



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT March 17, 2018

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

Another interesting week with corn prices slipping lower by about USD 3 to 5 m/t while soybeans were up by about the same amount, but wheat prices took a very nice dip with prices for winter wheat dropping by about USD 7 to 10 m/t.

Soybeans were the commodity of interest in all the news stories this week with the revised Argentina soybean crop down by another 6.5 million m/t – about 15% - and overall crop yield down by 12%, all due to the lack of moisture in much of Argentina.

The Argentina corn crop forecast was also reduced by the Rosario Board of Trade – down by about 10% or about 3 million m/t. Planted area is steady, but yields are down 10%.

The Buenos Aires Grain Exchange numbers are not nearly as low as the Rosario numbers as the maintain their soybean production at 42 mm/t and corn at 34 mm/t compared to Rosario at 40 mm/t and 30 mm/t.

US export corn business is at a very good level as higher prices in South America make the US the seller of choice – last week's corn export numbers were the highest for a week in 23 years.

For the moment corn prices have been steady but the South American situation may push prices higher as demand on US corn exports will give sellers some opportunity for higher prices.

The wheat situation was all tied to expected rainfall in the near future and the chance that much of the risk to the winter wheat crops could be overcome by some decent rainfall. So, it is all tied to the rain.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$17/17.50	Steady	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$22/23.00	Steady	x
US Gulf Israel: 50,000 m/t	\$29/30.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$28/29.00	Up \$1.00	X
US Gulf Turkey: 50,000 m/t	\$30/31.00	Up \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$31/32.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$32/33.00	Up \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$39/40.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$30/31.00	Up \$1.00	X
US Gulf South Africa: 45,000 m/t	\$38/39.00	Up \$1.00	X
US Gulf Japan: Panamax	\$45/46.00	Up \$1.00	X
US Gulf China: Panamax	\$44/45.00	Up \$1.00	X
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	X
US PNW Japan: Panamax	\$24/25.00	Up \$1.00	X
US PNW China: Panamax	\$23/24.00	Up \$1.00	X



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US East Coast Egypt: Panamax	\$45/46.00	Steady	X
US East Coast Nigeria: Handisize	\$41/42.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$13/14.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$32/33.00	Steady	X
France/Germany to China: 50,000 m/t	\$33/34.00	Steady	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$15/16.00	Steady	X
France/Germany to India: 50,000 m/t	\$26/27.00	Steady	X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$23/24.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$10/11.00	Steady	X
France/Germany to Saudi Arabia: 50/60,000	\$23/24.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$28/29.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$20/21.00	Steady	X
France/Germany to Yemen: 30,000 m/t	\$41/42.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$23/24.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$40/41.00	Up \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$41/42.00	Up \$1.00	X
Argentina to Egypt: 50,000 m/t	\$27/28.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$27/28.00	Up \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$22/23.00	Steady	X
Argentina to Jordan: 50,000 m/t	\$30/31.00	Up \$1.00	X
Argentina to Saudi Arabia: 50,000 m/t	\$31/32.00	Steady	X
Argentina to South Africa 50,000 m/t	\$26/27.00	Up \$1.00	X
Argentina to Spain: 50,000 m/t	\$25/26.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$24/25.00	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	\$26/27.00	Steady	X
Brazil to China: 55,000 m/t	\$34/35.00	Up \$1.00	X
Brazil to Japan: 55,000 m/t	\$35/36.00	Up \$1.00	X
Brazil to Europe: 50,000 m/t	\$23/24.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$25/26.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$34/35.00	Up \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$27/28.00	Up \$2.00	X
Australia to China: 40-55,000 m/t – round trip	\$19.50/20.00	Up \$0.50	X
Australia to Japan: 40-55,000 m/t – round trip	\$21.00/21.50	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	\$34/35.00	Down \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$32/33.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$28/29.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$11/12.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$29/30.00	Up \$1.00	X
Russia to Turkey: coaster (1,000 disch)	\$38/39.00	Up \$2.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$14/15.00	Up \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$15/16.00	Up \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$29/30.00	Up \$1.00	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$53/54.00	Up \$2.00	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$34/35.00	Up \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$14/15.00	Steady	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$19/20.00	Up \$1.00	X



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Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$25/26.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$20/21.00	Up \$2.00	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$30/31.00	Steady	x
Black Sea to South Africa – 30,000 m//t	\$37/38.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$12/13.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$18/19.00	Up \$2.00	X
Black Sea to Yemen: 50,000 m/t	No info		x
Baltic Dry Index	1143	Down 58	x
Baltic Capesize Index	1203	Down 276	x
Baltic Panamax Index	1618	Up 3	X
Baltic Supramax Index	1091	Up 59	X
Baltic Handysize Index	627	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 April 2018/June 2018

Wheat, USA Soft Red Winter, NOLA	USD 212>>206	x
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 234/237	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 195/197	x
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 205/207	x
Wheat, Romania 12.5 pro	USD 202/205	X
Wheat, Superior, France, Rouen	USD 207/209	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 210/214	X
Wheat, feed, Black Sea	USD 194/197	x
Barley, France, Rouen port	USD 213/215	x
Barley, feed, Argentina	USD 207/209	X
Barley, feed, Black Sea, 30,000+	USD 195/199	X
Barley, feed, USA Pacific Northwest	USD 220/225	X
Corn, 2YC FOB NOLA USA	USD 183/186	X
Corn, 3YC FOB USA Pacific northwest	USD 201/203	X
Corn, FOB Argentina port, Upriver	USD 190/193	X
Corn, FOB Brazil port	USD 181/185 July/August	X
Corn, FOB France - Atlantic	USD 205/208	X
Corn, FOB Romania	USD 202/205	X
Corn, FOB Russia	USD 199/203	X
Corn, FOB Ukraine, 30,000+ m/t	USD 203/206	x
Sorghum, FOB Argentina port	USD 184/187	x
Sorghum, FOB Texas	USD 190/193 April/May	x
Soymeal, 48% protein, FOB NOLA	USD 438>>427	X
Soymeal, 48% protein, USA, Rotterdam	USD 463>>452	x
Soymeal, Argentina, Rotterdam	USD 451/455	X
Soymeal, 47% pro, FOB Argentina	USD 418/421	x



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Soymeal, 48% protein, Brazil, Rotterdam	USD 440/444	x
Soymeal, 48% protein, FOB Brazil	USD 399/403	x
Soybeans, FOB NOLA	USD 406/409	x
Soybeans, Argentina, FOB	USD 411/414	x
Soybeans, Brazil, FOB	USD 414/417	x
Soybeans, Black Sea	USD 415/420	x
Corn Gluten Meal, USA FOB NOLA	USD 620 >>600 m/t	
Corn Gluten Feed, USA FOB NOLA	USD 190 >>170 m/t	
DDGS corn, 35 profat, USA FOB NOLA	USD 229 >>220 July m/t	x

US corn by-product prices remain steady in the nearby range due to continued export logistics problems. Looking longer term – June/July/August – export prices were quite reasonable and in the range of prices prior to the logistics problems. Strong soybean/soymeal prices along with steady to higher fishmeal prices will keep both DDGS and corn gluten meal from dropping in price.

Export prices into Asia were up on the week out in June/July but only by a couple of dollars per m/t.

The USDA domestic average price report had corn gluten feed prices mainly unchanged and DDGS prices steady to up a little, but it did show US corn gluten meal prices up by USD 40 m/t – an interesting jump, we will have to see if this is a true increase or not and if it shows up in the export market.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 400/410 m/t CNF Asia
Australian MBM 50% protein	USD 450/460 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 510/520 m/t CNF Asia
Australian Poultry Meal, pet food	USD 900/910 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 530/540 m/t CNF Asia
	USD 510/520 to Indonesia
USA Feathermeal, 80% protein	USD 535/545 m/t CNF Asia
USA Poultry Meal, feed grade	USD 600/620 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 930/950 m/t CNF Asia

Prices for meat and bone meal to major buyers in Asia continued to move higher this week as MBM prices followed vegetable protein prices higher. Trade reports say that some business was done at levels USD 10 to 15 above those shown above. Prices from the US and New Zealand were higher for animal proteins while Australia was a little weaker. Fishmeal prices were still strong so alternatives like poultry meal were steady to higher.

In the US domestic market, continued strength in soybeans and soymeal helped to add some strength to animal protein prices. With vegetable protein prices looking to be at least steady and perhaps quite a bit higher there is little or no chance that animal protein prices will move lower in coming weeks. Prices will be driven by what happens to soybeans.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Stories in the trade in Peru are that the IMARPE cruise so far is finding good fish stocks and a low level of juvenile fish – all great news for the next quota, if true. The cruise doesn't end until about April 08, so this is all just guess work so far.



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In the south the weather has improved a little and there was some fishing but only near Ilo and this was not too significant – just over 5,000 m/t of catch.

The scientific authorities in Peru has stated that there is “neutral condition” for any El Nino or La Nina event in the coming months – guess that that means no chance of an event.

On the selling side, business is said to be quite brisk with good business coming from China with some interest seem from other Asian destinations. Total pre-sales are said to now be up in the 200,000 m/t range. The trade does expect that producers will back off in selling much more as they will be afraid of selling what they may not be able to catch – it all depends on the quota fishing after all.

The first export details for 2018 show that Peru shipped about 61,000 m/t of fishmeal with 48,000 m/t – 78% - going to China. Japan, Taiwan and Vietnam were the other main destinations but in total they accounted for less than 10,000 m/t.

Another new fishmeal alternative is in the works according to US sources – this is a soymeal-based product that is “modified” to remove carbohydrates – many fish species can’t tolerate high levels of carbohydrate in their feed. The product is called Enzo Meal and is currently under trial with salmon, bass and Asian sea bass. Enzo Meal is expected to come in as a lower cost alternative to fishmeal that the developers say should be very good for use in fish farms.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,860
Danish fishmeal	64% protein	1,600
Peru fishmeal	64% protein	1,600
Chile fishmeal	67% protein	1,660
Iceland fishmeal	70% protein	1,870

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% protein	1400/1420 m/t	
65/66 protein	1450/1470 m/t	
67% protein standard steam	1500/1520 m/t	
67% protein 150 TVN	1580/1600 m/t	No prices
67% protein 120 TVN	1630/1650 m/t	No prices
67% protein 1000 hist, 120 TVN	1680/1700 m/t	1700/1720
68% protein 500 hist, 120 TVN	1730/1750 m/t	1750/1770
Fish oil, crude bulk	2500/2550	No info
Fish oil, crude drums	2600/2650	
Fish oil, flexi tank	2700/2750	
Fish oil, Omega 3: 28%EPA/DHA	3000/3100	



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

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