



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: wbacon@hammersmith.biz
WWW: hammersmithltd.blogspot.com SKYPE: bacon39a

Representative Office : Phone +33.6.8068.4564
3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

After my comment last week about the possibility of stopping this report, i was overwhelmed by positive comments, so I have decided to keep sending the report for 2021 and will review the situation in 2022. Thanks for all the many, many supportive emails.

WEEKLY USA GRAIN AND PROTEIN REPORT May 01, 2021

It was another up, up, up week again this week with corn and soybeans leading the way. Old crop USA corn prices were up by USD 33 m/t with new crop corn up by USD 7 m/t. Old crop soybeans moved higher by USD 11 m/t with new crop steady. Looking at the futures spreads, old crop USA corn is at a USD 58 m/t premium to new crop while old crop soybeans are at close to a USD 70 m/t premium over new crop. Current soymeal is at a USD 24 m/t premium over October soymeal.

Corn prices have now moved higher every week for the past 5 weeks and the question is when will the rally end. Much of the push to higher prices was due to shrinking supplies for old crop corn and poor weather for new crop corn. Export demand has been good for corn which is pushing up the prices for remaining stocks while too much rainfall and cold weather is creating some problems with corn planting in some parts of the US. On top of this the corn crop forecast for Brazil was lowered by 8% due to drought – especially for the second corn crop.

Soybeans moved higher for about the same reasons as corn --- for the US: strong demand, shrinking supply and weather problems. There doesn't seem to be much wrong in South America this week as Argentina is harvesting like mad due to dryer weather – but is still well behind normal harvest levels.

There is lots of comment in the trade on whether US farmers will switch from soybeans to corn now that corn has moved so high. Depending on the area of the US there is still time for farmers to switch their planting intentions. One would think that the rally in corn prices would make corn quite attractive to farmers but then the futures price is not the only factor in the farmers decision. New crop corn prices could still decide to take a plunge lower in coming weeks.

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

You will notice that I have added a few new destinations to the freight list this week. I decided that since I had them available, I would expand the list a little.

US Gulf to Europe: Panamax (10,000 disch)	\$24/25.00	Up \$1.00	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$24/25.00	Up \$1.00	x
US Gulf Israel: Panamax m/t	\$50/51.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$50/51.00	Steady	X
US Gulf Turkey: Panamax m/t	\$51/52.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$48/49.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$49/50.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$50/51.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$52/53.00	Steady	x



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US Gulf South Africa: 45,000 m/t	\$41/42.00	Steady	X
US Gulf to India: Panamax	\$62/63.00	New	X
US Gulf to Philippines: Panamax	\$65/66.00	New	X
US Gulf Japan: Panamax	\$63/64.00	Steady	X
US Gulf China: Panamax	\$62/63.00	Steady	X
US PNW South Africa – 40,000 m/t	\$38/39.00	Steady	X
US PNW Egypt: Panamax	\$50/51.00	New	X
US PNW Philippines: Panamax	\$44/45.00	New	X
US PNW Japan: Panamax	\$37/38.00	Steady	X
US PNW China: Panamax	\$36/37.00	Steady	X
US East Coast Egypt: Panamax	\$39/40.00	Down \$1.00	X
US East Coast Nigeria: Handisize	\$49/50.00	Down \$2.00	X
US Lakes – Europe – 30,000 m/t	\$53/54.00	Steady	X
US Lakes – Morocco – 30,000 m/t	\$54/55.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$22/23.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$53/54.00	Up \$1.00	X
France/Germany to China: Panamax	\$50/51.00	Up \$1.00	X
France/Germany to Egypt: Panamax (10,000 dis)	\$21/22.00	Steady	X
France/Germany to India: Panamax	\$38/39.00	Steady	X
France/Germany to Iran: Panamax	\$48/49.00	Up \$4.00	X
France/Germany to Jordan: 35/45,000 (4k dis)	\$40/41.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$23/24.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$52/53.00	Up \$1.00	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$25/26.00	Down \$1.00	X
France/Germany to Yemen: 30,000 m/t	\$55/56.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$31/32.00	Steady	X
Argentina to China: Panamax, with top-off	\$59/60.00	Steady	X
Argentina to Japan: Panamax, with top-off	\$58/59.00	Steady	X
Argentina to Egypt: Panamax	\$34/35.00	Steady	X
Argentina to Europe: Panamax	\$24/25.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$28/29.00	Steady	X
Argentina to Libya: 25/30,000 m/t	\$34/35.00	Steady	X
Argentina to Jordan: Panamax	\$40/41.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$51/52.00	Up \$1.00	X
Argentina to Iran: Panamax	\$59/60.00	New	X
Argentina to India: Panamax	\$52/53.00	New	X
Argentina to South Africa: Panamax	\$27/28.00	Steady	X
Argentina to Spain: Panamax	\$24/25.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$31/32.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$48/49.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$53/54.00	Steady	X
Brazil to Japan: Panamax	\$52/53.00	Steady	X
Brazil to South Korea: Panamax	\$54/55.00	New	X
Brazil to Europe: Panamax	\$28/29.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$38/39.00	Steady	X
Brazil to Iran: Panamax	\$53/54.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$51/52.00	Up \$1.00	X
Brazil to Spain: Panamax	\$28/29.00	Steady	X



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Brazil to Turkey/Egypt: Panamax	\$39/40.00	Steady	x
Australia to China: Panamax – round trip	\$16/17.00	Steady	x
Australia to Japan: Panamax – round trip	\$50/50.50	Down \$1.00	X
Australia to Saudi Arabia: Panamax	\$53/54.00	Steady	X
Ukraine to China: Panamax	\$39/40.00	Up \$1.00	X
Ukraine to Indonesia: Panamax	\$35/36.00	New	X
Ukraine to Bangladesh, Panamax	\$56/57.00	Up \$2.00	X
Ukraine to India, Panamax	\$41/42.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$24/25.00	Up \$2.00	X
Ukraine to East Med: coaster (1,000 disch)	\$33/34.00	Steady	X
Ukraine to Turkey: Izmir: coaster (1,000 disch)	\$20/21.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$22/23.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$20/21.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$24/25.00	Up \$2.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$33/34.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$47/48.00	Steady	X
Black Sea to Iraq: Panamax (4,000 disch)	\$48/49.00	Steady	X
Black Sea to Iran: Panamax	\$40/41.00	Steady	X
Black Sea to Europe: Panamax (8,000 disch)	\$26/27.00	Up \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$23/24.00	Down \$3.00	X
Black Sea to Spain: Panamax (8,000 disch)	\$26/27.00	Up \$1.00	X
Black Sea to Jordan: Panamax (5,000 disch)	\$32/33.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$26/27.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$39/40.00	Up \$1.00	X
Black Sea to Yemen: Panamax	\$48/49.00	New	X
Black Sea to Turkey – 30,000 m/t	\$19/20.00	Up \$1.00	X
Black Sea to South Africa – 30,000 m//t	\$30/31.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$22/23.00	Down \$2.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	3053	Up 265	X
Baltic Capesize Index (100,000 plus DWT)	4896	Up 704	X
Baltic Panamax Index (60,000 to 80,000 DWT)	2672	Up 42	X
Baltic Supramax Index (50,000 to 60,000 DWT)	2144	Up 59	X
Baltic Handisize Index (25,000 plus DWT)	1145	Up 53	X

The table below can be used to help estimate the differences in freight costs between items. For example: with wheat stowing at 44 cu ft per m/t and corn at 46.5 cu ft per m/t, the freight cost for corn should be about 5.6% higher than for wheat due to the difference in stowage.

All the freight rates shown in the table above are based on wheat stowage

Average Stowage Factors for Grain By-Products

Regular Corn Gluten Feed Pellets	54 cu ft per mt
Light Corn Gluten Feed Pellets	57 cu ft per mt



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Distillers Dried Grain Meal	60 cu ft per mt
Corn Gluten Meal	59 cu ft per mt
Beet Pulp Pellets	53 cu ft per mt
Soybean Meal	53 cu ft per mt
Soybean Meal Pellets	55 cu ft per mt
Cookie Meal	58 cu ft per mt
High Fat Product	66 cu ft per mt
Malt Sprout Pellets	53 cu ft per mt
Alfalfa Pellets	53 cu ft per mt
Linseed Meal Pellets	50 cu ft per mt
Lo Pro Soybean Meal	54 cu ft per mt

All stowage factors are based on commodities trimmed.

Average Stowage Factors for Hard Grain

Yellow Soybeans	48 cu ft per mt
Yellow Corn	46.5 cu ft per mt
Paddy Rice	60 cu ft per mt
Rice Milled	60 cu ft per mt
Rice Parboiled	49 cu ft per mt
Northern Spring Wheat	44 cu ft per mt
Soft Red Wheat	44 cu ft per mt
Milo	45 cu ft per mt
Hard Red Wheat	44 cu ft per mt
Oats Groats	61 cu ft per mt
White Corn	46 cu ft per mt

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 2021/July 2021

Wheat, USA Soft Red Winter, US Gulf	USD 328>>307 new crop	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 312/315	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 270>>260 new crop	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 273>>263 new crop	X
Wheat, Romania 12.5 pro	USD 274>>265 new crop	X
Wheat, Superior, France, Rouen	USD 299>>261 new crop	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 272/275	X
Wheat, feed, Black Sea	USD 267>>260 new crop	X
Barley, France, Rouen port	USD no prices	X
Barley, feed, Argentina, up river	USD 262/265	X



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Barley, feed, Black Sea, 30,000+	USD 250/253	X
Corn, 2YC FOB NOLA USA	USD 311>>271 new crop	X
Corn, 3YC FOB USA Pacific northwest	USD 338>>300 new crop	X
Corn, FOB Argentina port, upriver	USD 283>>250 new crop	X
Corn, FOB Brazil port	USD 292>>260 new crop	X
Corn, FOB France – Atlantic	USD 284>>261 new crop	X
Corn, FOB Romania	USD 280>>264 new crop	X
Corn, FOB Russia	USD 286>>253 new crop	X
Corn, FOB Ukraine, 30,000+ m/t	USD 284>>253 new crop	X
Sorghum, FOB Argentina port	USD 274>>220 new crop	X
Sorghum, FOB Texas	USD 402>>381 new crop	x
Soymeal, 48% protein, FOB NOLA	USD 474/477	X
Soymeal, 48% protein, USA, Rotterdam	USD 504/507	X
Soymeal, Argentina, Rotterdam – spot	USD 481/484 all new crop	X
Soymeal, 47% pro, FOB Argentina	USD 441/445 all new crop	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 482/485 all new crop	X
Soymeal, 48% protein, FOB Brazil	USD 447/450 all new crop	X
Soybeans, FOB NOLA	USD 601>>545 new crop	X
Soybeans, Argentina, FOB	USD 567>>520 new crop	X
Soybeans, Brazil, FOB	USD 564>>547 new crop	X
Soybeans, Black Sea	USD 562>>549 new crop	X
Corn Gluten Meal, USA FOB NOLA	USD 805/825 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 275/280 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 330>>310 m/t	x

DDGS prices in the US remained quite strong but a good chunk of the high prices is still due to logistics problems with container to export markets. While the actual DDGS price this week is only up by about USD 7 m/t, higher transport and logistics costs have made FOB NOLA prices increase by about USD 22 m/t.

Corn gluten meal prices look steady this week, but this is mainly as no one at all seems to be able to offer any export corn gluten meal. Normal export sellers just don't seem to have any stock available for the next couple of months – or if they do, they are holding out for higher prices.

As long as corn and soybeans keep charging higher, we are just not going to see any lower prices for corn byproducts.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 470/590 m/t CNF Asia
Australian MBM 50% protein	USD 520/540 m/t CNF Asia
Australian Feathermeal, 80% protein	USD no prices
Australian Poultry Meal, pet food	USD 950/970 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 550/570 m/t CNF China USD 540/560 to Indonesia
USA Feathermeal, 80% protein	USD 650/670 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 490/510 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 990/1,010 m/t CNF Asia



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Meat and bone meal prices into Indonesia were lower again this week still due to very limited demand during the Ramadan period. However, the trade seems to feel that MBM prices will move higher once the Ramadan period and the holidays are over – this will be after mid-May.

Meat and bone meal prices from both Australia and New Zealand were lower this week as supply continued to be greater than demand.

In the USA domestic market, meat and bone meal prices were trying to move higher following recent moves by soymeal but most buyers were not interested in paying higher MBM prices. The Jacobsen report was mentioning this week that shortages of container continues to be creating problems for export shipments which is putting more product in the domestic market and helping to move prices lower – or at least stopping any price rallies.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in the north of Peru seems to have started off quite well with this week's catch getting up to just over 50,000 m/t per day and the week to Thursday reaching 175,000 m/t. Trade report show that there were about 380 vessels out fishing. There is some concern though in that the level of juvenile fish seems to be quite high --- about 35% -- which could easily cause some mini-bans on fishing in the northern region.

There is some word the buyers in China have lowered their bids for Peru fishmeal by about USD 50 but so far there don't seem to have been actual bookings made at lower prices. According to a comment by MSI Ceres this week (probably misquoted by me) that prices to China may actually look to move USD 50 m/t higher rather than lower as I have mentioned.

Peru's latest fishmeal export numbers show 403,000 m/t shipped in January/March 2021 with 357,000 m/t (88.0%) going to China with a total of about 31,000 m/t (8.0%) going to Vietnam, Japan and Taiwan combined.

Up to the end of March, China reports fishmeal imports of 383,000 m/t with 234,000 m/t (61.2%) being arrivals from Peru – a total of 44,000 m/t was imported from Vietnam and Thailand combined (11.5%) followed by Mauritania with 19,000 m/t (4.9%) and Mexico with 17,000 m/t (4.5%).

Finishing off on prices --- we need a few days to see how the fishing goes and how high the juvenile level remains --- then we should get some buying and selling interest that will set the price direction.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,010
Danish fishmeal	64% protein	1,500
Peru fishmeal	64% protein	1,545
Chile fishmeal	67% protein	1,585
Iceland fishmeal	70% protein	2,060



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ALL PRICES SHOWN ARE IN CONTAINER, ON VESSEL, AT ORIGIN --- US DOLLARS
Minimum shipment of 200 m/t for fishmeal

<u>Specification</u>	<u>Price per m/t FOB vessel Peru port</u>	<u>Price per m/t Chile port</u>
65/66 protein	1330/1350 m/t	
67% protein standard steam	1400/1420 m/t	
67% protein 150 TVN	1450/1470 m/t	1490/1500 m/t
67% protein 120 TVN	1500/1520 m/t	1550/1560 m/t
67% protein 1000 hist, 120 TVN	1550/1570 m/t	1590/1600 m/t
68% protein 500 hist, 120 TVN	1600/1620 m/t	1620/1630 m/t
Fish oil, crude bulk	1750/1850	
Fish oil, crude drums	1800/1900	
Fish oil, flexi tank	1850/1950	
Fish oil, Omega 3: 28%EPA/DHA	2200/2300	

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

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