



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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## WEEKLY FEED GRAIN AND PROTEIN REPORT June 08, 2019

And again, an exciting week with prices trying to find a direction but then most everything, except Spring Wheat, ended up closing lower on the week. US corn prices dropped by USD 4 to 5 m/t while soybeans were down by closer to USD 8 m/t and soymeal down by almost USD 10 m/t. Hard red winter wheat dropped by about USD 5 m/t while soft red winter wheat was steady, but spring wheat was close to USD 6 m/t higher.

As had been expected with the corn planting, if you show the farmers a little planting opportunity then they will be out in the fields for close to 24 hours a day. The total planted acres are still lower than experts thought and farmers wanted but things are catching up fast. Perhaps the late planting will not be quite as large as had been expected. There was also the added factor this week that unplanted corn acres will not be eligible for Market Facilitation Program (MFP) payments designed to assist farmers affected by tariffs and reduced exports. This should make farmers think twice about not planting.

Soybean planting seems to be moving along nicely with thoughts that the soybean plantings will be larger than the USDA forecast -- but we will see with the next forecasts from the USA this week. Experts say that the soybean/soymeal market is now in a down trend with soymeal possibly weaker than soybeans.

Winter wheat was a little lower on the end of some of the rainfall, but spring wheat was pushed higher by the same rainfall. That is the difference between on type of wheat just finishing off while the spring wheat is just starting. There does seem to be enough bullish international news that can keep wheat prices from dropping too much – or so some hope.

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

### **Top 15 US Export Destinations for Grains and Oilseeds – 4 months to April 2019 – in m/t**

Country	Wheat	Corn	Sorghum	Soybeans
Algeria	95,400			
Argentina				203,000
Bangladesh	13,900			273,200
Brazil	57,000			
Cameroon			19,300	
Canada		776,900	1,600	278,000
Chile	84,100			
China	42,000			5,363,500
Colombia	128,800	1,810,200		204,900
Costa Rica		301,400		
Djibouti			10,000	
Dominican Rep	110,000	211,200		
El Salvador	88,900	254,400		
Egypt				1,180,400
Eritrea			31,500	



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Ethiopia	101,200			
Germany				287,700
Guatemala	180,300	410,700		
Honduras	89,500	207,600		
Indonesia	453,500			829,000
Iraq	105,000			
Israel		55,100		
Italy	62,500			134,500
Jamaica		98,300		
Japan	986,800	5,296,900	125,500	914,800
Malaysia				206,300
Mexico	1,078,5300	5,018,400	98,700	1,763,100
Morocco		61,800		
Netherlands				643,200
Nigeria	886,400			
Nicaragua		151,000		
Pakistan				201,500
Panama		155,700		
Peru		1,029,400		
Philippines	965,000			
Portugal				160,000
Saudi Arabia		230,800		
South Africa			5,000	
South Korea	405,500	1,477,700		501,400
Spain			371,700	506,500
Sudan				
Taiwan	387,600	591,900		560,200
Thailand	196,700			391,800
Vietnam	30,300	65,000		139,300
Yemen	250,000			

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## 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	Steady	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$17/18.00	Steady	X
US Gulf Israel: 50,000 m/t	\$30/31.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$29/30.00	Steady	X
US Gulf Turkey: 50,000 m/t	\$31/32.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$36/37.00	Down \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$34/35.00	Down \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$46/47.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$36/37.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$35/36.00	Steady	X
US Gulf Japan: Panamax	\$44/45.00	Steady	X
US Gulf China: Panamax	\$43/44.00	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	\$45/46.00	Steady	X
US East Coast Nigeria: Handisize	\$51/52.00	Steady	x



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France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$16/17.00	Up \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$40/41.00	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	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	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	\$16/17.00	Up \$1.00	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	Down \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$35/36.00	Down \$1.00	X
Argentina to Egypt: 50,000 m/t	\$29/30.00	Down \$2.00	X
Argentina to Europe: 50/60,000 m/t	\$29/30.00	Down \$2.00	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	\$34/35.00	Steady	x
Argentina to Spain: 50,000 m/t	\$29/30.00	Down \$2.00	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	Down \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$28/29.00	Steady	X
Brazil to China: 55,000 m/t	\$33/34.00	Down \$1.00	X
Brazil to Japan: 55,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to Europe: 50,000 m/t	\$26/27.00	Down \$2.00	X
Brazil to Morocco: 25/30,000 m/t	\$27/28.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$37/38.00	Steady	X
Brazil to Spain: 50,000 m/t	\$26/27.00	Down \$2.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$28/29.00	Steady	X
Australia to China: 40-55,000 m/t – round trip	\$18.00/18.50	Down \$1.00	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	\$33/34.00	Down \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$40/41.00	Up \$2.00	X
Ukraine to India: 45/50,000 m/t	\$36/37.00	Up \$2.00	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$16/17.00	Up \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$21/22.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$21/22.00	Up \$1.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$17/18.00	Up \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$14/15.00	Down \$2.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$21/22.00	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)	\$32/33.00	Down \$1.00	X
Black Sea to Europe: 50,000 m/t	\$18/19.00	Down \$1.00	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)	\$18/19.00	Down \$1.00	X



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Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$22/23.00	Down \$2.00	X
Black Sea to Libya: 25/35,000 m/t	\$22/23.00	Up \$1.00	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$25/26.00	Down \$2.00	X
Black Sea to South Africa – 30,000 m//t	\$38/39.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$15/16.00	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 Handisize included)	1138	Up 42	X
Baltic Capesize Index (100,000 plus DWT)	1862	Up 242	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1213	Down 122	X
Baltic Supramax Index (50,000 to 60,000 DWT)	719	Down 33	X
Baltic Handisize Index (25,000 plus DWT)	412	Up 14	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 226>>221	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 220>>216	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 184/186 July/Sep New	x
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 197/199 July/Sep New	x
Wheat, Romania 12.5 pro	USD 197/199 July/Sep New	X
Wheat, Superior, France, Rouen	USD 213/215	x
Wheat, milling, 12.0%, Argentina, Upriver	USD 195/200 Dec/Jan	X
Wheat, feed, Black Sea	USD 179/182 July/Sep New	X
Barley, France, Rouen port	No prices	X
Barley, feed, Argentina, up river	USD 184/187	X
Barley, feed, Black Sea, 30,000+	USD 174/177 July/Sep New	X
Corn, 2YC FOB NOLA USA	USD 189/192	X
Corn, 3YC FOB USA Pacific northwest	USD 200/203	X
Corn, FOB Argentina port, upriver	USD 169/173 July/Sep	X
Corn, FOB Brazil port	USD 173/176 Aug/Oct	X
Corn, FOB France – Atlantic	USD 203/205	X
Corn, FOB Romania	USD 183/186 July/Sep	X
Corn, FOB Russia	USD 175/178 July/Sep	X
Corn, FOB Ukraine, 30,000+ m/t	USD 179/182 July/Sep	X
Sorghum, FOB Argentina port	No prices	X
Sorghum, FOB Texas	USD 198/201	X
Soymeal, 48% protein, FOB NOLA	USD 348/351 Jun/July	X
Soymeal, 48% protein, USA, Rotterdam	USD 373/376	X
Soymeal, Argentina, Rotterdam	USD 358/361	X
Soymeal, 47% pro, FOB Argentina	USD 325/328	X



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Soymeal, 48% protein, Brazil, Rotterdam	USD 358/361	X
Soymeal, 48% protein, FOB Brazil	USD 330/333	X
Soybeans, FOB NOLA	USD 341/344	X
Soybeans, Argentina, FOB	USD 341/344	X
Soybeans, Brazil, FOB	USD 358/361	X
Soybeans, Black Sea	USD no prices	X
Corn Gluten Meal, USA FOB NOLA	USD 495/505 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 160/165 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 218/224	X

DDGS prices in the US continue to be quite firm as the ethanol producers try to adjust their prices and keep up with what is happening with both corn and soymeal. The corn gluten meal and corn gluten feed prices shown above are both from the US Grains Council, but they do seem to be a little low compared to what we see exporters offering from the US.

Looking at US corn gluten meal export prices, there is a premium of USD 10 m/t each month moving out to October so that October shipment is now about USD 40 m/t higher than July. Quite a bit of the CGM from the US is shipped in bulk containers and the past couple of weeks have seen container rate price increases announced by major lines --- the higher freight will add as much a USD 7 to 10 m/t to the CNF to some destinations. So, price increases are not just corn related.

## **USA exports of corn by-products – 4 months to April 2019 – major destinations and selected countries – in m/t**

Country	Distillers Dried Grains DDGS 2019	Corn Gluten Meal 2019	Corn Gluten Feed 2019
Australia		1,000	
Bangladesh	40,100	7,400	
Burma	27,900	300	500
Canada	195,800	18,000	
Chile		35,100	
China	30,900	13,300	
Colombia	71,800	23,600	11,200
Costa Rica	32,000		
Ecuador		1,400	
Egypt	28,400	51,400	
El Salvador	25,100	300	
Guatemala	18,400	2,000	
Indonesia	302,900	42,900	2,500
Ireland	92,300		90,500
Israel	91,600		66,900
Japan	170,600	1,500	
Malaysia	20,600	8,100	
Mexico	672,300	6,700	8,800
Morocco	54,200		
New Zealand	22,000		18,700



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Peru		2,600	
Philippines	67,300	1,300	700
Portugal			9,200
South Korea	412,300	800	
Spain	61,600		
Taiwan	72,300	10,700	
Thailand	114,100	10,400	
Turkey	194,700		35,600
UK	107,800		40,700
Vietnam	346,900	3,400	

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## 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 390/400 m/t CNF Asia USD 325/335 to Indonesia
USA Feathermeal, 80% protein	USD 480/520 m/t CNF Asia
USA Poultry Meal, feed grade	USD 480/500 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 725/745 m/t CNF Asia

Export animal protein business was quite slow this week as buyers watch the gyrations in the vegetable protein markets and try to figure out when/if they should but.

About the only export animal protein that looks like it could show any strength is poultry meal but there are a couple of indications that meat and bone meal sellers are looking for higher prices.

In the US domestic market all prices seemed to be quite steady this week – again due to the ups and downs of soymeal --- no one much knows what to do with the market. Some US exports are saying that both feathermeal and poultry meal look to have a better chance of higher prices than meat and bone meal.

## USA exports of animal protein – 4 months to April 2019 – major destinations – in m/t

Destination	Meat and bone meal – includes poultry and pork	Feather meal
	To April 2019	To April 2019
Burma	2,500	
Cambodia	1,500	
Canada	17,000	2,000
Chile	4,500	13,400
China	48,400	2,200
Colombia	500	

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Ecuador	6,800	500
Germany		
Guatemala	300	
Honduras	2,300	400
Indonesia	64,3800	7,300
Jamaica		
Malaysia	4,900	
Mexico	60,700	
Peru	500	500
Philippines	5,600	100
Sri Lanka	700	
Thailand	9,700	
Vietnam	27,600	1,200
Total exports	258,700	27,600

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

Due to the fishing bans in place this week and to bad fishing weather in some areas, the catch did drop off to 20 to 25,000 m/t landed per day. The total catch is now up to 1.35 million m/t. The drop in catch could push the end of the quota off into about mid-July.

The fishing ban Southern Peru is to be lifted for some parts of the Southern area – fishing will begin again on June 7 with the quota ending on June 30 --- there is still about 380,000 m/t to land on the Southern quota.

Business is quite slow in Peru due to most Chinese buyers staying out of the market until they see some demand developing in China or at least until the China fishmeal stocks start to drop. There looks to be some weakness in prices – not too unexpected when there are few buyers and a good chunk of fishmeal still to sell.

It looks like most of the market is expecting prices to dip a little lower --- it is only a guess as to how much lower it could go. It would only take a little jump in Chinese buying to put a stop to any price weakness, but the Chinese don't look like they are too ready to buy this week.

## 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	1280/1300 m/t	
67% protein standard steam	1350/1370 m/t	
67% protein 150 TVN	1450/1470 m/t	No prices
67% protein 120 TVN	1500/1520 m/t	1500/1520
67% protein 1000 hist, 120 TVN	1550/1570 m/t	1570/1590
68% protein 500 hist, 120 TVN	1600/1620 m/t	1600/1620



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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	2100/2400	

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

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