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WEEKLY USA GRAIN AND PROTEIN REPORT September 17, 2022

US soybeans and soymeal were the strongest markets this week with soybeans moving up by about USD 12 to 15 m/t and soymeal up by about USD 12 m/t. US corn prices dropped by a couple of dollars m/t while wheat prices ranged from down USD 4 to up USD 2 m/t depending on the type.

It looks like there will be some decent rainfall in areas of the US that needed it but after a little rain the weather is expected to be dry with temperatures higher than normal in the grain belt.

Corn experts say that no one is happy with the level of US corn exports and that pressure from the US harvest could push corn prices lower. However, there are experts that say that corn is in a bull market trend with no good reason to expect any serious drop in prices.

While soybean and soymeal prices were up on the week as a result of the WASDE report numbers, experts are concerned about the poor soybean export numbers and the possible effect that China's poor economic situation may have on US soybean exports for the new crop.

Wheat did not have too exciting a week, but trade reports all seemed to be bullish wheat due to drought in parts of the US that could affect the 2023 winter wheat crop. There are also concerns about drought in both Canada and Argentina and how the wheat crop will do.

Also, world wheat and corn prices are still affected greatly by events, comments and concerns in the Black Sea which add a great deal of volatility to prices and will continue to do so.

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

| | | | |
|---------------------------------|------------|-----------|--|
| US Gulf to Europe: Panamax | \$29/30.00 | Up \$1.00 | |
| US Gulf to Spain: Panamax m/t | \$29/30.00 | Up \$1.00 | |
| US Gulf Israel: Panamax m/t | \$59/60.00 | Up \$3.00 | |
| US Gulf to Egypt: Panamax | \$59/60.00 | Up \$3.00 | |
| US Gulf Turkey: Panamax m/t | \$60/61.00 | Up \$3.00 | |
| US Gulf Morocco: Handi | \$60/61.00 | Up \$3.00 | |
| US Gulf Algeria/Tunisia: Handi | \$61/62.00 | Up \$3.00 | |
| US Gulf Nigeria: 30,000 m/t | \$65/66.00 | Up \$1.00 | |
| US Gulf other Med: Handi | \$63/64.00 | Up \$2.00 | |
| US Gulf South Africa: Handi | \$60/61.00 | Steady | |
| US Gulf to India: Panamax | \$67/68.00 | Steady | |
| US Gulf to Philippines: Panamax | \$76/77.00 | Steady | |
| US Gulf Japan: Panamax | \$62/63.00 | Up \$4.00 | |
| US Gulf China: Panamax | \$61/62.00 | Up \$4.00 | |

| | | | |
|-----------------------------------------|--------------|-----------|--|
| US PNW South Africa – 40,000 m/t | \$65/66.00 | Steady | |
| US PNW Egypt: Panamax | \$60/61.00 | Up \$3.00 | |
| US PNW Philippines: Panamax | \$48/49.00 | Steady | |
| US PNW Japan: Panamax | \$37/38.00 | Up \$3.00 | |
| US PNW China: Panamax | \$36/37.00 | Up \$3.00 | |
| US East Coast Nigeria: Handisize | \$63/64.00 | Steady | |
| US Lakes – Europe – 30,000 m/t | \$93/94.00 | Steady | |
| US Lakes – Morocco – 30,000 m/t | \$92/93.00 | Steady | |
| | | | |
| France/Germany to Algeria: Handi | \$27/28.00 | Steady | |
| France/Germany to Bangladesh | \$72/73.00 | Up \$4.00 | |
| France/Germany to China: Panamax | \$82/83.00 | Up \$3.00 | |
| France/Germany to Egypt: Panamax | \$34/35.00 | Steady | |
| France/Germany to India: Panamax | \$65/66.00 | Steady | |
| France/Germany to Iran: Panamax | \$65/66.00 | Steady | |
| France/Germany to Jordan | \$55/56.00 | Steady | |
| France/Germany to Morocco: Handi | \$26/27.00 | Steady | |
| France/Germany to Saudi Arabia: Panamax | \$99/100.00 | Up \$1.00 | |
| France/Germany to South Africa: Handi | \$45/46.00 | Steady | |
| France/Germany to Turkey: Handi | \$38/39.00 | Steady | |
| France/Germany to Yemen: Handi | \$63/64.00 | Steady | |
| | | | |
| Argentina to Algeria: Handi | \$83/84.00 | Up \$1.00 | |
| Argentina to China: Panamax | \$56/57.00 | Up \$5.00 | |
| Argentina to Japan: Panamax | \$57/58.00 | Up \$5.00 | |
| Argentina to Egypt: Panamax | \$86/87.00 | Up \$1.00 | |
| Argentina to Europe: Panamax | \$78/79.00 | Up \$1.00 | |
| Argentina to Morocco: Handi | \$82/83.00 | Up \$1.00 | |
| Argentina to Libya: Handi | \$84/85.00 | Up \$2.00 | |
| Argentina to Jordan: Panamax | \$60/61.00 | Steady | |
| Argentina to Saudi Arabia: Panamax | \$108/109.00 | Up \$1.00 | |
| Argentina to Iran: Panamax | \$61/62.00 | Steady | |
| Argentina to India: Panamax | \$62/63.00 | Steady | |
| Argentina to Bangladesh: Panamax | \$66/67.00 | Steady | |
| Argentina to Indonesia: Panamax | \$60/61.00 | Steady | |
| Argentina to South Africa: Panamax | \$33/34.00 | Steady | |
| Argentina to Kenya: Handi | \$65/66.00 | Up \$1.00 | |
| Argentina to Spain: Panamax | \$78/79.00 | Up \$1.00 | |
| Argentina to Tunisia: Handi | \$83/84.00 | Up \$1.00 | |
| | | | |
| Brazil to Algeria/Tunisia: Handi | \$86/87.00 | Up \$1.00 | |
| Brazil to China: Panamax | \$60/61.00 | Up \$5.00 | |
| Brazil to Japan: Panamax | \$59/60.00 | Up \$5.00 | |
| Brazil to South Korea: Panamax | \$67/68.00 | Steady | |
| Brazil to Europe: Panamax | \$80/81.00 | Up \$1.00 | |
| Brazil to Morocco: Handi | \$85/86.00 | Up \$1.00 | |
| Brazil to Iran: Panamax | \$62/63.00 | Steady | |
| Brazil to Bangladesh: Panamax | \$67/68.00 | Up \$1.00 | |
| Brazil to Saudi Arabia 30/40,000 m/t | \$108/109.00 | Up \$1.00 | |
| Brazil to Spain: Panamax | \$80/81.00 | Up \$1.00 | |
| Brazil to Turkey/Egypt: Panamax | \$93/94.00 | Up \$1.00 | |
| | | | |
| Australia to Saudi: Panamax | \$40/41.00 | Steady | |
| Australia to Europe: Panamax | \$38/39.00 | Steady | |
| | | | |

| Black Sea freight – Romania and Russia | | | |
|-----------------------------------------------|------------|-----------|--|
| Black Sea to China: Panamax | \$66/67.00 | Up \$5.00 | |
| Black Sea to Indonesia: Panamax | \$60/61.00 | Steady | |
| Black Sea to Egypt: 40/50,000 | \$28/29.00 | Steady | |
| Black Sea to Egypt: 30,000 | \$31/32.00 | Steady | |
| Black Sea to Iran: Panamax | \$61/62.00 | Steady | |
| Black Sea to Europe: Panamax | \$30/31.00 | Steady | |
| Black Sea to Morocco – Handi | \$33/34.00 | Steady | |
| Black Sea to Tunisia/Algeria – Handi | \$32/33.00 | Steady | |
| Black Sea to Jordan: Panamax | \$40/41.00 | Steady | |
| Black Sea to Libya – Handi | \$35/36.00 | Steady | |
| Black Sea to Saudi: Panamax | \$61/62.00 | Steady | |
| Black Sea to Turkey – Handi | \$27/28.00 | Steady | |
| Black Sea to South Africa – Handi | \$57/58.00 | Steady | |
| | | | |
| Baltic Dry Index | 1553 | Up 340 | |
| Baltic Capesize Index | 1519 | Up 847 | |
| Baltic Panamax Index | 1990 | Up 125 | |
| Baltic Supramax Index | 1551 | Up 76 | |
| Baltic Handysize Index | 905 | Up 42 | |
| | | | |
| Global Container Index - Freightos | 4653 | Down 209 | |
| | | | |

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 October 2022/December 2022

| | | |
|------------------------------------------------|-------------------------|--|
| Wheat, USA Soft Red Winter, US Gulf | USD 375 -- 380 December | |
| Wheat, USA Hard Red Winter 11 protein, US Gulf | USD 430 -- 420 December | |
| Wheat, Ukraine 11.5 pro, 30,000+ m/t | USD 280/285 | |
| Wheat, Russia 12.5 pro, 30,000+ m/t | USD 315/320 | |
| Wheat, Romania 12.5 pro | USD 325>>310 December | |
| Wheat, Superior, France, Rouen | USD 334/337 | |
| Wheat, milling, 12.0%, Argentina, Upriver | USD 380>>330 December | |
| Wheat, feed, Black Sea | USD 280/285 December | |
| | | |
| Barley, France, Rouen port | USD 302/305 | |
| Barley, feed, Argentina, upriver | USD 320/325 | |
| Barley, feed, Black Sea, 30,000+ | USD 285/290 | |
| Barley, feed, Australia | USD 295/300 | |
| | | |
| Corn, 2YC FOB NOLA USA | USD 320/325 | |
| Corn, 3YC FOB USA Pacific northwest | USD 330/335 | |
| Corn, FOB Argentina port, upriver | USD 275/280 | |
| Corn, FOB Brazil port | USD 290/300 | |
| Corn, FOB France – Atlantic | USD 343>>322 December | |
| Corn, FOB Romania | USD 305/310 | |
| Corn, FOB Russia | USD 325/330 | |

| | | |
|------------------------------------------------|--------------------------|--|
| Corn, FOB Ukraine, 30,000+ m/t | USD 295/300 | |
| Sorghum, FOB Argentina port | USD 280/290 | |
| Sorghum, FOB Texas | USD 385>>365 December | |
| | | |
| Soymeal, 48% protein, FOB NOLA | USD 515>>505 December | |
| Soymeal, 48% protein, USA, Rotterdam | USD 550>>540 December | |
| Soymeal, Argentina, Rotterdam – spot | No prices | |
| Soymeal, 47% pro, FOB Argentina | USD 485/490 | |
| Soymeal, 48% protein, Brazil, Rotterdam – spot | USD 545/550 | |
| Soymeal, 48% protein, FOB Brazil | USD 495>>475 December | |
| | | |
| Soybeans, FOB NOLA | USD 600>>580 December | |
| Soybeans, Argentina, FOB | USD 575>>565 December | |
| Soybeans, Brazil, FOB | USD 600/605 | |
| Soybeans, Black Sea | No prices | |
| | | |
| Corn Gluten Meal, USA FOB NOLA | USD 810/820 m/t November | |
| Corn Gluten Feed, USA FOB NOLA | USD 300/310 m/t November | |
| DDGS corn, 35 profat, USA FOB NOLA | USD 330/340 m/t November | |
| | | |

The concern over the possible US railway strike pushed some corn byproduct prices higher this week. The strike now seems to be averted so prices could slip a little lower next week.

We are also coming to the period of increased animal feed demand in the US which may also put some upward pressure on prices. The US Grains Council report this week mentioned that ethanol facilities will be shutting down for their seasonal maintenance which could limit DDGS supplies for a bit.

The only factor that could lower CNF prices is the steady drop in container freight to most destinations.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Total catch in the south of Peru is now at just over 64,000 m/t, with no fishing allowed this week, which will give about 15,300 m/t of fishmeal and leaves 422,000 m/t open on the South Region quota.

The latest long term projections show that there is little chance of a serious Nino or Nina event in the next few months --- so no big worries about that for now.

Looking at speculation on the next North/Central fishing quota, the most popular number seems to be at 2.0 million m/t of catch for a season starting in mid-November – so still a couple of months in the future.

Peru fishmeal prices were steady on the week with estimated pre-sales on the new season now up at about 120,000 m/t.

There are some buyers out there but their bids for new season shipment look to be at least USD 50 m/t below the current estimated prices. It will be interesting if Peru producers start accepting some of these lower bids.

According to numbers published by MSI Ceres, the consumption of fishmeal by China in 2022 will be

down by about 8% but 2022 imports will drop by 14% with the extra coming out of stocks --- ending stocks were quite high when 2021 finished so there is some room for a drop in stocks without causing any shortages..

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

| Type | Protein % | Price per m/t USD |
|------------------|-------------|-------------------|
| Herring fishmeal | 72% protein | 2,160 |
| Danish fishmeal | 64% protein | 1,650 |
| Peru fishmeal | 64% protein | 1,760 |
| Chile fishmeal | 67% protein | 1,800 |
| Iceland fishmeal | 70% protein | 2,140 |

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 | 1460/1480 m/t | |
| 67% protein 150 TVN | 1510/1530 m/t | |
| 67% protein 120 TVN | 1560/1580 m/t | 1680/1700 |
| 67% protein 1000 hist, 120 TVN | 1610/1630 m/t | 1730/1750 |
| 68% protein 500 hist, 100 TVN | 1660/1680 m/t | 1770/1790 |
| Fish oil, crude bulk | 3900/4000 | |
| Fish oil, crude drums | No prices | |
| Fish oil, flexi tank | No prices | |
| Fish oil, Omega 3: 28%EPA/DHA | 4550/4650 | |

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

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