



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT July 10, 2021

It was another week of lower prices for all US grains and oilseeds and we haven't even seen the USDA WASDE report yet – not until July 12. Perhaps the WASDE will shake things up even more.

Corn prices dropped by about USD 24 m/t with soybeans down by as much as USD 25 m/t and soymeal down by more than USD 30 m/t. US winter wheat was down by USD 10 to 14 m/t with spring wheat down by close to USD 10 m/t. Although, both soybeans and soymeal did have an up day on Friday which stopped prices from going even lower.

It was the weather and the rainfall in the USA that pushed prices lower again this week – more rainfall is expected over the weekend and then things will get back to sunny weather and growing crops.

The big question today is what will the USDA WASDE report bring on Monday and will it be in line with all the trade estimates. Reading a number of trade reports this weekend, many experts seem to be expecting a bullish WASDE report for corn and soybeans – so perhaps we will see a rally early in the week.

Russian export tax – July 14 to 20 – wheat USD 39.30 m/t – down USD 1.90, barley USD 36.90 m/t – down USD 0.10 m/t and corn USD 52.20 m/t – up USD 1.60 m/t.

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

With the very sudden changes in grain freight rates, it is difficult to get accurate rates for every destination. Some of the rates are probably too low this week due to a lack of trading to particular destinations. However, freight rates to most used destinations are thought to be accurate.

US Gulf to Europe: Panamax (10,000 disch)	\$23/24.00	Steady	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$23/24.00	Steady	X
US Gulf Israel: Panamax m/t	\$69/70.00	Up \$3.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$69/70.00	Up \$3.00	X
US Gulf Turkey: Panamax m/t	\$70/71.00	Up \$3.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$66/67.00	Up \$2.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$68/69.00	Up \$3.00	X
US Gulf Nigeria: 30,000 m/t	\$65/66.00	Up \$2.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$69/70.00	Up \$4.00	X
US Gulf South Africa: 45,000 m/t	\$45/46.00	Steady	X
US Gulf to India: Panamax	\$67/68.00	Steady	X
US Gulf to Philippines: Panamax	\$68/69.00	Steady	X
US Gulf Japan: Panamax	\$85/86.00	Up \$3.00	X
US Gulf China: Panamax	\$84/85.00	Up \$3.00	X
US PNW South Africa – 40,000 m/t	\$54/55.00	Adjusted	X
US PNW Egypt: Panamax	\$65/66.00	Steady	X
US PNW Philippines: Panamax	\$49/50.00	Steady	X



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US PNW Japan: Panamax	\$46/47.00	Steady	x
US PNW China: Panamax	\$45/46.00	Steady	X
US East Coast Egypt: Panamax	No price		X
US East Coast Nigeria: Handisize	\$65/66.00	Up \$6.00	X
US Lakes – Europe – 30,000 m/t	No prices		X
US Lakes – Morocco – 30,000 m/t	No prices		X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$24/25.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$66/67.00	Up \$2.00	X
France/Germany to China: Panamax	\$59/60.00	Up \$2.00	X
France/Germany to Egypt: Panamax (10,000 dis)	\$27/28.00	Up \$1.00	X
France/Germany to India: Panamax	\$59/60.00	Adjusted	X
France/Germany to Iran: Panamax	\$62/63.00	Adjusted	x
France/Germany to Jordan: 35/45,000 (4k dis)	\$51/52.00	Adjusted	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$23/24.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$60/61.00	Up \$2.00	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$33/34.00	Up \$2.00	X
France/Germany to Yemen: 30,000 m/t	\$59/60.00	Up \$4.00	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$32/33.00	Up \$1.00	X
Argentina to China: Panamax, with top-off	\$75/76.00	Up \$1.00	X
Argentina to Japan: Panamax, with top-off	\$75/76.00	Steady	X
Argentina to Egypt: Panamax	\$38/39.00	Up \$1.00	X
Argentina to Europe: Panamax	\$28/29.00	Up \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$29/30.00	Up \$1.00	X
Argentina to Libya: 25/30,000 m/t	\$34/35.00	Steady	X
Argentina to Jordan: Panamax	\$57/58.00	Up \$5.00	X
Argentina to Saudi Arabia: Panamax	\$60/61.00	Up \$1.00	X
Argentina to Iran: Panamax	\$61/62.00	Up \$2.00	X
Argentina to India: Panamax	\$61/62.00	Up \$9.00	X
Argentina to South Africa: Panamax	\$27/28.00	Steady	X
Argentina to Spain: Panamax	\$28/29.00	Up \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$32/33.00	Up \$1.00	X
Argentina to US Gulf: 25/35,000 m/t	\$62/63.00	Up \$2.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$33/34.00	Up \$1.00	X
Brazil to China: Panamax	\$69/70.00	Up \$1.00	X
Brazil to Japan: Panamax	\$68/69.00	Up \$1.00	X
Brazil to South Korea: Panamax	\$68/69.00	Up \$5.00	X
Brazil to Europe: Panamax	\$33/34.00	Up \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$36/37.00	Up \$1.00	X
Brazil to Iran: Panamax	\$61/62.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$57/58.00	Up \$1.00	X
Brazil to Spain: Panamax	\$33/34.00	Up \$1.00	X
Brazil to Turkey/Egypt: Panamax	\$48/49.00	Up \$1.00	X
Australia to China: Panamax – round trip	\$18/19.00	Steady	X
Australia to Japan: Panamax – round trip	\$50/50.50	Steady	X
Australia to Saudi Arabia: Panamax	\$53/54.00	Steady	X
Ukraine to China: Panamax	\$68/69.00	Adjusted	X
Ukraine to Indonesia: Panamax	\$66/67.00	Adjusted	X



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Ukraine to Bangladesh, Panamax	\$66/67.00	Adjusted	X
Ukraine to India, Panamax	\$59/60.00	Adjusted	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$29/30.00	Up \$5.00	X
Ukraine to East Med: coaster (1,000 disch)	\$38/39.00	Steady	X
Ukraine to Turkey: Izmir: coaster (1,000 disch)	\$29/30.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$33/34.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$28/29.00	Up \$4.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$29/30.00	Up \$5.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$38/39.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$52/53.00	Steady	X
Black Sea to Iraq: Panamax (4,000 disch)	\$48/49.00	Steady	X
Black Sea to Iran: Panamax	\$43/44.00	Steady	X
Black Sea to Europe: Panamax (8,000 disch)	\$30/31.00	Up \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$28/29.00	Steady	X
Black Sea to Spain: Panamax (8,000 disch)	\$30/31.00	Up \$1.00	X
Black Sea to Jordan: Panamax (5,000 disch)	\$38/39.00	Up \$2.00	X
Black Sea to Libya: 25/35,000 m/t	\$31/32.00	Up \$5.00	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$44/45.00	Up \$1.00	X
Black Sea to Yemen: Panamax	\$56/57.00	Steady	x
Black Sea to Turkey – 30,000 m/t	\$25/26.00	Up \$4.00	X
Black Sea to South Africa – 30,000 m/t	\$36/37.00	Up \$6.00	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$26/27.00	Steady	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	3300	Up 15	X
Baltic Capesize Index (100,000 plus DWT)	3735	Up 225	X
Baltic Panamax Index (60,000 to 80,000 DWT)	4269	Down 168	X
Baltic Supramax Index (45,000 to 60,000 DWT)	2891	Down 44	x
Baltic Handisize Index (25,000 plus DWT)	1651	Up 96	X

FOB port or location specified. Prices in US\$, in metric tons:
All shipments in bulk grain vessels unless stated otherwise.
 (NOLA is New Orleans, Louisiana, USA.)

ALL PRICES ARE FOR August 2021/October 2021

Wheat, USA Soft Red Winter, US Gulf	USD 247/262	x
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 272/281	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 224/227 new crop	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 233/236 new crop	X
Wheat, Romania 12.5 pro	USD 234/238 new crop	X
Wheat, Superior, France, Rouen	USD 238/240 new crop	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 275/285	X
Wheat, feed, Black Sea	USD 219/222 new crop	X
Barley, France, Rouen port	USD 228/230 new crop	X
Barley, feed, Argentina, up river	USD 251/254	X
Barley, feed, Black Sea, 30,000+	USD 215/218 new crop	x
Barley, feed, Australia	USD 241/244	X



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Corn, 2YC FOB NOLA USA	USD 268>>245 new crop	X
Corn, 3YC FOB USA Pacific northwest	USD 275>>262 new crop	X
Corn, FOB Argentina port, upriver	USD 205/217 all new crop	X
Corn, FOB Brazil port	USD 233/236=7 new crop	X
Corn, FOB France – Atlantic	USD 298>>242 new crop	X
Corn, FOB Romania	USD 260>>234 new crop	X
Corn, FOB Russia	USD 273>>234 new crop	X
Corn, FOB Ukraine, 30,000+ m/t	USD 263>>230 new crop	X
Sorghum, FOB Argentina port	USD 251>>220 new crop	X
Sorghum, FOB Texas	USD 349>>312 new crop	X
Soymeal, 48% protein, FOB NOLA	USD 427>>405 new crop	X
Soymeal, 48% protein, USA, Rotterdam	USD 467>>445 new crop	X
Soymeal, Argentina, Rotterdam – spot	USD 468/471 all new crop	X
Soymeal, 47% pro, FOB Argentina	USD 410>>390 new crop	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 471/474 all new crop	X
Soymeal, 48% protein, FOB Brazil	USD 435>>409 new crop	X
Soybeans, FOB NOLA	USD 537>>518 new crop	X
Soybeans, Argentina, FOB	USD 519>>514 new crop	X
Soybeans, Brazil, FOB	USD 537/541 all new crop	X
Soybeans, Black Sea	USD 572>>561 new crop	X
Corn Gluten Meal, USA FOB NOLA	USD 610/630 m/t Sept	X
Corn Gluten Feed, USA FOB NOLA	USD 185/195 m/t Sept	X
DDGS corn, 35 profat, USA FOB NOLA	USD 215/225 m/t Sept	x

This was certainly a week of falling prices for corn byproducts as everything dropped lower as the market started to look much more at September corn prices. July prices had held the market up for a while but now that July (and part of August) is sold out we have to look at what September will bring.

With soymeal prices down by about USD 30 m/t on the week it is easy to see why byproducts also dropped like stones.

Of course, the problem is that while FOB prices move lower the freight is moving higher quickly which is offsetting a good deal of the price drop for importers.

The US Grains Council report this week mentioned that DDGS prices in the US Gulf are down by close to USD 40 m/t but that CNF prices into Asia are only down by a couple of dollars. As mentioned above, freight increases are eating up any FOB price savings.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 480/500 m/t CNF Asia
Australian MBM 50% protein	USD 535/555 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 635/645 m/t CNF Asia
Australian Poultry Meal, pet food	USD 960/980 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 570/590 m/t CNF China
	USD 540/560 to Indonesia
USA Feathermeal, 80% protein	USD 680/600 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 490/510 m/t CNF Asia



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USA Poultry Meal, pet food grade

USD 990/1,010 m/t CNF Asia

Meat and bone meal prices to Asia from the USA slipped a little this week as lower soymeal prices pressed the market. No one much wants to pay a big premium for animal protein over vegetable protein.

Australia and New Zealand prices for animal proteins were steady on the week but reports are that buyers are looking for lower prices – at least USD 25 m/t lower.

In the USA domestic market, it was a short week due to the Monday holiday and business was quite slow as everyone seemed to book needs before the holiday. Prices in the US were steady in most cases, but experts do feel that there will be lower prices in days to come as falling soymeal prices become more attractive.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Here we are, getting closer and closer to the quota every week. Fishing this past week has been lower with the total to Thursday only reaching 45,500 m/t but the total overall no stands at 2.384 million m/t – only 125,000 m/t to full quota and close to 3 weeks to go. We are now at just over 95% of the quota landed – probably better than some experts had forecasted.

Prices seem to be steady, but the supply of Super Prime is zero and Prime too is running low. While FOB Peru prices are steady the CNF Asia prices continue to climb as container freight rate just won't stop rushing higher. MSI Ceres was mentioning this week that some shipments are being pushed off a few weeks as there are just not enough containers on hand to meet the demand. It is hoped that the container situation will be improved for the next fishing season with shipments expected to begin in December.

There has been some fishing in the south on the new 409,000 m/t quota with about 2,600 m/t of catch reported since the quota was opened on July 05.

The trade estimates that about 540,000 m/t of fishmeal has been sold which will leave about 50,000 m/t left for business until December --- or more if fishing in the south suddenly takes off. There has been some talk about lower prices for the November fishing season but that is still a long way off.

The latest numbers on fishmeal imports for China in 2021 are at 1.58 million up from last years imports of 1.42 mm/t.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,975
Danish fishmeal	64% protein	1,520
Peru fishmeal	64% protein	1,620
Chile fishmeal	67% protein	1,660
Iceland fishmeal	70% protein	1,960

ALL PRICES SHOWN ARE IN CONTAINER, ON VESSEL, AT ORIGIN --- US DOLLARS



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Minimum shipment of 200 m/t for fishmeal

<u>Specification</u>	<u>Price per m/t FOB vessel Peru port</u>	<u>Price per m/t Chile port</u>
65/66 protein	1380/1400 m/t	
67% protein standard steam	1450/1470 m/t	
67% protein 150 TVN	1500/1520 m/t	1520/1540 m/t
67% protein 120 TVN	1550/1570 m/t	1570/1590 m/t
67% protein 1000 hist, 120 TVN	1600/1620 m/t	1620/1640 m/t
68% protein 500 hist, 120 TVN	1650/1670 m/t	1650/1670 m/t
Fish oil, crude bulk	2000/2100	
Fish oil, crude drums	2050/2150	
Fish oil, flexi tank	2100/2200	
Fish oil, Omega 3: 28%EPA/DHA	2500/2600	

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

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