



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT June 26, 2021

Down, down, down we go with another week of tumbling USA grain and oilseed prices ---- there is nothing like the summer months for exciting price action. This week we had new crop corn drop by about USD 18 m/t, soybeans down by almost USD 20 m/t, soymeal down by USD 25 m/t or so. Only US hard red spring wheat was able to buck the trend and move USD 20 to 22 m/t higher.

The US spring wheat was higher on weather worries and some industry concern over the quality of the crop. Some parts of the wheat area in the US are going to continue as drought areas but they will also see higher than normal temperatures both of which will not be good for spring wheat

New crop corn and soybeans moved lower on good weather forecasts with enough rainfall to make most everyone happy and temperatures about where they should be. Trad reports this week had said that there had been quite a bit of weather risk built into corn and soymeal prices and that with the good growing weather all this weather premium is disappearing (of course, it could come back if the weather changes).

Traders/experts are now talking about the possibility that we will be overstocked on corn if the crop is as good, or better, than expected. It now looks like corn, at least new crop, may have some room to move lower.

Soybeans were also helped lower by the Supreme Court ruling regarding biofuel waivers that was seen to be bearish for soybeans and for some degree for corn.

There were some comments that commodity funds are still very long corn and soybeans and that with falling prices they may decide to liquidate their longs which will put even more downward pressure on prices.

Russia's grain export taxes for June 30 to July 06 are now: wheat USD 41.30 m/t, corn USD 50.50 m/t and barley unchanged at USD 39.60 m/t.

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

US Gulf to Europe: Panamax (10,000 disch)	\$23/24.00	Steady	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$23/24.00	Steady	X
US Gulf Israel: Panamax m/t	\$57/58.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$57/58.00	Steady	X
US Gulf Turkey: Panamax m/t	\$58/59.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$57/58.00	Up \$2.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$58/59.00	Up \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$56/57.00	Up \$1.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$59/60.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$45/46.00	Steady	X
US Gulf to India: Panamax	\$67/68.00	Steady	X
US Gulf to Philippines: Panamax	\$68/69.00	Steady	X



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US Gulf Japan: Panamax	\$75/76.00	Up \$1.00	X
US Gulf China: Panamax	\$74/75.00	Up \$1.00	X
US PNW South Africa – 40,000 m/t	\$38/39.00	Steady	X
US PNW Egypt: Panamax	\$57/58.00	Up \$2.00	X
US PNW Philippines: Panamax	\$49/50.00	Up \$1.00	X
US PNW Japan: Panamax	\$43/44.00	Steady	X
US PNW China: Panamax	\$42/43.00	Steady	X
US East Coast Egypt: Panamax	\$43/44.00	Up \$1.00	X
US East Coast Nigeria: Handisize	\$59/60.00	Up \$1.00	X
US Lakes – Europe – 30,000 m/t	\$57/58.00	Steady	X
US Lakes – Morocco – 30,000 m/t	\$58/59.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$24/25.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$63/64.00	Up \$1.00	X
France/Germany to China: Panamax	\$56/57.00	Up \$1.00	X
France/Germany to Egypt: Panamax (10,000 dis)	\$24/25.00	Steady	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	\$57/58.00	Up \$1.00	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$30/31.00	Up \$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	\$69/70.00	Up \$1.00	X
Argentina to Japan: Panamax, with top-off	\$68/69.00	Up \$1.00	X
Argentina to Egypt: Panamax	\$37/38.00	Steady	X
Argentina to Europe: Panamax	\$26/27.00	Up \$1.00	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	\$58/59.00	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	\$26/27.00	Up \$1.00	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	\$55/56.00	Up \$2.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$63/64.00	Up \$1.00	X
Brazil to Japan: Panamax	\$62/63.00	Up \$1.00	X
Brazil to South Korea: Panamax	\$62/63.00	Up \$1.00	X
Brazil to Europe: Panamax	\$32/33.00	Up \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$35/36.00	Steady	X
Brazil to Iran: Panamax	\$61/62.00	Up \$2.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$55/56.00	Steady	X
Brazil to Spain: Panamax	\$32/33.00	Up \$1.00	X
Brazil to Turkey/Egypt: Panamax	\$46/47.00	Up \$1.00	X
Australia to China: Panamax – round trip	\$20/21.00	Down \$1.00	X



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Australia to Japan: Panamax – round trip	\$50/50.50	Steady	X
Australia to Saudi Arabia: Panamax	\$53/54.00	Steady	X
Ukraine to China: Panamax	\$43/44.00	Steady	X
Ukraine to Indonesia: Panamax	\$36/37.00	Steady	X
Ukraine to Bangladesh, Panamax	\$63/64.00	Up \$2.00	X
Ukraine to India, Panamax	\$40/41.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$26/27.00	Up \$2.00	X
Ukraine to East Med: coaster (1,000 disch)	\$35/36.00	Steady	X
Ukraine to Turkey: Izmir: coaster (1,000 disch)	\$27/28.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$35/36.00	Down \$5.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$22/23.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$26/27.00	Up \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$35/36.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$50/51.00	Up \$2.00	X
Black Sea to Iraq: Panamax (4,000 disch)	\$48/49.00	Steady	X
Black Sea to Iran: Panamax	\$43/44.00	Steady	X
Black Sea to Europe: Panamax (8,000 disch)	\$29/30.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$27/28.00	Up \$1.00	X
Black Sea to Spain: Panamax (8,000 disch)	\$29/30.00	Steady	X
Black Sea to Jordan: Panamax (5,000 disch)	\$36/37.00	Up \$1.00	X
Black Sea to Libya: 25/35,000 m/t	\$26/27.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$42/43.00	Up \$1.00	X
Black Sea to Yemen: Panamax	\$56/57.00	Up \$2.00	X
Black Sea to Turkey – 30,000 m/t	\$24/25.00	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)	\$26/27.00	Up \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	3255	Up 37	X
Baltic Capesize Index (100,000 plus DWT)	3987	Down 42	X
Baltic Panamax Index (60,000 to 80,000 DWT)	3642	Up 98	x
Baltic Supramax Index (45,000 to 60,000 DWT)	2877	Up 75	X
Baltic Handisize Index (25,000 plus DWT)	1503	Up 105	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 258/270	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 268/274	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 242/245 new crop	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 247/252 new crop	X
Wheat, Romania 12.5 pro	USD 248/252 new crop	X
Wheat, Superior, France, Rouen	USD 246/249 new crop	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 275/285	X
Wheat, feed, Black Sea	USD 235/238 new crop	X



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Barley, France, Rouen port	USD 245/247	X
Barley, feed, Argentina, up river	USD 251/256	X
Barley, feed, Black Sea, 30,000+	USD 240/244	X
Barley, feed, Australia	USD 249/252	X
Corn, 2YC FOB NOLA USA	USD 284>>255 new crop	X
Corn, 3YC FOB USA Pacific northwest	USD 323>>271 new crop	X
Corn, FOB Argentina port, upriver	USD 215/220 all new crop	X
Corn, FOB Brazil port	USD 262>>233 new crop	X
Corn, FOB France – Atlantic	USD 287>>245 new crop	X
Corn, FOB Romania	USD 281>>239 new crop	X
Corn, FOB Russia	USD 283>>235 new crop	X
Corn, FOB Ukraine, 30,000+ m/t	USD 274>>236 new crop	X
Sorghum, FOB Argentina port	USD 261>>220 new crop	X
Sorghum, FOB Texas	USD 381>>332 new crop	X
Soymeal, 48% protein, FOB NOLA	USD 400/403	X
Soymeal, 48% protein, USA, Rotterdam	USD 435/438	X
Soymeal, Argentina, Rotterdam – spot	USD 457/460 all new crop	X
Soymeal, 47% pro, FOB Argentina	USD 387/394 all new crop	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 457/460 all new crop	X
Soymeal, 48% protein, FOB Brazil	USD 389/400 all new crop	X
Soybeans, FOB NOLA	USD 520>>501 new crop	X
Soybeans, Argentina, FOB	USD 494/500 new crop	X
Soybeans, Brazil, FOB	USD 520/525 all new crop	X
Soybeans, Black Sea	USD 577>>545 new crop	x
Corn Gluten Meal, USA FOB NOLA	USD 660/670 m/t Sept	X
Corn Gluten Feed, USA FOB NOLA	USD 220/230 m/t Sept	X
DDGS corn, 35 profat, USA FOB NOLA	USD 231/236 m/t Sept	x

With new crop corn prices down by close to USD 20 on the week and ethanol production moving higher. The prices for DDGS, corn gluten meal and corn gluten feed in September were sharply lower this week. There is a USD 40 m/t spread between old and new crop corn so buyers of anything for June to August/September shipment are buying as little as possible in anticipation of lower prices to come.

DDGS export prices in New Orleans are reported to have dropped as much as USD 17 m/t, even with increased interest from international buyers --- there is just too much DDGS to be sold.

CGM and CGF are seeing the same picture as DDGS with September/October shipments at a significant discount to June/July.

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
USA Meat & Bone meal, 50% protein	USD 580/600 m/t CNF China



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USA Feathermeal, 80% protein	USD 540/560 to Indonesia
USA Poultry by-product Meal, feed grade	USD 660/680 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 490/510 m/t CNF Asia
	USD 1000/1,020 m/t CNF Asia

Animal protein prices into Asia are reported to be a little softer this week as falling soymeal prices are trying to push prices down. Australia and New Zealand exporters are reported to have been trying to increase meat and bone meal price due to their short supply, but buyers are not interested in paying higher prices in a falling protein price market.

USA domestic prices were mostly unchanged on the week – even with lower soymeal prices – but most experts feel that we will see a drop in USA animal protein prices next week - unless soymeal rallies higher.

Buyers of animal protein for pet food continue to stay out of the market which is helping to weaken prices as unsold supplies of poultry meal are building.

The Jacobsen Report this week has said that “it is reasonable to expect lower prices...for MBM”

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing bans, bad weather and full quotas from some producers have reduced the catch this week to about 55,000 m/t bringing the total to Thursday up to 2.15 million m/t – only 360,000 m/t to go to full quota and about 5 weeks to do it. The level of juvenile fish is still over 40% which is why we are seeing so many mini-bans and it is said that once the total juvenile level hits a set tolerance then the fishing season will be stopped – which could happen. According to trade numbers, the Chimbote region accounts for 61% of the catch.

The fishing season in the south of Peru comes to an end this week with the total catch of 155,000 m/t against a quota of 409,000 m/t. The new quota for July/December should be announced this week.

Reports say that there is a steady level of new business every week – not big chunks of volume but still steady, daily business. According to MSI Ceres this week there is a spread of about USD 20 to 30 m/t between the offers and buyers’ bids.

MSI Ceres also mentions that supplies of super prime and prime fishmeal are getting very tight which has increased the spread between the quality levels.

China has imported just under 800,000 m/t of fishmeal to the end of May with 480,000 m/t (60%) coming from Peru. The next nearest origin is Vietnam with shipments of 57,000 m/t followed by Thailand at 39,000 m/t, Russia at 35,500 m/t, Mauritania at 35,000 m/t and Mexico at 33,500 m/t.

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	1,490
Peru fishmeal	64% protein	1,625
Chile fishmeal	67% protein	1,670



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Iceland fishmeal	70% protein	2,020
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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	1390/1410 m/t	
67% protein standard steam	1460/1480 m/t	
67% protein 150 TVN	1510/1530 m/t	1530/1550 m/t
67% protein 120 TVN	1560/1580 m/t	1580/1600 m/t
67% protein 1000 hist, 120 TVN	1610/1630 m/t	1630/1650 m/t
68% protein 500 hist, 120 TVN	1660/1680 m/t	1680/1700 m/t
Fish oil, crude bulk	2000/2100	
Fish oil, crude drums	2050/2150	
Fish oil, flexi tank	2100/2200	
Fish oil, Omega 3: 28%EPA/DHA	2500/2600	

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

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