



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT February 24, 2019

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

It was just a 4 day week in the US grain business this week and there wasn't a huge amount of market price excitement --- corn, soybeans and soymeal were all about unchanged on the week but winter wheat prices did show some action – down by USD 6 to 8 on the week.

There was quite a bit of information out from the USDA this week with US corn production expected by the USDA to be up by 3% but increased exports will mean that ending corn stocks will be down --- the USDA is also forecasting higher corn prices. That being said, corn prices did finish the week almost unchanged, so no one was too excited by the USDA numbers.

There was not much of a change in the USDA soybean production numbers but ending stocks are still way up at record levels --- still lots of soybeans to move. I guess it will all be up to China to determine what happens to US soybean prices.

With US winter wheat prices moving lower, we may just see more US wheat appearing in major import tenders in North Africa and Egypt.

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	X
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	Steady	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	Steady	X
US PNW Japan: Panamax	\$22/23.00	Down \$1.00	x
US PNW China: Panamax	\$21/22.00	Down \$1.00	X
US East Coast Egypt: Panamax	\$41/42.00	Steady	X
US East Coast Nigeria: Handisize	\$46/47.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$15/16.00	Up \$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)	\$13/14.00	Up \$1.00	X



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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)	\$27/28.00	Up \$1.00	X
Argentina to China: 50,000 m/t, with top-off	\$32/33.00	Up \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$31/32.00	Up \$1.00	X
Argentina to Egypt: 50,000 m/t	\$32/33.00	Up \$1.00	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	Steady	X
Argentina to Jordan: 50,000 m/t	\$31/32.00	Steady	X
Argentina to Saudi Arabia: 50,000 m/t	\$32/33.00	Steady	X
Argentina to South Africa 50,000 m/t	\$29/30.00	Steady	X
Argentina to Spain: 50,000 m/t	\$33/34.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$27/28.00	Up \$1.00	X
Argentina to US Gulf: 25/35,000 m/t	\$20/21.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$26/27.00	Up \$1.00	X
Brazil to China: 55,000 m/t	\$27/28.00	Up \$1.00	X
Brazil to Japan: 55,000 m/t	\$26/27.00	Up \$1.00	X
Brazil to Europe: 50,000 m/t	\$30/31.00	Up \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$24/25.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$35/36.00	Steady	X
Brazil to Spain: 50,000 m/t	\$30/31.00	Up \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$28/29.00	Up \$1.00	X
Australia to China: 40-55,000 m/t – round trip	\$17.00/17.50	Steady	X
Australia to Japan: 40-55,000 m/t – round trip	\$18.50/19.00	Steady	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	Steady	X
Ukraine to Bangladesh: 45,000 m/t	\$33/34.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$30/31.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$14/15.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$26/27.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$21/22.00	Steady	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	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$37/38.00	Steady	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	\$19/20.00	Up \$2.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$16/17.00	Up \$1.00	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$19/20.00	Up \$2.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$25/26.00	Up \$2.00	X
Black Sea to Libya: 25/35,000 m/t	\$20/21.00	Steady	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



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Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	634	Down 5	X
Baltic Capesize Index (100,000 plus DWT)	545	Down 182	X
Baltic Panamax Index (60,000 to 80,000 DWT)	666	Up 42	X
Baltic Supramax Index (50,000 to 60,000 DWT)	707	Up 147	X
Baltic Handisize Index (25,000 plus DWT)	359	Up 44	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 223/227	X
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 223/226	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 226/229	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 236/239	X
Wheat, Romania 12.5 pro	USD 241/244	X
Wheat, Superior, France, Rouen	USD 226/228	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 203/206	X
Wheat, feed, Black Sea	USD 221/224	X
Barley, France, Rouen port	USD 203/205	X
Barley, feed, Argentina, up river	USD 186/190	X
Barley, feed, Black Sea, 30,000+	USD 229/232	X
Corn, 2YC FOB NOLA USA	USD 183>>178	X
Corn, 3YC FOB USA Pacific northwest	USD 190/192	X
Corn, FOB Argentina port, upriver	USD 165/168	X
Corn, FOB Brazil port	USD 164/166 Aug/Sep	X
Corn, FOB France - Atlantic	USD 204/206	X
Corn, FOB Romania	USD 176/179	X
Corn, FOB Russia	USD 179/182	X
Corn, FOB Ukraine, 30,000+ m/t	USD 173/176	X
Sorghum, FOB Argentina port	USD 171/174	X
Sorghum, FOB Texas	USD 178/181	x
Soymeal, 48% protein, FOB NOLA	USD 339/342	X
Soymeal, 48% protein, USA, Rotterdam	USD 364/367	x
Soymeal, Argentina, Rotterdam	USD 355/358	X
Soymeal, 47% pro, FOB Argentina	USD 325/328	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 351/354	X
Soymeal, 48% protein, FOB Brazil	USD 325/327	X
Soybeans, FOB NOLA	USD 350/354	X
Soybeans, Argentina, FOB	USD 344/347	X
Soybeans, Brazil, FOB	USD 356/359	X
Soybeans, Black Sea	USD no prices	x
Corn Gluten Meal, USA FOB NOLA	USD 550>>540 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 170>>160 m/t	X



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DDGS corn, 35 profat, USA FOB NOLA	USD 226>>213	x

There wasn't much going on in the corn byproduct export business this week, except for the lack of available supply for nearby shipment which is continuing the price premium for Feb/March over April/May shipment.

Logistics problems in the US have made export shipments difficult as severe winter weather in the US has reduced the export availability at main export ports and container loading facilities. Word is that it is currently very difficult to move grain barges along the Mississippi river system --- snow and ice and all that winter stuff.

Funny but we have had an early shipment premium for many months now – long before any ice and snow – it makes one think that it is not a weather situation just an export demand situation. Maybe what is needed are more bulk container loading facilities or more available shipment positions for bulk containers. But then, what do I know, as I am sitting in the sun in France.

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 775/800 m/t CNF Asia

Another quiet week in the export animal protein business as buyers are still working down the stocks that they all bought in before Chinese New Year. The small amount of buying interest that is out there seems to be at prices a good bit below current CNF level.

Prices from both Australia and New Zealand are steady for meat and bone meal but feathermeal looks like it could move a little higher as does poultry meal – both seem to have good steady export demand.

In the US, nothing much happened to prices as very good stock levels kept meat and bone meal from moving any higher and even feathermeal demand seems to have slowed a little. Only pet food grade poultry meal was much able to show any change in price and surprisingly some areas were showing lower prices which seems to be contrary to where pet food grade prices were expected to go.

The Jacobsen Report continues to feel that MBM has little strength, but that poultry meal and poultry meal look to be in good demand and could be steady to higher in coming days – at least not lower.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Still no fishing in the south of Peru as the juvenile count is still too high.

Trade reports say that business is very quiet in Peru and that exporters are all busy with the logistics of shipping out the existing fishmeal orders. February export shipments are expected to be very good and this follows January where about 93,000 m/t of fishmeal was exported – 80% to China.



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Fishmeal prices in China are reported to have dropped lower as the importers are clearing their warehouses of old stock in advance of the new Peru shipment arrival. Currently new production fishmeal is selling at a premium to the old stock – not surprising as importers try to clear stocks.

The next China feed demand for fishmeal will be in March/April as the next feed production season kicks off. New stocks from Peru will arrive just as the season starts.

The MSI Ceres report this week says that there is nothing left to sell in Peru with everything in the north long gone and no fishing in the south giving any new stock fishmeal to sell.

There is nothing new to report on the next fishing season, but the research cruise is merrily sailing away and making all the required biomass measurements. In another couple of weeks there should be a little more info – or rumors – on how the biomass situation looks. Most trade people seem to be enthusiastic about the next fishing season mainly due to the lack of any bad news that could affect the fish stocks.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,745
Danish fishmeal	64% protein	1,460
Peru fishmeal	64% protein	1,450
Chile fishmeal	67% protein	1,500
Iceland fishmeal	70% protein	1,740

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

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