



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY GRAIN AND PROTEIN REPORT March 21, 2020

It was an interesting week for US futures prices: corn prices dropped by USD 7 to 9 m/t while nearby soybeans were up by about USD 5 m/t and nearby soymeal up by as much as USD 26 m/t. Winter wheat was up strongly with soft red up by just over USD 12 m/t and hard red up by as much as USD 13 m/t.

Sales of US corn to China tried to push corn prices higher with no success – so corn slipped lower on serious concerns about corn demand from the ethanol industry. If COVID-19 keep people from driving and gasoline demand falls then so does ethanol demand and corn usage in ethanol production. With as much as 40% of all US corn going to ethanol it is easy to understand how ethanol production will have a serious effect on corn prices. Gasoline demand in the US is said to be down by 25%.

Purchases of soybeans by China were the main driver of higher US prices while the national quarantine in Argentina was the reason for the nearby rally in soymeal. Trade reports were saying that with the drop in production of DDGS there will be more demand for soymeal and this was enough to help push US soymeal prices higher.

Wheat prices in the US are said to be being moved higher by expected increases in demand for bread, pasta, etc. related to the spread of COVID-19. If everyone is going to do their best to stay home, then demand for wheat flour based items will certainly increase.

The continued increase of COVID-19 in the US will likely continue to move prices higher – at least for the April/May period. If the virus spread can be brought under control, then prices too should get back to pre-virus levels.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$13/14.00	Down \$1.00	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$13/14.00	Down \$1.00	X
US Gulf Israel: 50,000 m/t	\$25/26.00	Down \$2.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$24/25.00	Down \$2.00	X
US Gulf Turkey: 50,000 m/t	\$26/27.00	Down \$2.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$32/33.00	Down \$2.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$32/33.00	Down \$2.00	X
US Gulf Nigeria: 30,000 m/t	\$57/58.00	Down \$1.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$39/40.00		X
US Gulf South Africa: 45,000 m/t	\$37/38.00		X
US Gulf Japan: Panamax	\$41/42.00	Down \$2.00	X
US Gulf China: Panamax	\$40/41.00	Down \$2.00	X
US PNW South Africa – 40,000 m/t	\$37/38.00		X
US PNW Japan: Panamax	\$21/22.00	Down \$2.00	X
US PNW China: Panamax	\$20/21.00	Down \$2.00	X
US East Coast Egypt: Panamax	\$56/57.00		X



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US East Coast Nigeria: Handisize	\$56/57.00		X
US Lakes – Europe – 30,000 m/t	\$40/41.00	Up \$1.00	x
US Lakes – Morocco – 30,000 m/t	\$42/43.00	Up \$1.00	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$21/22.00	Down \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$41/42.00		X
France/Germany to China: 50,000 m/t	\$37/38.00	Down \$1.00	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$19/20.00		X
France/Germany to India: 50,000 m/t	\$32/33.00		X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$23/24.00		X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$19/20.00		X
France/Germany to Saudi Arabia: 50/60,000	\$33/34.00	Down \$1.00	X
France/Germany to South Africa: 30,000 m/t	\$44/45.00		X
France/Germany to Turkey: 35,000 m/t	\$19/20.00		X
France/Germany to Yemen: 30,000 m/t	\$53/54.00		X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$30/31.00		X
Argentina to China: 50,000 m/t, with top-off	\$32/33.00	Down \$2.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$31/32.00	Down \$2.00	X
Argentina to Egypt: 50,000 m/t	\$25/26.00	Down \$1.00	X
Argentina to Europe: 50/60,000 m/t	\$20/21.00	Down \$2.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$27/28.00		X
Argentina to Jordan: 50,000 m/t	\$46/47.00		X
Argentina to Saudi Arabia: 50,000 m/t	\$47/48.00		X
Argentina to South Africa 50,000 m/t	\$47/48.00	Down \$1.00	X
Argentina to Spain: 50,000 m/t	\$20/21.00	Down \$2.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$30/31.00		X
Argentina to US Gulf: 25/35,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$35/36.00		X
Brazil to China: 55,000 m/t	\$27/28.00	Down \$3.00	X
Brazil to Japan: 55,000 m/t	\$26/27.00	Down \$3.00	X
Brazil to Europe: 50,000 m/t	\$29/30.00	Up \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$47/48.00	Down \$1.00	X
Brazil to Spain: 50,000 m/t	\$29/30.00		X
Brazil to Turkey/Egypt: 50,000 m/t	\$31/32.00		X
Australia to China: 40-55,000 m/t – round trip	\$22.50/22	Up \$0.50	X
Australia to Japan: 40-55,000 m/t – round trip	\$23/23.50		X
Australia to Saudi Arabia: 40-55,000 m/t	\$37/38.00		X
Ukraine to China: 50,000 m/t	\$32/33.00	Down \$2.00	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)	\$23/24.00		X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$22/23.00		X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$16/17.00	Down \$2.00	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)	\$24/25.00		X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$33/34.00		X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$35/36.00		X
Black Sea to Europe: 50,000 m/t	\$22/23.00		X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$19/20.00		X



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Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$22/23.00		X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$23/24.00		X
Black Sea to Libya: 25/35,000 m/t	\$24/25.00		X
Black Sea to Saudi Arabia – Jeddah – 50k	\$26/28.00		X
Black Sea to South Africa – 30,000 m/t	\$46/47.00		X
Black Sea to Turkey – 30,000 m/t	\$17/18.00	Down \$3.00	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$19/20.00	Up \$2.00	x
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	625	Up 6	X
Baltic Capesize Index (100,000 plus DWT)	-121	Up 186	X
Baltic Panamax Index (60,000 to 80,000 DWT)	807	Down 200	X
Baltic Supramax Index (50,000 to 60,000 DWT)	741	Down 9	x
Baltic Handisize Index (25,000 plus DWT)	423	Up 28	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 2020/June 2020

Wheat, USA Soft Red Winter, US Gulf	USD 240>>230	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 227/230	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 202/205	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 207/210	X
Wheat, Romania 12.5 pro	USD 206/209	X
Wheat, Superior, France, Rouen	USD 212/214	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 228/231	X
Wheat, feed, Black Sea	USD 198/201	X
Barley, France, Rouen port	USD 188/190	X
Barley, feed, Argentina, up river	USD 186/189	X
Barley, feed, Black Sea, 30,000+	USD 181/184	X
Corn, 2YC FOB NOLA USA	USD 164/167	X
Corn, 3YC FOB USA Pacific northwest	USD 177/180	X
Corn, FOB Argentina port, upriver	USD 165/168	X
Corn, FOB Brazil port	USD 156/160 new crop	X
Corn, FOB France – Atlantic	USD 183/185	X
Corn, FOB Romania	USD 172/175	X
Corn, FOB Russia	USD 197/200	X
Corn, FOB Ukraine, 30,000+ m/t	USD 172/175	X
Sorghum, FOB Argentina port	USD 135/138	X
Sorghum, FOB Texas	USD 186/189	X
Soymeal, 48% protein, FOB NOLA	USD 355/358	X
Soymeal, 48% protein, USA, Rotterdam	USD 380/383	X



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Soymeal, Argentina, Rotterdam	USD 383/386	X
Soymeal, 47% pro, FOB Argentina	USD 352/355	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 373/376	X
Soymeal, 48% protein, FOB Brazil	USD 344/347	X
Soybeans, FOB NOLA	USD 336/339	X
Soybeans, Argentina, FOB	USD 323/326	X
Soybeans, Brazil, FOB	USD 334/337	X
Soybeans, Black Sea	USD 377/380	X
Corn Gluten Meal, USA FOB NOLA	USD 590/600 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 203/206 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 232>>220 m/t	X

DDGS prices are quite firm as the drop in demand and production of ethanol reduces the DDGS supply in coming weeks. Some areas of the US are seeing DDGS prices up by as much as USD 20 m/t, according to the US Grains Council.

Corn gluten meal and corn gluten feed prices were within the recent trading range of plus/minus USD 5 to 10 m/t.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 350/360 m/t CNF Asia
Australian MBM 50% protein	USD 390/400 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 430/450 m/t CNF Asia
Australian Poultry Meal, pet food	USD 670/680 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 470/480 m/t CNF Asia USD 420/450 to Indonesia
USA Feathermeal, 80% protein	USD 430/450 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 420/440 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 700/730 m/t CNF Asia

Meat and bone meal prices into China are reported to be moving higher as import demand has increased. China is coming out of its COVID-19 problem with restrictions being relaxed. Demand has also increased from other countries in Asia. The increase in demand is coming just as supplies are dropping so it is expected that prices could move higher in coming weeks. Both Australia and New Zealand are said to be showing higher export prices.

Export prices for animal protein from the US are steady but domestic demand is said to be building which should push up export prices. Reports say that COVID-19 has caused consumers to stockpile pet food, so pet food producers in the US have cranked up production and their demand for animal proteins.

For now, it looks like prices will be steady to higher.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Sorry but no update this week on the situation in Peru – there is a shortage of trade reports, probably because offices are closed due to COVID-19 (coronavirus) – or Chinese virus as Donald Trump calls it.



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PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,700
Danish fishmeal	64% protein	1,350
Peru fishmeal	64% protein	1,540
Chile fishmeal	67% protein	1,600
Iceland fishmeal	70% protein	1,620

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	1450/1470 m/t	
67% protein standard steam	1530/1550 m/t	
67% protein 150 TVN	1580/1600 m/t	1550/1570 m/t
67% protein 120 TVN	1630/1650 m/t	1600/1620 m/t
67% protein 1000 hist, 120 TVN	1690/1710 m/t	1640/1660 m/t
68% protein 500 hist, 120 TVN	1730/1750 m/t	1730/1750 m/t
Fish oil, crude bulk	2300/2350	
Fish oil, crude drums	2350/2400	
Fish oil, flexi tank	2450/2500	
Fish oil, Omega 3: 28%EPA/DHA	2500/2600	

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

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