

HAMMERSMITH Reports

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Weekly Report -- May 11, 2024

Hammersmith Reports

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WEEKLY USA GRAIN AND PROTEIN REPORT May 11, 2024

This week was WASDE week was not a major surprise to the industry although the grain futures markets reacted more than one would expect from the report info.

Looking at the end of the week, corn prices in the US were up by about US\$ 4 m/t with soybeans up by US\$ 8 m/t and soymeal also up by about US\$ 8 m/t. US wheat prices were up strongly with US winter wheat moving as much as US \$ 20 m/t higher while US spring wheat was only up by about US \$ 4 m/t.

The push higher in wheat prices seems to be due to the lower estimate of the Russian wheat crop by the USDA and the feeling that current crop problems in Russia could lower the production even further.

Corn prices moved higher on increased USDA WASDE corn export estimates and increased ethanol use of corn. The USDA also lowered its estimates of both Brazil and Argentina corn crops which does help to support higher prices

The USDA WASDE report wasn't bullish for soybeans and meal but the markets moved higher anyway. Seems that the trade expected South American soybean crops to be lower than the WASDE estimates which pushed prices higher as the trade felt the WASDE was not quite correct on soybeans.

Much of this week's increase in grain/oilseed prices came before the WASDE was issued so was based more on crop production and use fundamentals rather than a reaction to the new WASDE information. So, we could be looking at higher prices in the coming days, perhaps not for corn but increases seem likely for wheat and soybeans.

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	\$28.00	Down \$1.00	
US Gulf to Egypt: Panamax	\$28.00	Down \$1.00	
US Gulf Turkey: Panamax m/t	\$29.00	Down \$1.00	
US Gulf Morocco: Handi	\$37.00	New info	
US Gulf Algeria/Tunisia: Handi	\$38.00	New info	
US Gulf Nigeria: 30,000 m/t	\$33.00	New info	
US Gulf other Med: Handi	\$39.00	New info	
US Gulf South Africa: Handi	\$41.00	Steady	
US Gulf India : Panamax	\$52.00	Steady	
US Gulf to Philippines: Panamax	\$52.00	Steady	
US Gulf Japan: Panamax	\$55.00	Steady	
US Gulf China: Panamax	\$54.00	Steady	
US PNW Egypt: Panamax via Panama	\$50.00	Up \$1.00	
US PNW South Africa – 40,000 m/t	\$65.00	Steady	
US PNW Philippines: Panamax	\$34.00	Steady	
US PNW Japan: Panamax	\$29.00	Up \$1.00	
US PNW China: Panamax	\$28.00	Up \$1.00	
US East Coast Nigeria: Handisize	\$45.00	Steady	
US Lakes – Europe – 30,000 m/t	\$50.00	Steady	
US Lakes – Morocco – 30,000 m/t	\$56.00	Steady	
France/Germany to Algeria: Handi	\$32.00	Steady	
France/Germany to China: Panamax	\$72.00	Steady	
France/Germany to Egypt: Panamax	\$34.00	Steady	
France/Germany to Iran: Panamax	\$41.00	Steady	
France/Germany to Jordan	\$42.00	Steady	
France/Germany to Morocco: Handi	\$31.00	Steady	
France/Germany to Saudi Arabia: Panamax	\$65.00	Steady	
France/Germany to Turkey: Handi	\$35.00	Steady	
France/Germany to Yemen: Handi	\$66.00	Steady	
Argentina to Algeria: Handi	\$43.00	New info	
Argentina to China: Panamax	\$55.00	Steady	
Argentina to Japan: Panamax	\$56.00	Steady	
Argentina to Egypt: Panamax	\$53.00	Steady	
Argentina to Europe: Panamax	\$26.00	Steady	
Argentina to Morocco: Handi	\$42.00	New info	
Argentina to Libya: Handi	\$44.00	New info	
Argentina to Jordan: Panamax	\$55.00	Steady	
Argentina to Saudi Arabia: Panamax	\$63.00	Steady	
Argentina to Iran: Panamax	\$61.00	Steady	
Argentina to Indonesia: Panamax	\$58.00	Steady	
Argentina to South Africa: Panamax	\$35.00	Steady	
Argentina to Kenya: Handi	\$57.00	Steady	
Argentina to Spain: Panamax	\$26.00	Steady	

Argentina to Tunisia: Handi	\$43.00	New info	
Brazil to Algeria/Tunisia: Handi	\$50.00	Steady	
Brazil to China: Panamax	\$50.00	Up \$2,00	
Brazil to Japan: Panamax	\$51.00	Up \$2.00	
Brazil to South Korea: Panamax	\$48.00	Steady	
Brazil to Europe: Panamax	\$39.00	Steady	
Brazil to Morocco: Handi	\$49.00	Steady	
Brazil to Iran: Panamax	\$61.00	Steady	
Brazil to Saudi Arabia 30/40,000 m/t	\$64.00	Steady	
Brazil to Spain: Panamax	\$39.00	Steady	
Brazil to Turkey/Egypt: Panamax	\$59.00	Steady	
Australia to Saudi: Panamax	\$60.00	Steady	
Australia to Europe: Panamax	\$69.00	Steady	
South Africa to Italy -- Handisize	\$46.00	Steady	
South Africa to Turkey – Handisize	\$47.00	Steady	
South Africa to Japan – Handisize	\$42.00	Steady	
South Africa to China -- Handisize	\$43.00	Steady	
<u>Black Sea freight</u>			
Black Sea to China: Panamax	\$60 Russia	Ukraine \$56	
Black Sea to Indonesia: Panamax	\$59 Russia	Ukraine \$77	
Black Sea to Egypt: 40/50,000	\$19 Russia	Ukraine \$30	
Black Sea to Egypt: 30,000	\$21 Russia	Ukraine \$27	
Black Sea to Iran: Panamax	\$52 Russia	Ukraine \$61	
Black Sea to Europe: Panamax	\$26 Russia	Ukraine \$37	
Black Sea to Morocco – Handi	\$30 Russia	Ukraine \$41	
Black Sea to Tunisia/Algeria – Handi	\$29 Russia	Ukraine \$40	
Black Sea to Jordan: Panamax	\$37 Russia	Ukraine \$52	
Black Sea to Libya – Handi	\$30 Russia	Ukraine \$41	
Black Sea to Saudi: Panamax	\$50 Russia	Ukraine \$70	
Black Sea to Turkey – Handi	\$19 Russia	Ukraine \$26	
Black Sea to South Africa – Handi	\$55 Russia		
Russia to Turkey (Izmir)– coaster 5,000 m/t	\$32.00	Down \$5.00	
Russia to Egypt – coaster 5,000 m/t	\$57.00	Down \$7.00	
Ukraine to Turkey – coaster 5,000 m/t	\$60.00	Down \$5.00	
Ukraine to Egypt – coaster 5,000 m/t	\$62.00	Down \$3.00	
Baltic Dry Index	2129	Up 253	
Baltic Capesize Index	3292	Up 619	
Baltic Panamax Index	1884	Up 142	
Baltic Supramax Index	1485	Up 27	

Baltic Handysize Index	703	Down 26	
Global Container Index - Freightos	2877	Up 317	

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 May 2024/July 2024

Wheat, USA Soft Red Winter, US Gulf	USD 255<<260 Aug	
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 282<<290 Aug	
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 215<<220 Aug	
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 220<<225 Aug	
Wheat, Romania 12.5 pro	USD 235<<240 Aug	
Wheat, Superior, France, Rouen	USD 252<<260 Aug	
Wheat, milling, 12.0%, Argentina, Upriver	USD 270>>260 Aug	
Wheat, feed, Black Sea	USD 200/210	
Barley, France, Rouen port	USD 229/236	
Barley, feed, Argentina, upriver	USD 205/210	
Barley, feed, Black Sea, 30,000+	USD 180/185	
Barley, feed, Australia	USD 250/255	
Corn, 2YC FOB NOLA USA	USD 200<<205 Aug	
Corn, 3YC FOB USA Pacific northwest	USD 225<<235 Aug	
Corn, FOB Argentina port, upriver	USD 200>>195 Aug	
Corn, FOB Brazil port	USD 220>>205 Aug	
Corn, FOB France – Atlantic	USD 234<<251 Aug	
Corn, FOB Romania	USD 205<<215 Aug	
Corn, FOB Russia	USD 195<<205 Aug	
Corn, FOB Ukraine, 30,000+ m/t	USD 190<<200 Aug	
Sorghum, FOB Argentina port	USD 260/270	
Sorghum, FOB Texas	USD 250<<260 Aug	
Soymeal, 48% protein, FOB NOLA	USD 440>>430 Aug	
Soymeal, 48% protein, USA, Rotterdam	USD 470>>460 Aug	
Soymeal, 47% pro, FOB Argentina	USD 425>>415 Aug	
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 465/470	
Soymeal, 48% protein, FOB Brazil	USD 412>>405 Aug	
Soybeans, FOB NOLA	USD 465<<470 Aug	

Soybeans, Argentina, FOB	USD 440<<445 Aug	
Soybeans, Brazil, FOB	USD 455<<460 Aug	
Soybeans, Black Sea	USD 450<<455 Aug	
Corn Gluten Meal, USA FOB NOLA	USD 530/540	
Corn Gluten Feed, USA FOB NOLA	USD 200/210	
DDGS corn, 35 profat, USA FOB NOLA	USD 195/205	

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN “INDICATION” FISHMEAL PRICES:

The catch in Peru this week was lower due to mini-bans but still reached over 250,000 m/t bringing the total so far to 1.28 million m/t which leaves about 1.19 million m/t on the quota. If the weekly catch numbers are able to continue at the current level, then all the quota could be landed by the end of June.

The level of juvenile fish landed is still high but it is dropping --- more mini-fishing bans will be seen in coming days covering areas with high juvenile levels. Peru officials do have a limit of 600,000 m/t of juveniles and when that level is reached fishing can be stopped. Looking at the stats on some trade reports we are not all that far away from 600,000 m/t of juveniles as of this week. It is very possible that high juvenile levels could stop the industry from using the full quota.

Prices are steady but trade reports are saying that they expect Chinese buyers will be bidding lower in coming days due to the good level of fishing seen in Peru. If the full quota is landed that will yield about 550,000 m/t of fishmeal

Trade reports estimate that about 380,000 m/t of fishmeal has been sold against the current quota.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Standard Herring	64% protein	1,710
Danish standard fishmeal	71% protein	1,890
Peru fishmeal	65% protein	1,670
Chile fishmeal	66% protein	1,700
Iceland fishmeal	71% protein	1,835

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	1550/1570	
67% protein 150 TVN	1620/1640	
67% protein 120 TVN	1700/1720	1700/1720
67% protein 1000 hist, 120 TVN	1750/1770	1750/1770
68% protein 500 hist, 100 TVN	1800/1820	1800/1820
Fish oil, crude bulk	No prices	5,100
Fish oil, crude drums	No prices	No prices
Fish oil, flexi tank	No prices	No prices
Fish oil, Omega 3: 28%EPA/DHA	8,000/8,500	No prices

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

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