



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT February 20, 2021

Ah weather, weather, weather, weather --- quite a shock to all the folks in the southern USA as winter storms closed in and shut most everything down.

The USDA issued its first 2021 forecasts through the Ag Forum that was held this week but there didn't seem to be a huge amount of excitement stirred up in the markets --- perhaps due to the short week and the terrible winter weather or just because the numbers were not all that interesting.

USA corn prices were about unchanged on the week but did have a down day on Friday. The USDA is looking for record corn production levels in 2021 with higher ending stocks. Most experts seem to feel that, for the moment, corn is still in a quiet upward rally with no good reason for any wide change in prices.

Soybean prices too were a little higher on the week while soymeal drifted a couple of dollars lower. The same as with corn, the USDA is looking for a record USA soybean crop, this year this on top of record soybean crops in South America. However, demand for soybeans remains strong in world markets so no one is looking to any sudden collapse in prices.

The very bad winter storms pushed wheat prices higher on the week by USD 4 or 5 m/t. There wasn't much in excitement about wheat from the USDA Ag Forum, so wheat tended to have a reasonably quiet week with only winter storm excitement pushing prices higher.

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

US Gulf to Europe: Panamax (10,000 disch)	\$20/21.00	Up \$2.00	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$20/21.00	Up \$2.00	X
US Gulf Israel: Panamax m/t	\$41/42.00	Up \$5.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$41/42.00	Up \$5.00	X
US Gulf Turkey: Panamax m/t	\$42/43.00	Up \$5.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$45/46.00	Steady	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$44/45.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$45/47.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$47/48.00	Up \$3.00	X
US Gulf South Africa: 45,000 m/t	\$35/36.00	Steady	X
US Gulf Japan: Panamax	\$54/55.00	Up \$5.00	X
US Gulf China: Panamax	\$53/54.00	Up \$5.00	X
US PNW South Africa – 40,000 m/t	\$35/36.00	Steady	x
US PNW Japan: Panamax	\$32/33.00	Up \$5.00	X
US PNW China: Panamax	\$31/32.00	Up \$5.00	X
US East Coast Egypt: Panamax	\$33/34.00	Up \$5.00	X
US East Coast Nigeria: Handisize	\$49/50.00	Up \$7.00	X
US Lakes – Europe – 30,000 m/t	Closed		
US Lakes – Morocco – 30,000 m/t	Closed		



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France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$22/23.00	Up \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$44/45.00	Steady	X
France/Germany to China: Panamax	\$43/44.00	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	\$43/44.00	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	\$49/50.00	Up \$5.00	X
Argentina to Japan: Panamax, with top-off	\$48/49.00	Up \$5.00	X
Argentina to Egypt: Panamax	\$30/31.00	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	\$44/45.00	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	\$40/41.00	Up \$5.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$44/45.00	Up \$5.00	X
Brazil to Japan: Panamax	\$45/46.00	Up \$5.00	X
Brazil to Europe: Panamax	\$26/27.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$35/36.00	Up \$1.00	X
Brazil to Iran: Panamax	\$47/48.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$50/51.00	Up \$1.00	X
Brazil to Spain: Panamax	\$26/27.00	Steady	X
Brazil to Turkey/Egypt: Panamax	\$33/34.00	Up \$1.00	X
Australia to China: Panamax – round trip	\$16/17.00	Steady	X
Australia to Japan: Panamax – round trip	\$43/43.50	Up \$2.00	X
Australia to Saudi Arabia: Panamax	\$47/48.00	Up \$2.00	X
Ukraine to China: Panamax	\$33/34.00	Up \$3.00	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	Down \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$33/34.00	Steady	X
Ukraine to Turkey: coaster (1,000 disch)	\$24/25.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$35/36.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$17/18.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$17/18.00	Down \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$33/34.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$54/55.00	Steady	X
Black Sea to Iraq: Panamax (4,000 disch)	\$47/48.00	Up \$2.00	X
Black Sea to Iran: Panamax	\$40/41.00	Up \$2.00	X



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Black Sea to Europe: Panamax (8,000 disch)	\$23/24.00	Up \$2.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$21/22.00	Steady	X
Black Sea to Spain: Panamax (8,000 disch)	\$23/24.00	Up \$2.00	X
Black Sea to Jordan: Panamax (5,000 disch)	\$26/27.00	Up \$2.00	X
Black Sea to Libya: 25/35,000 m/t	\$25/26.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$34/35.00	Up \$3.00	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)	1698	Up 359	X
Baltic Capesize Index (100,000 plus DWT)	1715	Up 473	X
Baltic Panamax Index (60,000 to 80,000 DWT)	2332	Up 388	x
Baltic Supramax Index (50,000 to 60,000 DWT)	1513	Up 296	x
Baltic Handisize Index (25,000 plus DWT)	901	Up 150	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 2021/May 2021

Wheat, USA Soft Red Winter, US Gulf	USD 289>>277 new crop	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 288/291	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 279/282	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 283/286	X
Wheat, Romania 12.5 pro	USD 281/284	X
Wheat, Superior, France, Rouen	USD 293/295	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 268/271	X
Wheat, feed, Black Sea	USD 276/279	X
Barley, France, Rouen port	USD 272/274	X
Barley, feed, Argentina, up river	USD 252/255	X
Barley, feed, Black Sea, 30,000+	USD 249/252	X
Corn, 2YC FOB NOLA USA	USD 246/249	X
Corn, 3YC FOB USA Pacific northwest	USD 271/274	X
Corn, FOB Argentina port, upriver	USD 239>>229 new crop	X
Corn, FOB Brazil port	USD 270>>232 new crop	X
Corn, FOB France – Atlantic	USD 281/283	X
Corn, FOB Romania	USD 266/269	X
Corn, FOB Russia	USD 265/268	X
Corn, FOB Ukraine, 30,000+ m/t	USD 258/261	X
Sorghum, FOB Argentina port	USD 232>>215 new crop	X
Sorghum, FOB Texas	USD 340/343	X
Soymeal, 48% protein, FOB NOLA	USD 505/508	X
Soymeal, 48% protein, USA, Rotterdam	USD 530/533	X
Soymeal, Argentina, Rotterdam – spot	USD 545/548 spot	X
Soymeal, 47% pro, FOB Argentina	USD 467>>456 new crop	X



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Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 552/555 spot	X
Soymeal, 48% protein, FOB Brazil	USD 478>>449 new crop	X
Soybeans, FOB NOLA	USD 537>>532	X
Soybeans, Argentina, FOB	USD 536>>511 new crop	X
Soybeans, Brazil, FOB	USD 512/515 new crop	X
Soybeans, Black Sea	USD 557/560	X
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 337>>322 m/t	X

The winter storms in the US have made shipment and delivery problems so difficult that almost no one is even trying to do any new business. The weather reports in the USA are improving but it will probably still take a couple of weeks to get the flow of corn byproducts back to normal.

Both corn gluten feed and corn gluten meal prices were steady this week, but the nearby DDGS prices took about a USD 10 m/t jump higher.

There doesn't look to be any weakness in corn byproduct prices until we get into late May/June.

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
	USD 560/720 to Indonesia
USA Feathermeal, 80% protein	USD 680/700 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 500/510 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 980/1,000 m/t CNF Asia

The animal protein export business is still very quiet this week as China starts to wind down from its New Year holiday. Prices for most everything are steady, steady, steady but at least one trade report was saying that there is pent up demand just waiting to get into the market.

Supplies of animal proteins from both Australia and New Zealand remain tight which will certainly help keep prices steady to higher in coming days.

Looking at the US domestic business, the very serious winter storms in the US have brought a shuddering halt to most new animal protein activity. Logistics are so difficult this week that buyers are using up stocks and waiting for the weather and logistics situation to improve. Slaughter numbers are way down so new supplies are limited. Most in the trade are expecting higher prices in the short term until logistics improve.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

All quiet in Peru these days with very little trading but everyone is busy shipping out all the sold fishmeal. MSI Ceres was mentioning that there are quite a number of logistics problems these days with shortages of containers, vessel cancellations and partial shipments --- much confusion for both shippers and buyers.



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MSI cereals also showed the final 2020 export numbers in this week's report. Total Peru fishmeal exports were down by 19% to 837,000 m/t with 90.3 % of shipments going to Asia. What would the fishmeal business do without Asia – China in particular as it is 77.4% of Peru's fishmeal exports.

The market is expected to remain quiet until we get some news on the next quota or on research cruises. At least with all being so quiet it will give the shippers a chance to try to get the current logistics problems solved.

Prices did creep up a little higher this week as the odd lot traded at higher prices.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,725
Danish fishmeal	64% protein	1,490
Peru fishmeal	64% protein	1,515
Chile fishmeal	67% protein	1,560
Iceland fishmeal	70% protein	1,790

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	1370/1390 m/t	
67% protein standard steam	1450/1470 m/t	
67% protein 150 TVN	1520/1550 m/t	1520/1540 m/t
67% protein 120 TVN	1570/1590 m/t	1570/1590 m/t
67% protein 1000 hist, 120 TVN	1620/1640 m/t	1620/1640 m/t
68% protein 500 hist, 120 TVN	1670/1690 m/t	1650/1670 m/t
Fish oil, crude bulk	1750/1850	
Fish oil, crude drums	1800/1900	
Fish oil, flexi tank	1850/1950	
Fish oil, Omega 3: 28%EPA/DHA	2200/2300	

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

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