

Hammersmith Reports

3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

Phone: +33.6.8068.4564

Email: wbacon@hammersmith.biz

WWW: hammersmithltd.blogspot.com

Sorry to be a day late with this week's report but didn't get back from the ECE in Warsaw until late on Saturday. The ECE was very good, except for some serious technical hitches for registration and bad planning for transportation. The difficulty is in meeting the people you want to see in a crowd of 3,000 --- not an easy task.

WEEKLY USA GRAIN AND PROTEIN REPORT October 14, 2023

USDA WASDE report week always tends to be quite exciting. Corn numbers were a little bullish but not enough to push US corn prices higher. The corn week ended with prices steady. Trade reports seem to feel that corn prices are more likely to move higher than lower in coming weeks.

Soybeans and soymeal were about the most active commodities this week with both rushing ahead on bullish WASDE numbers then drifting back a little as the week ended. Soybeans were still up by about USD 7 to 8 m/t while soymeal finished the week around USD 20 m/t higher. It seems that new export sales of soymeal got the market rallying. Experts are looking for soymeal to continue to higher levels.

The WASDE wheat report was considered bearish for US wheat but that didn't stop a wheat market rally that seems to be due to new export sales. Most of the rally in wheat prices, except for SRW wheat, reversed as the week ended leaving most wheat prices steady or a little lower with SRW up by about USD 3 m/t.

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

US Gulf to Europe: Panamax	\$29.00	Steady	
US Gulf to Spain: Panamax m/t	\$29.00	Steady	
US Gulf Israel: Panamax m/t	\$35.00	Down \$1.00	
US Gulf to Egypt: Panamax	\$35.00	Down \$1.00	
US Gulf Turkey: Panamax m/t	\$36.00	Down \$1.00	
US Gulf Morocco: Handi	\$36.00	Down \$1.00	
US Gulf Algeria/Tunisia: Handi	\$37.00	Down \$1.00	
US Gulf Nigeria: 30,000 m/t	\$42.00	Steady	
US Gulf other Med: Handi	\$38.00	Down \$1.00	
US Gulf South Africa: Handi	\$41.00	Steady	
US Gulf to Philippines: Panamax	\$52.00	Steady	
US Gulf Japan: Panamax	\$57.00	Down \$1.00	
US Gulf China: Panamax	\$57.00	Steady	
US PNW South Africa – 40,000 m/t	\$65.00	Steady	
US PNW Philippines: Panamax	\$39.00	Steady	
US PNW Japan: Panamax	\$30.00	Down \$1.00	
US PNW China: Panamax	\$30.00	Steady	

US East Coast Nigeria: Handisize	\$45.00	Steady	
US Lakes – Europe – 30,000 m/t	\$55.00	Down \$1.00	
US Lakes – Morocco – 30,000 m/t	\$66.00	Down \$1.00	
France/Germany to Algeria: Handi	\$30.00	Steady	
France/Germany to China: Panamax	\$82.00	Steady	
France/Germany to Egypt: Panamax	\$28.00	Down \$3.00	
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 Turkey: Handi	\$33.00	Steady	
France/Germany to Yemen: Handi	\$64.00	Steady	
Argentina to Algeria: Handi	\$62.00	Up \$1.00	
Argentina to China: Panamax	\$49.00	Down \$1.00	
Argentina to Japan: Panamax	\$50.00	Down \$1.00	
Argentina to Egypt: Panamax	\$51.00	Steady	
Argentina to Europe: Panamax	\$37.00	Steady	
Argentina to Morocco: Handi	\$61.00	Up \$1.00	
Argentina to Libya: Handi	\$63.00	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 Indonesia: Panamax	\$59.00	Steady	
Argentina to South Africa: Panamax	\$35.00	Steady	
Argentina to Kenya: Handi	\$55.00	Steady	
Argentina to Spain: Panamax	\$37.00	Steady	
Argentina to Tunisia: Handi	\$62.00	Up \$1.00	
Brazil to Algeria/Tunisia: Handi	\$48.00	Steady	
Brazil to China: Panamax	\$42.00	Steady	
Brazil to Japan: Panamax	\$43.00	Steady	
Brazil to South Korea: Panamax	\$48.00	Steady	
Brazil to Europe: Panamax	\$39.00	Steady	
Brazil to Morocco: Handi	\$47.00	steady	
Brazil to Iran: Panamax	\$61.00	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	\$58.00	Steady	
Australia to Saudi: Panamax	\$52.00	Steady	
Australia to Europe: Panamax	\$61.00	Steady	
<u>Black Sea freight</u>			

Black Sea to China: Panamax	\$53 Russia	Ukraine \$57	
Black Sea to Indonesia: Panamax	\$60 Russia	Ukraine \$77	
Black Sea to Bangladesh: Panamax	\$35 Russia	Ukraine \$56	
Black Sea to Egypt: 40/50,000	\$20 Russia	Ukraine \$40	
Black Sea to Egypt: 30,000	\$22 Russia	Ukraine \$29	
Black Sea to Iran: Panamax	\$46 Russia	Ukraine \$61	
Black Sea to Europe: Panamax	\$29 Russia	Ukraine \$39	
Black Sea to Morocco – Handi	\$27 Russia	Ukraine \$47	
Black Sea to Tunisia/Algeria – Handi	\$26 Russia	Ukraine \$46	
Black Sea to Jordan: Panamax	\$37 Russia	Ukraine \$53	
Black Sea to Libya – Handi	\$28 Russia	Ukraine \$48	
Black Sea to Saudi: Panamax	\$44 Russia	Ukraine \$71	
Black Sea to Turkey – Handi	\$16 Russia	Ukraine \$30	
Black Sea to South Africa – Handi	\$57.00		
Russia to Turkey (Izmir)– coaster 5,000 m/t	\$31.00	Down \$3.00	
Russia to Egypt – coaster 5,000 m/t	\$62.00	Steady	
Ukraine to Turkey – coaster 5,000 m/t	\$33.00	Steady	
Ukraine to Egypt – coaster 5,000 m/t	\$79.00	Down \$2.00	
Baltic Dry Index	1945	Up 16	
Baltic Capesize Index	3327	Up 18	
Baltic Panamax Index	1567	Down 5	
Baltic Supramax Index	1268	Up 35	
Baltic Handysize Index	687	Up 12	
Global Container Index - Freightos	1073	Down 15	

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 November 2023/January 2024

Wheat, USA Soft Red Winter, US Gulf	USD 257/260	
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 299/305	
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 190/195	
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 230/235	
Wheat, Romania 12.5 pro	USD 220/230	
Wheat, Superior, France, Rouen	USD 243/246	
Wheat, milling, 12.0%, Argentina, Upriver	USD 265>>250 Jan	
Wheat, feed, Black Sea	USD 205/210	

Barley, France, Rouen port	USD 235/238	
Barley, feed, Argentina, upriver	USD 235/240	
Barley, feed, Black Sea, 30,000+	USD 170/175	
Barley, feed, Australia	USD 255/260	
Corn, 2YC FOB NOLA USA	USD 231>>225 Feb	
Corn, 3YC FOB USA Pacific northwest	USD 245<<250 Feb	
Corn, FOB Argentina port, upriver	USD 215<<220 Feb	
Corn, FOB Brazil port	USD 225<<215 Feb	
Corn, FOB France – Atlantic	USD 215/218	
Corn, FOB Romania	USD 195/200	
Corn, FOB Russia	USD 205/210	
Corn, FOB Ukraine, 30,000+ m/t	USD 165/170	
Sorghum, FOB Argentina port	USD 280/285	
Sorghum, FOB Texas	USD 272/275	
Soymeal, 48% protein, FOB NOLA	USD 480>>465 Feb	
Soymeal, 48% protein, USA, Rotterdam	USD 520>>495 Feb	
Soymeal, 47% pro, FOB Argentina	USD 485>>440 Feb	
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 500/505	
Soymeal, 48% protein, FOB Brazil	USD 460>>435 Feb	
Soybeans, FOB NOLA	USD 495<<505 Feb	
Soybeans, Argentina, FOB	USD 520>>460 Feb	
Soybeans, Brazil, FOB	USD 510>>465 Feb	
Soybeans, Black Sea	No prices	
Corn Gluten Meal, USA FOB NOLA	USD 680/690	
Corn Gluten Feed, USA FOB NOLA	USD 235/240	
DDGS corn, 35 profat, USA FOB NOLA	USD 255/260	

While DDGS prices moved a little lower this week on larger supply both corn gluten meal and corn gluten feed were a little higher. Corn gluten meal was following soy meal prices higher while increased winter feeding demand seemed to be pushing CGF prices up.

DDGS too is seeing increased demand in US domestic markets as buyers are building stocks that will be used in feed rations over the snowy winter months. Feed demand always increases in winter months as grass for munching is much harder come by.

US export DDGS FOB prices are also lower as barge rates on the Mississippi River to NOLA have weakened quite a bit. Spot prices for DDGS in NOLA have dropped by close to USD 15 in a couple of weeks.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN "INDICATION" FISHMEAL PRICES:

The IMARPE research survey that is currently being conducted in Peru is expected to finish around the 25th of October at the latest then perhaps there will be sufficient information to allow a decision on the new fishing quota. However, trade reports say that there is a meeting set for next week to discuss current biomass information --- so perhaps we are not too far away from a new quota/

Discussions in the trade seem to lean to a new quota between 1 million and 1.3 million m/t. Looking back on previous years this would be quite a small quota level.

China is now back to work after its “golden week” holidays, but the trade sees little activity in the fishmeal market in China with the local prices moving a little lower in the hopes of getting some trade moving.

Prices in Peru are steady again this week with little or no activity for pre-quota sales.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,150
Danish fishmeal	64% protein	1,840
Peru fishmeal	64% protein	2,150
Chile fishmeal	67% protein	2,150
Iceland fishmeal	70% protein	2,110

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	2250/2270	
67% protein 150 TVN	2300/2320	
67% protein 120 TVN	2350/2370	2000/2020
67% protein 1000 hist, 120 TVN	2400/2420	2050/2070
68% protein 500 hist, 100 TVN	2450.2470	2100/2120
Fish oil, crude bulk	No prices	5,200/5,300
Fish oil, crude drums	No prices	No prices
Fish oil, flexi tank	No prices	No prices
Fish oil, Omega 3: 28%EPA/DHA	9,200+	No prices

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

The information contained herein is based on sources that we believe to be dependable, but we do not represent that it is accurate or complete. Nothing contained herein should be considered as an offer to sell or a solicitation of an offer to buy. All references to prices are subject to change without notice. Any opinions expressed herein are solely those of the author.