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WEEKLY USA GRAIN AND PROTEIN REPORT December 17, 2022

US corn and wheat prices moved a little higher this week while soybeans/soymeal slipped lower.

Many trade reports at the end of the week point to concern over world economics as being one of the major factors in grain/oilseed prices. There are lot of comments about a possible global recession in 2023 and the effect that this could have on consumption and on prices. One would think that recession would lead to lower consumption and lower prices but not all experts agree.

There was really nothing new in the corn market to move prices in any one direction with some trade reports saying that the corn market should be quiet until January 2023 as many are getting close to shutting down for the Christmas and New Year holidays.

Wheat prices were higher this week on the Black Sea situation with Russia's increased activity in the Ukraine adding to wheat supply concerns for 2023. The US situation is good for winter wheat as soil moisture levels have improved and things look good.

Soybean/soymeal prices didn't have much reason to move lower except that recent increases may have just been too large. There is still a lot of concern about drought in South America and questions about China's soybean needs which probably makes the long term trend seem to want to be higher but we still have an expected record soybean crop in Brazil which is keeping a lid on prices.

With only another week or so before the start of the holidays, we should see a slowing down of business with markets probably doing funny things at a lower volume.

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

The continued lower freight for containers is said to have caused one company to pay USD 93 million to buy its way out of long term freight commitments that were booked when rates were charging higher.

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

US Gulf to India: Panamax	\$47/48.00	Steady	
US Gulf to Philippines: Panamax	\$60/61.00	Steady	
US Gulf Japan: Panamax	\$57/58.00	Steady	
US Gulf China: Panamax	\$56/57.00	Steady	
US PNW South Africa – 40,000 m/t	\$65/66.00	Steady	
US PNW Egypt: Panamax	\$48/49.00	Steady	
US PNW Philippines: Panamax	\$40/41.00	Steady	
US PNW Japan: Panamax	\$32/33.00	Steady	
US PNW China: Panamax	\$31/32.00	Steady	
US East Coast Nigeria: Handisize	\$46/47.00	Steady	
US Lakes – Europe – 30,000 m/t	\$71/73.00	Steady	
US Lakes – Morocco – 30,000 m/t	\$73/74.00	Steady	
France/Germany to Algeria: Handi	\$31/32.00	Steady	
France/Germany to Bangladesh	\$83/84.00	Steady	
France/Germany to China: Panamax	\$79/80.00	Up \$1.00	
France/Germany to Egypt: Panamax	\$32/33.00	Steady	
France/Germany to India: Panamax	\$73/74.00	Steady	
France/Germany to Iran: Panamax	\$45/46.00	Steady	
France/Germany to Jordan	\$37/38.00	Steady	
France/Germany to Morocco: Handi	\$30/31.00	Steady	
France/Germany to Saudi Arabia: Panamax	\$62/63.00	Steady	
France/Germany to South Africa: Handi	\$46/47.00	Steady	
France/Germany to Turkey: Handi	\$33/34.00	Steady	
France/Germany to Yemen: Handi	\$63/64.00	Steady	
Argentina to Algeria: Handi	\$58/59.00	Up \$1.00	
Argentina to China: Panamax	\$48/49.00	Down \$1.00	
Argentina to Japan: Panamax	\$49/50.00	Down \$1.00	
Argentina to Egypt: Panamax	\$64/65.00	Up \$1.00	
Argentina to Europe: Panamax	\$53/54.00	Up \$1.00	
Argentina to Morocco: Handi	\$57/58.00	Up \$1.00	
Argentina to Libya: Handi	\$60/61.00	Up \$1.00	
Argentina to Jordan: Panamax	\$54/55.00	Steady	
Argentina to Saudi Arabia: Panamax	\$63/64.00	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	\$34/35.00	Steady	
Argentina to Kenya: Handi	\$53/54.00	Down \$2.00	
Argentina to Spain: Panamax	\$53/54.00	Up \$1.00	
Argentina to Tunisia: Handi	\$58/59.00	Up \$1.00	
Brazil to Algeria/Tunisia: Handi	\$61/62.00	Up \$1.00	
Brazil to China: Panamax	\$43/44.00	Down \$1.00	
Brazil to Japan: Panamax	\$44/45.00	Down \$1.00	
Brazil to South Korea: Panamax	\$49/50.00	Steady	
Brazil to Europe: Panamax	\$55/56.00	Up \$1.00	
Brazil to Morocco: Handi	\$60/61.00	Up \$1.00	
Brazil to Iran: Panamax	\$61/62.00	Steady	
Brazil to Bangladesh: Panamax	N/A		
Brazil to Saudi Arabia 30/40,000 m/t	\$72/73.00	Up \$1.00	
Brazil to Spain: Panamax	\$55/56.00	Up \$1.00	
Brazil to Turkey/Egypt: Panamax	\$68/69.00	Up \$1.00	

Australia to Saudi: Panamax	\$40/41.00	Steady	
Australia to Europe: Panamax	\$51/52.00	Down \$1.00	
Black Sea freight – Romania and Russia			
Black Sea to China: Panamax	\$67/68.00	Steady	
Black Sea to Indonesia: Panamax	\$63/64.00	Down \$2.00	
Black Sea to Egypt: 40/50,000	\$26/27.00	Steady	
Black Sea to Egypt: 30,000	\$29/30.00	Steady	
Black Sea to Iran: Panamax	\$61/62.00	Steady	
Black Sea to Europe: Panamax	\$30/31.00	Steady	
Black Sea to Morocco – Handi	\$30/31.00	Steady	
Black Sea to Tunisia/Algeria – Handi	\$29/30.00	Steady	
Black Sea to Jordan: Panamax	\$39/40.00	Steady	
Black Sea to Libya – Handi	\$32/33.00	Steady	
Black Sea to Saudi: Panamax	\$62/63.00	Down \$2.00	
Black Sea to Turkey – Handi	\$26/27.00	Down \$2.00	
Black Sea to South Africa – Handi	\$57/58.00	Steady	
Baltic Dry Index	1560	Up 174	
Baltic Capesize Index	2208	Up 525	
Baltic Panamax Index	1652	Down 7	
Baltic Supramax Index	1157	Up 5	
Baltic Handysize Index	705	Down 27	
Global Container Index - Freightos	2127	Down 401	

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 January 2023/March 2023

Wheat, USA Soft Red Winter, US Gulf	USD 334>>328 April	
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 380>>375 April	
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 275/280	
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 305/310	
Wheat, Romania 12.5 pro	USD 320>>310 April	
Wheat, Superior, France, Rouen	USD 325/328	
Wheat, milling, 12.0%, Argentina, Upriver	USD 370/385 April	
Wheat, feed, Black Sea	USD 270>>255 April	
Barley, France, Rouen port	USD 293/296	
Barley, feed, Argentina, upriver	USD 350/355	
Barley, feed, Black Sea, 30,000+	USD 275/280	
Barley, feed, Australia	USD 275/280	
Corn, 2YC FOB NOLA USA	USD 305>>295 April	

Corn, 3YC FOB USA Pacific northwest	USD 325>>320 April	
Corn, FOB Argentina port, upriver	USD 285/290	
Corn, FOB Brazil port	USD 295<<270 April	
Corn, FOB France – Atlantic	USD 314/317	
Corn, FOB Romania	USD 250>>235 April	
Corn, FOB Russia	USD 220/230	
Corn, FOB Ukraine, 30,000+ m/t	USD 255/260	
Sorghum, FOB Argentina port	USD 280/285	
Sorghum, FOB Texas	USD 360/365	
Soymeal, 48% protein, FOB NOLA	USD 555>>545 April	
Soymeal, 48% protein, USA, Rotterdam	USD 590<<580 April	
Soymeal, 47% pro, FOB Argentina	USD 560>>510 April	
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 585/590	
Soymeal, 48% protein, FOB Brazil	USD 560>>510 April	
Soybeans, FOB NOLA	USD 600>>590 April	
Soybeans, Argentina, FOB	USD 605>>560 April	
Soybeans, Brazil, FOB	USD 590>>560 April	
Soybeans, Black Sea	No prices	
Corn Gluten Meal, USA FOB NOLA	USD 825/830 m/t	
Corn Gluten Feed, USA FOB NOLA	USD 310/320 m/t	
DDGS corn, 35 profat, USA FOB NOLA	USD 345>>325 m/t April	

Corn prices in the USA moved a little higher this week and barge transport rates in the Mississippi River moved even higher. The biggest effect seemed to be on DDGS prices with nearby export price levels up by as much as USD 10 m/t but relaxing a little after February shipment.

US corn gluten meal prices also moved higher this week – perhaps due to expected higher fishmeal prices along with strong pet food demand. There was also quit a bit of buying interest from Egypt as the lower container freight costs have made CNF Egypt prices more attractive. Sellers to Egypt are insisting on 100% prepayment of shipments for Egypt-based buyers due to the continuing serious shortage of foreign exchange to pay for imports.

FOB prices look to be steady for the moment but could move higher in the Mississippi river problems get worse. While every shipment doesn't move on the Mississippi, river problems affect all prices.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing is continuing quite well in Peru with the daily catch level between 45, 000 and 50,000 m/t. Total catch up to the 15th is at 951,000 m/t leaving 1.332 mm/t still to land and 45 days left until the quota expires. Looking at historical catch levels, the daily totals tend to fall off after about the 20th of December – so, it may still not be too easy to land the full quota.

Fishmeal sales to date are now said to have eased over 300,000 m/t and prices FOB Peru are said to be moving higher. Some reports show FOB prices up by as much as USD 50 m/t but this has not been confirmed. Buyers in China are said to be bidding lower for CNF shipments due to the steady drop in container freight prices. Sellers don't seem to be too inclined to accept lower bids as they are unsure about how much more fishmeal will be produced if the landings drop.

Fishmeal prices in China are said to be moving lower and the spread between the grades is getting tighter.

The latest fishmeal numbers from China show 2022 imports down by about 6.2% to 1.7 mm/t with 2023 fishmeal imports to move even lower to 1.6 mm/t while local fishmeal production increases account for most of the import drop – local production up by at least 65,000 m/t.

There are a great many political problems in Peru these days --- problems that could affect the fishing industry in weeks/months to come.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,215
Danish fishmeal	64% protein	1,745
Peru fishmeal	64% protein	1,755
Chile fishmeal	67% protein	1,790
Iceland fishmeal	70% protein	2,135

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	1750/1760
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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