



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Corporate Head Office: Suite 200B, Centre of Commerce, One Bay Street,  
PO Box N-3944, Nassau, Bahamas. Email: tradegroUp@hammersmith.biz  
WWW: hammersmithltd.blogspot.com SKYPE: bacon39a

Representative Office: +33.9.7044.4881 Mobile: +33.6.8068.4564  
3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

## WEEKLY FEED GRAIN AND PROTEIN REPORT February 16, 2019

### **SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN**

Monday is a holiday in the US so the week should start off quietly – market also ended the week quietly as everyone squared up their positions for the three-day weekend.

On the week, corn prices were unchanged while soybeans dropped by about USD 3 m/t with winter wheat the big loser dropping USD 5 or 6 m/t.

Corn prices in the US did try to move higher this week on the back of E15 ethanol blending but below expectation export sales and no new business from China kept prices steady. There is also a chance that India may become a corn reasonable large importer this year with their corn crop down by 21%. India won't buy from the US due to GMO but could take a chink of other origin corn off the market.

Soybeans did their very best to move higher this week but just couldn't do it – stories about China tried to get the market excited and push prices higher but higher prices couldn't hold. Most trade reports say that soybean/soymeal is still in a bearish trend and that there is little reason to see any interesting rally in prices.

USA winter wheat prices continued lower with trade reports saying that disappointing export sales were behind much of the weakness. Even with US wheat picking up some unexpected business in the odd tender it still is not enough to get export sales up to where the USDA was hoping that they would be. But you know what the saying is – "there is nothing like low prices to cure low prices" – perhaps there is still some chance of a decent jump in US wheat exports.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$16/17.00	Steady	
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$16/17.00	Steady	x
US Gulf Israel: 50,000 m/t	\$27/28.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$26/27.00	Steady	X
US Gulf Turkey: 50,000 m/t	\$28/29.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$33/34.00	Steady	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$31/32.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$43/44.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$32/33.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$34/35.00	Up \$2.00	X
US Gulf Japan: Panamax	\$38/39.00	Steady	X
US Gulf China: Panamax	\$37/38.00	Steady	X
US PNW South Africa – 40,000 m/t	\$37/38.00	Up \$1.00	X
US PNW Japan: Panamax	\$23/24.00	Up \$2.00	X
US PNW China: Panamax	\$22/23.00	Up \$2.00	X
US East Coast Egypt: Panamax	\$41/42.00	Steady	X
US East Coast Nigeria: Handisize	\$46/47.00	Steady	X



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$14/15.00	Down \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$29/30.00	Steady	X
France/Germany to China: 50,000 m/t	\$36/37.00	Steady	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$13/14.00	Steady	X
France/Germany to India: 50,000 m/t	\$21/22.00	Steady	X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$20/21.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$12/13.00	Steady	X
France/Germany to Saudi Arabia: 50/60,000	\$25/26.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$18/19.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$14/15.00	Steady	X
France/Germany to Yemen: 30,000 m/t	\$30/31.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$26/27.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$31/32.00	Up \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$30/31.00	Up \$1.00	X
Argentina to Egypt: 50,000 m/t	\$31/32.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$33/34.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$23/24.00	Up \$1.00	X
Argentina to Jordan: 50,000 m/t	\$31/32.00	Up \$2.00	X
Argentina to Saudi Arabia: 50,000 m/t	\$32/33.00	Up \$2.00	X
Argentina to South Africa 50,000 m/t	\$29/30.00	Up \$1.00	X
Argentina to Spain: 50,000 m/t	\$33/34.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$26/27.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$20/21.00	Up \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$25/26.00	Up \$1.00	X
Brazil to China: 55,000 m/t	\$26/27.00	Up \$1.00	X
Brazil to Japan: 55,000 m/t	\$25/26.00	Up \$1.00	x
Brazil to Europe: 50,000 m/t	\$29/30.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$24/25.00	Up \$1.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$35/36.00	Up \$2.00	X
Brazil to Spain: 50,000 m/t	\$29/30.00	Steady	X
Brazil to Turkey/Egypt: 50,000 m/t	\$27/28.00	Steady	X
Australia to China: 40-55,000 m/t – round trip	\$17.00/17.50	Up \$1.00	x
Australia to Japan: 40-55,000 m/t – round trip	\$18.50/19.00	Up \$0.50	X
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	X
Ukraine to China: 50,000 m/t	\$32/33.00	Up \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$33/34.00	Up \$1.00	X
Ukraine to India: 45/50,000 m/t	\$30/31.00	Up \$1.00	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$14/15.00	Up \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$26/27.00	Down \$1.00	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$21/22.00	Down \$5.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$14/15.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$14/15.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$26/27.00	Down \$1.00	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$37/38.00	Down \$5.00	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$34/35.00	Steady	X
Black Sea to Europe: 50,000 m/t	\$17/18.00	Down \$2.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$15/16.00	Steady	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$17/18.00	Down \$2.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$23/24.00	Down \$3.00	X



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Black Sea to Libya: 25/35,000 m/t	\$20/21.00	Up \$1.00	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$25/26.00	Steady	X
Black Sea to South Africa – 30,000 m/t	\$38/39.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$13/14.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$15/16.00	Steady	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handysize included)	639	Up 38	X
Baltic Capesize Index (100,000 plus DWT)	727	Down 65	X
Baltic Panamax Index (60,000 to 80,000 DWT)	624	Up 50	X
Baltic Supramax Index (50,000 to 60,000 DWT)	560	Up 145	x
Baltic Handysize Index (25,000 plus DWT)	315	Up 25	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 March/May 2019

Wheat, USA Soft Red Winter, NOLA	USD 224>>220	X
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 234/236	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 236/239	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 244/247	X
Wheat, Romania 12.5 pro	USD 241/244	X
Wheat, Superior, France, Rouen	USD 225/227	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 207/210	X
Wheat, feed, Black Sea	USD 229/231	X
Barley, France, Rouen port	USD 200/203	X
Barley, feed, Argentina, up river	USD 192/195	X
Barley, feed, Black Sea, 30,000+	USD 235/238	X
Corn, 2YC FOB NOLA USA	USD 175/177	X
Corn, 3YC FOB USA Pacific northwest	USD 189/192	X
Corn, FOB Argentina port, upriver	USD 166/169	X
Corn, FOB Brazil port	USD 164/166 Aug/Sep	X
Corn, FOB France - Atlantic	USD 204/206	X
Corn, FOB Romania	USD 181/184	X
Corn, FOB Russia	USD 179/182	X
Corn, FOB Ukraine, 30,000+ m/t	USD 177/180	X
Sorghum, FOB Argentina port	USD 171/174	X
Sorghum, FOB Texas	USD 179/182	X
Soymeal, 48% protein, FOB NOLA	USD 337/340	X
Soymeal, 48% protein, USA, Rotterdam	USD 362/365	X
Soymeal, Argentina, Rotterdam	USD 352/355	X
Soymeal, 47% pro, FOB Argentina	USD 322/325	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 351/354	X
Soymeal, 48% protein, FOB Brazil	USD 324/326	X



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Soybeans, FOB NOLA	USD 345/348	X
Soybeans, Argentina, FOB	USD 345/348	X
Soybeans, Brazil, FOB	USD 353/356	X
Soybeans, Black Sea	USD no prices	X
Corn Gluten Meal, USA FOB NOLA	USD 560>>550 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 170>>160 m/t	x
DDGS corn, 35 profat, USA FOB NOLA	USD 221>>215	x

There was little or no change this week in the export prices for corn byproducts but with the main Chinese Asian buyers coming back to work, we should see more export sales activity this week but probably not higher prices.

The US Grains Council mentioned in their report this week that there was good buying interest for DDGS from Egypt and the Mediterranean.

With corn prices staying steady and soybeans moving lower, there doesn't seem to be any good reason to expect that prices will move higher. Looks like we are kind of stuck at a price level that doesn't much want to change.

## Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 370/380 m/t CNF Asia
Australian MBM 50% protein	USD 410/420 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 570/580 m/t CNF Asia
Australian Poultry Meal, pet food	USD 730/740 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 420/440 m/t CNF Asia
	USD 410/420 to Indonesia
USA Feathermeal, 80% protein	USD 580/600 m/t CNF Asia
USA Poultry Meal, feed grade	USD 525/545 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 800/820 m/t CNF Asia

With major buyers in Asia just ending their Chinese New Year holidays the animal protein export business has been very, very quiet. Buyers were very, very few but sellers seemed to be many so we may see prices slipping at little this week – at least for meat and bone meal.

There were reports out of Australia that the drought is over in some areas and has been replaced by torrential rains and wide spread flooding, Livestock herds that weren't decimated by the drought are now seeing animals drowning – cattle losses due to drowning could be as high as 500,000 head. A difficult year for livestock in Australia has now become even more difficult.

The export market from the USA was also very quiet this week with few buyers and no change in export prices. Trade reports don't see much of a chance for animal protein prices – mainly meat and bone meal – to move higher.

## SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in the south of Peru is now up to just under 160,000 m/t landed – leaving about 380,000 m/t on the quota. Landings to date represent about 37,000 m/t of fishmeal. Landings for the week were



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

just over 16,000 m/t but the south is now on a full fishing ban due to a very high level of juvenile fish – as much as 49% juvenile.

Trade reports say that about the only fishmeal for sale these days is that coming from the south as the north is all but sold out.

With China closed up tight there has been very little new business in Peru this past week but things will improve this week as everyone gets back to work after the holidays.

The Peru Produce Ministry is still hoping to have the next quota announced in early March, but the trade doesn't think that this will be possible as the research vessels will still be out analyzing the biomass until a little later.

Fishmeal exports for January 2019 are said to be about 89,000 m/t with just under 71,000 m/t going to China and just over 81,000 m/t going to all of Asia.

There was no change in prices this week – almost no buyers and very little to sell kept prices steady.

## **European fishmeal prices – FOB North German port.**

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,740
Danish fishmeal	64% protein	1,460
Peru fishmeal	64% protein	1,475
Chile fishmeal	67% protein	1,525
Iceland fishmeal	70% protein	1,725

## **PERU "INDICATION" FISHMEAL PRICES:**

**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	1220/1240 m/t	
67% protein standard steam	1310/1330 m/t	
67% protein 150 TVN	1380/1400 m/t	No prices
67% protein 120 TVN	1410/1430 m/t	1490/1510
67% protein 1000 hist, 120 TVN	1450/1470 m/t	1520/1540
68% protein 500 hist, 120 TVN	1500/1520 m/t	1570/1590
Fish oil, crude bulk	1800/1850	1380/1400
Fish oil, crude drums	1850/1900	
Fish oil, flexi tank	1950/2000	
Fish oil, Omega 3: 28%EPA/DHA	2200/2400	

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

**The information contained herein is based on sources that we believe to be reliable, but we do not represent that it is accurate or complete. Nothing contained herein should be considered as an offer to sell or a solicitation of an**



## Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

offer to buy. All references to prices are subject to change without notice. Any opinions expressed herein are solely those of the author. As such, they may differ in material respects from those of, or expressed or published by or on behalf of, Hammersmith Marketing Ltd or its officers, directors, employees or affiliates

Copyright © 2019 Wayne S. Bacon