



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 : +33.9.7044.4881 Mobile : +33.6.8068.4564
3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

WEEKLY USA GRAIN AND PROTEIN REPORT July 18, 2020

Grain and oilseed prices from the USA were calmer this week than last -- corn moved a couple of dollars lower per m/t while soybeans did rally by USD 3 or 4 an m/t and soymeal moved lower by about USD 7 m/t. Winter wheat prices were mainly steady but spring wheat did move at least USD 4 m/t higher.

The weather in the US for the next week to 10 days looks for higher than normal temperatures but, along with that, should come some quite good rainfall in dry areas of the corn belt. However, there are some areas that are very, very dry still which may have an effect on corn yields later in the season.

There was a drop in the price for ethanol futures this week due to poor gasoline consumption which may mean that production will be reduced and corn prices could fall. The advice from the exports seems to be that farmers should be selling corn on any price rallies but that buyers have no current need to buy as prices look to be moving lower.

Soybeans are said to be maintaining an upward trend in prices, for now, due to everyone thinking about China and how many soybeans they need and if they will come from the US. US soybeans are priced much better than Brazil these days so export sales should continue to be good.

A number of market experts were saying that wheat prices have little chance of moving lower with steady to higher being the most expected price activity for US wheat. There is a large chunk of wheat expected in the world this year but for now no one much is looking for lower prices.

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

Reports this week say that a lack of available grain supply in the Black Sea is switching demand to North and South America and pushing up the freight rates from both areas. This happens every year as the Black Sea supply runs down prior to the harvest.

US Gulf to Europe: 60/70,000 (10,000 disch)	\$20/21.00	Up \$1.00	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$20/21.00	Up \$1.00	x
US Gulf Israel: 50,000 m/t	\$27/28.00	Up \$2.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$27/28.00	Up \$2.00	X
US Gulf Turkey: 50,000 m/t	\$27/28.00	Up \$2.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$39/40.00	Up \$2.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$39/40.00	Up \$2.00	X
US Gulf Nigeria: 30,000 m/t	\$60/61.00		X
US Gulf other Med: 30,000 MT(5,000 disch)	\$40/41.00	Up \$1.00	X
US Gulf South Africa: 45,000 m/t	\$42/43.00	Up \$2.00	X
US Gulf Japan: Panamax	\$42/43.00	Up \$2.00	X
US Gulf China: Panamax	\$41/42.00	Up \$1.00	X
US PNW South Africa – 40,000 m/t	\$38/39.00		
US PNW Japan: Panamax	\$22/23.00	Up \$1.00	X
US PNW China: Panamax	\$21/22.00	Up \$1.00	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

US East Coast Egypt: Panamax	\$62/63.00		X
US East Coast Nigeria: Handisize	\$61/62.00	Up \$1.00	X
US Lakes – Europe – 30,000 m/t	\$42/43.00	Up \$1.00	X
US Lakes – Morocco – 30,000 m/t	\$43/44.00		X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$22/23.00		X
France/Germany to Bangladesh: 35/45,000 m/t	\$52/53.00	Up \$1.00	X
France/Germany to China: 50,000 m/t	\$37/38.00		X
France/Germany to Egypt: 50,000 (10,000 dis)	\$16/17.00		X
France/Germany to India: 50,000 m/t	\$41/42.00	Up \$1.00	X
France/Germany to Jordan: 35/45,000 (4k dis)	\$33/34.00	Up \$1.00	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$24/25.00		X
France/Germany to Saudi Arabia: 50/60,000	\$34/35.00		X
France/Germany to South Africa: 30,000 m/t	\$44/45.00		X
France/Germany to Turkey: 35,000 m/t	\$20/21.00		X
France/Germany to Yemen: 30,000 m/t	\$63/64.00		X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$29/30.00		
Argentina to China: 50,000 m/t, with top-off	\$33/34.00	Up \$3.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$32/33.00	Up \$2.00	X
Argentina to Egypt: 50,000 m/t	No info		X
Argentina to Europe: 50/60,000 m/t	No info		X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$29/30.00		X
Argentina to Jordan: 50,000 m/t	\$53/54.00		X
Argentina to Saudi Arabia: 50,000 m/t	\$41/42.00		X
Argentina to South Africa 50,000 m/t	\$53/54.00	Up \$1.00	X
Argentina to Spain: 50,000 m/t	No info		X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$29/30.00		X
Argentina to US Gulf: 25/35,000 m/t	\$33/34.00	Up \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$33/34.00		X
Brazil to China: 55,000 m/t	\$32/33.00	Up \$2.00	X
Brazil to Japan: 55,000 m/t	\$32/33.00	Up \$2.00	X
Brazil to Europe: 50,000 m/t	\$23/24.00	Up \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$33/34.00	Up \$1.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$53/54.00	Up \$1.00	X
Brazil to Spain: 50,000 m/t	\$23/24.00	Up \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$27/28.00	Up \$1.00	X
Australia to China: 40-55,000 m/t – round trip	\$17/18.00		X
Australia to Japan: 40-55,000 m/t – round trip	\$25/25.50		X
Australia to Saudi Arabia: 40-55,000 m/t	\$49/50.00	Up \$1.00	X
Ukraine to China: 50,000 m/t	\$26/27.00	Up \$1.00	X
Ukraine to Bangladesh, 50,000 m/t	\$52/53.00	Up \$1.00	X
Ukraine to India, 50,000 m/t	\$43/44.00	Up \$1.00	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$17/18.00		X
Ukraine to East Med: coaster (1,000 disch)	\$16/17.00		X
Ukraine to Turkey: coaster (1,000 disch)	\$13/14.00		X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$21/22.00	Up \$3.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$14/15.00		X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$17/18.00		X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$18/19.00		x



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$35/36.00	Up \$2.00	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$40/41.00	Up \$1.00	X
Black Sea to Europe: 50,000 m/t (8,000 disch)	\$17/18.00	Up \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$20/21.00		X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$17/18.00	Up \$1.00	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	\$26/27.00		X
Black Sea to Saudi Arabia – Jeddah – 50k	\$28/29.00	Up \$1.00	X
Black Sea to Turkey – 30,000 m/t	\$17/18.00	Up \$1.00	X
Black Sea to South Africa – 30,000 m/t	\$52/53.00	Up \$1.00	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$20/21.00	Up \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1710	Down 100	X
Baltic Capesize Index (100,000 plus DWT)	3025	Down 308	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1504	Down 83	X
Baltic Supramax Index (50,000 to 60,000 DWT)	910	Up 75	X
Baltic Handisize Index (25,000 plus DWT)	457	Up 22	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 June 2020/August 2020

Wheat, USA Soft Red Winter, US Gulf	USD 239/242	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 220/223	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 205/208	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 209/212	X
Wheat, Romania 12.5 pro	USD 214/217	X
Wheat, Superior, France, Rouen	USD 218/220	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 225/228	X
Wheat, feed, Black Sea	USD 196/199	X
Barley, France, Rouen port	USD 192/194	X
Barley, feed, Argentina, up river	USD 180/183	X
Barley, feed, Black Sea, 30,000+	USD 180/183	X
Corn, 2YC FOB NOLA USA	USD 170/172	X
Corn, 3YC FOB USA Pacific northwest	USD 174/176	x
Corn, FOB Argentina port, upriver	USD 154/157	X
Corn, FOB Brazil port	USD 162/165	X
Corn, FOB France – Atlantic	USD 206/208	X
Corn, FOB Romania	USD 188/191	X
Corn, FOB Russia	USD 183/186	X
Corn, FOB Ukraine, 30,000+ m/t	USD 182/185	X
Sorghum, FOB Argentina port	USD 129/132 new crop	X
Sorghum, FOB Texas	USD 213/216	X

-



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Soymeal, 48% protein, FOB NOLA	USD 341/344	X
Soymeal, 48% protein, USA, Rotterdam	USD 366/369	X
Soymeal, Argentina, Rotterdam	USD 351/354	X
Soymeal, 47% pro, FOB Argentina	USD 320/323	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 351/354	X
Soymeal, 48% protein, FOB Brazil	USD 319/322	X
Soybeans, FOB NOLA	USD 364/367	X
Soybeans, Argentina, FOB	USD 360/363	X
Soybeans, Brazil, FOB	USD 374/377	X
Soybeans, Black Sea	USD 391/394	X
Corn Gluten Meal, USA FOB NOLA	USD 530>>560 m/t July/Sept	X
Corn Gluten Feed, USA FOB NOLA	USD 178/183 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 190/195 m/t	x

Both DDGS and corn gluten feed prices moved lower this week as they had to compete with lower corn and soymeal prices. DDGS exporters are said to be quite aggressive in their pricing as they try to build some export volume in the market.

Corn gluten meal prices were steady on the week with reports from the US of some logistics problems in getting export containers stuffed. Seems that the demand for loading containers has outrun the availability. It has also been said that reduced container vessel sailings due to COVID-19 are adding to the export logistics complications.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 370/390 m/t CNF Asia
Australian MBM 50% protein	USD 400/420 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 410/430 m/t CNF Asia
Australian Poultry Meal, pet food	USD 770/790 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 380/400 m/t CNF Asia USD 310/330 to Indonesia
USA Feathermeal, 80% protein	USD 400/420 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 420/440 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 780/800 m/t CNF Asia

Another week of lower prices for animal proteins – well perhaps not for all, but certainly for meat and bone meal. It is reported that demand in major markets in Asia has fallen off but that with high export supply prices for MBM just keep slipping lower.

There seems to be a chance that export supplies from Australia will move lower as some processing facilities are closed due to COVID-19 outbreaks. Slaughter numbers are lower in Australia so supply should shrink.

USA domestic and export prices for meat and bone meal were lower – there just seems to be too much supply. Demand for MBM normally trends lower in the summer so it is tough to keep prices steady. According to the Jacobsen Report poultry meal demand by the pet food industry has dropped a little so we may see some weakness developing in poultry meal prices.

None of the animal protein experts are forecasting stronger prices – looks like steady to lower again this week.

-



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Closer and closer we get to completing the current Peru fishing quota – as of late Thursday we were up at almost 2.3 million m/t of fish landed – so only about 125,000 m/t to go to completion. Some of the majors have completed the company quotas and are just processing like mad.

Sales to date are reported to be getting close to 500,000 m/t of fishmeal, the largest share being for destination China.

Prices this week for Super Prime have ranged between USD 1400 m/t and 1450 m/t. There was some significant Chinese buying at USD 1400 m/t which caused exporters to bump prices back up as unsold stocks are running down – said to be less than 100,000 m/t, which is not a lot to last until the next season.

Fishmeal stocks in China are reported to be much lower than this time last year but there should be some decent sized shipments of fishmeal from Peru to China in late July and August.

As the available supply of Peruvian fishmeal drops lower we will probably see export prices creep higher but most experts don't seem to anticipate a sudden increase in export prices --- perhaps that will happen when we get down to the last few thousand tons.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,790
Danish fishmeal	64% protein	1,480
Peru fishmeal	64% protein	1,580
Chile fishmeal	67% protein	1,650
Iceland fishmeal	70% protein	1,835

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	1150/1170 m/t	
67% protein standard steam	1250/1270 m/t	
67% protein 150 TVN	1300/1320 m/t	1310/1330 m/t
67% protein 120 TVN	1350/1370 m/t	1360/1380 m/t
67% protein 1000 hist, 120 TVN	1400/1420 m/t	1390/1410 m/t
68% protein 500 hist, 120 TVN	1450/1470 m/t	1460/1480 m/t
Fish oil, crude bulk	2000/2100	1900/2000
Fish oil, crude drums	2050/2150	
Fish oil, flexi tank	2150/2250	
Fish oil, Omega 3: 28%EPA/DHA	2200/2300	

-



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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 © 2020 Wayne S. Bacon