



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: tradegroup@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 FEED GRAIN AND PROTEIN REPORT July 20, 2019

Well, it was a down week this week with corn prices dropping by USD 8 to 10 m/t, soybeans down by about USD 4 m/t, soymeal down by USD 4 m/t and winter wheat down by USD 8 to 11 m/t while US spring wheat dropped by close to USD 5 m/t.

Actually, the prices at the end of the week would have been lower but for a sudden rally on Friday pushed all grains and oilseeds up on the day. Market experts say that the Friday rally was mainly short covering by major commodity funds – seems that they didn't want to be short over the weekend when the situation in Iran seems quite bad. And while Iran does not directly affect grains, a bad world situation certainly does.

Reports on Friday say that the rally was started off with soybeans and the very hot dry weather that could affect the US crop – couple bad weather with bad politics and the shorts all got scared which moved Friday markets higher.

The longer term US weather report does have cooler weather sneaking in so the Friday rally could be very short lived.

There was talk this week about ethanol producers cutting back a little due to very good supplies and weak current demand. If so, this would reduce corn consumption for ethanol and help to keep corn prices from rallying. Also, with US export corn prices being high compared to South America it is quite doubtful that there will be much buyer interest in US corn and major corn markets in North Africa will be looking more new crop Black Sea corn in coming weeks.

Doesn't look to be much bullish news for US corn prices this week.

Experts were saying that the increase in wheat prices was just the market following soybeans and corn prices higher.

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

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	\$31/32.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$30/31.00	Up \$1.00	X
US Gulf Turkey: 50,000 m/t	\$32/33.00	Up \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$37/38.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$36/37.00	Up \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$48/49.00		X
US Gulf other Med: 30,000 MT(5,000 disch)	\$38/39.00	Up \$1.00	X
US Gulf South Africa: 45,000 m/t	\$37/38.00	Up \$1.00	x
US Gulf Japan: Panamax	\$49/50.00	Up \$3.00	X
US Gulf China: Panamax	\$48/49.00	Up \$3.00	X
US PNW South Africa – 40,000 m/t	\$37/38.00		X
US PNW Japan: Panamax	\$27/28.00	Up \$2.00	x
US PNW China: Panamax	\$26/27.00	Up \$2.00	X

-



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

US East Coast Egypt: Panamax	\$48/49.00	Up \$1.00	X
US East Coast Nigeria: Handisize	\$54/55.00	Up \$1.00	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$18/19.00		X
France/Germany to Bangladesh: 35/45,000 m/t	\$40/41.00		X
France/Germany to China: 50,000 m/t	\$39/40.00	Up \$1.00	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$18/19.00		X
France/Germany to India: 50,000 m/t	\$34/35.00		X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$20/21.00		X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$15/16.00		X
France/Germany to Saudi Arabia: 50/60,000	\$28/29.00	Up \$1.00	X
France/Germany to South Africa: 30,000 m/t	\$19/20.00		X
France/Germany to Turkey: 35,000 m/t	\$18/19.00	Up \$1.00	X
France/Germany to Yemen: 30,000 m/t	\$30/31.00		X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$28/29.00		X
Argentina to China: 50,000 m/t, with top-off	\$41/42.00	Up \$3.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$40/41.00	Up \$3.00	X
Argentina to Egypt: 50,000 m/t	\$26/27.00		X
Argentina to Europe: 50/60,000 m/t	\$27/28.00	Up \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$26/27.00		X
Argentina to Jordan: 50,000 m/t	\$36/37.00	Up \$1.00	X
Argentina to Saudi Arabia: 50,000 m/t	\$35/36.00	Up \$1.00	X
Argentina to South Africa 50,000 m/t	\$38/39.00	Up \$2.00	X
Argentina to Spain: 50,000 m/t	\$27/28.00	Up \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$28/29.00		X
Argentina to US Gulf: 25/35,000 m/t	\$21/22.00	Up \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$30/31.00		X
Brazil to China: 55,000 m/t	\$38/39.00	Up \$3.00	X
Brazil to Japan: 55,000 m/t	\$37/38.00	Up \$3.00	X
Brazil to Europe: 50,000 m/t	\$30/31.00	Up \$3.00	X
Brazil to Morocco: 25/30,000 m/t	\$28/29.00		X
Brazil to Saudi Arabia 30/40,000 m/t	\$39/40.00	Up \$1.00	X
Brazil to Spain: 50,000 m/t	\$30/31.00	Up \$3.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$35/36.00	Up \$3.00	X
Australia to China: 40-55,000 m/t – round trip	\$20/20.50	Up \$1.00	X
Australia to Japan: 40-55,000 m/t – round trip	\$21/21.50	Up \$1.00	X
Australia to Saudi Arabia: 40-55,000 m/t	\$27/28.00	Up \$1.00	X
Ukraine to China: 50,000 m/t	\$33/34.00	Up \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$53/54.00	Up \$3.00	x
Ukraine to India: 45/50,000 m/t	\$50/51.00	Up \$3.00	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)	\$20/21.00	Down \$3.00	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$32/33.00	Up \$4.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$18/19.00	Up \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$18/19.00	Up \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$22/23.00	Down \$1.00	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$45/46.00	Up \$3.00	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$37/38.00	Up \$1.00	X
Black Sea to Europe: 50,000 m/t	\$19/20.00		X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$22/23.00	Up \$1.00	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$19/20.00		X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$27/28.00	Up \$1.00	X
Black Sea to Libya: 25/35,000 m/t	\$24/25.00		X
Black Sea to Saudi Arabia – Jeddah – 50k	\$32/33.00	Up \$2.00	X
Black Sea to South Africa – 30,000 m/t	\$39/40.00		X
Black Sea to Turkey – 30,000 m/t	\$16/17.00		X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$21/22.00	Up \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	2170	Up 305	X
Baltic Capesize Index (100,000 plus DWT)	4539	Up 838	X
Baltic Panamax Index (60,000 to 80,000 DWT)	2170	Up 225	x
Baltic Supramax Index (50,000 to 60,000 DWT)	982	Up 103	X
Baltic Handisize Index (25,000 plus DWT)	492	Up 20	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 August/October 2019

Wheat, USA Soft Red Winter, US Gulf	USD 218/220	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 215/218	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 186/189	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 194/197	X
Wheat, Romania 12.5 pro	USD 191/194	X
Wheat, Superior, France, Rouen	USD 194/197	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 192/195 Dec/Jan	X
Wheat, feed, Black Sea	USD 185/188	X
Barley, France, Rouen port	USD 179/183	X
Barley, feed, Argentina, up river	USD 184/187 Dec/Jan	X
Barley, feed, Black Sea, 30,000+	USD 177/180 Sep/Nov	X
Corn, 2YC FOB NOLA USA	USD 197/200	X
Corn, 3YC FOB USA Pacific northwest	USD 212/215	X
Corn, FOB Argentina port, upriver	USD 170/173	X
Corn, FOB Brazil port	USD 179/182	X
Corn, FOB France – Atlantic	USD 210/212	X
Corn, FOB Romania	USD 183/186 Sep/Oct	X
Corn, FOB Russia	USD 178/181 Sep/Oct	X
Corn, FOB Ukraine, 30,000+ m/t	USD 180/183 Sep/Oct	X
Sorghum, FOB Argentina port	USD 156/160 Dec/Jan	X
Sorghum, FOB Texas	USD 179/182	X
Soymeal, 48% protein, FOB NOLA	USD 360/363	X
Soymeal, 48% protein, USA, Rotterdam	USD 385/388	X



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Soymeal, Argentina, Rotterdam	USD 345/348	X
Soymeal, 47% pro, FOB Argentina	USD 314/317	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 342/345	X
Soymeal, 48% protein, FOB Brazil	USD 312/315	X
Soybeans, FOB NOLA	USD 354/357	X
Soybeans, Argentina, FOB	USD 338/341	X
Soybeans, Brazil, FOB	USD 359/362	X
Soybeans, Black Sea	USD 355.358	X
Corn Gluten Meal, USA FOB NOLA	USD 505/515 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 190/195 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 210/216	X

US FOB NOLA prices were down on the week as the Mississippi River logistics problems seem to be improving and there was no serious problems with last week's hurricane.

DDGS export prices softened this week and were down at least USD 5 in NOLA – however, from a CNF point of view there was no weakness in prices as higher ocean freight was enough to offset any drop in FOB US prices.

While US corn prices, at least for futures, were down by close to USD 10 m/t, this size of a drop has not been seen in the corn byproduct markets. If corn prices do continue steady to lower then we will see a drop in the by product prices, at least in FOB US values.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 355/375 m/t CNF Asia
Australian MBM 50% protein	USD 395/315 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 540/550 m/t CNF Asia
Australian Poultry Meal, pet food	USD 710/730 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 420/440 m/t CNF Asia
	USD 350/370 to Indonesia
USA Feathermeal, 80% protein	USD 460/480 m/t CNF Asia
USA Poultry Meal, feed grade	USD 490/510 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 700/720 m/t CNF Asia

Meat and bone meal prices in Asia are reported to have moved a little higher due to supply shrinking from Australia. There is also some hope for Australia that they will be able to get back into the Indonesia market – a meeting has been scheduled later this month that should help to clarify the situation between the two countries.

Overall it looks like there is a little move to higher prices – just a little move – but experts are saying that animal proteins are priced too low versus soymeal – so there may be room for a price rally,

The US domestic market is steady without much pressure to go up or down in price.



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

There was some fishing in Peru this week as the ban ended – about 40,000 m/t landed – bringing the total caught to date up to 1.94 million m/t, which leave only 160,000 m/t to go to complete the quota. There is not much chance that the full quota will be landed as time is short and there are limited vessels fishing.

Trade activity in Peru has been very quiet – China is out of the market – but there is only an estimated 70,000 m/t of fishmeal unsold – there is certainly no panic selling by the producers as 70,000 m/t is almost nothing.

Peru's fishmeal exports to the end of June are thought to be at about 600,000 m/t with almost 500,000 m/t going to China and an estimated sold but unshipped level of about 300,000 m/t. Shipments to China will all be caught up by the end of August.

As it has been for the past couple of weeks, there has been no change in Peru export fishmeal prices.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,850
Danish fishmeal	64% protein	1,480
Peru fishmeal	64% protein	1,480
Chile fishmeal	67% protein	1,550
Iceland fishmeal	70% protein	1,870

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	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
Fish oil, crude bulk	1850/1900	
Fish oil, crude drums	1900/1950	
Fish oil, flexi tank	2000/2050	
Fish oil, Omega 3: 28%EPA/DHA	2100/2400	

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



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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 © 2019 Wayne S. Bacon

-