



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT September 23, 2017

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

US Soybeans and soymeal were the most active markets this week with beans rallying by about USD 6 m/t while soymeal was up by closer to USD 8 m/t.

Soybeans are now at the highest level in close to two months, pushed up by never-ending new export sales reports. The new sales of soybeans just don't seem to want to slow down.

Weather in the US has been very good for an early harvest with hot weather bringing the corn and soybean crops to maturity a little earlier than usual. This weekend could be a big early harvest weekend in some area of the US.

Not much happened to corn prices this week but there could be some harvest pressure on prices over the next couple of weeks as the combines run up and down the fields. The recent hot weather is expected to end and be replaced by much cooler weather and some rain – this could slow the harvest in some areas.



Corn harvest on a cloudy day

Wheat prices were a little higher this week. Experts say the wheat rally was due to estimates of a smaller Australian wheat crop and stories of some dry weather conditions in the Ukraine. There wasn't great amount of wheat business to be seen so the rally may just be a short-term bump in prices.



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Crop progress and condition --- USA and France

	Harvested	Very poor %	Poor %	Fair %	Good %	Excellent %
Condition USA Sep 17, 2017						
Corn	7%	4	9	26	48	13
Soybeans	4%	3	9	29	48	11
Sorghum	29%	2	6	27	53	12
Condition France Sep 18, 2017		Very poor %	Poor %	Fair %	Good %	Excellent %
Corn	2%	0	4	16	63	17

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$16.50/17.00	Steady	x
US Gulf to Spain: 30,000 m/t (5,000 disch)	\$24/25.00	Steady	x
US Gulf Israel: 50,000 m/t	\$28/29.00	Steady	x
US Gulf to Egypt: Panamax (6,000 disch)	\$26/27.00	Down \$1.00	x
US Gulf Turkey: 50,000 m/t	\$28/29.00	Steady	x
US Gulf Morocco: 30,000(5,000 disch)	\$28/29.00	Steady	x
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$29/30.00	Steady	x
US Gulf Nigeria: 30,000 m/t	\$39/40.00	Steady	x
US Gulf other Med: 30,000 MT(5,000 disch)	\$32/33.00	Steady	x
US Gulf South Africa: 45,000 m/t	\$38/39.00	Steady	x
US Gulf Japan: Panamax	\$42/43.00	Steady	x
US Gulf China: Panamax	\$41/42.00	Steady	x
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	x
US PNW Japan: Panamax	\$24/25.00	Up \$1.00	x
US PNW China: Panamax	\$23/24.00	Up \$1.00	x
US East Coast Egypt: Panamax	\$47/48.00	Steady	x
US East Coast Nigeria: Handisize	\$43/44.00	Down \$3.00	x
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$13/14.00	Down \$1.00	X
France/Germany to China: 50,000 m/t	\$31/32.00	Steady	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	\$21/22.00	Down \$1.00	X



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France/Germany to Yemen: 30,000 m/t	\$48/49.00	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	\$40/41.00	Steady	X
Argentina to Japan: 50,000 m/t, with top-off	\$41/42.00	Steady	X
Argentina to Egypt: 50,000 m/t	\$25/26.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$23/24.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$22/23.00	Steady	x
Argentina to Saudi Arabia: 25/30,000 m/t	\$46/47.00	Steady	x
Argentina to South Africa 25/30,000 m/t (3k disch)	\$34/35.00	Up \$1.00	x
Argentina to Spain: 30,000 m/t	\$22/23.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$25/26.00	Steady	x
Argentina to US Gulf: 25/35,000 m/t	\$20/21.00	Up \$1.00	x
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$26/27.00	Steady	x
Brazil to China: 55,000 m/t	\$33/34.00	Up \$1.00	X
Brazil to Japan: 55,000 m/t	\$34/35.00	Up \$1.00	X
Brazil to Europe: 50,000 m/t	\$21/22.00	Up \$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	\$33/34.00	Steady	X
Brazil to Turkey/Egypt: 50,000 m/t	\$23/24.00	Steady	X
Australia to China: 40-55,000 m/t – round trip	\$20.00/20.50	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	\$32/33.00	Up \$1.00	X
Ukraine to Bangladesh: 45,000 m/t	\$30/31.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$26/27.00	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$11/12.00	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)	\$13/14.00	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)	\$23/24.00	Steady	x
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$43/45.00	Up \$3.00	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$31/32.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$14/15.00	Steady	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$16/17.00	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	\$20/21.00	Down \$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	\$12/13.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$15/16.00	Steady	X
Black Sea to Yemen: 50,000 m/t	\$24/25.00	Steady	X
Baltic Dry Index	1502	Up 117	X
Baltic Capesize Index	3147	Up 462	X
Baltic Panamax Index	1493	Down 28	X
Baltic Supramax Index	1061	Up 84	X
Baltic Handysize Index	596	Up 60	x



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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 2017/December 2017

Wheat, USA Soft Red Winter, NOLA	USD 196/199	x
Wheat, USA Hard Red Winter 12 protein -NOLA	USD 235/241 high protein Premium	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 173/177	x
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 183/188	x
Wheat, Romania 12.5 pro	USD 185/190	x
Wheat, Superior, France, Rouen	USD 193/195	x
Wheat, milling, 12.0%, Argentina, upriver	USD 181/186 new crop Dec	X
Wheat, feed, Black Sea	USD 167/171	x
Barley, France, Rouen port	USD 186/188	x
Barley, feed, Argentina	USD 184/188 new crop Dec	X
Barley, feed, Black Sea, 30,000+	USD 173/176	x
Barley, feed, USA Pacific Northwest	USD 220/225	x
Corn, FOB NOLA USA	USD 155/159	X
Corn, FOB USA Pacific northwest	USD 172/176 Nov/Dec	x
Corn, FOB Argentina port, upriver	USD 150/157	x
Corn, FOB Brazil port	USD 154/160	x
Corn, FOB Ukraine, 30,000+ m/t	USD 157/161	x
Corn, FOB France	USD 186/189	x
Corn, FOB Romania	USD 166/171	x
Corn, FOB Russia	USD 158/163	x
Sorghum, FOB Texas	USD 187/191	x
Sorghum, FOB Argentina port	USD 159/164	x
Soymeal, 48% protein, FOB NOLA	USD 342/346	X
Soymeal, 48% protein, USA, Rotterdam	USD 367/371	x
Soymeal, Argentina, Rotterdam	USD 352/356	x
Soymeal, 47% pro, FOB Argentina	USD 323/328	x
Soymeal, 48% protein, Brazil, Rotterdam	USD 347/350	x
Soymeal, 48% protein, FOB Brazil	USD 316/319	x
Soymeal, 48% protein, FOB India	USD 425/428	x
Soybeans, FOB NOLA	USD 388/392	x
Soybeans, Argentina, FOB	USD 386/390	x
Soybeans, Brazil, FOB	USD 389/393	X
Soybeans, Black Sea	USD 378/382	x
Corn Gluten Meal, USA FOB NOLA	USD 580/590 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 144/147 m/t	x
DDGS corn, 35 profat, USA FOB NOLA	USD 174/177 m/t	x

Another quite quiet week for corn by-products as most export prices were steady on the week with export demand just balancing export supply. There was comment in the trade that DDGS prices



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could move a little higher due to the number of producers that are closed for annual facility maintenance.

There has also been talk of container freight rate increases that could push CNF export prices a little higher before the end of 2017.

The USDA average pricing for the week shows corn gluten feed prices down by about USD 1.00 with corn gluten meal prices unchanged and DDGS prices between USD 2 higher and USD 2 lower per m/t.



DDGS Storage

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 425/435 m/t CNF Asia
Australian MBM 50% protein	USD 470/480 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 450/460 m/t CNF Asia
USA Feathermeal, 80% protein	USD 520/530 m/t CNF Asia
USA Poultry Meal, feed grade	USD 670/680 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 800/810 m/t CNF Asia

Animal protein prices to Asian markets moved lower again this week – in particular to Indonesia, the biggest import market. Good export stock levels coupled with lower demand to pressure seller's prices. According to the Jacobsen report, much of the October buying has been done with no one much wanting anything new before November.

Domestic prices for meat and bone meal are reported to be lower in the US and Australia as demand has moved to soymeal from MBM. There certainly seem to be more sellers in the market than buyers.

Feathermeal and pet food grade poultry meal were also lower this week, again, largely due to buyer demand moving to less expensive soymeal.



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SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

What is there to say between fishing seasons when almost everything has been sold – one has to make up exciting stories or quote boring statistics.

There have been some reports about a little more in Peru new season sales being booked, at about the same prices as shown below. MSI Ceres estimates advance sales are now up to about 70,000 m/t.

And on the statistics side, up to the end of August, Peru exported 932,000 m/t of fishmeal with 773,000 m/t (83.0%) going to China. Vietnam, Japan and Taiwan take a total of 98,000 m/t (10.3%). So, that shows Asia is taking 93% of Peru’s fishmeal exports – no surprise there.

There is a one-week holiday coming up in China on October 1st – Golden Week – we could see some increased buying from China before the holidays.

There was an interesting article this week about a Finnish company that is working on turning sawdust into protein for use in fish feed. Trying to make protein from sawdust is quite a complicated process but the company says that their research should be finished by the end of 2017. According to the news story, wood bark had been used for making bread in Ireland back in the early 1900’s – so parts of the process are well known.



Bagging Fishmeal

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,560
Danish fishmeal	64% protein	1,400
Peru fishmeal	64% protein	1,370
Chile fishmeal	67% protein	1,415
Iceland fishmeal	70% protein	1,600

PERU “INDICATION” FISHMEAL PRICES:

ALL PRICES SHOWN ARE IN CONTAINER, ON VESSEL, AT ORIGIN --- US DOLLARS

Minimum shipment of 200 m/t for fishmeal



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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	1460/1480
Fish oil, crude bulk	1500/1550	1300/1350
Fish oil, crude drums	1600/1650	
Fish oil, flexi tank	1700/1750	
Fish oil, Omega 3: 28%EPA/DHA	1900/2000	

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

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