



## 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 June 10, 2023

This week was USDA WASDE report time and after the report soybean prices took a jump higher while post report USA corn and wheat didn't do much.

Soybeans were in an up trend before the WASDE and continued to move higher by about USD 6 m/t after the report. Trade report says most of the reason was due to strength in soyoil which helped push soybeans higher. The WASDE had lower US soybean production but slightly higher ending stocks.

Corn prices were almost unchanged during the week in the USA. US corn production was lowered by the USDA but ending stocks were increased a little. USA corn exports were unchanged from the May report while total world corn exports were up slightly – quite a neutral report.

Wheat prices, like corn, did not have a strong reaction to the WASDE but most experts feel that the report should actually help to move wheat prices lower. US wheat production was increased a little with exports unchanged, which was repeated in world numbers --- no major changes from the May report.

Trade reports say that this June WASDE is just a fill in report with little or no effect on the market.

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

US Gulf to Europe: Panamax	\$27.00	Steady
US Gulf to Spain: Panamax m/t	\$27.00	Steady
US Gulf Israel: Panamax m/t	\$28.00	Steady
US Gulf to Egypt: Panamax	\$28.00	Steady
US Gulf Turkey: Panamax m/t	\$29.00	Steady
US Gulf Morocco: Handi	\$31.00	Steady
US Gulf Algeria/Tunisia: Handi	\$32.00	Steady
US Gulf Nigeria: 30,000 m/t	\$44.00	Steady
US Gulf other Med: Handi	\$34.00	Steady
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	\$48.00	Steady
US Gulf China: Panamax	\$47.00	Steady
US PNW South Africa – 40,000 m/t	\$65.00	Steady
US PNW Egypt: Panamax	\$29.00	Steady
US PNW Philippines: Panamax	\$39.00	Steady
US PNW Japan: Panamax	\$27.00	Steady
US PNW China: Panamax	\$26.00	Steady
US East Coast Nigeria: Handisize	\$45.00	Steady

US Lakes – Europe – 30,000 m/t	\$52.00	Steady
US Lakes – Morocco – 30,000 m/t	\$61.00	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	\$56.00	Up \$1.00
Argentina to China: Panamax	\$44.00	Up \$1.00
Argentina to Japan: Panamax	\$45.00	Up \$1.00
Argentina to Egypt: Panamax	\$56.00	Steady
Argentina to Europe: Panamax	\$42.00	Steady
Argentina to Morocco: Handi	\$55.00	Up \$1.00
Argentina to Libya: Handi	\$57.00	Up \$1.00
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	\$59.00	Steady
Argentina to South Africa: Panamax	\$35.00	Steady
Argentina to Kenya: Handi	\$49.00	Steady
Argentina to Spain: Panamax	\$42.00	Steady
Argentina to Tunisia: Handi	\$56.00	Up \$1.00
Brazil to Algeria/Tunisia: Handi	\$53.00	Steady
Brazil to China: Panamax	\$38.00	Up \$3.00
Brazil to Japan: Panamax	\$39.00	Up \$2.00
Brazil to South Korea: Panamax	\$48.00	Steady
Brazil to Europe: Panamax	\$42.00	Steady
Brazil to Morocco: Handi	\$52.00	Steady
Brazil to Iran: Panamax	\$61.00	Steady
Brazil to Bangladesh: Panamax	\$67.00	Steady
Brazil to Saudi Arabia 30/40,000 m/t	\$65.00	Steady
Brazil to Spain: Panamax	\$42.00	Steady
Brazil to Turkey/Egypt: Panamax	\$63.00	Steady
Australia to Saudi: Panamax	\$55.00	Steady
Australia to Europe: Panamax	\$64.00	Steady
<b>Black Sea freight</b>		
Black Sea to China: Panamax	Russia \$55	

	Ukraine \$58	
Black Sea to Indonesia: Panamax	Russia \$60 Ukraine \$67	
Black Sea to Bangladesh : Panamax	Russia \$47 Ukraine \$56	
Black Sea to Egypt: 40/50,000	\$24 Russia \$30 Ukraine	
Black Sea to Egypt: 30,000	\$20 Russia \$35 Ukraine	
Black Sea to Iran: Panamax	\$49 Russia \$60 Ukraine	
Black Sea to Europe: Panamax	\$29 Russia \$32 Ukraine	
Black Sea to Morocco – Handi	\$29 Russia \$39 Ukraine	
Black Sea to Tunisia/Algeria – Handi	\$28 Russia \$38 Ukraine	
Black Sea to Jordan: Panamax	\$37 Russia \$53 Ukraine	
Black Sea to Libya – Handi	\$30 Russia \$41 Ukraine	
Black Sea to Saudi: Panamax	\$42 Russia \$54 Ukraine	
Black Sea to Turkey – Handi	\$20 Russia \$27 Ukraine	
Black Sea to South Africa – Handi	\$57.00	
Russia to Turkey (Izmir)– coaster 5,000 m/t	\$34.00	Steady
Russia to Egypt – coaster 5,000 m/t	\$65.00	Steady
Ukraine to Turkey – coaster 5,000 m/t	\$33.00	Steady
Ukraine to Egypt – coaster 5,000 m/t	\$52.00	Steady
Baltic Dry Index	1055	Up 136
Baltic Capesize Index	1514	Up 398
Baltic Panamax Index	1146	Up 116
Baltic Supramax Index	736	Down 143
Baltic Handysize Index	501	Down 44
Global Container Index - Freightos	1441	Up 61

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 July 2023/September 2023

Wheat, USA Soft Red Winter, US Gulf	USD 254<<262 Sep
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 337<<340 Oct
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 210/215
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 225/230

Wheat, Romania 12.5 pro	USD 240/245
Wheat, Superior, France, Rouen	USD 252/255
Wheat, milling, 12.0%, Argentina, Upriver	USD 330/335
Wheat, feed, Black Sea	USD 210/215
Barley, France, Rouen port	USD 235/238
Barley, feed, Argentina, upriver	USD 225/230
Barley, feed, Black Sea, 30,000+	USD 180/185
Barley, feed, Australia	USD 230/235
Corn, 2YC FOB NOLA USA	USD 260>>240 Sep
Corn, 3YC FOB USA Pacific northwest	USD 300>>265 Sep
Corn, FOB Argentina port, upriver	USD 220>>210 Sep
Corn, FOB Brazil port	USD 240>>215 Sep
Corn, FOB France – Atlantic	USD 264/267
Corn, FOB Romania	USD 225/230
Corn, FOB Russia	USD 225/230
Corn, FOB Ukraine, 30,000+ m/t	USD 215/220
Sorghum, FOB Argentina port	USD 265/270
Sorghum, FOB Texas	USD 290>>270 Sep
Soymeal, 48% protein, FOB NOLA	USD 460>>450 Sep
Soymeal, 48% protein, USA, Rotterdam	USD 490>>480 Sep
Soymeal, 47% pro, FOB Argentina	USD 460>>440 Sep
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 490/495
Soymeal, 48% protein, FOB Brazil	USD 450>>440 Sep
Soybeans, FOB NOLA	USD 530>>490 Sep
Soybeans, Argentina, FOB	USD 520/525
Soybeans, Brazil, FOB	USD 480/485
Soybeans, Black Sea	USD 490>>430 Sep
	Ukraine
Corn Gluten Meal, USA FOB NOLA	USD 620/630
Corn Gluten Feed, USA FOB NOLA	USD 240/245
DDGS corn, 35 profat, USA FOB NOLA	USD 265>>250 Sep

USA DDGS and corn gluten meal prices were down again this week. DDGS were down due to high ethanol production which increased DDGS stocks while CGM was down again on lower demand in the US domestic market --- looks like the pet food producers have backed off from buying CGM for now.

The lower CGM prices have created a lot of buying interest from Egypt, but the serious foreign exchange shortages mean that most buyers can't find FX funding to import. Only buyers with non-Egyptian bank relationships are able to find the FX.

Prices for corn coproducts will probably be steady to lower for most of the summer months as domestic US demand is down while supply remains good.

## SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in the North/Central region is at just over 41,000 m/t but there is a serious problem with juvenile levels ---- up to 75 to 80% -- which means a rash of mini-bans and limited fishing. The quota level now stands at 1,050,000 m/t. It is also reported that some fishing groups have stopped fishing without a ban due to the very high juvenile level. Juvenile fish are just too small.

There were no reported landings in the southern region of Peru which leaves the quota at about 312,000 m/t to go.

The North/Central quota is the lowest seen in 18 years but then the biomass is also at the lowest levels in 18 years. Also, since 2005 only one other year started fishing as late as June that was in 2016.

Fishing in the North/Central region has also had to face very bad fishing weather, according to MSI Ceres, with 3 meter waves. They add that 102 ports are closed due to bad weather. Bad weather looks like it will be with us for the next week.

Peru and Chile prices are moving higher due to the lower than expected quotas and the level of pre-season fishmeal sales. However, for now, there doesn't seem to be a great deal of buying interest as the major market in China is well covered and stocks on hand in China are high.

As to prices --- it looks like the trend will be steady to higher as there seems to be no reason to expect lower prices.

**PERU "INDICATION" FISHMEAL PRICES:**

**European fishmeal prices – FOB North German port.**

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,015
Danish fishmeal	64% protein	1,790
Peru fishmeal	64% protein	1,995
Chile fishmeal	67% protein	1,995
Iceland fishmeal	70% protein	1,925

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	1860/1870 m/t	
67% protein 150 TVN	1910/1920 m/t	
67% protein 120 TVN	1960/1970 m/t	20400/2050
67% protein 1000 hist, 120 TVN	2010/2020 m/t	2080/2090
68% protein 500 hist, 100 TVN	2060/2070 m/t	2120/2130
Fish oil, crude bulk	No prices	5,000/5,100
Fish oil, crude drums	No prices	No prices
Fish oil, flexi tank	No prices	No prices
Fish oil, Omega 3: 28%EPA/DHA	6,000/6,100	No prices

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

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