



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

WEEKLY USA GRAIN AND PROTEIN REPORT August 13, 2022

This week's USDA WASDE was not too much of a surprise to the grain markets although corn prices did move higher on forecasted lower yields. Experts feel that the WASDE report was bullish for corn in the long term --- as we can see in the futures market, new crop prices are pushing higher.

The WASDE report showed slightly increased crop yields for USA soybeans which made the futures market a little nervous but both soybeans and soymeal were still up on the week. New crop soybeans were up by about USD 16 m/t with soymeal up by USD 12 to 15 m/t. Old crop soybean prices are still at a USD 55 m/t premium to new crop but as we get into September the spread narrows to only USD 20 m/t --- of course, by then there is little or no old crop left.

All USA wheat finished the week higher as the WASDE didn't seem to have much effect – at least not as much affect as is being seen from the continued hot and dry weather. Comments in the trade were that USA wheat is going to find it tough in export markets in 2022/23 due to the expected very large Russian wheat crop, although reduced crops in Europe may make US export sales a little easier.

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 September 2022/November 2022

Wheat, Superior, France, Rouen	USD 353>>325 December	
Barley, France, Rouen port	USD 320/325	
Corn, FOB France – Atlantic	USD 360>>345 December	
Soymeal, 48% protein, USA, Rotterdam	USD 605>>550 November	
Soymeal, 48% protein, Brazil, Rotterdam – spot	No prices	
Corn Gluten Meal, USA FOB NOLA	USD 815/825 m/t November	

DDGS prices in NOLA were a little higher this week – up by about USD 5 m/t. According to trade reports there seems to be increased interest from international buyers. DDGS is very competitive these days in export markets against corn/soymeal prices.

Both corn gluten meal and corn gluten feed slipped a little lower this week – pre WASDE -- but there really didn't seem to be any weakness in export prices as sellers are not accepting lower offers.

It is not expected that there will be any serious effect on corn byproduct prices due to last weeks USDA WASDE report --- although corn prices were up by about USD 12 m/t on the week along with higher soymeal prices which could move things higher next week. It certainly doesn't look like prices will be moving lower.