



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT August 19, 2017

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

It seemed like a quieter week for grain/oilseed prices this week, especially in the futures market where all looked quite calm – except perhaps for US winter wheat which continued to drop lower in price.

Corn prices slipped by about USD 3 m/t on the week for both cash and futures and soybeans did about the same followed by soymeal that dropped a tad. Soft Red Winter wheat was down by USD 9 to 10 m/t with Hard Red Winter wheat lower by USD 10 to 11 m/t. Even spring wheat was down by a couple of dollars but this may just have been in sympathy with winter wheat.

According to US trade reports, farmers are not selling much corn which is putting some upward pressure on export prices which may cause an uptick in process for NOLA corn this coming week. Some parts of the US corn belt is seeing quite good rainfall while there are still some regions that are too dry but on average the weather is not too bad for the corn crop.

There was also talk this week that the USDA numbers are too high and that the upcoming "Pro Farmers" tour could confirm the talk. There was also talk that the weather is just a little too cool for the corn crop and that slightly higher temperatures could be needed to insure the crop.

With US soybeans, there is concern that much of the rain that helped corn missed the important soybean areas leaving some farms gasping for rainfall. The Pro Farmers tour should also point out about what the situation is with the soybean crop. However, most experts seem to feel that all looks quite good for soybeans with the lack of rainfall not being too much of a problem so far as the temperatures have been a little cool and the beans don't need as much water on cool days.

There were some comments this week that the investment funds were moving to the short side on grains and soybeans and this could help to move the market a little lower.

Crop progress and condition --- USA and France

Condition USA Aug 13, 2017	Very poor %	Poor %	Fair %	Good %	Excellent %
Corn	3	9	26	49	13
Soybeans	3	9	29	49	10
Sorghum	2	6	28	54	10
Spring Wheat	24	18	25	27	6
Spring Barley	9	13	29	39	10



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Condition	Very poor %	Poor %	Fair %	Good %	Excellent %
France					
Aug 14, 2017					
Corn	0	4	17	64	15

All other French grain crops are harvested

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$15.00/15.50	Up \$0.50	X
US Gulf to Spain: 30,000 m/t (5,000 disch)	\$22/23.00	Down \$1.00	X
US Gulf Israel: 50,000 m/t	\$25/26.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$24/25.00	Up \$1.00	X
US Gulf Turkey: 50,000 m/t	\$26/27.00	Up \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$26/27.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$27/28.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$39/40.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$30/31.00	Up \$1.00	x
US Gulf South Africa: 45,000 m/t	\$37/38.00	New	X
US Gulf Japan: Panamax	\$39/40.00	Up \$2.00	X
US Gulf China: Panamax	\$38/39.00	Up \$2.00	X
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	X
US PNW Japan: Panamax	\$20/21.00	Up \$1.00	X
US PNW China: Panamax	\$19/20.00	Up \$1.00	X
US East Coast Egypt: Panamax	\$47/48.00	Steady	X
US East Coast Nigeria: Handisize	\$51/52.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$14/15.00	Steady	X
France/Germany to China: 50,000 m/t	\$31/32.00	New	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$16/17.00	Steady	X
France/Germany to India: 50,000 m/t	\$22/23.00	Steady	X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$24/25.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$12/13.00	Steady	X
France/Germany to Saudi Arabia: 50/60,000	\$21/22.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$34/35.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$22/23.00	New	X
France/Germany to Yemen: 30,000 m/t	\$49/50.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$25/26.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$36/37.00	Up \$2.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$37/38.00	Up \$2.00	X
Argentina to Egypt: 50,000 m/t	\$24/25.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$21/22.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$22/23.00	Down \$1.00	X
Argentina to Saudi Arabia: 25/30,000 m/t	\$45/46.00	Steady	X
Argentina to South Africa 25/30,000 m/t (3k disch)	\$32/33.00	Steady	X
Argentina to Spain: 30,000 m/t	\$22/23.00	Down \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$25/26.00	Steady	X



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Argentina to US Gulf: 25/35,000 m/t	\$17/18.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$26/27.00	Steady	X
Brazil to China: 55,000 m/t	\$29/30.00	Up \$2.00	X
Brazil to Japan: 55,000 m/t	\$30/31.00	Up \$2.00	X
Brazil to Europe: 50,000 m/t	\$19/20.00	Down \$1.00	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	Down \$2.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$21/23.00	Steady	X
Australia to China: 40-55,000 m/t – round trip	\$19.50/20.00	Steady	X
Australia to Japan: 40-55,000 m/t – round trip	\$20.00/20.50	Steady	X
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	X
Ukraine to China: 50,000 m/t	\$28/29.00	Steady	X
Ukraine to Bangladesh: 45,000 m/t	\$30/31.00	New	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$12/13.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$23/24.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$12/13.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$13/14.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$24/26.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$36/38.00	Steady	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$32/33.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$15/16.00	Steady	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$15/16.00	Up \$1.00	X
Black Sea to Jordan: 50,000 m/t (4,000 disch)	\$21/22.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$21/22.00	Up \$2.00	X
Black Sea to South Africa – 30,000 m/t	\$37/38.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$11/12.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$15/16.00	Up \$1.00	X
Black Sea to Yemen: 50,000 m/t	\$24/25.00	Down \$1.00	X
Baltic Dry Index	1260	Up 122	x
Baltic Capesize Index	2574	Up 561	x
Baltic Panamax Index	1345	Up 89	x
Baltic Supramax Index	806	Up 49	x
Baltic Handysize Index	465	Down 1	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 September 2017/November 2017

Wheat, USA Soft Red Winter, NOLA	USD 188/194	x
Wheat, USA Hard Red Winter 12 protein -NOLA	USD 225/230 high protein Premium	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 168/173	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 183/187	X
Wheat, Romania 12.5 pro	USD 191/194	X
Wheat, Superior, France, Rouen	USD 186/190	x



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Wheat, milling, 12.0%, Argentina, upriver	USD 176/180 new crop	X
Wheat, feed, Black Sea	USD 159/164	x
Barley, France, Rouen port	USD 167/171	x
Barley, feed, Argentina	USD 175/179 new crop Dec	x
Barley, feed, Black Sea, 30,000+	USD 171/175	X
Barley, feed, USA Pacific Northwest	USD 220/225	x
Corn, FOB NOLA USA	USD 160/164	x
Corn, FOB USA Pacific northwest	USD 172/177 Sep/Oct	x
Corn, FOB Argentina port, upriver	USD 156/160 Oct/Nov	X
Corn, FOB Brazil port	USD 153/157 Sep/Nov	x
Corn, FOB Ukraine, 30,000+ m/t	USD 165/169	x
Corn, FOB France	USD 191/194	x
Corn, FOB Romania	USD 172/175	x
Corn, FOB Russia	USD 169/172	x
Sorghum, FOB Texas	USD 193/197	X
Sorghum, FOB Argentina port	USD 163/167	x
Soymeal, 48% protein, FOB NOLA	USD 328/332	X
Soymeal, 48% protein, USA, Rotterdam	USD 353/357	x
Soymeal, Argentina, Rotterdam	USD 340/343	x
Soymeal, 47% pro, FOB Argentina	USD 309/313	x
Soymeal, 48% protein, Brazil, Rotterdam	USD 328/333	x
Soymeal, 48% protein, FOB Brazil	USD 313/318	x
Soymeal, 48% protein, FOB India	USD 330/335	x
Soybeans, FOB NOLA	USD 367/371	x
Soybeans, Argentina, FOB	USD 358/365 Sep/Oct	x
Soybeans, Brazil, FOB	USD 370/375 Sep/Nov	x
Soybeans, Black Sea	USD 370/375	x
Corn Gluten Meal, USA FOB NOLA	USD 590/600 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 137/141 m/t	x
DDGS corn, 35 profat, USA FOB NOLA	USD 172/176 m/t	x

The trade reports that US domestic DDGS prices moved a little higher although the USDA weekly price report doesn't really support this. Export prices for all corn by-products: DDGS, corn gluten meal and corn gluten feed were quite steady on the week. With the slight weakness that was seen in corn prices this week perhaps there will be a little downward pressure on export prices for next week.

The USDA price report showed corn gluten feed prices to be down by USD 4 to 5 m/t in the domestic market but this was not seen in export pricing as yet. The USDA also showed corn gluten meal to be down by about USD 2 m/t on average but this small change made no difference to export prices.

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 500/510 m/t CNF Asia
Paraguay Meat & Bone meal, 45% protein	USD 420/430 m/t CNF Asia
Australian MBM 45% protein	USD 450/470 m/t CNF Asia



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Australian MBM 50% protein	USD 500/520 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 530/540 m/t CNF Asia
Australian Poultry Meal, pet food	USD 800/820 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 500/520 m/t CNF Asia
USA Feathermeal, 80% protein	USD 530/540 m/t CNF Asia
USA Poultry Meal, feed grade	USD 670/680 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 850/870 m/t CNF Asia

It was a quiet week for animal proteins this week – perhaps everyone was off on holidays – August is the traditional holiday month for many countries. It certainly is holiday time here in France and all the French have disappeared and been replaced by the Belgians, Italians, Dutch and Spanish. Well enough of that holiday stuff.

Export animal protein prices from major exporters seemed to be steady on the week although some sellers were looking for slightly higher prices but there didn't seem to be any buyers with any interest.

According to reports out of the US animal protein buyers are watching the vegetable protein prices very closely and don't want to do much serious buying until they can determine which is the best buy – animal protein or vegetable protein. With this week being quite a calm week for soybeans and soymeal there was not much reason to be buying.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

All has been very quiet in Peru in the past week --- a few small old lots traded but nothing exciting happening. There hasn't been any new interest in booking for the next season – too early for sellers to make any serious commitments and, as usual, buyers will wait for lower prices.

MSI Ceres mentioned this week that there are stories that the next season may be delayed until November --- all due to spawning and such. Of, course, as MSI Ceres points out, the later fishing starts the more difficult it will be to land the full quota. They also mention that there is talk of a reduced fishing quota for the next season but it is too early to know what might happen.

It was interesting reading the IFFO report this week – the 2017 catch numbers for Peru, Chile, Denmark/Norway and Iceland/North Atlantic are close to double those for 2016 with the biggest increase being in Peru but everyone is up on the year. Total year to date fishmeal production is at about 1.44 million m/t, up from 735,000 last year --- with 50% of the production coming from Peru at 726,000 m/t. Overall, 2017 fishmeal production is up by 96% over 2016. Fishoil production is also higher and is up by 72% to 282,000 m/t – Peru is only 37% of fishoil production with Chile being about 26% and Denmark/Norway another 26%. Every region covered by the IFFO summary report has shown a good increase in both fishmeal and fishoil production,

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,510
Danish fishmeal	64% protein	1,375
Peru fishmeal	64% protein	1,250
Chile fishmeal	67% protein	1,300
Iceland fishmeal	70% protein	1,465



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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	1100/1120 m/t	
65/66 protein	1150/1170 m/t	
67% protein standard steam	1200/1220 m/t	
67% protein 150 TVN	1300/1320 m/t	1360/1380
67% protein 120 TVN	1350/1370 m/t	1380/1400
67% protein 1000 hist, 120 TVN	1400/1420 m/t	1400/1420
68% protein 500 hist, 120 TVN	1450/1470 m/t	1450/1470
Fish oil, crude bulk	1400/1450	1200/1250
Fish oil, crude drums	1500/1550	
Fish oil, flexi tank	1600/1650	
Fish oil, Omega 3: 28%EPA/DHA	1800/1900	

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

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