



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT September 11, 2021

The USDA WASDE report was a bit of a non-even this week as grain/oilseed markets are still trying to deal with the aftermath of the "Ida" situation. It is reported that while some NOLA facilities are up and operating, none of them are at full capacity and there are still a couple of elevators that are flooded and not operating at all.

Shipments are moving to other export ports, like Texas, where possible, but other are just having to be rolled into the next period --- ah, the joys of "force majeure".

While the WASDE report was said to be a little bearish, prices decided to move higher after the report – not a lot higher but still higher. Still, one the week, even with the slight Friday rally, prices were lower --- especially for wheat.

Wheat prices were much lower prior to the WASDE – down by USD 15 m/t – due to the trade expectation that the planted area for winter wheat will increase. Ending stocks for wheat are at very low levels and international demand has been very, very strong so, perhaps we will see a rally in wheat prices once we get into next week.

Russian export tax – September 15 to 21 – wheat USD 52.50 m/t – up USD 6.00, barley USD 33.10 m/t – up USD 7.00 m/t and corn USD 49.00 m/t – down USD 2.10 m/t.

Today it is 20 years since 9/11 in New York. We all remember where we were at the time. I was at an American Soybean Association Conference in Istanbul, Turkey and the news appeared on CNN at the time of our afternoon coffee break – this brought an end to the conference. We lived in Cairo at the time -- so, I phoned my wife and told her to get home, lock the doors and turn on CNN. 9/11 was a very emotional and trying time and still is today.

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

US Gulf to Europe: Panamax (10,000 disch)	\$29/30.00	Down \$1.00	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$29/30.00	Down \$1.00	X
US Gulf Israel: Panamax m/t	\$65/66.00	Down \$2.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$65/66.00	Down \$2.00	X
US Gulf Turkey: Panamax m/t	\$66/67.00	Down \$2.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$62/63.00	Down \$2.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$64/65.00	Down \$2.00	X
US Gulf Nigeria: 30,000 m/t	\$63/64.00	Down \$2.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$67/68.00	Steady	X
US Gulf South Africa: 30,000 m/t	\$65/66.00	Steady	X
US Gulf to India: Panamax	\$67/68.00	Steady	X
US Gulf to Philippines: Panamax	\$68/69.00	Steady	X
US Gulf Japan: Panamax	\$80/81.00	Down \$2.00	X
US Gulf China: Panamax	\$79/80.00	Down \$2.00	X
US PNW South Africa – 40,000 m/t	\$54/55.00	Steady	X



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US PNW Egypt: Panamax	\$65/66.00	Steady	X
US PNW Philippines: Panamax	\$49/50.00	Steady	X
US PNW Japan: Panamax	\$44/45.00	Down \$1.00	X
US PNW China: Panamax	\$43/44.00	Down \$1.00	X
US East Coast Egypt: Panamax	No price		X
US East Coast Nigeria: Handisize	\$63/64.00	Down \$2.00	X
US Lakes – Europe – 30,000 m/t	\$65/66.00	Steady	X
US Lakes – Morocco – 30,000 m/t	\$68/69.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$22/23.00	Down \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$70/71.00	Steady	X
France/Germany to China: Panamax	\$69/70.00	Steady	X
France/Germany to Egypt: Panamax (10,000 dis)	\$32/33.00	Down \$1.00	X
France/Germany to India: Panamax	\$61/62.00	Steady	X
France/Germany to Iran: Panamax	\$62/63.00	Steady	X
France/Germany to Jordan: 35/45,000 (4k dis)	\$51/52.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$23/24.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$63/64.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$33/34.00	Down \$1.00	X
France/Germany to Yemen: 30,000 m/t	\$59/60.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$39/40.00	Up \$1.00	X
Argentina to China: Panamax, with top-off	\$71/72.00	Down \$1.00	X
Argentina to Japan: Panamax, with top-off	\$70/71.00	Down \$1.00	X
Argentina to Egypt: Panamax	\$45/46.00	Up \$1.00	X
Argentina to Europe: Panamax	\$35/36.00	Up \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$35/36.00	Up \$1.00	X
Argentina to Libya: 25/30,000 m/t	\$38/39.00	Up \$2.00	X
Argentina to Jordan: Panamax	\$57/58.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$70/71.00	Up \$1.00	X
Argentina to Iran: Panamax	\$61/62.00	Steady	X
Argentina to India: Panamax	\$67/68.00	Steady	X
Argentina to South Africa: Panamax	\$27/28.00	Steady	X
Argentina to Spain: Panamax	\$35/36.00	Up \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$39/40.00	Up \$1.00	X
Argentina to US Gulf: 25/35,000 m/t	No price		X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$40/41.00	Up \$1.00	X
Brazil to China: Panamax	\$67/68.00	Steady	X
Brazil to Japan: Panamax	\$66/67.00	Steady	X
Brazil to South Korea: Panamax	\$68/69.00	Steady	X
Brazil to Europe: Panamax	\$40/41.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$39/40.00	Steady	X
Brazil to Iran: Panamax	\$61/62.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$65/66.00	Up \$1.00	X
Brazil to Spain: Panamax	\$40/41.00	Steady	X
Brazil to Turkey/Egypt: Panamax	\$55/56.00	Up \$1.00	X
Australia to China: Panamax – round trip	\$24/25.00	Steady	X
Australia to Japan: Panamax – round trip	\$44/44.50	Down \$1.00	X
Australia to Saudi Arabia: Panamax	\$49/50.00	Steady	X



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Ukraine to China: Panamax	\$68/69.00	Steady	X
Ukraine to Indonesia: Panamax	\$66/67.00	Steady	X
Ukraine to Bangladesh, Panamax	\$70/71.00	Steady	X
Ukraine to India, Panamax	\$64/65.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$33/34.00	Down \$2.00	X
Ukraine to East Med: coaster (1,000 disch)	\$56/57.00	Down \$4.00	X
Ukraine to Turkey: Izmir: coaster (1,000 disch)	\$38/39.00	Down \$2.00	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$46/47.00	Up \$1.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$30/31.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$33/34.00	Down \$2.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$56/57.00	Down \$4.00	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$63/64.00	Down \$7.00	X
Black Sea to Iraq: Panamax (4,000 disch)	\$51/52.00	Steady	X
Black Sea to Iran: Panamax	\$51/52.00	Steady	X
Black Sea to Europe: Panamax (8,000 disch)	\$31/32.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$42/43.00	Steady	X
Black Sea to Spain: Panamax (8,000 disch)	\$31/32.00	Steady	X
Black Sea to Jordan: Panamax (5,000 disch)	\$42/43.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$44/45.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$56/57.00	Up \$3.00	X
Black Sea to Yemen: Panamax	\$58/59.00	Up \$2.00	X
Black Sea to Turkey – 30,000 m/t	\$30/31.00	Up \$1.00	X
Black Sea to South Africa – 30,000 m/t	No prices		X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$39/40.00	Up \$2.00	x
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	3864	Down 80	X
Baltic Capesize Index (100,000 plus DWT)	5567	Down 58	X
Baltic Panamax Index (60,000 to 80,000 DWT)	3595	Down 10	X
Baltic Supramax Index (45,000 to 60,000 DWT)	3170	Down 178	X
Baltic Handisize Index (25,000 plus DWT)	1807	Down 31	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 October 2021/December 2021

Wheat, USA Soft Red Winter, US Gulf	USD 292/296	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 310/313	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 292/297	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 306/309	X
Wheat, Romania 12.5 pro	USD 300/305	X
Wheat, Superior, France, Rouen	USD 292/295	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 280/285	X
Wheat, feed, Black Sea	USD 280/287	X
Barley, France, Rouen port	USD 268/270	X
Barley, feed, Argentina, up river	USD 255/260	X
Barley, feed, Black Sea, 30,000+	USD 261/264	X



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Barley, feed, Australia	USD 255/258	X
Corn, 2YC FOB NOLA USA	USD 261>>244	X
Corn, 3YC FOB USA Pacific northwest	USD 280>>271	X
Corn, FOB Argentina port, upriver	USD 234/237	X
Corn, FOB Brazil port	USD 260/264	X
Corn, FOB France – Atlantic	USD 267/270	X
Corn, FOB Romania	USD 261/264	X
Corn, FOB Russia	USD 260/263	X
Corn, FOB Ukraine, 30,000+ m/t	USD 257/260	X
Sorghum, FOB Argentina port	USD 220/227	X
Sorghum, FOB Texas	USD 287/290	X
Soymeal, 48% protein, FOB NOLA	USD 409>>402	X
Soymeal, 48% protein, USA, Rotterdam	USD 444>>437	X
Soymeal, Argentina, Rotterdam – spot	USD 467/470	X
Soymeal, 47% pro, FOB Argentina	USD 402/405	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 466/469	X
Soymeal, 48% protein, FOB Brazil	USD 422/425	x
Soybeans, FOB NOLA	USD 523>>512	X
Soybeans, Argentina, FOB	USD 547/551	X
Soybeans, Brazil, FOB	USD 558/562	X
Soybeans, Black Sea	USD 566/569	X
Corn Gluten Meal, USA FOB NOLA	USD 620/640 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 230/240 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 265/275 m/t	X

The hurricane Ida situation is still having an effect on USA export prices for corn byproducts. While domestic cash prices are a little softer the same can be said for FOB or CNF prices where higher freight costs and increased export costs are pushing prices up.

Import buyers are finding it hard to believe that lower domestic prices are not reflected in export CNF prices but these days the actual commodity price is the least volatile factor in the total CNF price.

USA domestic prices for all corn byproducts have moved lower this week --- if you can get a CNF price from any shippers. Well, you can probably get a price for December/January, but October/November offers are very hard to find and very expensive.

These days sellers are not fooling around and waiting for buyers to make up their minds – if buyers don't book quickly then the price and the product is probably gone.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 470/490 m/t CNF Asia
Australian MBM 50% protein	USD 525/545 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 670/680 m/t CNF Asia
Australian Poultry Meal, pet food	USD 1000/1020 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 595/615 m/t CNF China



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USA Feathermeal, 80% protein	USD 550/570 to Indonesia
USA Poultry by-product Meal, feed grade	USD 680/700 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 490/510 m/t CNF Asia
	USD 970/990 m/t CNF Asia

Back in business with my animal protein information again this week --- I get quite bit of information from the Jacobsen Reports every day but due to a glitch wasn't able to access the info until Thursday. But all is back to normal again.

No real change in prices for meat and bone meal into major buying markets in Asia but there is the feeling that prices should be slipping a little lower.

The unknown factor is the container freight prices and availability --- freight prices are up every week and open shipping slots are next to impossible to find.

USA domestic prices look to be moving a little lower, but this doesn't show in export prices as the higher freight and logistics costs are outweighing any small weakness in US prices.

Overall, lower CNF prices are probably not expected.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

According to trade reports there is some new buying interest appearing with small lots of Super Prime being bought for late 2021. The flurry of small orders did not seem to be too exciting for the market. MSI Ceres says that the selling price was too high for major Chinese buyers and too low for Peru sellers. The problem for sellers/shippers is the freight situation with no one knowing what the freight cost will be or how much freight will be available. No one wants to be taking a risk on freight these days.

MSI Ceres also mentioned that the container freight to China from Peru had increased from USD 8/10 m/t to USD 20/25 m/t with offers now in the USD 50/55 m/t range --- too much risk to be selling short today.

Looking at the next quota, the trade seems to feel that it will be lower than 2.0 million m/t, perhaps as low as 1.5 mm/t. At 1.5 mm/t one would expect a run up in fishmeal prices or if not a run up at least no drop in prices. China is said to be bidding this week at about USD 50 m/t below the market but don't see any sellers at these levels.

Of course, there are the comments that China has more than enough fishmeal on hand and on the way so there is no reason for them to start to buy. If the expected Chinese fishmeal stock numbers are correct and there was to be a small dip in local demand, then perhaps some downward pressure could develop on Peruvian fishmeal prices a little later in 2021.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,980
Danish fishmeal	64% protein	1,490
Peru fishmeal	64% protein	1,600
Chile fishmeal	67% protein	1,640



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Iceland fishmeal	70% protein	1,980
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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	1380/1400 m/t	
67% protein standard steam	1450/1470 m/t	
67% protein 150 TVN	1500/1520 m/t	1500/1520 m/t
67% protein 120 TVN	1550/1570 m/t	1550/1570 m/t
67% protein 1000 hist, 120 TVN	1600/1620 m/t	1620/1640 m/t
68% protein 500 hist, 120 TVN	1650/1670 m/t	1650/1670 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	2400/2500	

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

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