



Hammersmith Reports

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WEEKLY USA GRAIN AND PROTEIN REPORT June 24, 2023

Ah, weather, weather, weather --- it is the same every year. This week grain and oilseed prices moved higher most of the week on the USA drought reports and then took a big drop on Friday as soon as some rainfall appeared in the weather reports.

In addition to the USA drought, we had the Russia situation to get the market excited. Is it a coup in Russia or not – probably not, but what was it. Well, it was enough to get wheat prices moving higher.

It will be very interesting on Monday to see what the rainfall has been or will be and what exactly has happened in Russia.

So, looking at the week, on Friday corn prices dropped by about USD 13 m/t but were only down by USD 4 on the week. New crop US soybeans dropped USD 11 m/t on Friday, ending the week down by USD 13 m/t. Soymeal was down by USD 18 m/t on Friday and about USD 7 m/t down on the week. US wheat prices didn't have much of a drop on Friday with Soft Red Winter finishing the week up by USD 16 m/t with US spring wheat up by USD 7 m/t.

Monday should be a very exciting day for grain/oilseed/protein meal prices.

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

US Gulf to Europe: Panamax	\$26.00	Down \$1.00	
US Gulf to Spain: Panamax m/t	\$26.00	Down \$1.00	
US Gulf Israel: Panamax m/t	\$29.00	Steady	
US Gulf to Egypt: Panamax	\$29.00	Steady	
US Gulf Turkey: Panamax m/t	\$30.00	Steady	
US Gulf Morocco: Handi	\$32.00	Steady	
US Gulf Algeria/Tunisia: Handi	\$33.00	Steady	
US Gulf Nigeria: 30,000 m/t	\$44.00	Steady	
US Gulf other Med: Handi	\$35.00	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	\$49.00	Steady	
US Gulf China: Panamax	\$48.00	Steady	
US PNW South Africa – 40,000 m/t	\$65.00	Steady	
US PNW Egypt: Panamax	\$30.00	Steady	
US PNW Philippines: Panamax	\$39.00	Steady	
US PNW Japan: Panamax	\$27.00	Steady	
US PNW China: Panamax	\$26.00	Down \$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	Steady	
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	Steady	
Argentina to Libya: Handi	\$58.00	Steady	
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	Steady	
Argentina to Spain: Panamax	\$42.00	Steady	
Argentina to Tunisia: Handi	\$57.00	Steady	
Brazil to Algeria/Tunisia: Handi	\$53.00	Steady	
Brazil to China: Panamax	\$36.00	Steady	
Brazil to Japan: Panamax	\$37.00	Steady	
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	
Black Sea freight			
Black Sea to China: Panamax	Russia \$54 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	\$21 Russia \$45 Ukraine		
Black Sea to Egypt: 30,000	\$21 Russia \$34 Ukraine		
Black Sea to Iran: Panamax	\$48 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 \$30 Ukraine		
Black Sea to South Africa – Handi	\$57.00		
Russia to Turkey (Izmir)– coaster 5,000 m/t	\$24.00	Down \$3.00	
Russia to Egypt – coaster 5,000 m/t	\$63.00	Down \$2.00	
Ukraine to Turkey – coaster 5,000 m/t	\$33.00	Steady	
Ukraine to Egypt – coaster 5,000 m/t	\$59.00	Up \$4.00	
Baltic Dry Index	1240	Up 164	
Baltic Capesize Index	2080	Up 552	
Baltic Panamax Index	1327	Up 134	
Baltic Supramax Index	743	Up 7	
Baltic Handisize Index	455	Down 9	
Global Container Index - Freightos	1297	Down 144	

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 290<<305 Oct	
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 350<<375 Oct	
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 205/210	
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 230/235	
Wheat, Romania 12.5 pro	USD 255>>240 Oct	
Wheat, Superior, France, Rouen	USD 2624/267	

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 240/245	
Barley, feed, Black Sea, 30,000+	USD 175/180	
Barley, feed, Australia	USD 230/235	
Corn, 2YC FOB NOLA USA	USD 260/265	
Corn, 3YC FOB USA Pacific northwest	USD 290/295	
Corn, FOB Argentina port, upriver	USD 220/225	
Corn, FOB Brazil port	USD 225/230	
Corn, FOB France – Atlantic	USD 279/282	
Corn, FOB Romania	USD 220/225	
Corn, FOB Russia	USD 210/220	
Corn, FOB Ukraine, 30,000+ m/t	USD 205>>190 Oct	
Sorghum, FOB Argentina port	USD 250/260	
Sorghum, FOB Texas	USD 305>>295 Sep	
Soymeal, 48% protein, FOB NOLA	USD 480/485	
Soymeal, 48% protein, USA, Rotterdam	USD 510/515	
Soymeal, 47% pro, FOB Argentina	USD 460/465	
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 500/505	
Soymeal, 48% protein, FOB Brazil	USD 460/465	
Soybeans, FOB NOLA	USD 565>>510 Oct	
Soybeans, Argentina, FOB	USD 560<<550 Oct	
Soybeans, Brazil, FOB	USD 495/500	
Soybeans, Black Sea	USD 470/480 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 270>>260 Sep	

The corn price rally during the week pushed DDGS FOB NOLA prices up strongly – up by about USD 10 m/t with some sources saying as much as USD 15 m/t higher. Corn gluten meal didn't move higher with suppliers saying that stocks are good while export and domestic business has been weak. Corn gluten meal this week did look quite attractive for export.

The rally and then drop back prices of corn this week has led to much some higher prices but the improvement in the USA weather situation and the need rainfall could pull prices lower next week.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

There is still some hope in the Peru fishing industry that we will get to see something of a fishing season for the anchovies. Some in the trade think that the latest survey will show a much better situation than the last --- fingers crossed.

Trade reports say that there is no fishmeal available in Peru and that the existing 100.000 m/t of booked business will have to find an agreeable way to move to next season unless there is a July announcement of a partial fishing season.

This is really a bad financial situation for the fishmeal industry and the fishermen and fishing fleets that

count on this season. It is going to be very difficult for the entire fishmeal related industries and personnel.

Trade reports also say that fishmeal prices in China are now at record levels. The Chinese market certainly knows what it means not to have any new Peru supply for a few months. They can't easily replace the Peru supplies from other origins. China normally gets close to 50% of its fishmeal needs from Peru --- about 355,000 m/t from January to May 2023.

As you can see below the prices for Chile fishmeal has moved much higher as buyers move down the road from Peru to try to cover their needs. No change in Peru prices as there is nothing to sell.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,140
Danish fishmeal	64% protein	1,830
Peru fishmeal	64% protein	2,010
Chile fishmeal	67% protein	2,030
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	1860/1870 m/t	
67% protein 150 TVN	1910/1920 m/t	
67% protein 120 TVN	1960/1970 m/t	2120/2140
67% protein 1000 hist, 120 TVN	2010/2020 m/t	2150/2170
68% protein 500 hist, 100 TVN	2060/2070 m/t	2180/2200
Fish oil, crude bulk	No prices	5,500/5,600
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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