black Sea to Jordan: Panamax (5,000 disch)	\$31/32.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$26/27.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$37/38.00	Up \$1.00	X
Black Sea to Yemen: Panamax	\$50/51.00	Up \$2.00	X
Black Sea to Turkey – 30,000 m/t	\$22/23.00	Up \$1.00	X
Black Sea to South Africa – 30,000 m//t	\$30/31.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$21/22.00	Up \$1.00	x
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	2472	Down 124	X
Baltic Capesize Index (100,000 plus DWT)	2665	Down 424	X
Baltic Panamax Index (60,000 to 80,000 DWT)	2896	Up 136	x
Baltic Supramax Index (45,000 to 60,000 DWT)	2441	Down 63	X
Baltic Handisize Index (25,000 plus DWT)	1336	Down 5	x

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 July 2021/September 2021

Wheat, USA Soft Red Winter, US Gulf	USD 288/291	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 282/285	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 265>>257 new crop	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 266>>261 new crop	X
Wheat, Romania 12.5 pro	USD 265>>260 new crop	X
Wheat, Superior, France, Rouen	USD 267>>253 new crop	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 277/282	X
Wheat, feed, Black Sea	USD 255/257 all new crop	X
Barley, France, Rouen port	USD 266/268	X



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Barley, feed, Argentina, up river	USD 253/256	X
Barley, feed, Black Sea, 30,000+	USD 248/252	X
Barley, feed, Australia	USD 250/253	X
Corn, 2YC FOB NOLA USA	USD 312>>280 new crop	X
Corn, 3YC FOB USA Pacific northwest	USD 330>>300 new crop	X
Corn, FOB Argentina port, upriver	USD 259/262 all new crop	X
Corn, FOB Brazil port	USD 274/277 all new crop	X
Corn, FOB France – Atlantic	USD 340>>260 new crop	X
Corn, FOB Romania	USD 294>>264 new crop	X
Corn, FOB Russia	USD 291>>260 new crop	X
Corn, FOB Ukraine, 30,000+ m/t	USD 283>>254 new crop	X
Sorghum, FOB Argentina port	USD 270>>220 new crop	X
Sorghum, FOB Texas	USD 386>>343 new crop	X
Soymeal, 48% protein, FOB NOLA	USD 441/453	X
Soymeal, 48% protein, USA, Rotterdam	USD 476/488	X
Soymeal, Argentina, Rotterdam – spot	USD 468/472 all new crop	X
Soymeal, 47% pro, FOB Argentina	USD 415/418 all new crop	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 471/474 all new crop	X
Soymeal, 48% protein, FOB Brazil	USD 432/435 all new crop	X
Soybeans, FOB NOLA	USD 613>>563 new crop	X
Soybeans, Argentina, FOB	USD 565>>525 new crop	X
Soybeans, Brazil, FOB	USD 580>>570 new crop	X
Soybeans, Black Sea	USD 573>>550 new crop	X
Corn Gluten Meal, USA FOB NOLA	USD 750>>740 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 250/255 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 285>>275 m/t	x

Higher levels of ethanol production which gives more DDGS is tending to push prices lower. Demand is still very good for DDGS in both export and domestic markets, but extra supply has put a ceiling on market prices.

Corn gluten meal prices also moved a little lower this week – down by about USD 20 m/t. Export demand for CGM had slipped due to the very high prices but more export buyers are seen to be looking at CGM again.

Corn gluten feed was steady on the week but may move higher next week as it normally follows corn prices by a few days.

New crop corn is still running at about a USD 30 m/t discount to old crop, so one can expect some price weakness in corn byproducts later in 2021 --- once the new crop corn gets into the processing pipeline.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 480/500 m/t CNF Asia
Australian MBM 50% protein	USD 535/555 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 635/645 m/t CNF Asia
Australian Poultry Meal, pet food	USD 960/980 m/t CNF Asia



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USA Meat & Bone meal, 50% protein	USD 580/600 m/t CNF China USD 560/580 to Indonesia
USA Feathermeal, 80% protein	USD 640/660 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 490/510 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 990/1,010 m/t CNF Asia

Meat and bone meal prices in Asia moved higher this week as buyers switched back to MBM from more expensive soymeal. Buyers were also looking for quicker delivery, so MBM works better than soymeal. Supplies of MBM from Australia and New Zealand are getting tighter which is also adding strength to prices.

USA domestic prices were mostly steady this week with only "all-beef" MBM moving higher due to limited supplies.

Most experts are saying the animal protein prices will stay steady to higher due to good demand but limited worldwide supply levels.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in Peru is now at just over 1.63 million m/t on the way to the 2.5 mm/t quota. The level of juvenile fish remains quite high at an overall level of 28% with the Chimbote area reaching an average of 37% juvenile.

There was some talk in the trade that fishmeal prices in Peru have slipped a little with the export prices seeming to have dropped by about USD 30 m/t. With an estimated 75% of the full quota production of fishmeal having been sold it is surprising to see any weakness in prices. Especially when there are still more orders on the books than there has been fishmeal produced.

Trade reports do say that producers don't seem to be in much of a hurry to book additional business as everyone expects more mini-bans, so total production is not yet secure.

No one is expecting any serious dip in prices, but we could see trading in a USD 30 m/t up/down range.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,080
Danish fishmeal	64% protein	1,510
Peru fishmeal	64% protein	1,620
Chile fishmeal	67% protein	1,660
Iceland fishmeal	70% protein	2,100



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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>
65/66 protein	1430/1450 m/t	
67% protein standard steam	1500/1520 m/t	
67% protein 150 TVN	1550/1570 m/t	1590/1600 m/t
67% protein 120 TVN	1600/1620 m/t	1650/1660 m/t
67% protein 1000 hist, 120 TVN	1650/1670 m/t	1690/1700 m/t
68% protein 500 hist, 120 TVN	1700/1720 m/t	1720/1730 m/t
Fish oil, crude bulk	1950/2050	
Fish oil, crude drums	2000/2100	
Fish oil, flexi tank	2050/2150	
Fish oil, Omega 3: 28%EPA/DHA	2300/2400	

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

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