



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT May 08, 2021

It was announced this week that shortly the last open trading pit for agricultural products at the Chicago Board of Trade (CME) will be closing. This last pit is one trading commodity options. So soon all will be done by electronics. While trading electronically probably makes much more sense it seems like a shame to have lost all the excitement of open outcry trading. Of course, most of the floor trading was closed back in 2015 so the excitement is pretty well long gone. It is just us old guys that will miss it.

Speaking of trading, market prices for grains and oilseeds had another strong up week this week: corn prices, mostly new crop, were up by about USD 25 m/t, soybeans were up by a similar amount while soymeal moved USD 17 m/t higher. US winter wheat was up by USD 11 to 12 m/t with spring wheat up by USD 12 or 13 m/t.

Most experts are saying that supplies of all old crop grains/oilseeds are getting tight and that possible weather problems may create trouble for new crops.

For corn there is very good demand – both for domestic and export business – with old crop supplies dwindling while new crop faces drought in some parts of the US.

Soybeans moved higher mainly of the tightness of old crop supplies but, like corn, there are some concerns over the new crop with too little rainfall in some major growing areas in the US.

Wheat too is being troubled by a lack of rainfall for the spring wheat crop and for finishing off the winter wheat crop.

With the strong rally in grains this week the new crop grains moved higher than the old crop which of bringing down the spread that has been seen in old crop/new crop prices. Old crop corn is still at a USD 43 m/t premium to new crop with old crop soybeans showing a USD 56 m/t premium to new crop.

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

US Gulf to Europe: Panamax (10,000 disch)	\$26/27.00	Up \$2.00	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$26/27.00	Up \$2.00	X
US Gulf Israel: Panamax m/t	\$51/52.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$51/52.00	Up \$1.00	X
US Gulf Turkey: Panamax m/t	\$52/53.00	Up \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$49/50.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$51/52.00	Up \$2.00	X
US Gulf Nigeria: 30,000 m/t	\$50/51.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$54/55.00	Up \$2.00	X
US Gulf South Africa: 45,000 m/t	\$41/42.00	Steady	X
US Gulf to India: Panamax	\$65/66.00	Up \$3.00	X
US Gulf to Philippines: Panamax	\$65/66.00	Steady	X
US Gulf Japan: Panamax	\$65/66.00	Up \$2.00	X



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US Gulf China: Panamax	\$64/65.00	Up \$2.00	X
US PNW South Africa – 40,000 m/t	\$38/39.00	Steady	X
US PNW Egypt: Panamax	\$50/51.00	Steady	X
US PNW Philippines: Panamax	\$45/46.00	Up \$1.00	X
US PNW Japan: Panamax	\$38/39.00	Up \$1.00	X
US PNW China: Panamax	\$37/38.00	Up \$1.00	X
US East Coast Egypt: Panamax	\$40/41.00	Up \$1.00	X
US East Coast Nigeria: Handisize	\$52/53.00	Up \$3.00	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	\$54/55.00	Up \$1.00	X
France/Germany to China: Panamax	\$50/51.00	Steady	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	Steady	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	Steady	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$26/27.00	Up \$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	\$61/62.00	Up \$2.00	X
Argentina to Japan: Panamax, with top-off	\$60/61.00	Up \$2.00	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	\$52/53.00	Up \$1.00	X
Argentina to Iran: Panamax	\$59/60.00	Steady	X
Argentina to India: Panamax	\$52/53.00	Steady	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	\$49/50.00	Up \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$55/56.00	Up \$2.00	X
Brazil to Japan: Panamax	\$54/55.00	Up \$2.00	X
Brazil to South Korea: Panamax	\$54/55.00	Steady	X
Brazil to Europe: Panamax	\$28/29.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$35/36.00	Down \$3.00	X
Brazil to Iran: Panamax	\$53/54.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$51/52.00	Steady	X
Brazil to Spain: Panamax	\$28/29.00	Steady	X
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	Steady	X



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Australia to Saudi Arabia: Panamax	\$53/54.00	Steady	X
Ukraine to China: Panamax	\$40/41.00	Up \$1.00	X
Ukraine to Indonesia: Panamax	\$35/36.00	Steady	X
Ukraine to Bangladesh, Panamax	\$56/57.00	Steady	X
Ukraine to India, Panamax	\$41/42.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$21/22.00	Down \$3.00	X
Ukraine to East Med: coaster (1,000 disch)	\$37/38.00	Up \$4.00	X
Ukraine to Turkey: Izmir: coaster (1,000 disch)	\$23/24.00	Up \$3.00	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)	\$19/20.00	Down \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$21/22.00	Down \$3.00	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)	\$37/88.00	Adjusted	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)	\$24/25.00	Down \$2.00	x
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$26/27.00	Up \$3.00	X
Black Sea to Spain: Panamax (8,000 disch)	\$24/25.00	Down \$2.00	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	\$37/38.00	Down \$2.00	X
Black Sea to Yemen: Panamax	\$50/51.00	Up \$2.00	X
Black Sea to Turkey – 30,000 m/t	\$17/18.00	Down \$2.00	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)	\$24/25.00	Up \$2.00	x
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	3183	Up 130	X
Baltic Capesize Index (100,000 plus DWT)	5006	Up 110	x
Baltic Panamax Index (60,000 to 80,000 DWT)	2955	Up 283	X
Baltic Supramax Index (50,000 to 60,000 DWT)	2196	Up 52	X
Baltic Handisize Index (25,000 plus DWT)	No info		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 2021/July 2021

Wheat, USA Soft Red Winter, US Gulf	USD 321>>311 new crop	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 323/327	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 271>>266 new crop	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 277>>272 new crop	X
Wheat, Romania 12.5 pro	USD 277>>274 new crop	X
Wheat, Superior, France, Rouen	USD 294>>280 new crop	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 272/280	X
Wheat, feed, Black Sea	USD 269>>263 new crop	X
Barley, France, Rouen port	USD 278/280	X



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Barley, feed, Argentina, up river	USD 265/268	X
Barley, feed, Black Sea, 30,000+	USD 255/258	X
Barley, feed, Australia	USD 265/268	X
Corn, 2YC FOB NOLA USA	USD 327>>290 new crop	X
Corn, 3YC FOB USA Pacific northwest	USD 350>>313 new crop	X
Corn, FOB Argentina port, upriver	USD 288>>255 new crop	X
Corn, FOB Brazil port	USD 317>>278 new crop	X
Corn, FOB France – Atlantic	USD 322>>280 new crop	X
Corn, FOB Romania	USD 286>>268 new crop	X
Corn, FOB Russia	USD 272>>258 new crop	X
Corn, FOB Ukraine, 30,000+ m/t	USD 290>>268 new crop	X
Sorghum, FOB Argentina port	USD 276>>220 new crop	x
Sorghum, FOB Texas	USD 425>>408 new crop	X
Soymeal, 48% protein, FOB NOLA	USD 490>>484	X
Soymeal, 48% protein, USA, Rotterdam	USD 520>>514	X
Soymeal, Argentina, Rotterdam – spot	USD 500/492 new crop	X
Soymeal, 47% pro, FOB Argentina	USD 463/455 new crop	X
Soymeal, 48% protein, Brazil, Rotterdam – spot	USD 495/497 new crop	X
Soymeal, 48% protein, FOB Brazil	USD 470>>457 new crop	X
Soybeans, FOB NOLA	USD 623>>573 new crop	X
Soybeans, Argentina, FOB	USD 565>>544 new crop	X
Soybeans, Brazil, FOB	USD 578>>561 new crop	X
Soybeans, Black Sea	USD 562>>549 new crop	x
Corn Gluten Meal, USA FOB NOLA	USD 780>>760 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 285/290 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 335>>325 m/t	X

Nearby DDGS prices continued very strong with some prices said to be up by as much as USD 20 m/t for prompt shipment. Most buyers are looing at booking for later in 2021 when prices are much lower. Some reports say that September/October DDGS looks to be about USD 25 to 30 m/t lower than today.

Corn gluten meal prices were steady this week, but it was difficult to get offers as demand seems to be running even or ahead of supply. The export CGM market is still slow as container freight costs are sky-high. Export buyers are saying that, even with higher prices, soymeal works better in animal feed rations these days --- CGM prices are expected to be a little lower come September/October as the new crop corn comes online.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 480/500 m/t CNF Asia
Australian MBM 50% protein	USD 535/555 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 635/645 m/t CNF Asia
Australian Poultry Meal, pet food	USD 960/980 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 560/580 m/t CNF China USD 540/560 to Indonesia
USA Feathermeal, 80% protein	USD 640/660 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 490/510 m/t CNF Asia



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USA Poultry Meal, pet food grade

USD 990/1,010 m/t CNF Asia

Prices for all animal proteins moved higher this week as the increases in soymeal helped the move. There was also talk of limited supplies of meat and bone meal from both Australia and New Zealand that also gave some strength to prices. It should also be noted that Australia/New Zealand are experiencing the same container shortages that we are seeing in North America which is also increasing the ocean freight costs and pushing CNF prices higher.

There was a comment in the Jacobsen Report this week that a lack of containers for export is causing the prices of some animal proteins to weaken a little as producers are having to make their products more attractive for the domestic market. Of course, with soymeal up strongly again this week this has helped to strengthen or at least hold steady most animal protein prices in the US.

None of the trade reports this week were forecasting lower animal protein prices in the short term.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Even with some mini-bans the fishing in the North Central region of Peru continues at about 55,000 m/t of landings per day with a high of 66,500 m/t one day this week. The total catch up to Thursday was at 597,000 m/t which leaves about 1.9 million m/t to go.

Some new season business was reported this with prices said to be moving higher. A couple of trade reports did say that Super Prime is now at or above USD 1650 m/t FOB, which is quite a jump in price.

According to 2021 to April export numbers, the top four exporters – Copeinca, Tasa, Exalmar, Diamante – cover about 68% of the fishmeal exports. If you add in austral and Hayduk that is another 17% --- so the top 6 exporters do about 85% of the fishmeal business. According to the published numbers, total exports for the first four months were at 403,000 m/t with exports being made by 14 producers.

Thinking of China, that is closed for a 5 day May Day holiday, the situation with African Swine Fever doesn't seem to have gotten any worse so, for now, the sine industry is in a reasonably safe state so fishmeal consumption should continue.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	2,025
Danish fishmeal	64% protein	1,500
Peru fishmeal	64% protein	1,570
Chile fishmeal	67% protein	1,605
Iceland fishmeal	70% protein	2,065

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



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<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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