



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT January 09, 2021

So, what do we have at the end of this week – USA corn prices are up by USD 5 or 6 m/t, soybeans are up by USD 22 to 25 m/t, soymeal is up by USD 11 to 14 m/t. Only US wheat prices were fairly quiet with winter wheat down by about USD 3 m/t and spring wheat up by USD 3 m/t.

Corn prices are said to be higher on the expectation that the WASDE report will show lower corn stocks. A large percentage of the Argentina corn crop is seeing severe drought conditions with rain said to be a requirement for a decent crop but that it must appear in the next 3 weeks. Argentina is also not approving any more corn shipments through February which should move some business to the US.

Soybeans too were somewhat WASDE driven, as the market expects the stocks to be lowered by the USDA, which is certainly bullish. However, Brazil is expecting a massive soybean crop just not for a while, but it is reported that about 58% of the new soybean crop has been presold. So perhaps a massive crop may not push prices lower.

Wheat was also WASDE driven with winter wheat lower on the expectation of reported higher plantings while spring wheat just seemed to have quite strong buying interest with no major change in fundamentals seen.

We will all have to wait for the USDA WASDE report on Tuesday to see which way the market is going to move.

Top 20 US Export Destinations for Grains and Oilseeds – 11 months to December 2020 – in m/t

Country	Wheat	Corn	Sorghum	Soybeans	Soymeal
Algeria	73,900				
Bangladesh				1,136,300	
Brazil	765,100				
Burma					215,500
Cameroon			24,900		
Canada		1,622,300	5,700	219,200	1,006,700
Chile	423,400				
China		5,404,500	4,736,500	27,749,600	
Colombia	539,900	4,773,000		474,400	1,270,200
Costa Rica		796,100		258,600	
Djibouti			20,000		
Dominican Rep	184,000	509,500			418,100
Ecuador	440,800				570,100
El Salvador	119,200	528,000			212,200
Egypt				3,488,600	
Eritrea			63,600		
Ethiopia	320,500		60,700		



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France				102,000	
Guatemala	586,000	1,182,900			426,900
Honduras	231,200	701,600			274,300
Indonesia	1,125,600			2,092,600	
Israel		488,400		87,800	107,200
Italy	760,900			392,500	
Jamaica		236,800			87,300
Japan	2,434,900	9,640,200	219,600	2,140,100	219,500
Kenya			17,800		
Madagascar			11,400		
Malaysia	301,900			555,000	
Mexico	2,910,600	13,367,900	263,600	4,528,500	1,621,700
Morocco		63,600			400,700
Netherlands				2,625,800	
New Zealand		36,600			
Nigeria	1,292,000				
Nicaragua		331,100			113,700
Pakistan				668,000	
Panama		421,800			163,000
Peru	187,200	689,900		231,800	262,900
Philippines	3,092,400	88,800	600		2,219,000
Portugal				219,600	
Saudi Arabia		774,600		290,100	
Somalia			46,800		
South Africa			4,200		
South Korea	1,241,500	2,982,000	1,000	584,700	
Spain				718,600	
Sri Lanka					156,800
Sudan			161,600		
Taiwan	1,124,200	780,900		1,270,600	
Thailand	689,700			1,093,400	16,600
Trinidad		76,300			
UK				156,100	
Venezuela					178,300
Vietnam	508,600	221,600		893,900	131,700
Yemen	741,100				
Zimbabwe			30,800		
Misc.	5,480,500	1,666,800	43,800	2,263,800	1,769,600
Total all	25,245,800	47,554,100	5,713,800	54,002,600	11,935,400

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

Sorry, no Baltic Dry Index info this week – will be back again next week.

US Gulf to Europe: Panamax (10,000 disch)	\$20/21.00	Up \$1.00	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$20/21.00	Up \$1.00	X
US Gulf Israel: Panamax m/t	\$31/32.00	Up \$3.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$31/32.00	Up \$3.00	X
US Gulf Turkey: Panamax m/t	\$32/33.00	Up \$3.00	X



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US Gulf Morocco: 30,000(5,000 disch)	\$41/42.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$43/44.00	Up \$4.00	X
US Gulf Nigeria: 30,000 m/t	\$43/44.00	Up \$3.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$43/44.00	Up \$2.00	X
US Gulf South Africa: 45,000 m/t	\$35/36.00	Steady	X
US Gulf Japan: Panamax	\$43/44.00	Up \$1.00	X
US Gulf China: Panamax	\$42/43.00	Up \$1.00	X
US PNW South Africa – 40,000 m/t	\$35/36.00	Steady	X
US PNW Japan: Panamax	\$25/26.00	Up \$1.00	X
US PNW China: Panamax	\$24/25.00	Up \$1.00	X
US East Coast Egypt: Panamax	\$28/29.00	Steady	X
US East Coast Nigeria: Handisize	\$41/42.00	Up \$1.00	X
US Lakes – Europe – 30,000 m/t	Closed		X
US Lakes – Morocco – 30,000 m/t	Closed		X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$20/21.00	Down \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$44/45.00	Steady	X
France/Germany to China: Panamax	\$40/41.00	Steady	X
France/Germany to Egypt: Panamax (10,000 dis)	\$18/19.00	Steady	X
France/Germany to India: Panamax	\$35/36.00	Steady	X
France/Germany to Jordan: 35/45,000 (4k dis)	\$40/41.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$23/24.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$39/40.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$24/25.00	Up \$1.00	X
France/Germany to Yemen: 30,000 m/t	\$55/56.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$30/31.00	Steady	X
Argentina to China: Panamax, with top-off	\$37/38.00	Up \$2.00	X
Argentina to Japan: Panamax, with top-off	\$37/38.00	Up \$2.00	X
Argentina to Egypt: Panamax	\$29/30.00	Steady	X
Argentina to Europe: Panamax	\$20/21.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$28/29.00	Steady	X
Argentina to Libya: 25/30,000 m/t	\$33/34.00	Steady	X
Argentina to Jordan: Panamax	\$40/41.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$40/41.00	Steady	X
Argentina to South Africa: Panamax	\$27/28.00	Steady	X
Argentina to Spain: Panamax	\$20/21.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$30/31.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$33/34.00	Up \$2.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$32/33.00	Up \$3.00	X
Brazil to Japan: Panamax	\$33/34.00	Up \$3.00	X
Brazil to Europe: Panamax	\$26/27.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$31/32.00	Steady	X
Brazil to Iran: Panamax	\$41/42.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$46/47.00	Up \$1.00	X
Brazil to Spain: Panamax	\$26/27.00	Steady	X
Brazil to Turkey/Egypt: Panamax	\$31/32.00	Steady	X
Australia to China: Panamax – round trip	\$16/17.00	Steady	
Australia to Japan: Panamax – round trip	\$33/33.50	Up \$2.00	X



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Australia to Saudi Arabia: Panamax	\$37/38.00	Up \$2.00	X
Ukraine to China: Panamax	\$30/31.00	Steady	X
Ukraine to Bangladesh, Panamax	\$44/45.00	Steady	X
Ukraine to India, Panamax	\$37/38.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$17/18.00	Up \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$23/24.00	Steady	X
Ukraine to Turkey: coaster (1,000 disch)	\$23/24.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$26/27.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$15/16.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$17/18.00	Up \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$23/24.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$42/43.00	Steady	X
Black Sea to Iraq: Panamax (4,000 disch)	\$44/45.00	Steady	X
Black Sea to Iran: Panamax	\$34/35.00	Steady	X
Black Sea to Europe: Panamax (8,000 disch)	\$21/22.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$21/22.00	Down \$1.00	X
Black Sea to Spain: Panamax (8,000 disch)	\$21/22.00	Steady	X
Black Sea to Jordan: Panamax (5,000 disch)	\$24/25.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$25/26.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$32/33.00	Up \$1.00	X
Black Sea to Turkey – 30,000 m/t	\$16/17.00	Up \$1.00	X
Black Sea to South Africa – 30,000 m/t	\$30/31.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$20/21.00	Up \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handysize included)	1606		X
Baltic Capesize Index (100,000 plus DWT)	2548		X
Baltic Panamax Index (60,000 to 80,000 DWT)	1559		X
Baltic Supramax Index (50,000 to 60,000 DWT)	1029		X
Baltic Handysize Index (25,000 plus DWT)	656		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 January 2021/March 2021

Wheat, USA Soft Red Winter, US Gulf	USD 283>>280	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 279>>276	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 272/275	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 277/280	X
Wheat, Romania 12.5 pro	USD 267/270	X
Wheat, Superior, France, Rouen	USD 275/278	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 262/265	X
Wheat, feed, Black Sea	USD 266/269	X
Barley, France, Rouen port	USD 261/263	X
Barley, feed, Argentina, up river	USD 233/236	X
Barley, feed, Black Sea, 30,000+	USD 225/228	X



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Corn, 2YC FOB NOLA USA	USD 238>>231	X
Corn, 3YC FOB USA Pacific northwest	USD 253>>244	X
Corn, FOB Argentina port, upriver	USD 249>>225 new crop	X
Corn, FOB Brazil port	USD 267>>233 new crop	X
Corn, FOB France – Atlantic	USD 260/262	X
Corn, FOB Romania	USD 241/244	X
Corn, FOB Russia	USD 240/243	X
Corn, FOB Ukraine, 30,000+ m/t	USD 247/250	X
Sorghum, FOB Argentina port	USD 194/197	X
Sorghum, FOB Texas	USD 315/317	X
Soymeal, 48% protein, FOB NOLA	USD 544>>536	X
Soymeal, 48% protein, USA, Rotterdam	USD 569>>561	X
Soymeal, Argentina, Rotterdam – spot	USD 537/540 spot	X
Soymeal, 47% pro, FOB Argentina	USD 518>>483 new crop	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 543/546 spot	X
Soymeal, 48% protein, FOB Brazil	USD 513>>480 new crop	X
Soybeans, FOB NOLA	USD 544>>536	X
Soybeans, Argentina, FOB	USD 578>>520 new crop	X
Soybeans, Brazil, FOB	USD 534>>524 new crop	X
Soybeans, Black Sea	USD 527/530	X
Corn Gluten Meal, USA FOB NOLA	USD 685/695 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 240/245 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 300/305 m/t	x

DDGS prices are up again this week as are corn gluten meal prices – the rally in corn and soybean prices is the major driver for market prices. The US Grains Council's report this week was saying that DDGS prices were up by USD 30 m/t on FOB NOLA.

Corn gluten meal prices seem to want to move up by USD 20 m/t or so every week but on a protein unit basis the current price levels are about where they should be versus soymeal. With a little division you see that 1 percent protein is just over USD 11 for both CGM and soymeal.

The trade is not expecting any lower prices in the near term – perhaps as we get into April/May we could see some price weakness as the supply of soybeans from South America should help prices to slip lower.

USA exports of corn by-products – 11 months to November 2020 **– major destinations and selected countries – in m/t**

Country	Distillers Dried Grains DDGS	Corn Gluten Meal	Corn Gluten Feed
Australia		5,000	
Bangladesh	146,500	23,000	1,000
Burma	50,200	1,700	
Canada	361,800	48,300	
Chile		122,700	
China	237,600		



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Colombia	203,900	86,900	20,500
Costa Rica	73,200		
Ecuador		2,800	
Egypt	183,800	101,400	2,600
El Salvador	50,100	5,900	
Guatemala	49,700	5,500	
Honduras		6,100	
Indonesia	841,700	113,800	7,800
Ireland	279,600		302,900
Israel	190,500		168,400
Japan	436,100	16,600	
Malaysia	41,700	45,000	
Mexico	1,586,100	13,500	14,500
Morocco	155,500		50,600
New Zealand	261,400		37,100
Oman		500	
Peru		8,700	
Philippines	273,800	2,200	
Portugal			5,000
South Korea	1,150,700	600	
Spain	64,700		
Sri Lanka		4,800	300
Taiwan	227,200	31,700	100
Thailand	827,500	26,600	3,000
Tunisia		1,700	
Turkey	734,100		31,900
UK	104,200		26,900
Vietnam	1,185,700	17,100	2,700
Misc.	663,100	19,200	24,400
Total all	10,610,900	711,300	700,000

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Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 490/510 m/t CNF Asia
Australian MBM 50% protein	USD 540/560 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 560/570 m/t CNF Asia
Australian Poultry Meal, pet food	USD 920/940 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 530/550 m/t CNF China
	USD 550/700 to Indonesia
USA Feathermeal, 80% protein	USD 650/660 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 460/480 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 980/1,000 m/t CNF Asia

Trade reports say that there is a very wide spread on meat and bone meal prices into Indonesia with buyers willing to pay a hefty premium for quick delivery – close to USD 150 m/t over later delivered product.

In general, the animal protein market has moved higher as the “soymeal” effect hits prices and all proteins move up. Prices out of New Zealand are up by close to 10%, Australia isn’t up quite as much but trade reports say that this may just be due to continued slow business after all the holidays.



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USA domestic prices are higher as buyer get back into the market after the holidays. Demand from the pet food industry is said to be very strong.

I don't see anyone expecting lower prices – certainly not as soymeal continues to rally.

USA exports of animal protein – 11 months to November 2020 **– major destinations – in m/t**

Destination	Meat and bone meal – includes poultry and pork meal	Feather meal
Burma	2,300	
Canada	50,400	6,100
Chile	2,400	22,200
China	171,600	1,500
Colombia	1,500	
Ecuador	26,200	
Guatemala	8,500	
Honduras	8,500	1,000
Indonesia	196,800	37,800
Malaysia	7,400	
Mexico	177,000	
Peru	8,700	1,000
Philippines	57,700	2,300
Thailand	18,700	
Vietnam	148,700	10,200
Total exports	889,900	82,400

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SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Total catch in Peru is now at 2.15 million m/t on the 7th of January – well on the way to the 2.78 mm/t quota. It is going to be very close come the end of the month. The catch has to average 26,400 m/t per day to fill the quota --- so, it looks like the full quota may be possible as this week the daily catch ranged from a low of 24,000 m/t up to 41,000 m/t. There are three mini-bans in force until the 10th of January so that may make reaching the daily target a little more difficult.

The new sales have picked up again, but the market doesn't seem to be too sure where the prices are – some say lower, as I have shown below, while other reports say that prices are higher. The trade reports that sales are now up to about 520,000 m/t which means that producers are now a little oversold based on the catch to date.

There was a comment in reports that other Asian buyers had been holding off in the hopes of lower



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prices but that they may have to in the market soon.

The MSI-Ceres report this week was commenting that the continues good fishing has not led to a bearish market as demand from China is very steady. To me it looks like prices could easily move higher as we get closer to the end of fishing.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,675
Danish fishmeal	64% protein	1,500
Peru fishmeal	64% protein	1,475
Chile fishmeal	67% protein	1,515
Iceland fishmeal	70% protein	1,735

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
65/66 protein	1230/1250 m/t	
67% protein standard steam	1310/1330 m/t	
67% protein 150 TVN	1380/1400 m/t	1400/1420 m/t
67% protein 120 TVN	1430/1450 m/t	1450/1470 m/t
67% protein 1000 hist, 120 TVN	1480/1500 m/t	1500/1520 m/t
68% protein 500 hist, 120 TVN	1530/1550 m/t	1550/1570 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	2400/2500	

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

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