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Weekly Report -- February 03, 2024

Hammersmith Reports

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WEEKLY USA GRAIN AND PROTEIN REPORT February 03, 2024

Most grain and oilseed markets continued to slip to lower price levels this week --- soybeans were the leader dropping about USD 7 m/t although spot soymeal was up by about USD 7. Soymeal a little further in to 2024 was up by about USD 3 m/t. USA corn and wheat prices were almost unchanged on the week.

Trade reports didn't have much to say but were all getting excited over 1% changes in prices on Friday --- I guess that there was little else to get excited about.

The corn crop in Argentina is looking to be a little higher than previous forecasts which is putting pressure on world corn export prices. However, on the up side for US corn prices, corn usage in ethanol production is higher at the end of 2023 than it was in 2022.

Soybeans slipped lower on continued price pressure from the very large 2024 Brazil soybean crop. It was reported this week that at least one shipment of Brazil soybeans has been made to the USA. Soymeal was higher in the spot market as the USA is currently the main supplier of soymeal to export markets. For the time being, if you need soymeal, you source in the US, which keep prices firm.

Wheat prices didn't do much, just wiggled around a little in a narrow price range. Not much to report for wheat this week, as world wheat prices just keep on moving a little lower each week.

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

According to trade reports, container shipments through the Suez Canal are down by 55% while dry bulk cargos are only down by 19%. Much of the dry bulk shipments are grains from the Black Sea to Asia which are not being attacked by Yemen rebels. Reports add that petroleum shipments do not seem to have slowed or rerouted.

However, one European “expert” has said that about 6 million m/t of grains have been rerouted to avoid the Red Sea situation ---- on wonders how they compiled their information.

| | | | |
|---|---------|-------------|--|
| US Gulf to Europe: Panamax | \$29.00 | Up \$1.00 | |
| US Gulf to Spain: Panamax m/t | \$29.00 | Up \$1.00 | |
| US Gulf Israel: Panamax m/t | \$29.00 | Down \$1.00 | |
| US Gulf to Egypt: Panamax | \$29.00 | Down \$1.00 | |
| US Gulf Turkey: Panamax m/t | \$30.00 | Down \$1.00 | |
| US Gulf Morocco: Handi | \$42.00 | Steady | |
| US Gulf Algeria/Tunisia: Handi | \$43.00 | Steady | |
| US Gulf Nigeria: 30,000 m/t | \$45.00 | Steady | |
| US Gulf other Med: Handi | \$44.00 | Steady | |
| US Gulf South Africa: Handi | \$41.00 | Steady | |
| US Gulf to Philippines: Panamax | \$52.00 | Steady | |
| US Gulf Japan: Panamax | \$51.00 | Steady | |
| US Gulf China: Panamax | \$50.00 | Steady | |
| US PNW South Africa – 40,000 m/t | \$65.00 | Steady | |
| US PNW Philippines: Panamax | \$39.00 | Steady | |
| US PNW Japan: Panamax | \$26.00 | Steady | |
| US PNW China: Panamax | \$25.00 | Steady | |
| US East Coast Nigeria: Handisize | \$45.00 | Steady | |
| US Lakes – Europe – 30,000 m/t | \$60.00 | Closed | |
| US Lakes – Morocco – 30,000 m/t | \$69.00 | Closed | |
| | | | |
| France/Germany to Algeria: Handi | \$32.00 | Steady | |
| France/Germany to China: Panamax | \$82.00 | Steady | |
| France/Germany to Egypt: Panamax | \$34.00 | Steady | |
| France/Germany to Iran: Panamax | \$45.00 | Steady | |
| France/Germany to Jordan | \$40.00 | 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 | \$62.00 | Steady | |
| Argentina to China: Panamax | \$50.00 | Down \$1.00 | |
| Argentina to Japan: Panamax | \$51.00 | Down \$1.00 | |
| Argentina to Egypt: Panamax | \$53.00 | Steady | |
| Argentina to Europe: Panamax | \$32.00 | Down \$1.00 | |
| Argentina to Morocco: Handi | \$61.00 | Steady | |
| Argentina to Libya: Handi | \$62.00 | Steady | |
| 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 | \$59.00 | Steady | |
| Argentina to South Africa: Panamax | \$35.00 | Steady | |
| Argentina to Kenya: Handi | \$59.00 | Steady | |
| Argentina to Spain: Panamax | \$32.00 | Down \$1.00 | |
| Argentina to Tunisia: Handi | \$62.00 | Steady | |

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| Brazil to Algeria/Tunisia: Handi | \$50.00 | Steady | |
| Brazil to China: Panamax | \$44.00 | Steady | |
| Brazil to Japan: Panamax | \$45.00 | Steady | |
| 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 | \$52.00 | Steady | |
| Australia to Europe: Panamax | \$61.00 | Steady | |
| | | | |
| <u>Black Sea freight</u> | | | |
| | | | |
| Black Sea to China: Panamax | \$62 Russia | Ukraine \$61 | |
| Black Sea to Indonesia: Panamax | \$59 Russia | Ukraine \$77 | |
| Black Sea to Egypt: 40/50,000 | \$23 Russia | Ukraine \$28 | |
| Black Sea to Egypt: 30,000 | \$23 Russia | Ukraine \$28 | |
| Black Sea to Iran: Panamax | \$52 Russia | Ukraine \$61 | |
| Black Sea to Europe: Panamax | \$27 Russia | Ukraine \$38 | |
| Black Sea to Morocco – Handi | \$29 Russia | Ukraine \$44 | |
| Black Sea to Tunisia/Algeria – Handi | \$28 Russia | Ukraine \$43 | |
| Black Sea to Jordan: Panamax | \$37 Russia | Ukraine \$53 | |
| Black Sea to Libya – Handi | \$29 Russia | Ukraine \$44 | |
| Black Sea to Saudi: Panamax | \$44 Russia | Ukraine \$70 | |
| Black Sea to Turkey – Handi | \$17 Russia | Ukraine \$25 | |
| | | | |
| Russia to Turkey (Izmir)– coaster 5,000 m/t | \$55.00 | Down \$5.00 | |
| Russia to Egypt – coaster 5,000 m/t | \$81.00 | Down \$1.00 | |
| Ukraine to Turkey – coaster 5,000 m/t | \$65.00 | Steady | |
| Ukraine to Egypt – coaster 5,000 m/t | \$89.00 | Down \$4.00 | |
| | | | |
| | | | |
| Baltic Dry Index | 1407 | Down 111 | |
| Baltic Capesize Index | 2030 | Down 105 | |
| Baltic Panamax Index | 1444 | Down 252 | |
| Baltic Supramax Index | 1041 | Down 24 | |
| Baltic Handysize Index | 585 | Down 11 | |
| | | | |
| Global Container Index - Freightos | 3393 | Down 18 | |
| | | | |

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 February 2024/April 2024

| | | |
|--|-------------------|--|
| Wheat, USA Soft Red Winter, US Gulf | USD 260>>257 May | |
| Wheat, USA Hard Red Winter 11 protein, US Gulf | USD 288>>283 May | |
| Wheat, Ukraine 11.5 pro, 30,000+ m/t | USD 205<<210 May | |
| Wheat, Russia 12.5 pro, 30,000+ m/t | USD 230<<235 May | |
| Wheat, Romania 12.5 pro | USD 230<<235 May | |
| Wheat, Superior, France, Rouen | USD 235<<245 May | |
| Wheat, milling, 12.0%, Argentina, Upriver | USD 230<<260 June | |
| Wheat, feed, Black Sea | USD 205/215 | |
| | | |
| Barley, France, Rouen port | USD 210/213 | |
| Barley, feed, Argentina, upriver | USD 215/220 | |
| Barley, feed, Black Sea, 30,000+ | USD 190/195 | |
| Barley, feed, Australia | USD 240/245 | |
| | | |
| Corn, 2YC FOB NOLA USA | USD 200<<205 May | |
| Corn, 3YC FOB USA Pacific northwest | USD 225<<230 May | |
| Corn, FOB Argentina port, upriver | USD 190<<195 May | |
| Corn, FOB Brazil port | USD 200<<205 May | |
| Corn, FOB France – Atlantic | USD 208/212 | |
| Corn, FOB Romania | USD 210<<215 May | |
| Corn, FOB Russia | USD 215<<220 May | |
| Corn, FOB Ukraine, 30,000+ m/t – Odessa port | USD 205<<220 May | |
| Sorghum, FOB Argentina port | USD 280/285 | |
| Sorghum, FOB Texas | USD 251/255 | |
| | | |
| Soymeal, 48% protein, FOB NOLA | USD 430>>400 May | |
| Soymeal, 48% protein, USA, Rotterdam | USD 465>>435 May | |
| Soymeal, 47% pro, FOB Argentina | USD 415>>380 May | |
| Soymeal, 48% protein, Brazil, Rotterdam – spot | USD 470/475 | |
| Soymeal, 48% protein, FOB Brazil | USD 410>>385 May | |
| | | |
| Soybeans, FOB NOLA | USD 465<<470 May | |
| Soybeans, Argentina, FOB | USD 420>>410 May | |
| Soybeans, Brazil, FOB | USD 405<<420 May | |
| Soybeans, Black Sea | USD 470<<475 Apr | |
| | | |
| Corn Gluten Meal, USA FOB NOLA | USD 600/610 | |
| Corn Gluten Feed, USA FOB NOLA | USD 210/220 | |

| | | |
|------------------------------------|------------------|--|
| DDGS corn, 35 profat, USA FOB NOLA | USD 250>>245 Apr | |
| | | |
| | | |

No change in export prices for corn coproducts this week. Although corn prices have been falling for weeks now the coproduct prices have maintained higher levels. Domestic demand in the USA has been very good for both DDGS and corn gluten meal which seems to be keeping domestic and export prices firm.

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

As usual with no fishing there is little to report from Peru. All the local trade reports are full of information on El Nino event for 2024.....pages and pages of information. The conclusion being that if there is an El Nino in Peru this year it will not be serious just moderate at worst.

There has been no change in prices for current stock, of which there is little, but it seems that prices for the next fishing season could be up by as much as USD 50 m/t with most of the interest being in Super Prime and Prime.

Things in the fishmeal business will get very quiet for Chinese New Year which begins on February 10 until about February 15. However, after the New Year holidays Chinese buyers will be back thinking about positions for the next Peru fishing season. 2024 will be the Year of the Dragon.

As a side note, the Ghana Fishing Association has asked the EU to restrict imports of fishmeal from Ghana as the industry is depleting the local fish stocks and destroying the local fishing industry. In addition, they add it is increasing the level of food insecurity in the country.

European fishmeal prices – FOB North German port.

| Type | Protein % | Price per m/t USD |
|--------------------------|-------------|----------------------|
| Standard fishmeal | 64% protein | 1,755 |
| Danish standard fishmeal | 71% protein | 2,010 |
| Peru fishmeal | 65% protein | 1,890 |
| Chile fishmeal | 66% protein | 1,910 |
| Iceland fishmeal | 71% protein | 2,020 |

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 | 1580/1600 | |
| 67% protein 150 TVN | 1650/1670 | |
| 67% protein 120 TVN | 1800/1820 | 1820/1840 |
| 67% protein 1000 hist, 120 TVN | 1950/1970 | 1920/1940 |
| 68% protein 500 hist, 100 TVN | 2000/2020 | 2000/2020 |
| | | |
| Fish oil, crude bulk | No prices | 5,100/5,200 |
| Fish oil, crude drums | No prices | No prices |
| Fish oil, flexi tank | No prices | No prices |
| Fish oil, Omega 3: 28%EPA/DHA | 12,000+ | No prices |

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

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