



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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## WEEKLY FEED GRAIN AND PROTEIN REPORT April 21, 2019

Sorry that I am a day late with the report, but we were off at a wedding in Pitlochry, Scotland – a beautiful place for a wedding.

### **SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN**

Grain markets do tend to not get too exciting on short trading weeks and this week was no exception as no one much seemed to want to push the markets in any direction.

There is little or nothing to report on corn – no big surprises with export sales. Most trade reports say that US corn exports should drift lower as Argentina corn takes a bigger share and Brazil corn will not be that far behind – so the high volume corn export are probably over for US corn.

There are still some areas of too much rainfall in parts of the US corn belt, but this should not be too serious – well not so far.

US soybean exports were down on the week --- we really need some China buying. Nothing much to say on the US weather for soybeans.

Wheat prices keep moving lower – there is just too much wheat from too many origins. However, last week's wheat export report was not all that bad as the large, traditional US wheat buyers are still out there buying.

Next week should be a more normal week with the Easter holidays behind us.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$15/16.00	Steady	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$15/16.00	Steady	X
US Gulf Israel: 50,000 m/t	\$28/29.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$27/28.00	Steady	X
US Gulf Turkey: 50,000 m/t	\$29/30.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$34/35.00	Steady	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$33/34.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$44/45.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$35/36.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$35/36.00	Steady	X
US Gulf Japan: Panamax	\$42/43.00	Steady	X
US Gulf China: Panamax	\$41/42.00	Steady	X
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	X
US PNW Japan: Panamax	\$24/25.00	Down \$1.00	X
US PNW China: Panamax	\$23/24.00	Down \$1.00	X
US East Coast Egypt: Panamax	\$43/44.00	Steady	X
US East Coast Nigeria: Handisize	\$48/49.00	Steady	X



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France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$15/16.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$29/30.00	Steady	X
France/Germany to China: 50,000 m/t	\$37/38.00	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	\$20/21.00	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	Steady	X
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)	\$28/29.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$28/29.00	Up \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$29/30.00	Up \$1.00	X
Argentina to Egypt: 50,000 m/t	\$31/32.00	Up \$1.00	X
Argentina to Europe: 50/60,000 m/t	\$35/36.00	Up \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$25/26.00	Steady	X
Argentina to Jordan: 50,000 m/t	\$33/34.00	Steady	X
Argentina to Saudi Arabia: 50,000 m/t	\$32/33.00	Steady	X
Argentina to South Africa 50,000 m/t	\$32/33.00	Steady	X
Argentina to Spain: 50,000 m/t	\$35/36.00	Up \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$28/29.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$20/21.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$27/28.00	Steady	x
Brazil to China: 55,000 m/t	\$32/33.00	Steady	X
Brazil to Japan: 55,000 m/t	\$31/32.00	Steady	X
Brazil to Europe: 50,000 m/t	\$30/31.00	Up \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$26/27.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$37/38.00	Steady	X
Brazil to Spain: 50,000 m/t	\$30/31.00	Up \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$29/30.00	Up \$1.00	X
Australia to China: 40-55,000 m/t – round trip	\$18.00/18.50	Up \$1.00	X
Australia to Japan: 40-55,000 m/t – round trip	\$19.00/19.50	Steady	X
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	X
Ukraine to China: 50,000 m/t	\$36/37.00	Up \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$34/35.00	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)	\$25/26.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$20/21.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$16/17.00	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)	\$25/26.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$35/36.00	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	\$20/21.00	Down \$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)	\$20/21.00	Down \$1.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$25/26.00	Steady	X



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Black Sea to Libya: 25/35,000 m/t	\$21/22.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$28/29.00	Steady	X
Black Sea to South Africa – 30,000 m/t	\$38/39.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$14/15.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$17/18.00	Up \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handysize included)	790	Up 67	X
Baltic Capesize Index (100,000 plus DWT)	490	Up 72	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1162	Up 89	x
Baltic Supramax Index (50,000 to 60,000 DWT)	732	Up 21	X
Baltic Handysize Index (25,000 plus DWT)	390	Down 13	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/June 2019

Wheat, USA Soft Red Winter, US Gulf	USD 192/195	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 208/211	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 182/185 Jun/Aug New	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 187/190 Jun/Aug New	X
Wheat, Romania 12.5 pro	USD 223/226	X
Wheat, Superior, France, Rouen	USD 214/216	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 184/187	X
Wheat, feed, Black Sea	USD 173/176 Jun/Aug New	X
Barley, France, Rouen port	USD 193/195	X
Barley, feed, Argentina, up river	USD 176/179	X
Barley, feed, Black Sea, 30,000+	USD 181/184 Jun/Aug New	X
Corn, 2YC FOB NOLA USA	USD 164/166	X
Corn, 3YC FOB USA Pacific northwest	USD 182/184	X
Corn, FOB Argentina port, upriver	USD 155/157 Jun/Aug	X
Corn, FOB Brazil port	USD 154/157 Aug/Oct	X
Corn, FOB France - Atlantic	USD 190/192	X
Corn, FOB Romania	USD 171/174	X
Corn, FOB Russia	USD 176/179	X
Corn, FOB Ukraine, 30,000+ m/t	USD 172/175	X
Sorghum, FOB Argentina port	USD 133/136 Jun/Aug	X
Sorghum, FOB Texas	USD 172/175	X
Soymeal, 48% protein, FOB NOLA	USD 347/350	X
Soymeal, 48% protein, USA, Rotterdam	USD 372/375	X
Soymeal, Argentina, Rotterdam	USD 342/345	X
Soymeal, 47% pro, FOB Argentina	USD 311/314	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 342/345	X
Soymeal, 48% protein, FOB Brazil	USD 312/315	X



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Soybeans, FOB NOLA	USD 337/340	X
Soybeans, Argentina, FOB	USD 317/320 May/Jul	X
Soybeans, Brazil, FOB	USD 331/334	X
Soybeans, Black Sea	USD no prices	X
Corn Gluten Meal, USA FOB NOLA	USD 520>>510 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 165>>155 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 197/200	x

DDGS prices continue to slide lower as the front end premium has disappeared and weaker corn prices won't allow any new price rally. There were some reports out of the US that the lower DDGS prices are getting a number of major buyers quite interested. However, there are also some experts who feel that DDGS have room to move lower another USD 5 to 10 m/t.

Both corn gluten meal and corn gluten feed were steady on the week, but the short holiday week seemed to make keep buyers out of the market – although some byers have been watching DDGS drop and hoped for the same for CGF and CGM.

## Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 310/320 m/t CNF Asia
Australian MBM 50% protein	USD 340/350 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 540/550 m/t CNF Asia
Australian Poultry Meal, pet food	USD 690/710 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 390/400 m/t CNF Asia USD 360/370 to Indonesia
USA Feathermeal, 80% protein	USD 540/550 m/t CNF Asia
USA Poultry Meal, feed grade	USD 525/545 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 720/740 m/t CNF Asia

Prices into Indonesia just keep slipping lower, especially for meat and bone meal – a case of too much supply for now. With Ramadan starting in early May it looks like prices into Indonesia are going to remain soft as buying will certainly come to a halt for a few weeks.

Australia's cattle slaughter numbers remain high which is adding to the pressure on MBM prices – just too much on hand and few buyers looking.

US domestic prices were steady to lower with no animal protein items showing any strength at all. The very low export demand is leaving lots of supply for the domestic market but with lower vegetable protein prices no one much is looking at animal proteins.

No current expectation of higher prices.

## SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Still no word on the next fishing quota in Peru and business has slowed to a crawl as everyone is waiting for the quota. Of course, we are also looking at a long holiday weekend for Easter so no one much was too interested in trading fishmeal. The trade now says that the next fishing cannot begin until after the start of May.



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There is still a lot of discussion in Peru about the new "Fishing Right Tax" – lots of ideas on how it will work but so far no detailed information from the government is available. However, some say that the government may be backing down a little on the tax application in order not to have too major an effect on export prices.

Peru's March fishmeal exports are reported to be at just under 140,000 m/t with the January/March total up to almost 370,000 m/t - 82% to China and another 11% to other Asia destinations.

So, here we are still waiting for the new quota – it shouldn't be too long now.

## **European fishmeal prices – FOB North German port.**

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,815
Danish fishmeal	64% protein	1,520
Peru fishmeal	64% protein	1,525
Chile fishmeal	67% protein	1,570
Iceland fishmeal	70% protein	1,825

## **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	1300/1320 m/t	
67% protein standard steam	1360/1380 m/t	
67% protein 150 TVN	1460/1480 m/t	No prices
67% protein 120 TVN	1520/1540 m/t	1500/1520
67% protein 1000 hist, 120 TVN	1590/1610 m/t	1550/1570
68% protein 500 hist, 120 TVN	1640/1660 m/t	1620/1640
Fish oil, crude bulk	1700/1750	
Fish oil, crude drums	1750/1800	
Fish oil, flexi tank	1850/1900	
Fish oil, Omega 3: 28%EPA/DHA	2200/2400	

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

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