



# 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: [wbacon@hammersmith.biz](mailto:wbacon@hammersmith.biz)  
WWW: [hammersmithltd.blogspot.com](http://hammersmithltd.blogspot.com) SKYPE: bacon39a

Representative Office : Phone +33.6.8068.4564  
3 Avenue Marie Gasquet, St Remy de Provence, 13210 France

## WEEKLY USA GRAIN AND PROTEIN REPORT September 12, 2020

Here we are with USDA WASDE week and, even though most experts said that it was a neutral report, market prices had quite a strong reaction.

By the time that all was said and done on Friday we had old crop corn up by USD 7 or 8 m/t but only up be about USD 4 m/t for new crop. Soybeans jumped by about USD 7 m/t after the report and finished the week up by about USD 14 m/t for old crop beans and about USD 10 m/t for new crop. Soymeal was up by about USD 10 m/t for all. Wheat was the only item that slipped a little with winter wheat down by about USD 3 m/t while spring wheat was down by USD 4 m/t or so.

The WASDE report for corn had US crop yields down by about 3.4% which had been expected but was just a little below the average trade estimates. Weather for the corn area of the US is mixed with some dry, some wet and some very wet. The WASDE has total corn production dropping by 2.5% from the last report. So, with lower yields and lower production and good exports, prices had no choice but to move higher.

Soybeans jumped higher on the week, much of it after the WASDE, on lower crop yields and a drop in ending stocks. Actual production is not down by that much, but the high level of exports sales to China makes people wonder how many beans will be left available. The USDA didn't increase export levels, but the trade seems to be quite convinced that exports of soybeans will exceed everyone's expectations.

Wheat slipped a little lower on a bearish world production level – seems that most everyone has lots of wheat with world wheat stocks moving higher and much better production in some countries being more than enough to cover poor production in other countries.

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

A number of corrections were made to the freight estimates this week due to an error that had crept into the system recently – these are marked as "corrected". Rates are still being verified for Nigeria and Yemen.

US Gulf to Europe: Panamax (10,000 disch)	\$20/21.00	Steady	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$20/21.00	Steady	X
US Gulf Israel: Panamax m/t	\$29/30.00	Down \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$29/30.00	Down \$1.00	X
US Gulf Turkey: Panamax m/t	\$30/31.00	Down \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$40/41.00	Down \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$40/41.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$57/58.00	Down \$4.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$41/42.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$31/32.00	Corrected	x
US Gulf Japan: Panamax	\$44/45.00	Down \$1.00	X
US Gulf China: Panamax	\$43/44.00	Down \$1.00	X
US PNW South Africa – 40,000 m/t	\$40/41.00	Steady	X
US PNW Japan: Panamax	\$24/25.00	Down \$1.00	X

-



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

US PNW China: Panamax	\$23/24.00	Down \$1.00	X
US East Coast Egypt: Panamax	\$34/35.00	Corrected	X
US East Coast Nigeria: Handisize	\$61/62.00	Down \$2.00	X
US Lakes – Europe – 30,000 m/t	\$43/44.00	Steady	X
US Lakes – Morocco – 30,000 m/t	\$44/45.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$21/22.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$44/45.00	Corrected	X
France/Germany to China: Panamax	\$38/39.00	Steady	X
France/Germany to Egypt: Panamax (10,000 dis)	\$18/19.00	Steady	X
France/Germany to India: Panamax	\$35/36.00	Corrected	X
France/Germany to Jordan: 35/45,000 (4k dis)	\$39/40.00	Down \$1.00	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$25/26.00	Down \$1.00	X
France/Germany to Saudi Arabia: Panamax	\$37/38.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Corrected	X
France/Germany to Turkey: 35,000 m/t	\$20/21.00	Steady	X
France/Germany to Yemen: 30,000 m/t	\$55/56.00	Corrected	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$30/31.00	Steady	X
Argentina to China: Panamax, with top-off	\$37/38.00	Steady	X
Argentina to Japan: Panamax, with top-off	\$36/37.00	Steady	X
Argentina to Egypt: Panamax	\$27/28.00	Steady	X
Argentina to Europe: Panamax	\$20/21.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$28/29.00	Down \$1.00	X
Argentina to Jordan: Panamax	\$40/41.00	Corrected	x
Argentina to Saudi Arabia: Panamax	\$41/42.00	Down \$1.00	X
Argentina to South Africa: Panamax	\$26/27.00	Corrected	X
Argentina to Spain: Panamax	\$20/21.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$30/31.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to China: Panamax	\$33/34.00	Steady	X
Brazil to Japan: Panamax	\$32/33.00	Steady	X
Brazil to Europe: Panamax	\$24/25.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$39/40.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$38/39.00	Corrected	X
Brazil to Spain: Panamax	\$24/25.00	Steady	X
Brazil to Turkey/Egypt: Panamax	\$29/30.00	Steady	X
Australia to China: Panamax – round trip	\$17/18.00	Steady	X
Australia to Japan: Panamax – round trip	\$21/21.50	Corrected	X
Australia to Saudi Arabia: Panamax	\$23/24.00	Corrected	x
Ukraine to China: Panamax	\$28/29.00	Down \$1.00	X
Ukraine to Bangladesh, Panamax	\$40/42.00	Corrected	X
Ukraine to India, Panamax	\$36/38.00	Corrected	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$17/18.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$22/23.00	Up \$2.00	X
Ukraine to Turkey: coaster (1,000 disch)	\$17/18.00	Up \$2.00	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$25/26.00	Up \$4.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$15/16.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$16/17.00	Down \$1.00	X



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$22/23.00	Up \$2.00	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$42/43.00	Up \$5.00	X
Black Sea to Iraq: Panamax (4,000 disch)	\$40/41.00	Corrected	X
Black Sea to Europe: Panamax (8,000 disch)	\$19/20.00	Down \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$20/21.00	Steady	X
Black Sea to Spain: Panamax (8,000 disch)	\$19/20.00	Down \$1.00	X
Black Sea to Jordan: Panamax (5,000 disch)	\$24/25.00	Down \$2.00	X
Black Sea to Libya: 25/35,000 m/t	\$26/27.00	Down \$1.00	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$28/29.00	Down \$2.00	X
Black Sea to Turkey – 30,000 m/t	\$16/17.00	Steady	X
Black Sea to South Africa – 30,000 m/t	\$30/31.00	Corrected	x
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$19/20.00	Down \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1269	Down 93	X
Baltic Capesize Index (100,000 plus DWT)	1818	Down 142	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1337	Down 136	X
Baltic Supramax Index (50,000 to 60,000 DWT)	923	Down 30	x
Baltic Handisize Index (25,000 plus DWT)	562	Down 7	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 October 2020/December 2020

Wheat, USA Soft Red Winter, US Gulf	USD 245/250	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 237/240	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 224/226	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 225/227	X
Wheat, Romania 12.5 pro	USD 223/225	X
Wheat, Superior, France, Rouen	USD 229/231	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 241/243	X
Wheat, feed, Black Sea	USD 218/220	X
Barley, France, Rouen port	USD 207/209	X
Barley, feed, Argentina, up river	USD 194/197	X
Barley, feed, Black Sea, 30,000+	USD 184/187	X
Corn, 2YC FOB NOLA USA	USD 185/188	X
Corn, 3YC FOB USA Pacific northwest	USD 197/200	X
Corn, FOB Argentina port, upriver	USD 181/184	X
Corn, FOB Brazil port	USD 190/193	X
Corn, FOB France – Atlantic	USD 205/207	X
Corn, FOB Romania	USD 186/189	X
Corn, FOB Russia	USD 186/189	X
Corn, FOB Ukraine, 30,000+ m/t	USD 187/190	X
Sorghum, FOB Argentina port	USD 144/147	X
Sorghum, FOB Texas	USD 250/255	X

-



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Soymeal, 48% protein, FOB NOLA	USD 375/378	X
Soymeal, 48% protein, USA, Rotterdam	USD 400/403	X
Soymeal, Argentina, Rotterdam	USD 407/410	X
Soymeal, 47% pro, FOB Argentina	USD 368/371	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 407/410	X
Soymeal, 48% protein, FOB Brazil	USD 377/380	X
Soybeans, FOB NOLA	USD 410/413	X
Soybeans, Argentina, FOB	USD 408/411	X
Soybeans, Brazil, FOB	USD 433/436	X
Soybeans, Black Sea	No info	x
Corn Gluten Meal, USA FOB NOLA	USD 515>>535 m/t Oct>>DEC	X
Corn Gluten Feed, USA FOB NOLA	USD 175/180 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 217/223 m/t	x

The US Grains Council (USGC) report this week says that US DDGS consumption could be looking for an increase for the balance of 2020 and this could lead to higher prices. Of course, with corn and soymeal moving higher there is little reason for DDGS prices to be steady. The USGC also says that export interest for the balance of 2020 looks good --- many reasons to expect higher prices.

Funny, but as corn and DDGS moved higher the indicated prices for corn gluten meal moved lower this week – some say that the lower prices are due to improved logistics rather than anything to do with supply/demand. However, if corn prices do continue to increase it is not expected that CGM prices will drop lower.

## Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 410/430 m/t CNF Asia
Australian MBM 50% protein	USD 455/475 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 420/440 m/t CNF Asia
Australian Poultry Meal, pet food	USD 780/800 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 450/470 m/t CNF Asia
	USD 320/340 to Indonesia
USA Feathermeal, 80% protein	USD 440/460 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 420/440 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 800/840 m/t CNF Asia

Meat and bone meal prices from Australia moved a little higher this week as supply is tightening – the cattle slaughter numbers are down by 28% from last year. Experts say that the MBM supply from both OZ and New Zealand is going to stay tight. Higher prices are expected for export.

Business was quiet in the US, probably due to the 4 day week after the Labor Day holiday. Trade reports this week suggest that prices for all animal proteins should be moving higher as has been seen in soymeal.

The recent weakness in the US dollar has helped keep up export demand for US animal proteins.

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

There is still no fishing in the south of Peru.

-



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Nothing to report yet from the IMARPE Cruise, it will be a few weeks yet for results.

Other than loading containers with fishmeal, all is quiet in Peru this week. Buyers in China seem to be quite happy with the bookings that they have made for the next season – China probably won't be back in the Peru market until there is some information on what the next fishing season could be like.

China is seeing quite a bit of fishmeal arriving from Peru and other origins along with local fishmeal production, so there is little incentive for China to be buying more for now.

It looks like all will remain quiet until we get some news (or rumor) from the IMARPE Cruise.

I see from reports today that Peru is number 5 in the list of COVID19 infections in the world and number 2 in South America behind Brazil. South America is being hit extremely hard.

## PERU "INDICATION" FISHMEAL PRICES:

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

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,730
Danish fishmeal	64% protein	1,460
Peru fishmeal	64% protein	1,445
Chile fishmeal	67% protein	1,480
Iceland fishmeal	70% protein	1,680

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	1120/1140 m/t	
67% protein standard steam	1210/1230 m/t	
67% protein 150 TVN	1320/1340 m/t	1320/1340 m/t
67% protein 120 TVN	1370/1390 m/t	1370/1390 m/t
67% protein 1000 hist, 120 TVN	1420/1440 m/t	1420/1440 m/t
68% protein 500 hist, 120 TVN	1470/1490 m/t	1450/1470 m/t
Fish oil, crude bulk	2000/2100	1900/2000
Fish oil, crude drums	2050/2150	
Fish oil, flexi tank	2150/2250	
Fish oil, Omega 3: 28%EPA/DHA	2200/2300	

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

-



## Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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 © 2020 Wayne S. Bacon