



## Hammersmith Reports

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### WEEKLY USA GRAIN AND PROTEIN REPORT June 17, 2023

The markets in the USA have decided to worry a lot about the widespread drought condition in the grain areas of the country which this week pushed all grains and oilseeds much higher.

Trade reports are saying that most grain/oilseed markets have turned from being bearish for a while to now being very bullish ---- corn in particular seem to be at great risk from the drought.

There will be some rain in the Corn Belt this weekend, but it won't cover the entire corn area. According to trade reports there should be more rain in the forecast over the next couple of weeks, but temperatures are expected to remain high. So, it could continue to be a case of not enough rain with slow but steady damage being done to crop yields.

Of course, the rally in prices could be a little overdone as the market shorts got scared by the rally and covered their short positions.....we will have to see what happens next week.

### **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	\$29.00	Up \$1.00	
US Gulf to Egypt: Panamax	\$29.00	Up \$1.00	
US Gulf Turkey: Panamax m/t	\$30.00	Up \$1.00	
US Gulf Morocco: Handi	\$32.00	Up \$1.00	
US Gulf Algeria/Tunisia: Handi	\$33.00	Up \$1.00	
US Gulf Nigeria: 30,000 m/t	\$44.00	Steady	
US Gulf other Med: Handi	\$35.00	Up \$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	\$49.00	Up \$1.00	
US Gulf China: Panamax	\$48.00	Up \$1.00	
US PNW South Africa – 40,000 m/t	\$65.00	Steady	
US PNW Egypt: Panamax	\$30.00	Up \$1.00	
US PNW Philippines: Panamax	\$39.00	Steady	
US PNW Japan: Panamax	\$27.00	Steady	
US PNW China: Panamax	\$27.00	Up \$1.00	
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	\$57.00	Up \$1.00	
Argentina to China: Panamax	\$44.00	Steady	
Argentina to Japan: Panamax	\$45.00	Steady	
Argentina to Egypt: Panamax	\$56.00	Steady	
Argentina to Europe: Panamax	\$42.00	Steady	
Argentina to Morocco: Handi	\$56.00	Up \$1.00	
Argentina to Libya: Handi	\$58.00	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	\$51.00	Up \$2.00	
Argentina to Spain: Panamax	\$42.00	Steady	
Argentina to Tunisia: Handi	\$57.00	Up \$1.00	
Brazil to Algeria/Tunisia: Handi	\$53.00	Steady	
Brazil to China: Panamax	\$36.00	Down \$2.00	
Brazil to Japan: Panamax	\$37.00	Down \$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	\$22 Russia \$40 Ukraine		
Black Sea to Egypt: 30,000	\$20 Russia \$34 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 \$40 Ukraine		
Black Sea to Saudi: Panamax	\$44 Russia \$53 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	\$27.00	Down \$6.00	
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	\$55.00	Up \$3.00	
Baltic Dry Index	1076	Up 21	
Baltic Capesize Index	1528	Up 14	
Baltic Panamax Index	1193	Up 47	
Baltic Supramax Index	736	Up 12	
Baltic Handisize Index	464	Down 37	
Global Container Index - Freightos	1441	Down 42	

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 275<<290 Oct	
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 350<<368 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 262/265	
Wheat, milling, 12.0%, Argentina, Upriver	USD 335/340	
Wheat, feed, Black Sea	USD 210/215	
Barley, France, Rouen port	USD 240/245	

Barley, feed, Argentina, upriver	USD 235/240	
Barley, feed, Black Sea, 30,000+	USD 180/185	
Barley, feed, Australia	USD 225/230	
Corn, 2YC FOB NOLA USA	USD 270>>260 Sep	
Corn, 3YC FOB USA Pacific northwest	USD 295>>290 Sep	
Corn, FOB Argentina port, upriver	USD 225<<235 Sep	
Corn, FOB Brazil port	USD 235<<240 Sep	
Corn, FOB France – Atlantic	USD 277/280	
Corn, FOB Romania	USD 220/225	
Corn, FOB Russia	USD 220/230	
Corn, FOB Ukraine, 30,000+ m/t	USD 215/220	
Sorghum, FOB Argentina port	USD 255/260	
Sorghum, FOB Texas	USD 295>>285 Sep	
Soymeal, 48% protein, FOB NOLA	USD 475<<485 Sep	
Soymeal, 48% protein, USA, Rotterdam	USD 505>>415 Sep	
Soymeal, 47% pro, FOB Argentina	USD 470<<475 Sep	
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 475/485	
Soymeal, 48% protein, FOB Brazil	USD 455<<460 Sep	
Soybeans, FOB NOLA	USD 560>>530 Oct	
Soybeans, Argentina, FOB	USD 550<<560 Oct	
Soybeans, Brazil, FOB	USD 500<<520 Oct	
Soybeans, Black Sea	USD 510>>460 Sep	
	Ukraine	
Corn Gluten Meal, USA FOB NOLA	USD 680/690	
Corn Gluten Feed, USA FOB NOLA	USD 230/235	
DDGS corn, 35 profat, USA FOB NOLA	USD 255>>250 Sep	

Corn coproducts all moved higher this week and after Friday's market results are expected to move even higher next week. For DDGS, ethanol production is down a little while corn prices are up strongly --- all the bargain prices have disappeared in a flash.

The jump in published corn gluten meal prices is very large and seems to suggest that last week's price was understated.

Next week should be a very exciting week for prices..... higher and higher expected.

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

Well, that was quite a surprise wasn't it. I had no sooner published my weekly report when the fishing season in north/central Peru was stopped. Prices for fishmeal had softened a little once the new quota was announced and the fishing started but this week the cancellation news pushed prices back higher.

With about 100,000 m/t of fishmeal presold there could be some buyers wondering what they will do now. Of course, this is also a serious problem for fisherman, producers and exporters in Peru all of which depend greatly on the fishmeal business.

Trade reports say that fishmeal prices in China have moved up quickly even though there are still good stocks on hand ---- but there will be no more coming from Peru for now.

However, there was some news late this week which seems to say that perhaps there could still be a fishing season if the current new biomass investigation cruise shows improved conditions. This new survey will not be completed for about three weeks, so we need to sit and wait once again.... And hope.

**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	1,820
Peru fishmeal	64% protein	1,985
Chile fishmeal	67% protein	1,985
Iceland fishmeal	70% protein	2,045

ALL PRICES SHOWN ARE IN CONTAINER, ON VESSEL, AT ORIGIN --- US DOLLARS  
Minimum shipment of 200 m/t for fishmeal

**The prices below may not be accurate as there has been no trade price update since the cancellation of the fishing season.**

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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