



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT June 25, 2022

Comments from experts at the end of the week tended to feel that lower prices this week were caused by concerns over China's economic situation and the stronger US dollar.

One thing that lower wheat prices did accomplish was to get all the major government wheat buyer issuing new tenders in order to save a few (or many) dollars per ton on wheat imports. There was quite a line up of tenders: Saudi Arabia, Bangladesh, Algeria, Tunisia, Japan and on and on.

Corn prices were down strongly on the week which also attracted some tender business in Asia but as most corn business tends to be private sector the tenders did not have much effect on corn prices. However, it does look like large international buyers are standing aside on corn for now in the hopes of lower prices to come. On the price side of the corn market, Argentina looks like to origin of choice right now as it is certainly the lowest cost corn supplier.

Market reports were saying that the very large drop in soybean/soymeal prices was due to a concern that we could be looking at a "global economic recession" with a large drop in import requirements for soybeans by China, where the economy seems to be worsening every day. Depending on the origin, soybean prices could be down as much as USD 50 m/t on the week.

After a week of collapse in prices it will be very interesting to see what happens next week --- will the collapse continue or will be get a strong rebound.

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

US Gulf to Europe: Panamax	\$35/36.00	Down \$1.00	X
US Gulf to Spain: Panamax m/t	\$35/36.00	Down \$1.00	X
US Gulf Israel: Panamax m/t	\$74/75.00	Steady	X
US Gulf to Egypt: Panamax	\$74/75.00	Steady	X
US Gulf Turkey: Panamax m/t	\$75/76.00	Steady	X
US Gulf Morocco: Handi	\$73/74.00	Down \$1.00	X
US Gulf Algeria/Tunisia: Handi	\$74/75.00	Down \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$65/66.00	Steady	X
US Gulf other Med: Handi	\$76/77.00	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	\$79/80.00	Down \$1.00	X
US Gulf China: Panamax	\$78/79.00	Down \$1.00	X
US PNW South Africa – 40,000 m/t	\$65/66.00	Steady	X
US PNW Egypt: Panamax	\$74/75.00	Down \$1.00	X
US PNW Philippines: Panamax	\$53/54.00	Down \$2.00	X
US PNW Japan: Panamax	\$45/46.00	Steady	X
US PNW China: Panamax	\$44/45.00	Steady	X
US East Coast Nigeria: Handisize	\$63/64.00	Up \$1.00	X



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US Lakes – Europe – 30,000 m/t	\$92/93.00	Up \$4.00	X
US Lakes – Morocco – 30,000 m/t	\$97/98.00	Up \$4.00	X
France/Germany to Algeria: Handi	\$27/28.00	Steady	X
France/Germany to Bangladesh	\$68/69.00	Steady	X
France/Germany to China: Panamax	\$79/80.00	Up \$2.00	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	\$92/93.00	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	\$72/73.00	Up \$1.00	X
Argentina to China: Panamax	\$76/77.00	Down \$1.00	X
Argentina to Japan: Panamax	\$75/76.00	Down \$1.00	X
Argentina to Egypt: Panamax	\$77/78.00	Up \$1.00	X
Argentina to Europe: Panamax	\$67/68.00	Up \$1.00	X
Argentina to Morocco: Handi	\$70/71.00	Up \$1.00	X
Argentina to Libya: Handi	\$74/75.00	Up \$2.00	X
Argentina to Jordan: Panamax	\$60/61.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$98/99.00	Up \$1.00	X
Argentina to Iran: Panamax	\$64/65.00	Down \$2.00	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	\$61/62.00	Up \$2.00	X
Argentina to Spain: Panamax	\$67/68.00	Up \$1.00	X
Argentina to Tunisia: Handi	\$72/73.00	Up \$1.00	X
Brazil to Algeria/Tunisia: Handi	\$74/75.00	Up \$1.00	X
Brazil to China: Panamax	\$69/70.00	Steady	X
Brazil to Japan: Panamax	\$68/69.00	Steady	X
Brazil to South Korea: Panamax	\$66/67.00	Steady	X
Brazil to Europe: Panamax	\$71/72.00	Up \$1.00	X
Brazil to Morocco: Handi	\$73/74.00	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	\$98/99.00	Up \$1.00	X
Brazil to Spain: Panamax	\$71/72.00	Up \$1.00	X
Brazil to Turkey/Egypt: Panamax	\$84/85.00	Up \$1.00	X
Black Sea freight – Romania and Russia			
Black Sea to China: Panamax	\$67/68.00	Up \$2.00	X
Black Sea to Indonesia: Panamax	\$66/67.00	Down \$1.00	X
Black Sea to Egypt: 40/50,000	\$30/31.00	Up \$2.00	X
Black Sea to Egypt: 30,000	\$32/33.00	Up \$2.00	X



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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	\$34/35.00	Steady	X
Black Sea to Tunisia/Algeria – Handi	\$33/34.00	Steady	X
Black Sea to Jordan: Panamax	\$40/41.00	Steady	X
Black Sea to Libya – Handi	\$35/36.00	Up \$1.00	X
Black Sea to Saudi: Panamax	\$62/63.00	Down \$1.00	X
Black Sea to Turkey – Handi	\$26/27.00	Steady	X
Black Sea to South Africa – Handi	\$57/58.00	Steady	x
Baltic Dry Index	2331	Down 247	X
Baltic Capesize Index	2396	Down 591	x
Baltic Panamax Index	2695	Down 167	X
Baltic Supramax Index	2449	Down 18	X
Baltic Handysize Index	1334	Down 9	X
Global Container Index - Freightos	7032	Down 66	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 July 2022/September 2022

Wheat, USA Soft Red Winter, US Gulf	USD 358 -- 403 October	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 407 -- 429 October	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	No prices	
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 398/402	X
Wheat, Romania 12.5 pro	USD 405>>395 October	X
Wheat, Superior, France, Rouen	USD 395/398	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 465/475	X
Wheat, feed, Black Sea	USD 380>>365 October	x
Barley, France, Rouen port	USD 343/346	X
Barley, feed, Argentina, up river	USD 345/350	X
Barley, feed, Black Sea, 30,000+	USD 350/355	X
Barley, feed, Australia	USD 360/365	X
Corn, 2YC FOB NOLA USA	USD 335>>325 September	X
Corn, 3YC FOB USA Pacific northwest	USD 375>>345 September	X
Corn, FOB Argentina port, upriver	USD 285/290 October	X
Corn, FOB Brazil port	USD 298/305 October	X
Corn, FOB France – Atlantic	USD 335/338	X
Corn, FOB Romania	USD 345/350	X
Corn, FOB Russia	No prices	X
Corn, FOB Ukraine, 30,000+ m/t	No prices	X
Sorghum, FOB Argentina port	USD 290 --310	X
Sorghum, FOB Texas	USD 355>>335 October	X



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Soymeal, 48% protein, FOB NOLA	USD 535>>505 October	X
Soymeal, 48% protein, USA, Rotterdam	USD 570>>540 October	X
Soymeal, Argentina, Rotterdam – spot	USD 510/515	X
Soymeal, 47% pro, FOB Argentina	USD 475>>460 October	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 515/520	X
Soymeal, 48% protein, FOB Brazil	USD 480>>465 October	X
Soybeans, FOB NOLA	USD 635>>595 October	X
Soybeans, Argentina, FOB	USD 610>>565 October	X
Soybeans, Brazil, FOB	USD 625>>610 October	X
Soybeans, Black Sea	No prices	X
Corn Gluten Meal, USA FOB NOLA	USD 780/790 m/t Sept	X
Corn Gluten Feed, USA FOB NOLA	USD 290/295 m/t Sept	x
DDGS corn, 35 profat, USA FOB NOLA	USD 335/340 m/t Sept.	x

Following along with the lower prices for US corn this week we see that all the byproducts are lower. Corn gluten meal was down by about USD 20 m/t with corn gluten feed down by about USD 10 m/t on average. DDGS prices were more variable with some exporters down by USD 10 m.t while others were holding export prices steady. With DDGS it is interesting to note that the FOB NOLA prices were up on the week while some CNF destination prices were down by close to USD 10 m/t.

The problem is that when you get weakness in corn and soymeal it is more difficult to get a good idea on byproduct prices as exporters don't want to take much risk in pricing so there is not as much price weakness in byproducts as there is in corn and soymeal --- this would tend to imply that prices could slip a little lower next week, unless corn and soymeal rally higher.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in Peru was down again this week as the mini-bans had more effect on the catch. Total catch for the week was just under 95,000 m/t with only half as many vessels fishing. So, the total catch now is up to 1.9 million m/t -- leaving just over 900,000 m/t to full quota.

There is quite a lot of concern in Peru that the continued high juvenile fish level in the catch may lead to the government calling an early end to the season. If there is a sudden end to fishing there will not be much fishmeal available for sale, as most of what has been produced so far is just covering pre-season sales.

According to the latest China fishmeal import numbers, 725,000 m/t has been imported to the end of May with 52.2% - 379,000 m/t) coming from Peru, with the balance of the imports spread among 20 other origins.

MSI Ceres mentioned this week that, with all the new fishing bans and extended bans, the fishing fleet is finding it harder and harder to actually find some fish that can be landed. It is a big ocean out there.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per
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		m/t USD
Herring fishmeal	72% protein	2,080
Danish fishmeal	64% protein	1,595
Peru fishmeal	64% protein	1,730
Chile fishmeal	67% protein	1,775
Iceland fishmeal	70% protein	2,075

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
67% protein standard steam	1560/1580 m/t	
67% protein 150 TVN	1610/1630 m/t	
67% protein 120 TVN	1660/1680 m/t	1650/1670
67% protein 1000 hist, 120 TVN	1710/1730 m/t	1700/1720
68% protein 500 hist, 100 TVN	1760/1780 m/t	1740/1760
Fish oil, crude bulk	3600/3650	
Fish oil, crude drums	No prices	
Fish oil, flexi tank	No prices	
Fish oil, Omega 3: 28%EPA/DHA	3900/4000	

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

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