



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT August 10, 2019

With the USDA WASDE report coming up on Monday, market participants were being quite careful in what they were buying or selling. Corn prices were up a little on the week but there was nothing much in the market (except WASDE worries) to push market prices around. Soybean prices moved higher by USD 8 to 10 m/t – soymeal was up by USD 4 to 5 m/t. And wheat prices in the US were much like corn with not much market action.

Looking at corn, other than the WASDE, there is some concern over very dry weather in parts of the US and a lack of farmer selling this week helped move prices a little higher. Some traders were saying that the WASDE shouldn't have much affect on corn prices since the current crop information is actually much more current than the WASDE report will be.

The rally in soybeans looks to be a bullish reaction to more China purchases of US soybeans and to the feeling that the WASDE will show lower acres for soybeans. Add to that some dry weather and the soybean short/sharp rally makes some sense.

Only soft red winter wheat (SRW) showed any strength this week – up by USD 3 to 4 m/t – reports say that this was due largely to very little farmer selling. The SRW wheat harvest is about to start so this may have added to supply uncertainty and helped prices move a little higher.

Of course, all the thoughts, comments and opinions are for nothing if the USDA WASDE report takes a different direction than we all expect --- Monday should be exciting.

Top 20 US Export Destinations for Grains and Oilseeds – 6 months to June 2019 – in m/t

Country	Wheat	Corn	Sorghum	Soybeans	Soymeal
Algeria	354,200				
Argentina				203,000	
Bangladesh	37,100			334,500	
Brazil	57,000				
Belgium				33,000	
Burma					104,000
Cameroon			20,700		
Canada		1,186,100	2,500	347,900	426,700
Chile	155,900				
China	42,000	64,800	394,700	8,367,800	
Colombia	188,600	2,540,000		288,100	614,500
Costa Rica		425,800			
Djibouti			20,000		
Dominican Rep	156,200	328,200			249,000
Ecuador	156,800				334,000
El Salvador	111,100	384,500			121,900
Egypt				1,300,200	



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Eritrea			31,500		
Ethiopia	101,200				
France				49,500	
Germany				287,700	
Guatemala	280,100	558,900			209,800
Honduras	121,400	308,500			133,900
Indonesia	917,800			1,278,800	22,900
Iraq	420,000				
Israel		65,100			
Italy	153,400		36,600	183,900	
Jamaica		110,200			
Japan	1,273,800	7,714,000	184,000	1,251,700	179,400
Malaysia				298,600	
Mexico	1,640,100	7,407,300	180,600	2,382,100	847,000
Morocco		61,800			173,900
Netherlands				953,700	
Nigeria	1,371,400				
Nicaragua		151,000			
Pakistan				201,500	
Panama		205,300			98,400
Peru		1,029,400			97,500
Philippines	1,401,500		200		1,150,900
Portugal				160,000	
Saudi Arabia		358,900			
South Africa			43,500		
South Korea	658,800	1,796,200	1,000	564,400	
Spain		400	371,700	506,700	69,000
Sri Lanka					111,800
Sudan					
Taiwan	608,500	903,600		688,300	
Thailand	310,600			517,200	126,400
Tunisia				32,200	
Venezuela	35,000				68,100
Vietnam	70,400	65,000		208,200	299,600
Yemen	294,000				

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

Freight exports are commenting that ocean freight costs could move higher as ships are taken out of service for refit work to meet reduced emissions sulphur content regulations. Most of the reduction in available vessels will be for the largest capesize but this reduction will put additional demand on other sizes like Panamax vessels that are commonly used for grain shipments.

US Gulf to Europe: 60/70,000 (10,000 disch)	\$19/20.00	Down \$1.00	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$19/20.00	Down \$1.00	x
US Gulf Israel: 50,000 m/t	\$31/32.00		X
US Gulf to Egypt: Panamax (6,000 disch)	\$30/31.00		X
US Gulf Turkey: 50,000 m/t	\$32/33.00		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)	\$35/36.00	Down \$1.00	X



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US Gulf Nigeria: 30,000 m/t	\$49/50.00		X
US Gulf other Med: 30,000 MT(5,000 disch)	\$37/38.00	Down \$1.00	X
US Gulf South Africa: 45,000 m/t	\$37/38.00		X
US Gulf Japan: Panamax	\$49/50.00		X
US Gulf China: Panamax	\$48/49.00		X
US PNW South Africa – 40,000 m/t	\$37/38.00		X
US PNW Japan: Panamax	\$27/28.00		X
US PNW China: Panamax	\$26/27.00		X
US East Coast Egypt: Panamax	\$49/50.00		X
US East Coast Nigeria: Handisize	\$55/56.00		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	\$39/40.00	Down \$1.00	X
France/Germany to China: 50,000 m/t	\$38/39.00		X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$17/18.00		X
France/Germany to India: 50,000 m/t	\$32/33.00	Down \$2.00	Z
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)	\$17/18.00		X
France/Germany to Saudi Arabia: 50/60,000	\$27/28.00		X
France/Germany to South Africa: 30,000 m/t	No prices		X
France/Germany to Turkey: 35,000 m/t	\$17/18.00	Down \$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	Down \$1.00	X
Argentina to China: 50,000 m/t, with top-off	\$40/41.00	Down \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$39/40.00	Down \$1.00	X
Argentina to Egypt: 50,000 m/t	\$25/26.00	Down \$1.00	X
Argentina to Europe: 50/60,000 m/t	\$26/27.00	Down \$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		X
Argentina to Saudi Arabia: 50,000 m/t	\$36/37.00		X
Argentina to South Africa 50,000 m/t	\$38/39.00		X
Argentina to Spain: 50,000 m/t	\$26/27.00	Down \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$28/29.00	Down \$1.00	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	\$30/31.00		X
Brazil to China: 55,000 m/t	\$37/38.00	Down \$1.00	X
Brazil to Japan: 55,000 m/t	\$36/37.00	Down \$1.00	X
Brazil to Europe: 50,000 m/t	\$29/30.00	Down \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$29/30.00		X
Brazil to Saudi Arabia 30/40,000 m/t	\$41/42.00		X
Brazil to Spain: 50,000 m/t	\$29/30.00	Down \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$32/33.00	Down \$1.00	X
Australia to China: 40-55,000 m/t – round trip	\$20/20.50		X
Australia to Japan: 40-55,000 m/t – round trip	\$20/20.50		X
Australia to Saudi Arabia: 40-55,000 m/t	\$27/28.00		X
Ukraine to China: 50,000 m/t	\$32/33.00	Down \$2.00	X
Ukraine to Bangladesh: 45,000 m/t	\$57/58.00	Up \$2.00	X
Ukraine to India: 45/50,000 m/t	\$54/55.00	Up \$2.00	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$17/18.00		X



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Ukraine to East Med: coaster (1,000 disch)	\$22/23.00		X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$25/26.00		X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$18/19.00		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		X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$45/46.00		X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$38/39.00		X
Black Sea to Europe: 50,000 m/t	\$19/20.00	Up \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$21/22.00		X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$19/20.00	Up \$1.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$27/28.00		X
Black Sea to Libya: 25/35,000 m/t	\$24/25.00		X
Black Sea to Saudi Arabia – Jeddah – 50k	\$32/33.00		X
Black Sea to South Africa – 30,000 m//t	\$39/40.00		X
Black Sea to Turkey – 30,000 m/t	\$18/19.00	Up \$1.00	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$20/21.00		x
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1748	Down 40	X
Baltic Capesize Index (100,000 plus DWT)	3222	Down 270	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1898	Up 119	X
Baltic Supramax Index (50,000 to 60,000 DWT)	970	Up 2	X
Baltic Handisize Index (25,000 plus DWT)	523	Up 6	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 218/221	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 205/210	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 188/191	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 195/198	C
Wheat, Romania 12.5 pro	USD 194/197	X
Wheat, Superior, France, Rouen	USD 190/192	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 185/188 Dec/Jan	X
Wheat, feed, Black Sea	USD 185/188	X
Barley, France, Rouen port	USD 180/182	X
Barley, feed, Argentina, up river	USD 178/181 Dec/Jan	X
Barley, feed, Black Sea, 30,000+	USD 174/177 Oct/Nov	X
Corn, 2YC FOB NOLA USA	USD 182/185	X
Corn, 3YC FOB USA Pacific northwest	USD 197/200	X
Corn, FOB Argentina port, upriver	USD 164/167	X
Corn, FOB Brazil port	USD 169/172	X
Corn, FOB France – Atlantic	USD 196/198 new crop	X



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Corn, FOB Romania	USD 178/181 Oct/Nov	X
Corn, FOB Russia	USD 177/180 Oct/Nov	X
Corn, FOB Ukraine, 30,000+ m/t	USD 177/180 Oct/Nov	X
Sorghum, FOB Argentina port	USD 150/153	X
Sorghum, FOB Texas	USD 192/195	X
Soymeal, 48% protein, FOB NOLA	USD 337/340	X
Soymeal, 48% protein, USA, Rotterdam	USD 362/365	X
Soymeal, Argentina, Rotterdam	USD 346/349	X
Soymeal, 47% pro, FOB Argentina	USD 310/313	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 338/341	X
Soymeal, 48% protein, FOB Brazil	USD 307/310	X
Soybeans, FOB NOLA	USD 340/343	X
Soybeans, Argentina, FOB	USD 343/346	X
Soybeans, Brazil, FOB	USD 363/366	X
Soybeans, Black Sea	USD 352/355	x
Corn Gluten Meal, USA FOB NOLA	USD 495/505 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 177/180 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 196/203	X

US DDGS prices were lower this week even though corn prices had moved a little higher. Trade reports say that the weakness in DDGS prices is probably limited as ethanol production may be slowing which will tighten up the supply. Also, Asian buyers are said to be finding the current DDGS prices to be very attractive – increased export interest could keep prices steady or push them higher.

Corn gluten feed and corn gluten meal didn't do much this week with little change in export prices over the past couple of weeks. Export demand is steady and so is supply which keep the prices in balance – no ups and no downs.

USA exports of corn by-products – 6 months to June 2019 – major destinations and selected countries – in m/t

Country	Distillers Dried Grains DDGS 2019	Corn Gluten Meal 2019	Corn Gluten Feed 2019
Australia		1,400	
Bangladesh	83,300	13,900	
Burma	30,500	300	600
Cambodia	15,600		
Canada	326,800	27,900	
Chile		65,700	
China	58,000	13,300	
Colombia	97,500	36,200	16,700
Costa Rica	36,700		
Ecuador	9,600	2,100	
Egypt	61,300	81,100	
El Salvador	33,200	700	
Guatemala	25,000	2,100	
Honduras	22,500	3.100	



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Indonesia	460,400	63,500	4,300
Ireland	153,800		145,700
Israel	141,200		117,000
Japan	262,300	1,900	
Malaysia	28,000	13,900	
Mexico	1,063,800	9,700	13,500
Morocco	97,700		10,700
New Zealand	44,300		18,700
Peru	5,300	4,200	
Philippines	105,000	1,300	700
Portugal	6,600		9,200
South Korea	636,500	800	
Spain	61,600		
Taiwan	111,300	15,600	
Thailand	210,200	15,900	
Turkey	382,300		96,900
UK	107,800		40,700
Vietnam	564,100	6,300	

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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 440/460 m/t CNF Asia
	USD 420/440 to Indonesia
USA Feathermeal, 80% protein	USD 400/420 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 into Asia are reported to be higher this week as demand has been quite good. Exports don't seem to feel that market prices will move much higher as there are just too many vegetable protein alternatives.

However, prices from Australia are very competitive, due to the weakness of the OZ dollar against the US\$ -- the OZ\$ is down at about \$0.68 against the US dollar and has dropped more than 4% in the past few weeks.

Most US export prices were steady, but feather meal did slip lower as the supply in export markets seemed to be very good.

In the US domestic market, meat and bone meal prices moved a little higher while poultry meal was looking a tad weak due to very good supply situation and a drop in pet food production demand.

USA exports of animal protein – 6 months to June 2019 – major destinations – in m/t

Destination	Meat and bone meal – includes	Feather meal
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	poultry and pork meal	
	To June 2019	To June 2019
Burma	3,800	
Cambodia	1,500	
Canada	24,800	4,500
Chile	15,800	23,000
China	74,400	3,600
Colombia	700	
Ecuador	11,400	500
Germany		
Guatemala	1,000	
Honduras	3,900	400
Indonesia	104,100	11,100
Jamaica		
Malaysia	5,500	
Mexico	101,500	
Peru	900	800
Philippines	9,900	200
Sri Lanka	1,500	
Thailand	15,500	
Vietnam	37,200	1,400
Total exports	413,900	45,400

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SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

The official final number for the northern Peru catch is announced as 2,054,595 m/t against the 2.1 million m/t quota – not bad at all – fishmeal production is said to be at 490,000 m/t. The fishmeal yield this year is also said to be higher than past year at about 23.81%.

Not much to report on new sales this week – not many buyers but even fewer sellers – most producers with stocks are in no hurry to sell, as there wont be any new fishmeal in the north of Peru for about 4 months and only a trickle of new fishmeal from the south.

Fishmeal prices did slip a little lower this week or so they say but with little market activity it is difficult to know if the market did slip. Some are saying that with the situation in China – high stocks and low demand – their buying for the next season could also fall off which would lead to lower prices.

Fishmeal producers in Peru are saying that the increase in the fishing tax rate – up from 0.25% to 0.43% on FOB fishmeal value will be bad for business. However, with every ton of fishmeal sold every year this is probably a weak argument. The change in the tax will result in an increase of about USD 3 m/t which will not be noticed by buyers.

In the US, the USDA has approved a new canola based alternative for fishoil that is reported to be vary close in specifications to actual fishoil. Designed canola is used for the oil – normal canola does not have all the traits seen in fishoil.

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PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,875
Danish fishmeal	64% protein	1,465
Peru fishmeal	64% protein	1,500
Chile fishmeal	67% protein	1,575
Iceland fishmeal	70% protein	1,855

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	1200/1220 m/t	
67% protein standard steam	1250/1270 m/t	
67% protein 150 TVN	1350/1370 m/t	No prices
67% protein 120 TVN	1400/1420 m/t	1410/1430
67% protein 1000 hist, 120 TVN	1450/1470 m/t	1470/1490
68% protein 500 hist, 120 TVN	1500/1520 m/t	1500/1520
Fish oil, crude bulk	1800/1850	
Fish oil, crude drums	1850/1900	
Fish oil, flexi tank	1950/2000	
Fish oil, Omega 3: 28%EPA/DHA	2100/2400	

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

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