



Hammersmith Reports

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WEEKLY USA GRAIN AND PROTEIN REPORT July 22, 2023

The Black Sea situation continued to be one of the major factors in the world's grain and oilseed price action this week. Russia's attacks on Ukraine grain export terminals and threats against ships to and from Ukraine ports has set the market on fire --- both for grain prices and for shipping costs from the Black Sea. The feeling in the market is that there will be an extension of the agreement but with Russia current bombing of ports, shipping from Ukraine ports will be even more difficult.

Corn prices dropped a little on Friday but were still up by about USD 9 to 10 m/t for the week. Soybeans finished the week about USD 11 m/t higher while soymeal was up USD 20 for old crop but just USD 10 to 15 MT for new crop. USA winter wheat was up strongly – up by about USD 14 m/t but had been up much more earlier in the week.

Corn prices were not as strong at the end of the week as during the week due to a little improvement in the USA drought situation. Report say that 55% of the corn crop is being affected by the drought, so we could certainly use some rain in the US corn belt.

Wheat futures prices were down strongly on Friday but still finished the week at higher levels. Th wheat market had raced higher when Russia backed out of the Black Sea agreement but, as usual, prices were pushed too high by panic buying --- until Friday when futures traders cashed in much of the early week profits.

There were comments in trade reports that if there are only minor problems in shipping from Ukraine ports then prices could move lower, but we will have to wait and see.

Soybeans, like corn, are fighting the US drought and the longer the weather stays burning hot and bone dry then the higher prices will go. Reports say that up to 50% of the soybean crop has been affected by the drought bringing a lot of concern to what the US soybean crop yields will actually be.

Between the USA drought and the Black Sea problems, it is expected that there will be lots of volatility in the markets in the coming days or week.

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

US Gulf to Europe: Panamax	\$25.00	Steady	
US Gulf to Spain: Panamax m/t	\$25.00	Steady	
US Gulf Israel: Panamax m/t	\$27.00	Down \$1.00	
US Gulf to Egypt: Panamax	\$27.00	Down \$1.00	
US Gulf Turkey: Panamax m/t	\$28.00	Down \$1.00	
US Gulf Morocco: Handi	\$30.00	Steady	
US Gulf Algeria/Tunisia: Handi	\$31.00	Steady	
US Gulf Nigeria: 30,000 m/t	\$42.00	Steady	
US Gulf other Med: Handi	\$33.00	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	\$46.00	Down \$1.00	
US Gulf China: Panamax	\$45.00	Down \$1.00	
US PNW South Africa – 40,000 m/t	\$65.00	Steady	
US PNW Egypt: Panamax	No info		
US PNW Philippines: Panamax	\$39.00	Steady	
US PNW Japan: Panamax	\$26.00	Steady	
US PNW China: Panamax	\$25.00	Steady	
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	\$64.00	Steady	
Argentina to Algeria: Handi	\$58.00	Up \$1.00	
Argentina to China: Panamax	\$42.00	Down \$1.00	
Argentina to Japan: Panamax	\$43.00	Down \$1.00	
Argentina to Egypt: Panamax	\$53.00	Steady	
Argentina to Europe: Panamax	\$39.00	Steady	
Argentina to Morocco: Handi	\$57.00	Up \$1.00	
Argentina to Libya: Handi	\$59.00	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	Steady	
Argentina to Spain: Panamax	\$39.00	Steady	
Argentina to Tunisia: Handi	\$58.00	Up 1.00	
Brazil to Algeria/Tunisia: Handi	\$50.00	Steady	
Brazil to China: Panamax	\$34.00	Down \$1.00	
Brazil to Japan: Panamax	\$35.00	Down \$1.00	
Brazil to South Korea: Panamax	\$48.00	Steady	
Brazil to Europe: Panamax	\$39.00	Steady	
Brazil to Morocco: Handi	\$49.00	Steady	
Brazil to Iran: Panamax	\$61.00	Steady	
Brazil to Bangladesh: Panamax	\$67.00	Steady	
Brazil to Saudi Arabia 30/40,000 m/t	\$63.00	Steady	

Brazil to Spain: Panamax	\$39.00	Steady	
Brazil to Turkey/Egypt: Panamax	\$60.00	Steady	
Australia to Saudi: Panamax	\$55.00	Steady	
Australia to Europe: Panamax	\$64.00	Steady	
Black Sea freight			
Black Sea to China: Panamax	Russia \$45 Ukraine \$57		
Black Sea to Indonesia: Panamax	Russia \$60 Ukraine \$77		
Black Sea to Bangladesh : Panamax	Russia \$36 Ukraine \$56		
Black Sea to Egypt: 40/50,000	\$17 Russia \$47 Ukraine		
Black Sea to Egypt: 30,000	\$15 Russia \$41 Ukraine		
Black Sea to Iran: Panamax	\$38 Russia \$67 Ukraine		
Black Sea to Europe: Panamax	\$29 Russia \$32 Ukraine		
Black Sea to Morocco – Handi	\$23 Russia \$49 Ukraine		
Black Sea to Tunisia/Algeria – Handi	\$22 Russia \$48 Ukraine		
Black Sea to Jordan: Panamax	\$37 Russia \$53 Ukraine		
Black Sea to Libya – Handi	\$24 Russia \$50 Ukraine		
Black Sea to Saudi: Panamax	\$37 Russia \$62 Ukraine		
Black Sea to Turkey – Handi	\$14 Russia \$40 Ukraine		
Black Sea to South Africa – Handi	\$57.00		
Russia to Turkey (Izmir)– coaster 5,000 m/t	\$34.00	Down \$1.00	
Russia to Egypt – coaster 5,000 m/t	\$60.00	Down \$7.00	
Ukraine to Turkey – coaster 5,000 m/t	\$33.00	Steady	
Ukraine to Egypt – coaster 5,000 m/t	\$63.00	Down \$2.00	
Baltic Dry Index	978	Down 112	
Baltic Capesize Index	1442	Down 213	
Baltic Panamax Index	924	Down 171	
Baltic Supramax Index	758	Up 15	
Baltic Handysize Index	400	Down 9	
Global Container Index - Freightos	1290	Up 20	

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 August 2023/October 2023

Wheat, USA Soft Red Winter, US Gulf	USD 269<<297 Nov	
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 350<<370 Nov	
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 215/220	
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 230/235	
Wheat, Romania 12.5 pro	USD 235/240	
Wheat, Superior, France, Rouen	USD 247/250	
Wheat, milling, 12.0%, Argentina, Upriver	USD 330/335	
Wheat, feed, Black Sea	USD 205/210	
Barley, France, Rouen port	USD 235/238	
Barley, feed, Argentina, upriver	USD 240/245	
Barley, feed, Black Sea, 30,000+	USD 200/210	
Barley, feed, Australia	USD 230/235	
Corn, 2YC FOB NOLA USA	USD 235/240	
Corn, 3YC FOB USA Pacific northwest	USD 265/270	
Corn, FOB Argentina port, upriver	USD 220/225	
Corn, FOB Brazil port	USD 230/235	
Corn, FOB France – Atlantic	USD 245/248	
Corn, FOB Romania	USD 215/220	
Corn, FOB Russia	USD 210/215	
Corn, FOB Ukraine, 30,000+ m/t	USD 200/205	
Sorghum, FOB Argentina port	USD 265/270	
Sorghum, FOB Texas	USD 270/275	
Soymeal, 48% protein, FOB NOLA	USD 515>>490 Oct	
Soymeal, 48% protein, USA, Rotterdam	USD 545>>520 Oct	
Soymeal, 47% pro, FOB Argentina	USD 510>>490 Oct	
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 520/525	
Soymeal, 48% protein, FOB Brazil	USD 475>>485 Oct	
Soybeans, FOB NOLA	USD 590>>545 Oct	
Soybeans, Argentina, FOB	USD 555<<560 Oct	
Soybeans, Brazil, FOB	USD 535<<550 Oct	
Soybeans, Black Sea	USD 500/510 Ukraine	
Corn Gluten Meal, USA FOB NOLA	No prices	
Corn Gluten Feed, USA FOB NOLA	USD 250/255	
DDGS corn, 35 profat, USA FOB NOLA	USD 270/275	

Corn co-products moved higher again this week as both corn and soymeal prices were stronger. Supplies of all co-products are reported to be good in the US but export shipping positions are said to be difficult to find which is moving export prices higher.

Accurate corn gluten meal FOB USA prices have been difficult to find but CNF prices to most export destinations are indicated about USD 20 m/t higher. As an indication, CGM to Egypt in container is now at just under USD 800 m/t up from about USD 770/780 last week.

As long as corn and protein meals keep moving higher there is little chance that there will be any

weakness in co-product prices.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

The new fishing quota for the Southern region of Peru still has not been announced. It is now about 3 weeks late, as the fishing season is normally July 01 to December 31.

There is still a lot of speculation that there may be a very short, 10 to 15 day, central/north fishing season but as usual this is all just guesses by the trade and the "experts". The Peru government is supposed to make an announcement on fishing next week.

Fishmeal prices in China just keep moving higher as supply moves lower and alternate supplies are hard to find. Super prime fishmeal ex-port in China is said to be at about \$2,600 m/t, as reported by MSI-Ceres.

There were comments in trade reports this week that there is concern over a possible El Nino hitting the late 2023 Peru fishing season ---- this would be a disaster for the industry after missing the mid-2023 fishing season.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,290
Danish fishmeal	64% protein	1,900
Peru fishmeal	64% protein	2,090
Chile fishmeal	67% protein	2,090
Iceland fishmeal	70% protein	2,215

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	No prices	
67% protein 150 TVN	No prices	
67% protein 120 TVN	No prices	2200/2220
67% protein 1000 hist, 120 TVN	No prices	2250/2770
68% protein 500 hist, 100 TVN	No prices	2300/2320
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	8,000/8,100	No prices

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

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