



## 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 July 01, 2023

Quite a week for USA grains and oilseeds. The USDA acreage estimate report combined with a four day weekend in the US to give us an exciting ending to the week.

Old crop corn prices were down by about USD 30 m/t while new crop corn dropped by close to USD 37 m/t. Even after the price drop, old crop corn is still at a USD 25 premium to new crop. Old crop soybeans ended th week up by USD 23 m/t with new crop soybeans up by USD 13 m/t. Old crop soybeans are at a USD 40 m/t premium to new crop.

Soymeal had a quieter week with price increasing between USD 5 and 9 m/t with old crop soymeal up the most.

Soft red winter wheat dropped by about USD 35 m/t while both hard red winter and US spring wheat were down between USD 20 and 23 m/t.

The USDA acreage report showed corn acres as higher than expected which immediately got prices moving lower while lower acres for soybeans did just the opposite and pushed prices higher. The acreage report for wheat wasn't much different but the market still moved lower on wheat. Experts say the drop in wheat was due to its competitive position with corn in animal feed rations. Wheat had to drop just to stay in the feed formulations.

The US is closed for a couple of days next week due to the Independence Day holiday on Tuesday July 4. Chicago grain trading is open on the 3<sup>rd</sup> but most businesses will be closed so activity will be light in the US until Wednesday.

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

|                                  |         |             |   |
|----------------------------------|---------|-------------|---|
| US Gulf to Europe: Panamax       | \$26.00 | Steady      | X |
| US Gulf to Spain: Panamax m/t    | \$26.00 | Steady      | X |
| US Gulf Israel: Panamax m/t      | \$28.00 | Down \$1.00 | X |
| US Gulf to Egypt: Panamax        | \$28.00 | Down \$1.00 | X |
| US Gulf Turkey: Panamax m/t      | \$29.00 | Down \$1.00 | X |
| US Gulf Morocco: Handi           | \$31.00 | Down \$1.00 | X |
| US Gulf Algeria/Tunisia: Handi   | \$32.00 | Down \$1.00 | X |
| US Gulf Nigeria: 30,000 m/t      | \$44.00 | Steady      | X |
| US Gulf other Med: Handi         | \$34.00 | Down \$1.00 | X |
| US Gulf South Africa: Handi      | \$41.00 | Steady      | X |
| US Gulf to India: Panamax        | \$47.00 | Steady      | X |
| US Gulf to Philippines: Panamax  | \$52.00 | Steady      | X |
| US Gulf Japan: Panamax           | \$49.00 | Steady      | X |
| US Gulf China: Panamax           | \$48.00 | Steady      | X |
| US PNW South Africa – 40,000 m/t | \$65.00 | Steady      | X |

|   |         |             |   |
|---|---------|-------------|---|
| US PNW Egypt: Panamax                   | \$29.00 | Down \$1.00 | X |
| US PNW Philippines: Panamax             | \$39.00 | Steady      | X |
| US PNW Japan: Panamax                   | \$26.00 | Down \$1.00 | X |
| US PNW China: Panamax                   | \$26.00 | Steady      | X |
| US East Coast Nigeria: Handisize        | \$45.00 | Steady      | X |
| US Lakes – Europe – 30,000 m/t          | \$52.00 | Steady      | X |
| US Lakes – Morocco – 30,000 m/t         | \$61.00 | Steady      | X |
|   |         |             |   |
| France/Germany to Algeria: Handi        | \$30.00 | Steady      | X |
| France/Germany to Bangladesh            | \$82.00 | Steady      | X |
| France/Germany to China: Panamax        | \$80.00 | Steady      | X |
| France/Germany to Egypt: Panamax        | \$24.00 | Steady      | X |
| France/Germany to India: Panamax        | \$53.00 | Steady      | X |
| France/Germany to Iran: Panamax         | \$45.00 | Steady      | X |
| France/Germany to Jordan                | \$37.00 | Steady      | X |
| France/Germany to Morocco: Handi        | \$29.00 | Steady      | X |
| France/Germany to Saudi Arabia: Panamax | \$62.00 | Steady      | X |
| France/Germany to South Africa: Handi   | \$46.00 | Steady      | X |
| France/Germany to Turkey: Handi         | \$33.00 | Steady      | X |
| France/Germany to Yemen: Handi          | \$63.00 | Steady      | X |
|   |         |             |   |
|   |         |             |   |
| Argentina to Algeria: Handi             | \$55.00 | Down \$2.00 | X |
| Argentina to China: Panamax             | \$44.00 | Steady      | X |
| Argentina to Japan: Panamax             | \$45.00 | Steady      | X |
| Argentina to Egypt: Panamax             | \$53.00 | Down \$3.00 | X |
| Argentina to Europe: Panamax            | \$39.00 | Down \$3.00 | X |
| Argentina to Morocco: Handi             | \$54.00 | Down \$2.00 | X |
| Argentina to Libya: Handi               | \$56.00 | Down \$2.00 | X |
| Argentina to Jordan: Panamax            | \$55.00 | Steady      | X |
| Argentina to Saudi Arabia: Panamax      | \$64.00 | Steady      | X |
| Argentina to Iran: Panamax              | \$61.00 | Steady      | X |
| Argentina to India: Panamax             | \$62.00 | Steady      | X |
| Argentina to Bangladesh: Panamax        | \$66.00 | Steady      | X |
| Argentina to Indonesia: Panamax         | \$59.00 | Steady      | X |
| Argentina to South Africa: Panamax      | \$35.00 | Steady      | X |
| Argentina to Kenya: Handi               | \$51.00 | Steady      | X |
| Argentina to Spain: Panamax             | \$39.00 | Down \$3.00 | X |
| Argentina to Tunisia: Handi             | \$55.00 | Down \$2.00 | X |
|   |         |             |   |
| Brazil to Algeria/Tunisia: Handi        | \$50.00 | Down \$3.00 | X |
| Brazil to China: Panamax                | \$36.00 | Steady      | X |
| Brazil to Japan: Panamax                | \$37.00 | Steady      | X |
| Brazil to South Korea: Panamax          | \$48.00 | Steady      | X |
| Brazil to Europe: Panamax               | \$39.00 | Down \$3.00 | X |
| Brazil to Morocco: Handi                | \$49.00 | Down \$3.00 | X |
| Brazil to Iran: Panamax                 | \$61.00 | Steady      | X |
| Brazil to Bangladesh: Panamax           | \$67.00 | Steady      | X |
| Brazil to Saudi Arabia 30/40,000 m/t    | \$63.00 | Down \$3.00 | X |
| Brazil to Spain: Panamax                | \$39.00 | Down \$3.00 | X |
| Brazil to Turkey/Egypt: Panamax         | \$60.00 | Down \$3.00 | X |
|   |         |             |   |
| Australia to Saudi: Panamax             | \$55.00 | Steady      | X |
| Australia to Europe: Panamax            | \$64.00 | Steady      | X |
|   |         |             |   |

|   |                             |             |   |
|---|-----------------------------|-------------|---|
|   |                             |             |   |
| <b><u>Black Sea freight</u></b>             |                             |             |   |
| Black Sea to China: Panamax                 | Russia \$52<br>Ukraine \$58 |             | X |
| Black Sea to Indonesia: Panamax             | Russia \$60<br>Ukraine \$67 |             | X |
| Black Sea to Bangladesh : Panamax           | Russia \$47<br>Ukraine \$60 |             | X |
| Black Sea to Egypt: 40/50,000               | \$20 Russia<br>\$47 Ukraine |             | X |
| Black Sea to Egypt: 30,000                  | \$21 Russia<br>\$34 Ukraine |             | X |
| Black Sea to Iran: Panamax                  | \$44 Russia<br>\$60 Ukraine |             | X |
| Black Sea to Europe: Panamax                | \$29 Russia<br>\$32 Ukraine |             | X |
| Black Sea to Morocco – Handi                | \$29 Russia<br>\$39 Ukraine |             | X |
| Black Sea to Tunisia/Algeria – Handi        | \$28 Russia<br>\$38 Ukraine |             | X |
| Black Sea to Jordan: Panamax                | \$37 Russia<br>\$53 Ukraine |             | X |
| Black Sea to Libya – Handi                  | \$30 Russia<br>\$40 Ukraine |             | X |
| Black Sea to Saudi: Panamax                 | \$40 Russia<br>\$53 Ukraine |             | X |
| Black Sea to Turkey – Handi                 | \$20 Russia<br>\$30 Ukraine |             | X |
| Black Sea to South Africa – Handi           | \$57.00                     |             | X |
|   |                             |             |   |
| Russia to Turkey (Izmir)– coaster 5,000 m/t | \$23.00                     | Down \$1.00 | X |
| Russia to Egypt – coaster 5,000 m/t         | \$63.00                     | Steady      | X |
| Ukraine to Turkey – coaster 5,000 m/t       | \$33.00                     | Steady      | X |
| Ukraine to Egypt – coaster 5,000 m/t        | \$62.00                     | Up \$3.00   | X |
|   |                             |             |   |
|   |                             |             |   |
| Baltic Dry Index                            | 1091                        | Down 149    | X |
| Baltic Capesize Index                       | 1704                        | Down 376    | X |
| Baltic Panamax Index                        | 1030                        | Down 297    | X |
| Baltic Supramax Index                       | 749                         | Up 6        | X |
| Baltic Handysize Index                      | 446                         | Down 9      | X |
|   |                             |             |   |
| Global Container Index - Freightos          | 1277                        | Down 20     | 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 2023/September 2023

|                                     |                  |   |
|-------------------------------------|------------------|---|
| Wheat, USA Soft Red Winter, US Gulf | USD 252<<272 Oct | X |
|-------------------------------------|------------------|---|

|  |                     |   |
|--|---------------------|---|
| Wheat, USA Hard Red Winter 11 protein, US Gulf | USD 330<<345 Oct    | X |
| Wheat, Ukraine 11.5 pro, 30,000+ m/t           | USD 210/215         | X |
| Wheat, Russia 12.5 pro, 30,000+ m/t            | USD 230/235         | X |
| Wheat, Romania 12.5 pro                        | USD 235/240         | X |
| Wheat, Superior, France, Rouen                 | USD 252/255         | X |
| Wheat, milling, 12.0%, Argentina, Upriver      | USD 335/340         | X |
| Wheat, feed, Black Sea                         | USD 220/225         | X |
|  |                     |   |
| Barley, France, Rouen port                     | USD 225/230         | X |
| Barley, feed, Argentina, upriver               | USD 240/245         | X |
| Barley, feed, Black Sea, 30,000+               | USD 180/185         | X |
| Barley, feed, Australia                        | USD 230/235         | X |
|  |                     |   |
| Corn, 2YC FOB NOLA USA                         | USD 215<<230 Oct    | X |
| Corn, 3YC FOB USA Pacific northwest            | USD 270>>255 Oct    | X |
| Corn, FOB Argentina port, upriver              | USD 215>>205 Oct    | X |
| Corn, FOB Brazil port                          | USD 215>>210 Oct    | X |
| Corn, FOB France – Atlantic                    | USD 266/269         | X |
| Corn, FOB Romania                              | USD 215/220         | X |
| Corn, FOB Russia                               | USD 210/215         | X |
| Corn, FOB Ukraine, 30,000+ m/t                 | USD 200/210         | x |
| Sorghum, FOB Argentina port                    | USD 255/265         | X |
| Sorghum, FOB Texas                             | USD 295>>260 Sep    | X |
|  |                     |   |
| Soymeal, 48% protein, FOB NOLA                 | USD 480/485         | X |
| Soymeal, 48% protein, USA, Rotterdam           | USD 510/515         | X |
| Soymeal, 47% pro, FOB Argentina                | USD 470/475         | X |
| Soymeal, 48% protein, Brazil, Rotterdam – spot | USD 500/505         | X |
| Soymeal, 48% protein, FOB Brazil               | USD 460/465         | X |
|  |                     |   |
| Soybeans, FOB NOLA                             | USD 595>>525 Oct    | X |
| Soybeans, Argentina, FOB                       | USD 565<<570 Oct    | X |
| Soybeans, Brazil, FOB                          | USD 535>>515 Oct    | X |
| Soybeans, Black Sea                            | USD 475/480 Ukraine | X |
|  |                     |   |
| Corn Gluten Meal, USA FOB NOLA                 | USD 670/680         | X |
| Corn Gluten Feed, USA FOB NOLA                 | USD 225/230         | X |
| DDGS corn, 35 profat, USA FOB NOLA             | USD 265<<275 Oct    | x |
|  |                     |   |

Nearby DDGS prices were down this week as the corn market prices moved lower. Corn gluten meal was also a little lower on the week. If the weakness in corn price remains through the short work week next week, then we could see further drops in DDGS and CGM prices.

Trade experts were saying this week that both DDGS and CGM prices are becoming more attractive for feed producers which could lead to an increase in demand in coming weeks. CGM prices are now at the lowest level seen in many weeks which is getting export buyers much more interested and US sellers have been aggressive in pricing for export shipments for August/September.

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

There still is a small chance that we may see some fishing in the North/Central area of Peru although every trade report says that July is normally a very bad month for fishing, and it is also said to be a month for anchovy spawning --- which could lead to even higher juvenile levels.

So, no business in fishmeal or fishoil in Peru these days but prices are being pushed higher in Chile as buyers look for stocks of fishmeal and fishoil everywhere. Fishoil prices are reported to be at record levels --- USD 5 to 6,000 per m/t. Fishmeal prices in China are also moving higher quickly which is to be expected when the main supplier can't supply.

Interesting, difficult and troublesome times in the fishmeal business.

**PERU "INDICATION" FISHMEAL PRICES:**

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

| Type             | Protein %   | Price per m/t USD |
|------------------|-------------|-------------------|
| Herring fishmeal | 72% protein | 2,125             |
| Danish fishmeal  | 64% protein | 1,820             |
| Peru fishmeal    | 64% protein | 2,045             |
| Chile fishmeal   | 67% protein | 2,045             |
| Iceland fishmeal | 70% protein | 2,085             |

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     | 1850/1860 m/t                      |                          |
| 67% protein 150 TVN            | 1900/1910 m/t                      |                          |
| 67% protein 120 TVN            | 1950/1960 m/t                      | 2120/2140                |
| 67% protein 1000 hist, 120 TVN | 2000/2010 m/t                      | 2150/2170                |
| 68% protein 500 hist, 100 TVN  | 2050/2060 m/t                      | 2220/2210                |
| 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

The information contained herein is based on sources that we believe to be dependable, but we do not represent that it is accurate or complete. Nothing contained herein should be considered as an offer to sell or a solicitation of an offer to buy. All references to prices are subject to change without notice. Any opinions expressed herein are solely those of the author.

Copyright © 2023 Wayne S. Bacon