



# 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 August 04, 2018

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

This week was another up week for US grain prices with corn up by just a little at about USD 3 m/t higher with soybeans up by only a couple of dollars and soymeal prices mainly steady. As is being seen all over the world, US wheat prices were up strongly with winter wheat up by at least USD 12 m/t while spring wheat was up by almost USD 10 m/t.

Corn prices were up and down on the week as changing weather forecast got corn buyers all excited. The hot weather in much of the US corn country seems to be moderating a little but there is still not much rain in the near-term weather forecast. There were a couple of private corn crop yield estimates published this week and both had US corn yields at or above record levels. These high crop yields didn't seem to have any effect on market activity.

Not too much new for soybeans but, as with corn, private yield estimates had soybean yields for 2018 at record levels.

Wheat was the big market mover this week with bad news coming from every direction for wheat production --- just too much heat (as I write this the temperature outside is 39C (102.2F)) in many parts of the world with wheat crops withering. The Ukraine did increase its crop estimates but there is still lots of talk about a Ukraine export quota.

For coming days, it looks like both corn and soybeans could be steady but who knows where wheat price may go.

### **Crop Situation and Condition – USA and France**

<b>France</b>	Very poor %	Poor %	Fair %	Good %	Very Good %
<b>Condition</b>					
Wheat - soft	1	7	20	65	6
Wheat - hard	4	10	24	61	1
Barley, spring	1	5	21	70	3
Corn	2	10	22	61	
<b>Harvested</b>	This week %	Last week %	This week 2017		
Wheat - soft	99	88	89		
Wheat - hard	99	93	100		
Barley, spring	96	70	89		
<b>USA</b>	Very poor %	Poor %	Fair %	Good %	Very Good %
<b>Condition</b>					



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Wheat, spring	1	3	18	64	14
Corn	3	6	19	50	22
Sorghum	4	11	33	44	8
Soybeans	2	6	22	53	17
Barley	1	2	17	66	14
<b>Harvested</b>	This week %	Last week %	This week 2017	Average 2013/17	
Wheat, winter	85	80	87	86	
Wheat, spring	4	0	8	4	
Barley	2	0	5	6	

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$22/23.00	Steady	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$21/22.00	Down \$1.00	X
US Gulf Israel: 50,000 m/t	\$28/29.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$27/28.00	Steady	X
US Gulf Turkey: 50,000 m/t	\$29/30.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$32/33.00	Steady	x
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$33/34.00	up \$1.00	x
US Gulf Nigeria: 30,000 m/t	\$42/43.00	Steady	x
US Gulf other Med: 30,000 MT(5,000 disch)	\$32/33.00	Steady	x
US Gulf South Africa: 45,000 m/t	\$36/37.00	Steady	X
US Gulf Japan: Panamax	\$43/44.00	Steady	X
US Gulf China: Panamax	\$42/43.00	Steady	X
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	X
US PNW Japan: Panamax	\$25/26.00	up \$1.00	X
US PNW China: Panamax	\$24/25.00	up \$1.00	X
US East Coast Egypt: Panamax	\$43/44.00	Steady	X
US East Coast Nigeria: Handisize	\$44/45.00	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	\$31/32.00	Steady	X
France/Germany to China: 50,000 m/t	\$36/37.00	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	\$27/28.00	Down \$1.00	X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$22/23.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$13/14.00	Steady	X
France/Germany to Saudi Arabia: 50/60,000	\$25/26.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$25/26.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$19/20.00	Steady	X
France/Germany to Yemen: 30,000 m/t	\$38/39.00	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	\$41/42.00	Steady	X
Argentina to Japan: 50,000 m/t, with top-off	\$40/41.00	Steady	X
Argentina to Egypt: 50,000 m/t	\$35/36.00	Down \$1.00	X
Argentina to Europe: 50/60,000 m/t	\$34/35.00	down \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$23/24.00	Steady	x
Argentina to Jordan: 50,000 m/t	\$34/35.00	Steady	X
Argentina to Saudi Arabia: 50,000 m/t	\$31/32.00	Steady	x



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Argentina to South Africa 50,000 m/t	\$28/29.00	Steady	X
Argentina to Spain: 50,000 m/t	\$34/35.00	down \$1.00	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	\$19/20.00	Steady	x
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$26/27.00	Steady	X
Brazil to China: 55,000 m/t	\$35/36.00	Steady	X
Brazil to Japan: 55,000 m/t	\$36/37.00	Steady	X
Brazil to Europe: 50,000 m/t	\$30/31.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$25/26.00	Steady	x
Brazil to Saudi Arabia 30/40,000 m/t	\$34/35.00	Steady	X
Brazil to Spain: 50,000 m/t	\$29/30.00	down \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$31/32.00	Down \$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	\$20.50/21.00	Steady	X
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	X
Ukraine to China: 50,000 m/t	\$34/35.00	Down \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$32/33.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$28/29.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$13/14.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$25/26.00	Up \$3.00	x
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$30/31.00	Steady	x
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$15/16.00	Steady	x
Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$15/16.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$25/26.00	Up \$3.00	x
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$45/46.00	Steady	x
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$37/38.00	Steady	X
Black Sea to Europe: 50,000 m/t	\$20/21.00	Up \$1.00	x
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$16/17.00	Steady	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$23/24.00	Up \$1.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$27/28.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$20/21.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$28/29.00	Steady	X
Black Sea to South Africa – 30,000 m/t	\$37/38.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$12/13.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$17/18.00	Steady	x
Baltic Dry Index	1773	Up 97	x
Baltic Capesize Index	3632	Up 435	X
Baltic Panamax Index	1447	Down 141	X
Baltic Supramax Index	1030	Down 5	x
Baltic Handysize Index	543	Down 10	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.)



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

ALL PRICES ARE FOR August 2018/October 2018

Wheat, USA Soft Red Winter, NOLA	USD 232/244	X
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 256/270	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 221/225	x
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 224/228	x
Wheat, Romania 12.5 pro	USD 218/222	x
Wheat, Superior, France, Rouen	USD 253/255 new crop	x
Wheat, milling, 12.0%, Argentina, Upriver	USD 235/239	X
Wheat, feed, Black Sea	USD 206/210	x
Barley, France, Rouen port	USD 254/257 new crop	X
Barley, feed, Argentina	USD 177/180	x
Barley, feed, Black Sea, 30,000+	USD 216/219 Sep/Oct	x
Barley, feed, USA Pacific Northwest	USD 220/225	
Corn, 2YC FOB NOLA USA	USD 174/177	X
Corn, 3YC FOB USA Pacific northwest	USD 182/187	x
Corn, FOB Argentina port, Upriver	USD 173/178	x
Corn, FOB Brazil port	USD 176/181	x
Corn, FOB France - Atlantic	USD 225/231 Sep/Oct	x
Corn, FOB Romania	USD 187/191 Oct/Nov	x
Corn, FOB Russia	USD 197/202	X
Corn, FOB Ukraine, 30,000+ m/t	USD 188/192 Oct/Nov	X
Sorghum, FOB Argentina port	USD 172/176	x
Sorghum, FOB Texas	USD 183/187	x
Soymeal, 48% protein, FOB NOLA	USD 397/402	X
Soymeal, 48% protein, USA, Rotterdam	USD 422/427	x
Soymeal, Argentina, Rotterdam	USD 403/408	X
Soymeal, 47% pro, FOB Argentina	USD 364/369	x
Soymeal, 48% protein, Brazil, Rotterdam	USD 399/404	x
Soymeal, 48% protein, FOB Brazil	USD 375/380	x
Soybeans, FOB NOLA	USD 354/359	x
Soybeans, Argentina, FOB	USD 388/393	x
Soybeans, Brazil, FOB	USD 401/404	x
Soybeans, Black Sea	USD 407/411	x
Corn Gluten Meal, USA FOB NOLA	USD 573>>565 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 173>>165 m/t	x
DDGS corn, 35 profat, USA FOB NOLA	USD 229/234 Sep/Nov	x

According to the USDA price report this week, DDGS prices were up by as much as USD 15 m/t in US domestic markets. The USDA also reports corn gluten feed prices to be up by about USD 3 m/t with corn gluten meal up by as much as USD 13 m/t.

DDGS seems to be have a very good run of export demand, especially to buyers in Egypt. Most of the loading spots for August and much of September are full so buyers will have to pay up to get a quick shipment or wait until October when shipping will be easier and prices lower.

The USDA Grain Crushing report was out this week and shows that DDGS production is up a little at about 2 million m/t for June – this is up by 10% on production in June of 2017. Both corn gluten feed



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

and corn gluten meal showed small increase in production: corn gluten feed reached 302,000 m/t for June and corn gluten meal at 93,400 m/t.

Egypt is now back at the top of the table for the largest importer of US corn gluten meal – there was a slew of imports in June that pushed them up to 85,000 m/t for the year.

## **USA exports of corn by-products – 6 months 2018 – major destinations and selected countries – in m/t**

<b>Country</b>	<b>Distillers Dried Grains DDGS Jan/June 2018</b>	<b>Corn Gluten Meal Jan/June 2018</b>	<b>Corn Gluten Feed Jan/June 2018</b>
Australia		3,100	
Bangladesh	70,000	2,800	
Burma	32,000	1,300	
Cambodia	24,300		900
Canada	330,600	37,100	
Chile		58,200	
China	96,100		
Colombia	98,200	41,600	9,300
Costa Rica	40,200		
Denmark		6,600	
Ecuador	19,300	2,100	
Egypt	120,100	85,900	
El Salvador	37,100	1,200	
Guatemala	25,400	4,300	
Honduras	23,500	4,800	
Indonesia	324,600	54,200	1,400
Ireland	172,000		189,100
Israel	162,600	800	127,600
Jamaica	12,100		
Japan	224,000	3,600	
Malaysia	35,200	9,900	
Mexico	1,031,500	6,800	12,900
Morocco	104,100		32,300
New Zealand	79,300		10,400
Panama	9,700		
Peru	13,900	6,500	
Philippines	73,500	700	
Portugal	10,300		22,200
Saudi Arabia	4,200		
South Korea	580,900		900
Spain	101,700		
Sri Lanka	8,400		
Taiwan	99,800	19,400	
Thailand	484,300	14,900	
Tunisia	22,000		
Turkey	576,400		67,900
UK	62,400	1,500	21,100



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Vietnam	550,500	5,100	

@USDA GATS

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 350/360 m/t CNF Asia
Australian MBM 50% protein	USD 390/400 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 525/535 m/t CNF Asia
Australian Poultry Meal, pet food	USD 850/870 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 400/420 m/t CNF Asia
	USD 370/390 to Indonesia
USA Feathermeal, 80% protein	USD 630/640 m/t CNF Asia
USA Poultry Meal, feed grade	USD 600/620 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 840/860 m/t CNF Asia

Animal protein prices were a little lower into Asia this week with most meat and bone meal prices down by USD 10 m/t. Markets continue to look quite weak as there is just too much meat and bone meal on the market at low prices – mainly mixed species MBM.

Some sellers are saying that prices are at the bottom know but buyers don't seem to agree and are happily bidding at lower levels.

Feather meal could be another story as supply from Australia is getting tight and prices will probably have to increase in the export market as they have done in the Australian domestic market.

Domestic US prices for all animal proteins except MBM are steady this week but MBM has slipped lower in US markets. The trade seems to feel that US MBM prices could go lower which could also move export prices lower.

## **USA exports of animal protein – 6 months 2018 – major destinations – in m/t**

Destination	Meat and bone meal – includes poultry and pork	Feather meal
	Jan/June 2018	Jan/June 2018
Burma	2,900	
Canada	28,000	8,500
Chile	300	13,200
China	22,500	20,700
Colombia	800	100
Ecuador	8,800	
Germany		
Honduras	4,700	
Indonesia	82,700	13,400
Jamaica	1,100	
Malaysia	4,700	
Mexico	88,900	
Peru	2,200	700
Philippines	10,200	300
Sri Lanka	1,500	



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Thailand	8,600	
Vietnam	28,100	
Total exports	298,100	56,900

@USDA GATS

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

There is only a little fishing in the South of Peru – only 40 or so vessels out fishing. Total catch this week was about 10,000 m/t of fish. Business was slow during the week due mainly to a holiday in Peru. There were some buyers sniffing around for new season stock, but they are looking to pay quite a bit under the recent prices --- some say inquiries were as much as USD 100 down. Producers are not looking to sell at lower prices, so nothing seemed to get done.

Up to the end of June Peru has exported about 550,000 m/t of fishmeal in 2018 – 85% going to China and another 10% to Asia destinations.

There has been a little talk about the risk of another El Nino but for now there doesn't seem to be much risk and the industry is getting excited about the next fishing season with lots of speculation about the size of the next quota --- estimates run from a low of 1.5 million m/t up as high as 2.5 mm/t. If it gets up to 2.5 mm/t, then we could see some weakness in prices.

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

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,800
Danish fishmeal	64% protein	1,480
Peru fishmeal	64% protein	1,480
Chile fishmeal	67% protein	1,525
Iceland fishmeal	70% protein	1,750

### 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% protein	1280/1300 m/t	
65/66 protein	1300/1320 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	No prices
67% protein 1000 hist, 120 TVN	1550/1570 m/t	1600/1620
68% protein 500 hist, 120 TVN	1600/1620 m/t	1620/1640
Fish oil, crude bulk	1400/1420	1380/1400
Fish oil, crude drums	1470/1480	
Fish oil, flexi tank	1570/1580	
Fish oil, Omega 3: 28%EPA/DHA	1700/1800	



## 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 © 2018 Wayne S. Bacon