



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

WEEKLY USA GRAIN AND PROTEIN REPORT September 24, 2022

USA wheat prices were higher on the week while soybeans were lower and corn finished the week with no real change in prices.

Reading the trade reports at the end of the week the feeling seems to be that the drop in prices on Friday for most commodities was due more to economic worries than to any crop situation. The very strong US dollar has also made US grains/oilseeds more expensive in export markets which will help to push prices lower for competitive reasons.

The corn harvest in the US is moving along quite nicely and this should put some downward pressure on corn prices. Corn experts have said that pre-harvest corn prices in the US are at the highest levels seen in almost 10 years, but no one seems to be calling for a sudden drop in corn prices.

Harvest weather in the US looks to be good for the next week or so with not too much rain and some nice warm weather. This should help the harvest to race ahead.

Soybean prices are said to be reacting to the world economic situation and the possibility that world soybean imports and consumption will drop this year. China certainly is talking about lower soybean imports and reduced soymeal usage while lower feed demand in the EU could also lower imports of soybeans and soymeal.

While wheat price did dip on Friday, they were still higher on the week as major concerns over the Black Sea situation continue to grow. US winter wheat prices were up by about USD 6 m/t on the week while US spring wheat was up by 4 or 5 dollars m/t.

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 October 2022/December 2022

Wheat, Superior, France, Rouen	USD 337/340	
Barley, France, Rouen port	USD 305/308	
Corn, FOB France – Atlantic	USD 340>>320 December	
Soymeal, 48% protein, USA, Rotterdam	USD 560>>545 December	
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 550/560	
Corn Gluten Meal, USA FOB NOLA	USD 825/830 m/t November	

Lower ethanol production in the US has pushed DDGS prices higher on the week with export prices as much as USD 15 m/t higher. The high US export prices coupled with a drop in container prices mean that CNF prices to major markets did not increase as much as the FOB price.

Both corn gluten meal and corn gluten feed export prices were also higher on the week although there didn't seem to be any good reason for the increased price levels. Neither corn nor soymeal prices were up so it may just have been following the DDGS upswing .

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

No fishing once again in the south of Peru, which leaves the catch at just over 64,000 m/t and the quota balance at 422,300 m/t --- fishmeal production is 15,300 m/t.

According to numbers published by MSI Ceres, the biomass for the past 7 years has varied from a low of 6.0 million m/t to a high of about 8.4 mm/t with the quota ranging from a low of 1.1 mm/t to a high of 2.78 mm/t. However, several years the catch did not reach the quota level. Although, in 4 of the 7 years over 98% was landed with 2 years – 2017 and 2019 – showing less than 45% landed.

There have been quite a few buyers in the market for next season and not just from China – Ecuador, Europe and Japan buyers have been seen. Total presales are estimated at about 150,000 m/t. Business should be quiet for a bit now with China about to go on holidays. The presales level is expected to move higher as we get closer to the new fishing season and, for now, prices look to be just about steady.

China’s fishmeal imports to the end of August stand at 1.2 million m/t with just less than 600,000 m/t coming from Peru followed by Vietnam at 119,000 m/t, Russia at 80,000 m/t, Mauritania at 65,000 m/t and Thailand also at 65,000 m/t and Chile at 56,000 m/t.

PERU “INDICATION” FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,135
Danish fishmeal	64% protein	1,645
Peru fishmeal	64% protein	1,760