



# 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 Fax: +33.4.5774.7575  
1 Traverse Du Cheval Blanc, St Remy de Provence, 13210 France

## WEEKLY FEED GRAIN AND PROTEIN REPORT July 29, 2017

This report is coming to you live from Bogota, Colombia – Colombia is quite a country and a large grain/protein importer. The local grain/feed people are certainly very knowledgeable on how to buy grain and proteins. Also, they certainly also have very complicated domestic logistics problems --- Colombia looks like it is about 90 percent mountains and everything moves by truck --- a great many trucks. Driving around Colombia you hardly ever find a flat spot. It has been a great trip – back to France tomorrow.

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

It was a down week for grain prices this week – everything was down a little: corn prices were down by about USD 2 m/t, soybeans were down by USD 3 m/t, soymeal down by USD 8 m/t and even soft winter wheat was down by USD 6 m/t and hard red winter down by about USD 5 m/t.

Even though the USDA corn condition dropped this week the good weather offset the drop in condition so corn prices slipped lower. However, there has been some talk about lower corn yield so we may not see quite as much corn price weakness in coming days. Some experts are saying that corn prices may be reasonably steady until the next USDA yield estimates.

Soybeans gave back some of their recent price rally this week which was probably just a short term dip in what looks like a market that wants to move higher. There was some question about dry weather than could tend to push soybean prices back up again but we need to see what happens over the weekend.

Like soybeans, wheat gave back some of the recent price rally but overall no one expects much weakness in spring wheat prices as yields are looking well below earlier estimates. Winter wheat just followed spring wheat lower.

### **Crop progress and condition --- USA and France**

<b>Condition USA July 23, 2017</b>	Very poor %	Poor %	Fair %	Good %	Excellent %
Corn	4	8	26	49	13
Soybeans	4	10	29	47	10
Sorghum	2	6	33	52	7
Spring Wheat	21	19	27	28	5
Spring Barley	5	9	35	43	8
<b>Condition</b>	Very	Poor	Fair	Good	Excellent



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

<b>France July 24, 2017</b>	poor %	%	%	%	%
Barley, spring	1	11	25	60	2
Corn	0	4	16	68	12

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$14/14.50	Up \$0.50
US Gulf to Spain: 30,000 m/t (5,000 disch)	\$22/23.00	Steady
US Gulf Israel: 50,000 MT	\$24/25.00	Steady
US Gulf to Egypt: Panamax(6,000 disch)	\$23/24.00	Steady
US Gulf Turkey: 50,000	\$25/26.00	Steady
US Gulf Morocco: 30,000(5,000 disch)	\$25/26.00	Steady
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$26/27.00	Steady
US Gulf Nigeria: 30,000 m/t	\$38/39.00	Steady
US Gulf other Med: 30,000 MT(5,000 disch)	\$28/29.00	Steady
US Gulf Japan: Panamax	\$37/38.00	Steady
US Gulf China: Panamax	\$36/37.00	Down \$1.00
US PNW South Africa – 40,000 m/t	\$37/38.00	Down \$1.00
US PNW Japan: Panamax	\$19/20.00	Down \$1.00
US PNW China: Panamax	\$18/19.00	Down \$1.00
US East Coast Egypt: Panamax	\$47/48.00	Down \$1.00
US East Coast Nigeria: Handisize	\$51/52.00	Steady
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$13/14.00	Steady
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$17/18.00	Steady
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$23/24.00	Steady
France/Germany to Morocco: 30,000 m/t (3k disch)	\$10/11.00	Steady
France/Germany to Saudi Arabia: 50/60,000	\$20/21.00	Steady
France/Germany to South Africa: 30,000 m/t	\$32/33.00	Steady
France/Germany to Yemen: 30,000 m/t	\$47/48.00	Steady
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$25/26.00	Steady
Argentina to China: 50,000 m/t, with top-off	\$35/36.00	Steady
Argentina to Japan: 50,000 m/t, with top-off	\$36/37.00	Steady
Argentina to Egypt: 50,000 m/t	\$24/25.00	Steady
Argentina to Europe: 50/60,000 m/t	\$21/22.00	Up \$1.00
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$22/23.00	Steady
Argentina to Saudi Arabia: 25/30,000 m/t	\$43/44.00	Up \$1.00
Argentina to South Africa 25/30,000 m/t (3k disch)	\$30/31.00	Steady
Argentina to Spain: 30,000 m/t	\$22/23.00	Steady
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$25/26.00	Steady
Argentina to US Gulf: 25/35,000 m/t	\$17/18.00	Steady
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$24/25.00	Steady
Brazil to China: 55,000 m/t	\$27/28.00	Steady
Brazil to Japan: 55,000 m/t	\$28/29.00	Steady
Brazil to Europe: 30,000 m/t	\$29/30.00	Steady
Brazil to Morocco: 25/30,000 m/t	\$24/25.00	Steady
Brazil to Saudi Arabia 30/40,000 m/t	\$38/39.00	Steady
Brazil to Turkey/Egypt: 50,000 m/t	\$22/23.00	Steady



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Australia to China: 40-55,000 m/t – round trip	\$19.50/20.00	Steady
Australia to Japan: 40-55,000 m/t – round trip	\$20.00/20.50	Steady
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady
Ukraine to China: 50,000 m/t	\$27/28.00	Down \$1.00
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$12/13.00	Steady
Ukraine to East Med: coaster (1,000 disch)	\$23/24.00	Down \$2.00
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$12/13.00	Steady
Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$13/14.00	Steady
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$24/26.00	Down \$1.00
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$34/36.00	Up \$2.00
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$33/34.00	Down \$2.00
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$14/15.00	Steady
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$14/15.00	Up \$2.00
Black Sea to Jordan: 50,000 m/t (4,000 disch)	\$21/23.00	Steady
Black Sea to Saudi Arabia – Jeddah – 50k	\$20/21.00	Steady
Black Sea to South Africa – 30,000 m/t	\$36/37.00	Steady
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$14/15.00	Steady
Baltic Dry Index	933	Down 44
Baltic Capesize Index	1139	Down 15
Baltic Panamax Index	1258	Down 149
Baltic Supramax Index	812	Down 23
Baltic Handysize Index	498	Down 1

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 2017/October 2017

Wheat, USA Soft Red Winter, NOLA	USD 201/210
Wheat, USA Hard Red Winter 12 protein -NOLA	USD 232/253 high protein premium
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 182/186
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 193/196
Wheat, Romania 12.5 pro	USD 191/195
Wheat, Superior, France, Rouen	USD 198/200
Wheat, milling, 12.0%, Argentina, upriver	USD 186/191 new crop
Wheat, feed, Black Sea	USD 174/177
Barley, France, Rouen port	USD 175/177
Barley, feed, Argentina	USD 181/185 new crop Dec
Barley, feed, Black Sea, 30,000+	USD 163/166
Barley, feed, USA Pacific Northwest	USD 215/220
Corn, FOB NOLA USA	USD 161/163
Corn, FOB USA Pacific northwest	USD 168/171
Corn, FOB Argentina port, upriver	USD 148/153 Aug/Oct



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Corn, FOB Brazil port	USD 155/159 Aug/Oct
Corn, FOB Ukraine, 30,000+ m/t	USD 171/174
Corn, FOB France	USD 184/190
Corn, FOB Romania	USD 171/174
Corn, FOB Russia	USD 166/170
Sorghum, FOB Texas	USD 188/191
Sorghum, FOB Argentina port	USD 159/162
Soymeal, 48% protein, FOB NOLA	USD 350/355
Soymeal, 48% protein, USA, Rotterdam	USD 375/380
Soymeal, Argentina, Rotterdam	USD 348/352
Soymeal, 47% pro, FOB Argentina	USD 322/327
Soymeal, 48% protein, Brazil, Rotterdam	USD 338/342
Soymeal, 48% protein, FOB Brazil	USD 314/318
Soymeal, 48% protein, FOB India	USD 360/365
Soybeans, FOB NOLA	USD 385/389
Soybeans, Argentina, FOB	USD 374/379
Soybeans, Brazil, FOB	USD 389/393
Soybeans, Black Sea	USD 390/394
Corn Gluten Meal, USA FOB NOLA	USD 600/610 m/t
Corn Gluten Feed, USA FOB NOLA	USD 136/140 m/t
DDGS corn, 35 profat, USA FOB NOLA	USD 178>>173 m/t

Nearby DDGS prices are strong due mainly to logistics --- strong demand, full pipelines, backed up container loading --- just too much business to ship in a few weeks so, as I have mentioned before, buyers are having to pay up in order to get any nearby shipments. However, at present, September and October look much better than August for DDGS buyers.

With corn prices slipping lower there could be some weakness in DDGS prices and also in corn gluten feed and corn gluten meal --- but as I mentioned last week CGM could be pushed higher by the increase in fishmeal prices.

The USDA weekly report shows that corn gluten feed prices were down by about USD 1 m/t on the other hand the USDA shows domestic corn gluten meal prices were up by about USD 8 m/t. The USDA also shows domestic DDGS prices up on average by USD 5 m/t. These domestic price changes have not as yet been seen in the export market.

## Container shipments, minimum 200 m/t

Argentina Meat & Bone meal, 45/50% protein	USD 410/420 m/t CNF Asia
Argentina poultry meal, 57/60% protein	USD 540/550 m/t CNF Asia
Argentina feathermeal, 78/80% protein	USD 490/500 m/t CNF Asia
Paraguay Meat & Bone meal, 45% protein	USD 400/410 m/t CNF Asia
Australian MBM 45% protein	USD 440/450 m/t CNF Asia
Australian MBM 50% protein	USD 490/510 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 540/550 m/t CNF Asia
Australian Poultry Meal, pet food	USD 800/810 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 500/510 m/t CNF Asia
USA Feathermeal, 80% protein	USD 510/520 m/t CNF Asia
USA Poultry Meal, feed grade	USD 620/630 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 720/740 m/t CNF Asia



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

There didn't seem to be too much happening in the export animal protein business this week. Demand was steady but so was supply so prices remained mainly unchanged. There was a renderers meeting in Australia last week so the main sellers were out of the market, making things even quieter.

Prices out of the US were also unchanged but domestic demand was stronger so we may just see a move higher in export prices. But there were some trade comments that the little bump in domestic price is nothing that will hang around for long.

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

The northern Peru fishing season is officially over on Sunday and the total catch will probably be around 2.4 million m/t, about what the experts had been saying for the past while. We will probably end up with total fishmeal production in the 560,000 m/t range.

Things have been quiet in Peru as there is really not much left to sell and producers are very busy trying to get a whole bunch of export shipments made. All the big buyers have bought most all that they want with only a few small guys left to sniff around for supplies.

The market is expected to switch now to thinking about the next fishing season and, while buyers may have to pay higher prices for the little bit of fishmeal available, they will be bidding lower for supplies in the next season.

Needless to say, prices will continue to move higher over the next few weeks as buyers have to fight over the small stocks left and the small amounts coming from the south of Peru.

There was a note in the news that CP Thailand intends to reduce its fishmeal use in aquafeed to no more than 5% over the next three years. According to CP they have reduced the use of fishmeal in shrimp feed from 35% to 7 % over the past 20 years.

The interesting thing about fishmeal is that, even though everyone works very hard to reduce fishmeal usage, every ton of fishmeal is sold every year with the growth in the overall feed industry more than enough to keep total fishmeal demand matched with production.

## **European fishmeal prices – FOB North German port.**

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,490
Danish fishmeal	64% protein	1,360
Peru fishmeal	64% protein	1,250
Chile fishmeal	67% protein	1,300
Iceland fishmeal	70% protein	1,460

## **PERU "INDICATION" FISHMEAL PRICES:**

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



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

<u>Specification</u>	<u>Price per m/t FOB vessel Peru port</u>	<u>Price per m/t Chile port</u>
65% protein	1100/1120 m/t	
65/66 protein	1150/1170 m/t	
67% protein standard steam	1200/1220 m/t	
67% protein 150 TVN	1390/1400 m/t	1380/1390
67% protein 120 TVN	1410/1420 m/t	1400/1410
67% protein 1000 hist, 120 TVN	1430/1440 m/t	1420/1430
68% protein 500 hist, 120 TVN	1450/1460 m/t	1440/1450
Fish oil, crude bulk	1200/1250	1150/1200
Fish oil, crude drums	1300/1350	
Fish oil, flexi tank	1400/1450	
Fish oil, Omega 3: 28%EPA/DHA	1700/1800	

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 © 2017 Wayne S. Bacon