



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT September 30, 2017

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

Soybeans and soymeal took a hit this week with beans down by about USD 6 m/t and soymeal by USD 3 to 5 m/t. Corn prices seemed quite steady on the week but US spring wheat was down by about USD 5 m/t.

Soybeans were down early in the week but did push up a little on Friday after the USDA stocks report but not enough of a push to overcome the drop earlier. However, the Friday futures market for soybeans and meal did end on a push higher so there is a good chance that next week may see the trend to higher levels continue. The cause of the soybean/meal rally was lower stock levels in September which carry through the year causing lower stock levels in 2017/18. This was enough to get the market excited.

Corn wasn't nearly as exciting as soybeans, although Friday was a bit of an up day for prices. Corn stocks were seen to be just a little lower by the USDA but not enough lower to cause any market excitement. A number of trade comments on Friday implied that corn prices could easily creep higher over the next couple of weeks, supported somewhat by the lower stock number.

Spring wheat was lower this week as the USDA stock and production numbers were higher than the trade had expected which helped move prices down by USD 7 to 9 m/t. There could be some room for spring wheat to move even lower.

Crop progress and condition --- USA and France

	Harvested	Very poor %	Poor %	Fair %	Good %	Excellent %
Condition USA Sep 24, 2017						
Corn	11%	4	9	26	47	14
Soybeans	10%	3	9	28	49	11
Sorghum	32%	2	6	28	52	12
Condition France Sep 25, 2017		Very poor %	Poor %	Fair %	Good %	Excellent %
Corn	5%	0	4	16	62	18



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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)	\$23/24.00	Down \$1.00	X
US Gulf Israel: 50,000 m/t	\$26/27.00	Down \$2.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$25/26.00	Down \$1.00	X
US Gulf Turkey: 50,000 m/t	\$27/28.00	Down \$1.00	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	\$36/37.00	Down \$1.00	X
US PNW Japan: Panamax	\$23/24.00	Down \$1.00	X
US PNW China: Panamax	\$22/23.00	Down \$1.00	X
US East Coast Egypt: Panamax	\$46/47.00	Down \$1.00	X
US East Coast Nigeria: Handisize	\$41/42.00	Down \$2.00	x
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$13/14.00	Steady	X
France/Germany to China: 50,000 m/t	\$30/31.00	Down \$1.00	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$15/16.00	Down \$1.00	X
France/Germany to India: 50,000 m/t	\$21/22.00	Down \$1.00	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	\$20/21.00	Down \$1.00	X
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	\$38/39.00	Down \$2.00	x
Argentina to Japan: 50,000 m/t, with top-off	\$39/40.00	Down \$2.00	X
Argentina to Egypt: 50,000 m/t	\$24/25.00	Down \$1.00	X
Argentina to Europe: 50/60,000 m/t	\$22/23.00	Down \$1.00	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	\$47/48.00	Up \$1.00	X
Argentina to South Africa 25/30,000 m/t (3k disch)	\$35/36.00	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	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$27/28.00	Up \$1.00	x
Brazil to China: 55,000 m/t	\$33/34.00	Steady	X
Brazil to Japan: 55,000 m/t	\$34/35.00	Steady	X
Brazil to Europe: 50,000 m/t	\$21/22.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$26/27.00	Up \$1.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$33/34.00	Steady	x
Brazil to Turkey/Egypt: 50,000 m/t	\$22/23.00	Down \$1.00	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



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Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	x
Ukraine to China: 50,000 m/t	\$30/31.00	Down \$2.00	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)	\$12/13.00	Down \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$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	Steady	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)	\$15/16.00	Down \$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	\$22/23.00	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	\$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	1356	down 146	x
Baltic Capesize Index	2738	Down 409	x
Baltic Panamax Index	1308	Down 185	x
Baltic Supramax Index	1021	Down 40	X
Baltic Handysize Index	616	Up 20	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 2017/December 2017

Wheat, USA Soft Red Winter, NOLA	USD 193/198	x
Wheat, USA Hard Red Winter 12 protein -NOLA	USD 232/236 high protein Premium	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 183/188	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 190/194	X
Wheat, Romania 12.5 pro	USD 190/195	X
Wheat, Superior, France, Rouen	USD 193/195	X
Wheat, milling, 12.0%, Argentina, upriver	USD 186/191 new crop Dec	X
Wheat, feed, Black Sea	USD 171/176	X
Barley, France, Rouen port	USD 188/191	X
Barley, feed, Argentina	USD 184/188 new crop Dec	X
Barley, feed, Black Sea, 30,000+	USD 178/183	X
Barley, feed, USA Pacific Northwest	USD 220/225	x
Corn, FOB NOLA USA	USD 162/165	X
Corn, FOB USA Pacific northwest	USD 168/173 Nov/Dec	X



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Corn, FOB Argentina port, upriver	USD 149/154	X
Corn, FOB Brazil port	USD 156/160	X
Corn, FOB Ukraine, 30,000+ m/t	USD 160/164	X
Corn, FOB France	USD 190/193	X
Corn, FOB Romania	USD 166/171	X
Corn, FOB Russia	USD 161/165	X
Sorghum, FOB Texas	USD 188/193	X
Sorghum, FOB Argentina port	USD 159/164	X
Soymeal, 48% protein, FOB NOLA	USD 350/354	X
Soymeal, 48% protein, USA, Rotterdam	USD 375/379	X
Soymeal, Argentina, Rotterdam	USD 353/357	X
Soymeal, 47% pro, FOB Argentina	USD 321/325	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 347/352	X
Soymeal, 48% protein, FOB Brazil	USD 316/319	X
Soymeal, 48% protein, FOB India	USD 425/428	X
Soybeans, FOB NOLA	USD 381/386	X
Soybeans, Argentina, FOB	USD 378/383	x
Soybeans, Brazil, FOB	USD 383/388	x
Soybeans, Black Sea	USD 377/381	x
Corn Gluten Meal, USA FOB NOLA	USD 575/580 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 144/147 m/t	x
DDGS corn, 35 profat, USA FOB NOLA	USD 178/181 m/t	X

There was little or no change in corn by-product prices this week as buyers seemed to be standing aside and waiting for a little price weakness. However, with soymeal prices being a tad on the stronger side it is difficult to expect that DDGS, corn gluten meal or corn gluten feed prices will be lower.

The latest USDA average price report shows domestic US CGF prices up by just under USD 3 m/t while corn gluten meal prices are up by USD 2 m/t and DDGS prices are mainly steady. However, this week's US Grains Council report has DDGS prices up by USD 2 to 3 m/t with CGF prices a little lower and CGM steady.

There are reports that buyers from Vietnam are in the market for DDGS for the end of 2017 but actual buying seems to have been a little spotty.

Container shipments, minimum 200 m/t

Argentina Meat & Bone meal, 45/50% protein	USD no prices 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 no prices 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 470/480 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



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Sorry but no update on prices from Argentina and Paraguay as I was advised that my indication prices last week were much too low and I haven't been able to get a reliable price update.

According to the trade this week, the meat and bone meal prices into major markets in Asia are lower once again. Trades are said to have been done as low as USD 430 m/t for meat and bone meal but the general market prices are about as shown above. The trade also says that the lower prices seem to be for Indonesia only – but then that is the main import market.

Domestic prices in the US slipped lower again this week with most animal proteins down by about USD 10 m/t. Feathermeal prices in the US were lower by as much as USD 30 m/t on the week so we should see lower export prices in coming days.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

The Peruvian Fisheries ministry has said that conditions look "favorable" for the next fishing season with an expected start in November after the end of the exploratory fishing cruise in October.

The market reports that there was a little more new crop business booked, probably for China, which should bring the presold total up to close to 75,000 m/t of fishmeal.

China's fishmeal imports to the end of August reached 1.2 million m/t with about 60 percent of that coming from Peru – 719,000 m/t. China's fishmeal imports in so far in 2017 are well above last year and the total for 2017 is forecasted to reach 1.45 million m/t. In 2016 only just over 700,000 m/t of fishmeal was imported by China, so this year's 1.2 mm/t is quite a jump in imports.

MSI Ceres mentioned in their report this week that it is possible that 2017 world fishmeal production could reach 5 million m/t with fishoil production up to 950,000 m/t. The interesting thing to this quantity is that every single kilo/pound/ounce will be sold – there are no growing mountains of fishmeal or fishoil.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,540
Danish fishmeal	64% protein	1,395
Peru fishmeal	64% protein	1,375
Chile fishmeal	67% protein	1,425
Iceland fishmeal	70% protein	1,590

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	



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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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