



Hammersmith Trade Services

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WEEKLY USA GRAIN AND PROTEIN REPORT December 03, 2022

Both US corn and wheat had downturns this week with corn prices dropping by about USD 10 m/t while US winter wheat was down by close to USD 14 m/t. US spring wheat was down but not as far with a drop of USD 10 m/t. Soybean prices were almost unchanged on the week but soymeal did move higher, by close to USD 20 m/t.

The 10% drop in soyoil this week was about the only thing that kept soybeans from moving higher. The weakness in soyoil was due to the new USA ruling on the use of rapeseed oil in biofuels which is expected to lower soyoil demand.

Corn prices had a down day on Friday that pushed the week lower --- continued poor US corn export sales were the main reason. Of course, due to high export prices caused by the Mississippi River barge rates, US corn is just not competitive with Brazil or the Ukraine. Futures prices just have to keep moving lower so the FOB prices become competitive.

Wheat prices in the USA were lower on the bearishness of international prices this week. Not that there were any really good reasons for lower prices to be expected, just anything the slightest bit bearish (or bullish) in the Black Sea moves world wheat prices. There is no US fundamental reason this week for lower USA wheat prices.

Soybeans had a big drop early in the week following the announcement on rapeseed oil being approved for bio-fuel use – but the beans recovered by the end of the week, although soyoil did not. Soymeal prices were higher on very good demand and concerns over possible limited supply from Argentina in coming months.

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

US Gulf to Europe: Panamax	\$29/30.00	Steady	X
US Gulf to Spain: Panamax m/t	\$29/30.00	Steady	X
US Gulf Israel: Panamax m/t	\$48/49.00	Down \$2.00	X
US Gulf to Egypt: Panamax	\$48/49.00	Down \$2.00	X
US Gulf Turkey: Panamax m/t	\$49/50.00	Down \$2.00	X
US Gulf Morocco: Handi	\$50/51.00	Down \$2.00	X
US Gulf Algeria/Tunisia: Handi	\$51/52.00	Down \$2.00	X
US Gulf Nigeria: 30,000 m/t	\$47/48.00	Steady	X
US Gulf other Med: Handi	\$53/54.00	Down \$2.00	X
US Gulf South Africa: Handi	\$41/42.00	Steady	X
US Gulf to India: Panamax	\$47/48.00	Steady	X
US Gulf to Philippines: Panamax	\$60/61.00	Steady	X
US Gulf Japan: Panamax	\$57/58.00	Down \$1.00	X

US Gulf China: Panamax	\$56/57.00	Down \$1.00	X
US PNW South Africa – 40,000 m/t	\$65/66.00	Steady	X
US PNW Egypt: Panamax	\$49/50.00	Down \$2.00	X
US PNW Philippines: Panamax	\$40/41.00	Steady	X
US PNW Japan: Panamax	\$32/33.00	Down \$2.00	X
US PNW China: Panamax	\$31/32.00	Down \$2.00	X
US East Coast Nigeria: Handisize	\$46/47.00	Steady	X
US Lakes – Europe – 30,000 m/t	\$71/73.00	Steady	X
US Lakes – Morocco – 30,000 m/t	\$73/74.00	Steady	X
France/Germany to Algeria: Handi	\$31/32.00	Steady	X
France/Germany to Bangladesh	\$82/83.00	Steady	X
France/Germany to China: Panamax	\$76/77.00	Up \$2.00	X
France/Germany to Egypt: Panamax	\$32/33.00	Down \$2.00	X
France/Germany to India: Panamax	\$73/74.00	Steady	X
France/Germany to Iran: Panamax	\$45/46.00	Steady	X
France/Germany to Jordan	\$37/38.00	Steady	X
France/Germany to Morocco: Handi	\$30/31.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$62/63.00	Up \$1.00	X
France/Germany to South Africa: Handi	\$46/47.00	Steady	X
France/Germany to Turkey: Handi	\$33/34.00	Steady	X
France/Germany to Yemen: Handi	\$63/64.00	Steady	X
Argentina to Algeria: Handi	\$56/57.00	Up \$1.00	X
Argentina to China: Panamax	\$49/50.00	Down \$3.00	X
Argentina to Japan: Panamax	\$50/51.00	Down \$3.00	X
Argentina to Egypt: Panamax	\$62/63.00	Up \$1.00	x
Argentina to Europe: Panamax	\$51/52.00	Up \$1.00	X
Argentina to Morocco: Handi	\$55/56.00	Up \$1.00	X
Argentina to Libya: Handi	\$58/59.00	Up \$1.00	X
Argentina to Jordan: Panamax	\$54/55.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$61/62.00	Up \$1.00	X
Argentina to Iran: Panamax	\$61/62.00	Steady	X
Argentina to India: Panamax	\$62/63.00	Steady	X
Argentina to Bangladesh: Panamax	\$66/67.00	Steady	X
Argentina to Indonesia: Panamax	\$60/61.00	Steady	X
Argentina to South Africa: Panamax	\$34/35.00	Steady	X
Argentina to Kenya: Handi	\$55/56.00	Down \$2.00	X
Argentina to Spain: Panamax	\$51/52.00	Up \$1.00	X
Argentina to Tunisia: Handi	\$56/57.00	Up \$1.00	X
Brazil to Algeria/Tunisia: Handi	\$59/60.00	Up \$1.00	X
Brazil to China: Panamax	\$44/45.00	Down \$3.00	X
Brazil to Japan: Panamax	\$45/46.00	Down \$3.00	x
Brazil to South Korea: Panamax	\$49/50.00	Steady	X
Brazil to Europe: Panamax	\$53/54.00	Up \$1.00	X
Brazil to Morocco: Handi	\$58/59.00	Up \$1.00	X
Brazil to Iran: Panamax	\$61/62.00	Steady	X
Brazil to Bangladesh: Panamax	N/A		X
Brazil to Saudi Arabia 30/40,000 m/t	\$70/71.00	Up \$1.00	X
Brazil to Spain: Panamax	\$53/54.00	Up \$1.00	X
Brazil to Turkey/Egypt: Panamax	\$66/67.00	Up \$1.00	x
Australia to Saudi: Panamax	\$40/41.00	Steady	X
Australia to Europe: Panamax	\$52/53.00	Steady	x

Black Sea freight – Romania and Russia			
Black Sea to China: Panamax	\$67/68.00	Steady	X
Black Sea to Indonesia: Panamax	\$65/66.00	Steady	X
Black Sea to Egypt: 40/50,000	\$27/28.00	Steady	X
Black Sea to Egypt: 30,000	\$30/31.00	Steady	X
Black Sea to Iran: Panamax	\$62/63.00	Up \$1.00	X
Black Sea to Europe: Panamax	\$30/31.00	Steady	X
Black Sea to Morocco – Handi	\$30/31.00	Steady	X
Black Sea to Tunisia/Algeria – Handi	\$29/30.00	Steady	X
Black Sea to Jordan: Panamax	\$39/40.00	Steady	X
Black Sea to Libya – Handi	\$32/33.00	Steady	X
Black Sea to Saudi: Panamax	\$64/65.00	Up \$1.00	X
Black Sea to Turkey – Handi	\$28/29.00	Steady	X
Black Sea to South Africa – Handi	\$57/58.00	Steady	x
Baltic Dry Index	1324	Up 000	X
Baltic Capesize Index	1613	Down 94	X
Baltic Panamax Index	1618	Up 139	X
Baltic Supramax Index	1162	Down 20	x
Baltic Handysize Index	741	Down 4	X
Global Container Index - Freightos	2528	Down 258	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 December 2022/February 2023

Wheat, USA Soft Red Winter, US Gulf	USD 335/338	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 390/393	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 285/290	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 315/320	X
Wheat, Romania 12.5 pro	USD 320>>300 April	x
Wheat, Superior, France, Rouen	USD 335/338	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 380/385	X
Wheat, feed, Black Sea	USD 275>>250 April	X
Barley, France, Rouen port	USD 300/303	X
Barley, feed, Argentina, upriver	USD – no prices	X
Barley, feed, Black Sea, 30,000+	USD 280/285	X
Barley, feed, Australia	USD 280/285	X
Corn, 2YC FOB NOLA USA	USD 305>>295 April	X
Corn, 3YC FOB USA Pacific northwest	USD 325>>320 April	X
Corn, FOB Argentina port, upriver	USD 280<<290 March	X
Corn, FOB Brazil port	USD 285<<295 March	X

Corn, FOB France – Atlantic	USD 323/326	X
Corn, FOB Romania	USD 255/260	X
Corn, FOB Russia	USD 220/230	X
Corn, FOB Ukraine, 30,000+ m/t	USD 250/260	X
Sorghum, FOB Argentina port	USD 290/295	X
Sorghum, FOB Texas	USD 365/370	X
Soymeal, 48% protein, FOB NOLA	USD 500>>490 March	X
Soymeal, 48% protein, USA, Rotterdam	USD 535<<525 March	X
Soymeal, 47% pro, FOB Argentina	USD 495>>460 April	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 525/530	X
Soymeal, 48% protein, FOB Brazil	USD 490>>460 April	X
Soybeans, FOB NOLA	USD 580>>575 March	X
Soybeans, Argentina, FOB	USD 570>>545 March	X
Soybeans, Brazil, FOB	USD 580>>550 March	X
Soybeans, Black Sea	No prices	X
Corn Gluten Meal, USA FOB NOLA	USD 810/820 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 290/300 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 310/315 m/t	x

Export prices for corn byproducts moved a little lower this week, due mainly to the lower barge rates in the Mississippi River. Nearby prices for DDGS were said to be down by as much as USD 15 m/t. With lower FOB prices there should be an increase in export buying interest – especially for shipments in containers as freight prices continue lower every week.

There were a couple of articles in the trade press this week that say the lower prices for container freight will probably not continue for too long as the drop has been too far, too quickly. The international container price index has dropped by almost two-thirds in recent weeks.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in the central/northern area of Peru is coming along nicely with the catch to November 30 at just under 308,000 m/t – about 69,000 m/t of fishmeal and 2,700 m/t of fishoil, leaving the quota at just under 2.0 million m/t. There were no landings reported at all for the south region leaving about 422,000 m/t on the south quota.

A new fishing ban was announced covering a wide range of the fishing area – the ban is for 5 days starting on December 02.

According to MSI Ceres the biggest news of the week is the new container freight rates to China at less than USD 45 m/t ---- well down from the USD 80 that had been paid not that long ago. Pre-sales prices calculated at the old freight rates will now be much more profitable.

Most trade reports from Peru indicate prices CNF China so with the new container rates prices should move lower.

MSI Ceres presented a very detailed Peru fishing industry overview on an IFFO webinar this week --- very detailed and very informative, especially good for people who wanted to know all the details about the industry in Peru. Anyone who would like a copy of the presentation can send an email request to info@msiceres.com

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,205
Danish fishmeal	64% protein	1,715
Peru fishmeal	64% protein	1,710
Chile fishmeal	67% protein	1,750
Iceland fishmeal	70% protein	2,075

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	1520/1530 m/t	
67% protein 150 TVN	1570/1580 m/t	
67% protein 120 TVN	1620/1630 m/t	1670/1680
67% protein 1000 hist, 120 TVN	1670/1680 m/t	1720/1730
68% protein 500 hist, 100 TVN	1770/1780 m/t	1770/1780
Fish oil, crude bulk	4200/4300	3700/3800
Fish oil, crude drums	No prices	
Fish oil, flexi tank	No prices	
Fish oil, Omega 3: 28%EPA/DHA	4400/4500	

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

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