



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT May 18, 2019

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

Quite a rally in US futures and cash prices this week with corn up by USD 10 to 12 m/t, soybeans up by about USD 5 m/t and soymeal up by USD 7 m/t. Winter wheat was up considerably with soft winter up by about USD 14 m/t and hard winter up by USD 12 m/t --- spring wheat was not quite as strong: up by USD 4 m/t.

US corn prices were pushed higher by the delays in planting and the expected further wet weather that could delay planting even more. US corn exports were not all that great, but this didn't stop corn prices from moving higher. Corn prices have moved higher five days in a row. Some experts feel that there will be a switch by farmers out of corn to soybeans due to the late planting – this too helped to move corn higher.

While soybeans were higher on the week, they did have a USD 6 m/t drop on Friday which could continue into next week. Much of the Friday weakness seems to be due to the expected farmer switch from corn to soybeans. Of course, the US/China situation is not making the soybeans prices any steadier although the US Government looks to make payments to farmers for hardship related to the "trade war".

Next week should be interesting – we will see if the rally continues or backs off.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$17/18.00	Up \$1.00	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$17/18.00	Up \$1.00	X
US Gulf Israel: 50,000 m/t	\$29/30.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$28/29.00	Up \$1.00	X
US Gulf Turkey: 50,000 m/t	\$30/31.00	Up \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$35/36.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$34/35.00	Up \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$45/46.00	Up \$1.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$36/37.00	Up \$1.00	X
US Gulf South Africa: 45,000 m/t	\$35/36.00	Steady	X
US Gulf Japan: Panamax	\$43/44.00	Up \$1.00	X
US Gulf China: Panamax	\$42/43.00	Up \$1.00	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	\$44/45.00	Steady	X
US East Coast Nigeria: Handisize	\$49/50.00	Steady	X
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	No info	No info	X
France/Germany to China: 50,000 m/t	\$37/38.00	Steady	X



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France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$15/16.00	Steady	X
France/Germany to India: 50,000 m/t	No info	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)	\$14/15.00	Up \$1.00	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	\$16/17.00	Up \$2.00	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)	\$27/28.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$36/37.00	Up \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$35/36.00	Up \$1.00	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)	\$24/25.00	Steady	X
Argentina to Jordan: 50,000 m/t	\$33/34.00	Steady	X
Argentina to Saudi Arabia: 50,000 m/t	\$35/36.00	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)	\$27/28.00	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	\$28/29.00	Up \$1.00	X
Brazil to China: 55,000 m/t	\$33/34.00	Up \$1.00	X
Brazil to Japan: 55,000 m/t	\$32/33.00	Up \$1.00	X
Brazil to Europe: 50,000 m/t	\$29/30.00	Down \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$27/28.00	Up \$1.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$37/38.00	Steady	X
Brazil to Spain: 50,000 m/t	\$29/30.00	Down \$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	\$19.00/19.50	Steady	X
Australia to Japan: 40-55,000 m/t – round trip	\$19.50/20.00	Steady	X
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	X
Ukraine to China: 50,000 m/t	\$35/36.00	Steady	X
Ukraine to Bangladesh: 45,000 m/t	\$36/37.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$32/33.00	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)	\$22/23.00	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)	\$16/17.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$22/23.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$32/33.00	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	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$17/18.00	Steady	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$20/21.00	Steady	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$24/25.00	Up \$1.00	X
Black Sea to Libya: 25/35,000 m/t	\$21/22.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$27/28.00	Up \$1.00	X
Black Sea to South Africa – 30,000 m/t	\$38/39.00	Steady	X



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Black Sea to Turkey – 30,000 m/t	\$14/15.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$16/17.00	Steady	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handysize included)	1040	Up 27	x
Baltic Capesize Index (100,000 plus DWT)	1463	Up 92	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1255	Up 57	X
Baltic Supramax Index (50,000 to 60,000 DWT)	779	Up 1	X
Baltic Handysize Index (25,000 plus DWT)	382	Up 3	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 211>204	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 204/206	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 175/178 July/Sep New	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 182/184 July/Sep New	X
Wheat, Romania 12.5 pro	USD 193/195 July/Sep New	X
Wheat, Superior, France, Rouen	USD 210/212	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 188/190	X
Wheat, feed, Black Sea	USD 165/168 July/Sep New	X
Barley, France, Rouen port	USD 182/184	X
Barley, feed, Argentina, up river	USD 174/177	X
Barley, feed, Black Sea, 30,000+	USD 175/178 July/Sep New	X
Corn, 2YC FOB NOLA USA	USD 177>171	X
Corn, 3YC FOB USA Pacific northwest	USD 191/193	X
Corn, FOB Argentina port, upriver	USD 157/160 July/Sep	X
Corn, FOB Brazil port	USD 161/163 Aug/Oct	X
Corn, FOB France – Atlantic	USD 189/191	X
Corn, FOB Romania	USD 170/173 July/Sep	X
Corn, FOB Russia	USD 174/177 July/Sep	X
Corn, FOB Ukraine, 30,000+ m/t	USD 166/169 July/Sep	X
Sorghum, FOB Argentina port	USD 128/131 Jun/Aug	X
Sorghum, FOB Texas	USD 166/169	X
Soymeal, 48% protein, FOB NOLA	USD 327/330 Jun/July	X
Soymeal, 48% protein, USA, Rotterdam	USD 352/355	X
Soymeal, Argentina, Rotterdam	USD 342/345	X
Soymeal, 47% pro, FOB Argentina	USD 304/307	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 338/341	X
Soymeal, 48% protein, FOB Brazil	USD 304/307	X
Soybeans, FOB NOLA	USD 322/325	X
Soybeans, Argentina, FOB	USD 318/321	X
Soybeans, Brazil, FOB	USD 334/337	X



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Soybeans, Black Sea	USD no prices	
Corn Gluten Meal, USA FOB NOLA	USD 485/495 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 160/165 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 193/197	X

Corn gluten meal prices moved higher this week but there was very little change in the price of DDGS or corn gluten feed --- but all should increase this week if the rally in corn prices continues. The prices of DDGS versus corn is at its lowest level in about two years which should make DDGS a very good buy against corn/soymeal.

With US corn prices up by about USD 12 this week there is bound to be a move higher in the corn byproducts – assuming that the corn rally doesn't collapse this coming week.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 300/310 m/t CNF Asia
Australian MBM 50% protein	USD 330/340 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 395/415 m/t CNF Asia
USA Feathermeal, 80% protein	USD 340/350 to Indonesia
USA Poultry Meal, feed grade	USD 480/520 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 480/500 m/t CNF Asia
	USD 720/740 m/t CNF Asia

Meat and bone meal prices to major Asian markets were a little weaker this week, but this may not continue with the rally that has been seen in soymeal prices. According to the Jacobsen report this week there are many more export sellers of MBM than there are buyers.

No serious change in US export prices – MBM still looks weak but there does seem to be a little hope by sellers for higher prices for feathermeal.

It still looks like to animal protein market everywhere is seeing too much supply and too little demand – no one much is expecting to see a serious rally in prices.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in Peru is still coming along quite nicely with the daily fishing reaching a high of about 55,000 m/t. Total catch up to Thursday was at 710,000 m/t: equal to about 162,000 m/t fishmeal and 27,000m/t fishoil. Between 400 and 600 vessels were out fishing every day. If fishing stays good and the weather cooperates then the quota could all be landed in another 5+ weeks – but life is not normally that easy.

New export orders have been a little slow this week with China said to be mainly interested in lower grades but there is reported to be quite good interest from buyers in Europe. Also, the drop in the Chinese currency versus the dollar makes new business quite a bit more expensive than the cost of stocks on hand.



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It is reported that fishmeal imports by China will be down by about 3% in 2019 – probably due to African Swine Fever or to the very high fishmeal stock levels in China. Peru's exports to China for January to April 2019 look to be at just under 380,000 m/t about 81.5% of total Peru fishmeal exports.

Not too much change in prices this week – some up a little and some down a little but prices seem to be working in about a plus/minus USD 20 m/t range.

European fishmeal prices – FOB North German port.

Sorry but no update on these prices this week – source seems to have dried up.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,805
Danish fishmeal	64% protein	1,525
Peru fishmeal	64% protein	1,525
Chile fishmeal	67% protein	1,580
Iceland fishmeal	70% protein	1,785

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	1310/1320 m/t	
67% protein standard steam	1370/1380 m/t	
67% protein 150 TVN	1470/1480 m/t	No prices
67% protein 120 TVN	1530/1540 m/t	1510/1520
67% protein 1000 hist, 120 TVN	1600/1610 m/t	1580/1590
68% protein 500 hist, 120 TVN	1650/1660 m/t	1630/1640
Fish oil, crude bulk	1900/1950	
Fish oil, crude drums	1950/2000	
Fish oil, flexi tank	2050/2100	
Fish oil, Omega 3: 28%EPA/DHA	2200/2400	

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

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