



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT September 01, 2018

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

The grain/oilseed markets were a little quieter this week – perhaps due to the US holiday on Monday.

Soybean prices were down by about USD 5 m/t this week along with soymeal which was down by close to USD 10 m/t – the soya prices just keep moving lower. Although both soybeans and soymeal had an up day on Friday or their prices would have been even lower.

Another private sector crop estimate came out this week and for soybeans it was looking for yields well above the USDA estimates – perhaps there is more room for soybeans to slip lower as the crop grows bigger.

Corn prices didn't do much this week but were moving higher on Friday. Reports say that some of the early corn harvest in the US south is not as good as had been expected which might bump corn prices up a little, but it is still very early in the corn harvest to expect any major crop estimate changes.

All wheat prices were up a little on the week as we follow on with the up and down prices seen every week in wheat. At present there doesn't seem to be much of a trend established for wheat prices. Just up and down as the market mood changes day to day.

Crop Situation and Condition – USA and France

France	Very poor %	Poor %	Fair %	Good %	Very Good %
Condition					
Barley, spring	1	5	21	70	3
Corn	4	12	23	56	5
Harvested	This week %	Last week %	This week 2017		
USA	Very poor %	Poor %	Fair %	Good %	Very Good %
Condition					
Corn	4	8	20	47	21
Sorghum	5	12	30	44	9
Soybeans	3	8	23	49	17
Barley	1	3	18	65	13
Harvested	This week %	Last week %	This week 2017	Average 2013/17	
Wheat, spring	77	60	73	61	



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Sorghum	20	0	21	21
Barley	80	66	81	72

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)	\$22/23.00	Steady	X
US Gulf Israel: 50,000 m/t	\$30/31.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$29/30.00	Steady	X
US Gulf Turkey: 50,000 m/t	\$31/32.00	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	Steady	X
US Gulf Nigeria: 30,000 m/t	\$43/44.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$33/34.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$38/39.00	Steady	X
US Gulf Japan: Panamax	\$45/46.00	Steady	X
US Gulf China: Panamax	\$44/45.00	Steady	X
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	X
US PNW Japan: Panamax	\$25/26.00	Steady	X
US PNW China: Panamax	\$24/25.00	Steady	X
US East Coast Egypt: Panamax	\$43/44.00	Steady	X
US East Coast Nigeria: Handisize	\$45/46.00	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	\$37/38.00	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	\$28/29.00	Steady	X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$21/22.00	Down \$1.00	X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$13/14.00	Steady	X
France/Germany to Saudi Arabia: 50/60,000	\$26/27.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$25/26.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$18/19.00	Down \$1.00	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	
Argentina to China: 50,000 m/t, with top-off	\$43/44.00	Up \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$42/43.00	Up \$1.00	x
Argentina to Egypt: 50,000 m/t	\$39/40.00	Up \$1.00	X
Argentina to Europe: 50/60,000 m/t	\$38/39.00	Up \$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	\$35/36.00	Steady	X
Argentina to Saudi Arabia: 50,000 m/t	\$31/32.00	Steady	X
Argentina to South Africa 50,000 m/t	\$28/29.00	Steady	X
Argentina to Spain: 50,000 m/t	\$38/39.00	Up \$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	\$20/21.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$27/28.00	Steady	X
Brazil to China: 55,000 m/t	\$37/38.00	Up \$1.00	x
Brazil to Japan: 55,000 m/t	\$38/39.00	Up \$1.00	X
Brazil to Europe: 50,000 m/t	\$33/34.00	Steady	X



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Brazil to Morocco: 25/30,000 m/t	\$25/26.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$36/37.00	Steady	X
Brazil to Spain: 50,000 m/t	\$32/33.00	Steady	X
Brazil to Turkey/Egypt: 50,000 m/t	\$35/36.00	Up \$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)	\$24/25.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$28/29.00	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 dich)	\$15/16.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$24/25.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$43/44.00	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	\$21/22.00	Steady	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	Down \$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	\$32/33.00	Up \$1.00	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	Down \$1.00	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$18/19.00	Up \$1.00	X
Baltic Dry Index	1579	Down 98	X
Baltic Capesize Index	2732	Down 432	X
Baltic Panamax Index	1571	Down 59	X
Baltic Supramax Index	1132	Up 137	X
Baltic Handisize Index	562	Up 11	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 2018/November 2018

Wheat, USA Soft Red Winter, NOLA	USD 224/228 Oct/Dec	x
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 251/255 Oct/Dec	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 209/213	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 220/225	x
Wheat, Romania 12.5 pro	USD 220/225	X
Wheat, Superior, France, Rouen	USD 242/244 new crop	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 220/225 Dec/Jan 2019	X



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Wheat, feed, Black Sea	USD 203/207	X
Barley, France, Rouen port	USD 244/246 new crop	X
Barley, feed, Argentina	USD 178/182	X
Barley, feed, Black Sea, 30,000+	USD 230/233 Oct/Nov	X
Barley, feed, USA Pacific Northwest	USD 220/225	X
Corn, 2YC FOB NOLA USA	USD 165/168	X
Corn, 3YC FOB USA Pacific northwest	USD 177/182	X
Corn, FOB Argentina port, Upriver	USD 160/164	X
Corn, FOB Brazil port	USD 170/174	X
Corn, FOB France - Atlantic	USD 218/221	X
Corn, FOB Romania	USD 178/181 Oct/Nov	X
Corn, FOB Russia	USD 190/194	X
Corn, FOB Ukraine, 30,000+ m/t	USD 174/179 Oct/Nov	X
Sorghum, FOB Argentina port	USD 158/164	X
Sorghum, FOB Texas	USD 184/188	X
Soymeal, 48% protein, FOB NOLA	USD 357/361	x
Soymeal, 48% protein, USA, Rotterdam	USD 382/386	x
Soymeal, Argentina, Rotterdam	USD 366/369	X
Soymeal, 47% pro, FOB Argentina	USD 328/332	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 367/370	X
Soymeal, 48% protein, FOB Brazil	USD 337/341	X
Soybeans, FOB NOLA	USD 320/324	X
Soybeans, Argentina, FOB	USD 368/372	X
Soybeans, Brazil, FOB	USD 376/381	X
Soybeans, Black Sea	USD no prices	X
Corn Gluten Meal, USA FOB NOLA	USD 570>>550 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 180>>175 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 203/208	X

Corn by-product prices weren't doing much this week as buyer interest seemed to be very low – perhaps due to the long weekend in the US.

Perhaps buyers are all well covered for supply of perhaps they are waiting for some break in prices.

Several DDGS producers are down for repairs and such prior to the arrival of the new corn crop but this has not had too much effect on prices as the supply still seems to be quite good.

There doesn't seem to be much reason to expect any rally in prices but then prices also don't seem to be wanting to go any lower. Looks like – steady as she goes for prices.

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



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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
USA Feathermeal, 80% protein	USD 370/390 to Indonesia
USA Poultry Meal, feed grade	USD 630/640 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 600/620 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 820/840 m/t CNF Asia

Animal protein prices into Asia were steady this week with stories that low prices for US meat and bone meal were keeping prices down – even though Australia and New Zealand prices tried to move higher.

There is some feeling that MBM prices will be moving higher soon and there is already some upward pressure on both feather meal and poultry meal due to good demand but limited supply.

On the US domestic side of things there seems to be more supply than demand which is keeping US animal protein prices down and certainly providing some reasonable export prices.

Experts are saying that US feather meal prices should move lower and that we will probably see a continued oversupply of animal proteins for a few weeks – just too many lower cost vegetable alternatives.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

This week there was still no fishing in the south of Peru as the weather is just too bad for much fishing. The IMARPE research cruise is on the way -- two vessels being used – with the cruise expected to take 30 to 45 days – ending in November.

China is reported to be back in the market in Peru with prices about as shown below for December/January shipment.

The latest thoughts on the next fishing quota seem to be that it will not exceed 2 million m/t and wont start until late November.

Estimates have it that about 70,000 m/t of fishmeal has been presold for the next season – this would be about 15% of estimated production. The lower estimate for the next quota may just get some major buyers interested in locking in some supply just in case the quota is even lower or just for safety – so we could see the presold volume take a jump higher.

There is nothing to report on any actual sales and shipments since there is nothing to sell and no one looking for spot shipments.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,800
Danish fishmeal	64% protein	1,485
Peru fishmeal	64% protein	1,480
Chile fishmeal	67% protein	1,530
Iceland fishmeal	70% protein	1,750



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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

<u>Specification</u>	<u>Price per m/t FOB vessel Peru port</u>	<u>Price per m/t Chile port</u>
65/66 protein	1250/1270 m/t	
67% protein standard steam	1300/1320 m/t	
67% protein 150 TVN	1450/1470 m/t	No prices
67% protein 120 TVN	1500/1520 m/t	1530/1550
67% protein 1000 hist, 120 TVN	1550/1570 m/t	1600/1620
68% protein 500 hist, 120 TVN	1600/1620 m/t	1610/1630
Fish oil, crude bulk	1450/1470	1400/1450
Fish oil, crude drums	1500/1520	
Fish oil, flexi tank	1600/1620	
Fish oil, Omega 3: 28%EPA/DHA	1700/1800	

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

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