



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
3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

WEEKLY FEED GRAIN AND PROTEIN REPORT April 27, 2019

A little late again this week --- got home from a business trip late on Friday to find we had no internet service and the French telephone service offices are close until Monday morning – so this report is coming to you courtesy of McDonalds and their free WIFI.

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

Corn prices moved a little lower on the week, only down by USD 2 or 3 m/t, but probably could have been lower except for the wet wether in parts of the corn belt and some delays to the corn planting. According to futures reports the commodity funds are very short corn – so they think that it is going lower. Expected very big crops in both Argentina and Brazil are putting a lot of downward pressure on corn prices. Other than bad wether in the US, it is tough to see any rally in corn prices in the near term.

Soybean prices were down by about USD 10 m/t on the week --- just too much talk about giant soybean crops and slipping China business along with the possibility that some expected US corn planting could be switched to corn because of too much rain for early corn planting. On the futures side of things, all the major funds look to be short soybean and soymeal, with little reason for them to cover their futures --- looks like the trend will probably continue to be for lower prices – until US weather causes a rally – as normally happens.

And then there is wheat – mainly down, down and down as winter crops look good and weather remains just great for the winter crops. And in the futures market the big guys are short. Seems that there is just too much wheat in the world this year, so it will be difficult to move prices higher.

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	\$23/24.00	Down \$1.00	X
US PNW China: Panamax	\$22/23.00	Down \$1.00	X
US East Coast Egypt: Panamax	\$43/44.00	Steady	X
US East Coast Nigeria: Handisize	\$48/49.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$15/16.00	Steady	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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	\$35/36.00	Adjusted	X
Argentina to Japan: 50,000 m/t, with top-off	\$34/35.00	Adjusted	X
Argentina to Egypt: 50,000 m/t	\$31/32.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$35/36.00	Steady	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	Steady	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	Steady	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	Steady	X
Brazil to Turkey/Egypt: 50,000 m/t	\$29/30.00	Steady	X
Australia to China: 40-55,000 m/t – round trip	\$19.00/19.50	Up \$1.00	X
Australia to Japan: 40-55,000 m/t – round trip	\$19.50/20.00	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	\$36/37.00	Steady	X
Ukraine to Bangladesh: 45,000 m/t	\$36/37.00	Up \$2.00	X
Ukraine to India: 45/50,000 m/t	\$32/33.00	Up \$2.00	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	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$15/16.00	Steady	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	\$21/22.00	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)	\$21/22.00	Up \$1.00	X
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	\$21/22.00	Steady	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Black Sea to Saudi Arabia – Jeddah – 50k	\$29/30.00	Up \$1.00	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	Steady	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	889	Up 99	X
Baltic Capesize Index (100,000 plus DWT)	783	Up 293	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1186	Up 24	X
Baltic Supramax Index (50,000 to 60,000 DWT)	780	Up 48	X
Baltic Handisize Index (25,000 plus DWT)	389	Down 1	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 May/July 2019

Wheat, USA Soft Red Winter, US Gulf	USD 192/195	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 202/206	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 179/182 Jun/Aug New	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 184/187 Jun/Aug New	X
Wheat, Romania 12.5 pro	USD 223/226 old crop	X
Wheat, Superior, France, Rouen	USD 209/211	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 181/184	X
Wheat, feed, Black Sea	USD 170/173 Jun/Aug New	X
Barley, France, Rouen port	USD 189/191	X
Barley, feed, Argentina, up river	USD 174/177	X
Barley, feed, Black Sea, 30,000+	USD 179/182 Jun/Aug New	X
Corn, 2YC FOB NOLA USA	USD 162/164	X
Corn, 3YC FOB USA Pacific northwest	USD 180/182	X
Corn, FOB Argentina port, upriver	USD 149/153 Jun/Aug	X
Corn, FOB Brazil port	USD 153/156 Aug/Oct	X
Corn, FOB France - Atlantic	USD 187/189	X
Corn, FOB Romania	USD 166/169 Jun/Aug	X
Corn, FOB Russia	USD 173/176 Jun/Aug	X
Corn, FOB Ukraine, 30,000+ m/t	USD 168/171 Jun/Aug	X
Sorghum, FOB Argentina port	USD 130/133 Jun/Aug	X
Sorghum, FOB Texas	USD 170/173	X
Soymeal, 48% protein, FOB NOLA	USD 336/339	X
Soymeal, 48% protein, USA, Rotterdam	USD 361/364	X
Soymeal, Argentina, Rotterdam	USD 338/341	X
Soymeal, 47% pro, FOB Argentina	USD 305/308	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 336/339	X
Soymeal, 48% protein, FOB Brazil	USD 307/310	X
Soybeans, FOB NOLA	USD 329/331	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Soybeans, Argentina, FOB	USD 302/305 May/Jul	X
Soybeans, Brazil, FOB	USD 322/325	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 190/195	X

Lower protein and corn prices mean that all the corn by-products are also slipping lower. The weakest prices these days seems to be in DDGS but corn gluten meal has also become a good export buy. This week there was growing interest from export buyers for both DDGS and CGM, prices just look too good and one wonders how much lower they can possibly go. However, DDGS prices are still at a higher premium over corn than in the psst so perhaps there is room for some movement lower.

Asian, North African and Turkish buyers seem to be very interested in the market at current price levels --- I would be interested too as current prices look very good.

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

There is very little change in US and Asia animal protein prices this week but the drop in soymeal prices will certainly put some downward pressure on meat and bone meal. Looking at the protein market, both animal and vegetable, there doesn't seem to be any reason for prices to move higher.

Almost everything looks weak today so steady to lower looks like what we should expect for coming days.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Well, the new Peru northern fishing quota has been set – 2.1 million m/t, exactly what the trade had been expecting. Fishing will begin at 00.00 on May 4, 2019.

Other than the new quota the most interesting info has been the “fishing rights tax” – according to the comments from MSI Ceres this week the new tax could add as much as USD 35 m/t to the cost of a ton of fishmeal. They expect that there will be a rush to pass any needed new laws so that the revised tax will apply to the new fishing season.

Business has been quiet in Peru all week as both buyer and seller were waiting for the quota announcement --- now that that has happened we can expect that there may be a sudden flurry of buyers in the market.



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Tasa and Copinca represent about 47% of all Peru fishmeal exports with Exalmar, Diamante and Hayduk covering another 32% and if you add in 8% for Austral that covers 87% of Peru's fishmeal exports among six shippers --- at least for the first three months of 2019.

Now that the quota has been announced there is not much to talk about until we see how fishing goes and what the major buyers will do.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,810
Danish fishmeal	64% protein	1,525
Peru fishmeal	64% protein	1,525
Chile fishmeal	67% protein	1,580
Iceland fishmeal	70% protein	1,820

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	1530/1550
67% protein 1000 hist, 120 TVN	1590/1610 m/t	1600/1620
68% protein 500 hist, 120 TVN	1640/1660 m/t	1620/1640
Fish oil, crude bulk	1800/1850	
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

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 © 2019 Wayne S. Bacon