



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 Fax: +33.4.5774.7575
1 Traverse Du Cheval Blanc, St Remy de Provence, 13210 France

WEEKLY FEED GRAIN AND PROTEIN REPORT April 15, 2017

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

This week is a holiday week in many countries with some closed last Thursday and Friday and others closed next Monday. These three/four day weekends can lead to very strange price action as many traders, especially futures traders, try to cover their positions in advance of a long weekend --- no one wants to take on a three-day risk.

Grain markets in the US and Europe were closed in Friday but earlier in the week we did have a small rally in all grain and soybean/soymeal prices.

Soybeans and soymeal saw small price increases due to the weather in Argentina and the possible harvest risk and the effort of futures traders to cover some of their short positions before the weekend. There wasn't anything much exciting with soybeans to set any direction for prices, although the US soybean export numbers for the week were a little less than hoped but this is more bearish than bullish.

Corn prices were up a little on the week as everyone worried about too much rain and possible planting delays in some areas of the US. Export sales were not as good as hoped but still look very good for meeting the USDA 2016/17 export forecast.

In Brazil, the harvest of both corn and soybeans is almost complete while Argentina has good dry weather for its current rush to harvest.

No price trends were set this week as most was very quiet.... let's see what happens next week.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$15.50/16.50	Down \$0.50	x
US Gulf to Spain: 30,000 m/t (5,000 disch)	\$24/25.00	Steady	x
US Gulf Israel: 50,000 MT	\$25/26.00	Steady	X
US Gulf to Egypt: Panamax(6,000 disch)	\$24/25.00	Steady	X
US Gulf Turkey: 50,000	\$26/27.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$25/26.00	Steady	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$26/27.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$55/56.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$31/32.00	Up \$1.00	X
US Gulf Japan: Panamax	\$40/41.00	Up \$1.00	X
US Gulf China: Panamax	\$39/40.00	Up \$1.00	x
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	x
US PNW Japan: Panamax	\$22/23.00	Up \$1.00	x
US PNW China: Panamax	\$21/22.00	Up \$1.00	X
US East Coast Egypt: Panamax	\$47/48.00	Up \$1.00	x
US East Coast Nigeria: Handisize	\$52/53.00	Steady	x
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$15/16.00	Steady	x
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$14/15.00	Steady	x



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

France/Germany to Jordan: 35/45,000 m/t (4,000 disch)	\$28/29.00	Down \$1.00	x
France/Germany to Morocco: 30,000 m/t (3,000 disch)	\$13/14.00	Steady	x
France/Germany to Saudi Arabia: 50/60,000	\$32/33.00	Steady	x
France/Germany to South Africa: 30,000 m/t	\$37/38.00	Steady	x
France/Germany to Yemen: 30,000 m/t	\$50/51.00	Steady	x
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$28/29.00	Up \$1.00	x
Argentina to China: 50,000 m/t, with top-off	\$40/41.00	Up \$3.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$41/42.00	Up \$3.00	X
Argentina to Egypt: 50,000 m/t	\$25/26.00	Steady	x
Argentina to Europe: 50/60,000 m/t	\$20/21.00	Down \$1.00	x
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$25/26.00	Up \$1.00	x
Argentina to Saudi Arabia: 25/30,000 m/t	\$43/44.00	Steady	x
Argentina to South Africa 25/30,000 m/t (3,000 disch)	\$31/32.00	Up \$1.00	x
Argentina to Spain: 30,000 m/t	\$26/27.00	Up \$1.00	x
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$28/29.00	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	\$32/33.00	Up \$1.00	x
Brazil to China: 55,000 m/t	\$31/32.00	Up \$3.00	X
Brazil to Japan: 55,000 m/t	\$32/33.00	Up \$3.00	x
Brazil to Europe: 30,000 m/t	\$32/33.00	Up \$1.00	x
Brazil to Morocco: 25/30,000 m/t	\$30/31.00	Up \$1.00	x
Brazil to Saudi Arabia 30/40,000 m/t	\$38/39.00	Steady	x
Brazil to Turkey/Egypt: 50,000 m/t	\$22/23.00	Steady	x
Australia to China: 40-55,000 m/t – round trip	\$20.00/20.50	Steady	x
Australia to Japan: 40-55,000 m/t – round trip	\$20.50/21.00	Steady	x
Australia to Saudi Arabia: 40-55,000 m/t	\$27/28.00	Steady	x
Ukraine to China: 50,000 m/t	\$29/30.00	Steady	x
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$18/19.00	Up \$1.00	x
Ukraine to East Med: coaster (1,000 disch)	\$28/29.00	Steady	x
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$20/21.00	Up \$1.00	x
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$21/22.00	Up \$1.00	x
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$28/29.00	Steady	x
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$31/32.00	Up \$1.00	x
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$18/19.00	Steady	x
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$14/15.00	Steady	x
Black Sea to Jordan: 50,000 m/t (4,000 disch)	\$24/25.00	Up \$1.00	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$28/29.00	Up \$1.00	x
Black Sea to South Africa – 30,000 m/t	\$38/39.00	Steady	x
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$17/18.00	Steady	x
Baltic Dry Index	1296	Up 73	X
Baltic Capesize Index	2249	Up 76	x
Baltic Panamax Index	1611	Up 184	X
Baltic Supramax Index	899	Up 13	X
Baltic Handysize Index	560	Up 13	x



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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 May 2017/July 2017

Wheat, USA Soft Red Winter, NOLA	USD 182/185	x
Wheat, USA Hard Red Winter 12 protein	USD 199/202	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 180/184	x
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 185/188	x
Wheat, Romania 12.5 pro	USD 184/187	x
Wheat, Superior, France, Rouen	USD 182/185	x
Wheat, milling, 12.0%, Argentina, upriver	USD 188/192	x
Wheat, feed, Black Sea	USD 176/179	x
Barley, France, Rouen port	USD 161/163	x
Barley, feed, Argentina	USD 160/163 May/June	x
Barley, feed, Black Sea, 30,000+	USD 162/165	x
Barley, feed, USA Pacific Northwest	USD 195/200	x
Corn, FOB NOLA USA	USD 161/164	x
Corn, FOB USA Pacific northwest	USD 176/179 June/July	x
Corn, FOB Argentina port, upriver	USD 167>>162 May>>July	x
Corn, FOB Brazil port	USD 161/167 Aug/Sep	x
Corn, FOB Ukraine, 30,000+ m/t	USD 166/169	x
Corn, FOB France	USD 187/189	x
Corn, FOB Romania	USD 175/177	x
Corn, FOB Russia	USD 171/174	x
Sorghum, FOB Texas	USD 175/179	x
Sorghum, FOB Argentina port	USD 156/159	x
Soymeal, 48% protein, FOB NOLA	USD 343/348	X
Soymeal, 48% protein, USA, Rotterdam	USD 368/373	x
Soymeal, Argentina, Rotterdam	USD 355/358	x
Soymeal, 47% pro, FOB Argentina	USD 323/329	x
Soymeal, 48% protein, Brazil, Rotterdam	USD 351/354	x
Soymeal, 48% protein, FOB Brazil	USD 334/338	x
Soymeal, 48% protein, FOB India	USD 353/357	x
Soybeans, FOB NOLA	USD 363/367	x
Soybeans, Argentina, FOB	USD 350/355	x
Soybeans, Brazil, FOB	USD 358/362	x
Soybeans, Black Sea	USD 383/388	x
Corn Gluten Meal, USA FOB NOLA	USD 590/600 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 120/125 m/t	x
DDGS corn, 35 profat, USA FOB NOLA	USD 143/147 m/t	x

There has not been too much excitement in the corn by-product markets this week – perhaps due to the short trading week in the US. According to the USDA average price calculations, corn gluten feed prices are off by about USD 2 m/t while corn gluten meal is down by USD 5 m/t. DDGS prices are a bit



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

harder to gauge but look to be up by about USD 5 m/t on average. This is all in the US domestic market not in exports.

Actually, the export prices are perhaps a little softer than the domestic prices -- perhaps due to improved domestic logistics or improved loading delays.

One factor to consider for export DDGS prices is that ethanol production has dropped which means lower DDGS production and it could be possible to see a tightening of available DDGS supplies with prices moving higher.

Container shipments, minimum 200 m/t

Argentina Meat & Bone meal, 45/50 protein	USD 435/450 m/t CNF Asia
Argentina poultry meal, 57/60 protein	USD 540/550 m/t CNF Asia
Argentina feathermeal, 78/80 protein	USD 490/500 m/t CNF Asia
Paraguay Meat & Bone meal, 45% protein	USD 415/425 m/t CNF Asia
Australian MBM 45 protein	USD 480/490 m/t CNF Asia
Australian MBM 50 protein	USD 530/540 m/t CNF Asia
Australian Feathermeal, 80 protein	USD 540/550 m/t CNF Asia
Australian Poultry Meal, pet food	USD 770/790 m/t CNF Asia
USA Meat & Bone meal, 50 protein	USD 540/560 m/t CNF Asia
USA Feathermeal, 80 protein	USD 530/550 m/t CNF Asia
USA Poultry Meal, feed grade	USD 650/670 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 850/870 m/t CNF Asia

The animal protein business into Asia was steady this week as there has been quite good buying seen. Export prices for both Australia and New Zealand showed no change while in the US the export price for poultry meal moved up by USD 20 to 30 m/t or more. Demand from Asia is said to be very strong for both feed grade and pet food grade poultry meal.

In the US domestic market, there was little change with meat and bone meal but the strong export demand did push up the domestic prices for poultry meal. The trade, via the Jacobsen Report says that the pet food industry in China seems to be the main driver of increased demand for poultry meal.

The story too is that MBM prices may weaken as supply out paces demand – at least for US supply. However, in Australia the MBM supply is said to be tight with no drop in prices expected.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

A quiet week in Peru as both Thursday and Friday were holidays this week, at least for most companies.

There has been some comment in the trade reports that the fishing in the south of Peru is falling off and will probably come to an end – not much sense in using up fishing resources if there is nothing to catch.

The IMARPE report on the result of the biomass inspection cruise is expected next week.... everyone is hoping for good results and an early May start to northern Peru fishing. The trade says that no business is being done at present with China well covered for a while so again not too much to report on fishmeal.

Speaking of China, it represents just under 80 percent of all Peru fishmeal exports so far in 2017.



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

I was looking at the latest IFFO report this week and see that Germany imports as much fishmeal from Morocco and Mauritania as it does from Peru – these three origins count for close to 80 percent of Germany's imports – they imported about 150,000 m/t I total in 2016. It is also interesting to see that Turkey imported 93 percent of its 2017 fishmeal from Morocco and Mauritania.

The IFFO report also shows fishmeal production total for Peru, Chile, Denmark/Norway and Iceland/North Atlantic at 462,600 m/t for 2017 to date, this is up by 86.5 percent over the same time last year. The largest share of the increase is for Peru and Chile.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,275
Danish fishmeal	64% protein	1,280
Peru fishmeal	64% protein	1,300
Chile fishmeal	67% protein	1,350
Iceland fishmeal	70% protein	1,280

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	1140/1160 m/t	
65/66 protein	1170/1190 m/t	
67% protein standard steam	1220/1240 m/t	1300/1320
67% protein 150 TVN	1290/1310 m/t	1320/1340
67% protein 120 TVN	1350/1370 m/t	1350/1370
67% protein 1000 hist, 120 TVN	1400/1420 m/t	1400/1420
68% protein 500 hist, 120 TVN	1430/1450 m/t	1450/1470
Fish oil, crude bulk	1350/1400	1250/1300
Fish oil, crude drums	1450/1500	
Fish oil, flexi tank	1600/1650	
Fish oil, Omega 3: 28%EPA/DHA	1800/1900	

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 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 © 2017 Wayne S. Bacon