



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT January 30, 2021

Grain/oilseed prices just seem to want to move higher every week and this week was no exception – US corn prices were up by USD 14 to 18 m/t, soybean prices up by about USD 20 m/t, soymeal up by USD 10 to 12 m/t. Even wheat prices couldn't help but move higher with winter wheat up by USD 9 to 12 and spring wheat up by USD 8 m/t.

Corn prices were helped higher by export sales to China of 2.1 million m/t – the largest corn export sale in a single lot since back in 1991. This was enough to get buyers excited about all grains and as the corn market started to move higher there were computer buy stops reached in the futures market that pushed prices higher. There is also the word that the Argentina corn crop is not doing too well due to a lack of rainfall.

Looking at soybeans, things don't look all that good in Argentina with the crop only in fair condition and the government lowering its crop forecast by 500,000 m/t. It is interesting to note that the futures market started out lower on Friday but then raced higher as corn prices rallied. Some experts were saying that with the Brazil crop still seen to be at record levels there may not be much room for soybean prices to continue higher.

With a number of countries looking to add duties to wheat exports or to limit export levels along with the never ending list of major wheat tenders there did seem to be good reason for wheat prices to move higher. It should also be noted that US prices this week were stronger than Europe wheat prices. There was also the comment in the trade that European corn and feed wheat are very competitive with each other with price tending to decide which gets used in feed rations.

Prices are going to slip lower one of these days but looking at cash prices it may not be until May/June as prices seem steady until then.

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

US Gulf to Europe: Panamax (10,000 disch)	\$18/19.00	Down \$1.00	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$18/19.00	Down \$1.00	X
US Gulf Israel: Panamax m/t	\$34/35.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$34/35.00	Up \$1.00	X
US Gulf Turkey: Panamax m/t	\$35/36.00	Up \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$45/46.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$44/45.00	Up \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$45/47.00	Up \$2.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$43/44.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$35/36.00	Steady	X
US Gulf Japan: Panamax	\$47/48.00	Up \$1.00	X
US Gulf China: Panamax	\$46/47.00	Up \$1.00	X
US PNW South Africa – 40,000 m/t	\$35/36.00	Steady	X
US PNW Japan: Panamax	\$27/28.00	Steady	X
US PNW China: Panamax	\$26/27.00	Steady	X



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US East Coast Egypt: Panamax	\$28/29.00	Steady	X
US East Coast Nigeria: Handisize	\$43/44.00	Steady	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	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$44/45.00	Steady	X
France/Germany to China: Panamax	\$41/42.00	Up \$1.00	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	\$40/41.00	Up \$1.00	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	Steady	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	\$42/43.00	Steady	X
Argentina to Japan: Panamax, with top-off	\$41/42.00	Steady	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	\$41/42.00	Up \$1.00	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	\$35/36.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$36/37.00	Steady	X
Brazil to Japan: Panamax	\$37/38.00	Steady	X
Brazil to Europe: Panamax	\$26/27.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$33/34.00	Up \$1.00	X
Brazil to Iran: Panamax	\$45/46.00	Up \$4.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$48/49.00	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	X
Australia to Japan: Panamax – round trip	\$37/37.50	Up \$2.00	X
Australia to Saudi Arabia: Panamax	\$41/42.00	Up \$2.00	X
Ukraine to China: Panamax	\$30/31.00	Steady	X
Ukraine to Bangladesh, Panamax	\$45/46.00	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	Down \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$32/33.00	Steady	X
Ukraine to Turkey: coaster (1,000 disch)	\$24/25.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$32/33.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$18/19.00	Steady	X



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Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$17/18.00	Down \$2.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$32/33.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$47/48.00	Steady	X
Black Sea to Iraq: Panamax (4,000 disch)	\$45/46.00	Steady	X
Black Sea to Iran: Panamax	\$41/42.00	Up \$7.00	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)	\$22/23.00	Steady	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	\$29/30.00	Up \$1.00	X
Black Sea to Turkey – 30,000 m/t	\$17/18.00	Steady	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	Steady	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1452	Down 358	X
Baltic Capesize Index (100,000 plus DWT)	1890	Down 1080	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1633	Down 26	X
Baltic Supramax Index (50,000 to 60,000 DWT)	1165	Up 23	X
Baltic Handisize Index (25,000 plus DWT)	701	Up 31	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 February 2021/April 2021

Wheat, USA Soft Red Winter, US Gulf	USD 293>>280 new crop	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 293>>287	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 292/295	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 299/302	X
Wheat, Romania 12.5 pro	USD 295/298	X
Wheat, Superior, France, Rouen	USD 285/287	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 280/283	X
Wheat, feed, Black Sea	USD 291/294	X
Barley, France, Rouen port	USD 272/275	X
Barley, feed, Argentina, up river	USD 230/233	X
Barley, feed, Black Sea, 30,000+	USD 257/260	X
Corn, 2YC FOB NOLA USA	USD 245/248	X
Corn, 3YC FOB USA Pacific northwest	USD 268/271	X
Corn, FOB Argentina port, upriver	USD 249>>231 new crop	X
Corn, FOB Brazil port	USD 277>>230 new crop	X
Corn, FOB France – Atlantic	USD 271/273	X
Corn, FOB Romania	USD 268/271	X
Corn, FOB Russia	USD 269/272	X
Corn, FOB Ukraine, 30,000+ m/t	USD 264/267	X
Sorghum, FOB Argentina port	USD 240>>214 new crop	X
Sorghum, FOB Texas	USD 331/334	X



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Soymeal, 48% protein, FOB NOLA	USD 512>>503	X
Soymeal, 48% protein, USA, Rotterdam	USD 537>>528	X
Soymeal, Argentina, Rotterdam – spot	USD 563/566 spot	X
Soymeal, 47% pro, FOB Argentina	USD 490>>465 new crop	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 558/561 spot	X
Soymeal, 48% protein, FOB Brazil	USD 491>>463 new crop	X
Soybeans, FOB NOLA	USD 538>>531	X
Soybeans, Argentina, FOB	USD 540>>510 new crop	X
Soybeans, Brazil, FOB	USD 527>>518 new crop	X
Soybeans, Black Sea	USD 557/569	
Corn Gluten Meal, USA FOB NOLA	USD 800/820 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 265/270 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 325>>315 m/t	x

With soymeal prices moving higher again this week, the prices for all corn byproducts followed right along. All prices were higher. The trade reports that domestic demand in the US is still very strong for all corn byproducts but that export business has slowed a little due to the high export prices.

Corn gluten meal prices were up by another USD 20 m/t for nearby positions but are a little lower for buyer looking forward by a couple of months. The prices ratios of DDGS to cash corn and DDGS to soymeal are still quite high and, according to the US Grains Council weekly report, are well above three year average levels.

Looks like no good reason to expect lower prices in the short term but May/June may be a different story.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 500/520 m/t CNF Asia
Australian MBM 50% protein	USD 550/570 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 570/580 m/t CNF Asia
Australian Poultry Meal, pet food	USD 950/970 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 540/550 m/t CNF China
USA Feathermeal, 80% protein	USD 560/720 to Indonesia
USA Poultry by-product Meal, feed grade	USD 680/700 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 500/510 m/t CNF Asia
	USD 980/1,000 m/t CNF Asia

Animal protein prices to major importing markets in Asia were steady this week as most of the buying has already been done in advance of the upcoming Chinese New Year on February 12 – 2021 is the year of the Ox.

The Jacobsen report this week mentioned that meat and bone meal prices from Australia could move higher due to tight supply --- farmers are said to be rebuilding herd size so slaughter levels are lower.

USA domestic prices were steady to higher this week as every protein item was following what happens to soymeal prices and with soymeal up by USD 10 m/t or so there was no reason for animal protein not to also work higher. However, once we see the first soymeal/soybeans from Argentina and Brazil this should put pressure on prices, but we have a few weeks to wait before that happens.



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SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

The fishing season in Peru finished a little early, by government decree on January 24. Total catch is about 2.44 million m/t which will yield about 575,000 m/t of fishmeal. The shortfall in fishing represents about 85,000 m/t of fishmeal.

According to trade reports, the fishmeal business has been very busy with buyers active in the current market and the next season too. Current supply is now said to be close to 100% sold out while at least 150,000 m/t of fishmeal is reported booked for the next season.

Needless to say, fishmeal prices are moving higher once again.

Trade reports also mention that there is some available fishoil from this seasons production – perhaps as much as 30,000 m/t out of production of 115,000 m/t.

Looking at China, reports say that its local fishmeal production has not been good which is expected to increase import demand – especially for Chinese buyers looking at Peru supply. Another good reason for prices to remain steady to higher. Certainly, no one seems to be expecting lower fishmeal prices, at least not before the next fishing season.

China's fishmeal imports for 2020 reached 1.42 million m/t with 46.0% from Peru, 9.4% from Vietnam, 7.7% from Chile and about 6% each from Thailand, Mauritania and Russia. Peru is by far the largest supplier of fishmeal to China.

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	1,495
Peru fishmeal	64% protein	1,485
Chile fishmeal	67% protein	1,525
Iceland fishmeal	70% protein	1,745

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	1350/1370 m/t	
67% protein standard steam	1430/1450 m/t	
67% protein 150 TVN	1500/1520 m/t	1470/1490 m/t
67% protein 120 TVN	1550/1570 m/t	1520/1540 m/t
67% protein 1000 hist, 120 TVN	1600/1620 m/t	1570/1590 m/t
68% protein 500 hist, 120 TVN	1650/1670 m/t	1600/1620 m/t
Fish oil, crude bulk	1650/1750	



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Fish oil, crude drums	1700/1800	
Fish oil, flexi tank	1750/1850	
Fish oil, Omega 3: 28%EPA/DHA	1900/2000	

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

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