



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY GRAIN AND PROTEIN REPORT November 02, 2019

Not a great deal of change in grain/oilseed prices in the US this week – December corn was up by about USD 1 m/t, January 2020 soybeans were also up by about USD 1 m/t while soymeal was up by less than USD 1 m/t. Even wheat prices didn't do much this week.

Wheat prices did move a little higher on Friday as buyers were looking for bargains after price dipped to recent lows earlier in the week. The USDA reported that farmers were receiving about USD 33 m/t less this August than they were in August 2018 – that is about a 15% drop in income.

While corn prices were very quiet on average there were some reports of strong corn prices in some ethanol production areas of the US as the supply was falling short of the spot demand. The corn harvest has yet to get into full swing and snow storms may make it even more difficult for the coming week. The latest USDA reports are forecasting record corn crops for 2020 due to expected high yields, but this didn't do much to the market – late 2020 is still too far away to be a market factor

China bought some more US soybeans and there is still a great deal of hope for a solution to the US/China trade problems. Supposedly there will be the signing of the first part of an agreement later in November. Brazil's soybean planting is still running well behind last years level but only a little behind the five-year average.

Also, for all grains and oilseeds, experts seem to feel that the November WASDE report will show reduced yields and production for almost all crops versus the October report – if so, this could get prices moving higher (or not).

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$19/20.00		X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$19/20.00		X
US Gulf Israel: 50,000 m/t	\$31/32.00	Down \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$30/31.00	Down \$1.00	X
US Gulf Turkey: 50,000 m/t	\$32/33.00	Down \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$37/38.00		X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$36/37.00		X
US Gulf Nigeria: 30,000 m/t	\$55/56.00		X
US Gulf other Med: 30,000 MT(5,000 disch)	\$39/40.00		X
US Gulf South Africa: 45,000 m/t	\$42/43.00		X
US Gulf Japan: Panamax	\$49/50.00	Down \$1.00	X
US Gulf China: Panamax	\$48/49.00	Down \$1.00	X
US PNW South Africa – 40,000 m/t	\$37/38.00		X
US PNW Japan: Panamax	\$27/28.00	Down \$1.00	X
US PNW China: Panamax	\$26/27.00	Down \$1.00	X
US East Coast Egypt: Panamax	\$56/57.00		X
US East Coast Nigeria: Handisize	\$56/57.00		X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$19/20.00		X



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France/Germany to Bangladesh: 35/45,000 m/t	\$40/41.00		X
France/Germany to China: 50,000 m/t	\$40/41.00		X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$18/19.00		X
France/Germany to India: 50,000 m/t	\$33/34.00		X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$22/23.00		X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$16/17.00		X
France/Germany to Saudi Arabia: 50/60,000	\$31/32.00		X
France/Germany to South Africa: 30,000 m/t	\$44/45.00		X
France/Germany to Turkey: 35,000 m/t	\$18/19.00		X
France/Germany to Yemen: 30,000 m/t	\$52/53.00		X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$31/32.00	Up \$2.00	X
Argentina to China: 50,000 m/t, with top-off	\$40/41.00	Down \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$39/40.00	Down \$1.00	X
Argentina to Egypt: 50,000 m/t	\$24/25.00		X
Argentina to Europe: 50/60,000 m/t	\$24/25.00		X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$27/28.00		X
Argentina to Jordan: 50,000 m/t	\$42/43.00		X
Argentina to Saudi Arabia: 50,000 m/t	\$43/44.00		X
Argentina to South Africa 50,000 m/t	\$43/44.00		X
Argentina to Spain: 50,000 m/t	\$24/25.00		X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$31/32.00	Up \$2.00	X
Argentina to US Gulf: 25/35,000 m/t	\$20/21.00		X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$37/38.00	Up \$1.00	X
Brazil to China: 55,000 m/t	\$37/38.00	Down \$1.00	X
Brazil to Japan: 55,000 m/t	\$36/37.00	Down \$2.00	X
Brazil to Europe: 50,000 m/t	\$28/29.00	Down \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$35/36.00	Up \$1.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$44/45.00		X
Brazil to Spain: 50,000 m/t	\$28/29.00	Down \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$31/32.00	Down \$1.00	x
Australia to China: 40-55,000 m/t – round trip	\$20.50/21		X
Australia to Japan: 40-55,000 m/t – round trip	\$21/21.50		X
Australia to Saudi Arabia: 40-55,000 m/t	\$32/33.00		X
Ukraine to China: 50,000 m/t	\$31/32.00		X
Ukraine to Bangladesh: 45,000 m/t	No prices		X
Ukraine to India: 45/50,000 m/t	No prices		X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$17/18.00	Up \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$25/26.00		X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$25/26.00		X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$17/18.00	Up \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$18/19.00	Up \$2.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$25/26.00		X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$38/39.00		X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$41/42.00		X
Black Sea to Europe: 50,000 m/t	\$20/21.00	Up \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$23/24.00		X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$20/21.00	Up \$1.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$27/28.00		X
Black Sea to Libya: 25/35,000 m/t	\$25/26.00		X



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Black Sea to Saudi Arabia – Jeddah – 50k	\$32/33.00	Up \$2.00	X
Black Sea to South Africa – 30,000 m//t	\$41/42.00		X
Black Sea to Turkey – 30,000 m/t	\$16/17.00	Up \$2.00	x
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$22/23.00	Up \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1697	Down 104	x
Baltic Capesize Index (100,000 plus DWT)	2950	Down 59	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1513	Down 182	X
Baltic Supramax Index (50,000 to 60,000 DWT)	1045	Down 142	X
Baltic Handisize Index (25,000 plus DWT)	580	Down 51	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 November 2019/January 2020

Wheat, USA Soft Red Winter, US Gulf	USD 230/233	x
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 219/222	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 204/207	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 209/212	X
Wheat, Romania 12.5 pro	USD 208/211	X
Wheat, Superior, France, Rouen	USD 201/203	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 193/196	X
Wheat, feed, Black Sea	USD 199/202	X
Barley, France, Rouen port	USD 188/190	X
Barley, feed, Argentina, up river	USD 182/185	X
Barley, feed, Black Sea, 30,000+	USD 186/189	X
Corn, 2YC FOB NOLA USA	USD 177/180	X
Corn, 3YC FOB USA Pacific northwest	USD 195/198	X
Corn, FOB Argentina port, upriver	USD 167/170	X
Corn, FOB Brazil port	USD 170/172	X
Corn, FOB France – Atlantic	USD 187/189	X
Corn, FOB Romania	USD 167/170	X
Corn, FOB Russia	USD 169/172	X
Corn, FOB Ukraine, 30,000+ m/t	USD 168/171	X
Sorghum, FOB Argentina port	USD 144/147	X
Sorghum, FOB Texas	USD 183/186	X
Soymeal, 48% protein, FOB NOLA	USD 340/343	X
Soymeal, 48% protein, USA, Rotterdam	USD 365/368	X
Soymeal, Argentina, Rotterdam	USD 348/351	X
Soymeal, 47% pro, FOB Argentina	USD 314/317	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 343/346	X
Soymeal, 48% protein, FOB Brazil	USD 317/320	X
Soybeans, FOB NOLA	USD 363/366	X



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Soybeans, Argentina, FOB	USD 360/363	X
Soybeans, Brazil, FOB	USD 377/380	X
Soybeans, Black Sea	USD 352/355	X
Corn Gluten Meal, USA FOB NOLA	USD 500/510 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 177/180 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 203/208 m/t	X

All corn by-products moved a little higher this week – this with corn being just a little higher. Corn gluten meal is up by close to USD 10 m/t with corn gluten feed up by USD 3 or so and DDGS up by between USD 3 and 5 m/t.

Domestic prices for DDGS were reported to be quite strong which should push export prices even higher next week. Reports say that it is logistics problems due to winter storms that are pushing prices higher.

While bulk grain freight into major markets in Asia are slipping a little lower it is reported that bulk container freight rates are moving higher and are up by about USD 3 m/t on the week.

No one expects any surprise prices changes in the corn by-product market – things should just follow along with what corn and soybean meal prices do.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 360/370 m/t CNF Asia
Australian MBM 50% protein	USD 400/410 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 540/550 m/t CNF Asia
Australian Poultry Meal, pet food	USD 700/710 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 400/410 m/t CNF Asia USD 380/390 to Indonesia
USA Feathermeal, 80% protein	USD 400/420 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 380/400 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 600/650 m/t CNF Asia

There was some business done in Asia this week with prices remaining steady, but some say that the trend does look to be for lower prices in coming days. The Jacobsen Report was saying that the sellers are outnumbering the buyers for now but that the slaughter levels should start to drop off later this month which on may feel could stop any slide in prices. However, stocks of animal proteins do remain quite large so it may take a while for market price weakness to disappear.

In the US domestic market there is just no strength at all but there could be a little bump up in prices when we get into December and the animal slaughter drops off due to the many holidays late in the month.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

There was actually a little fishing reported in the South of Peru this week – a total of about 1,800 m/t. This is the first fishing in several weeks.

According to the MSI Ceres report, the Imarpe cruise has been delayed a little due to cold water and dispersed biomass. The cruise is now expected to end about November 08.

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The IFFO meeting is being held in Shanghai this coming week, so all the fishy movers and shakers should be there. MSI will not issue a report next week and I won't be in Shanghai so there will probably not be too much new for me to report next week.

Not much going on in the fishmeal market – no sellers, no buyers, no stock – just speculation on the quota number. Still looks like 2 million m/t is the most popular guess.

CHINA IMPORTS JAN / SEP 2019								
Rank	Origin	Jan/Feb/Mar MT	Apr/May/June MT	July MT	Aug MT	Sep MT	Total MT	Share % %
1	Peru	174,406	254,279	68,939	100,428	46,558	644,610	54.29
2	Vietnam	18,951	35,861	17,692	12,220	9,830	94,554	7.96
3	Russia	21,811	25,835	4,948	4,720	4,869	62,183	5.24
4	Mauritania	19,558	18,391	9,296	8,217	3,070	58,532	4.93
5	Chile	12,383	17,234	13,686	9,202	5,050	57,555	4.85
6	Thailand	13,862	21,969	6,311	6,012	2,484	50,638	4.26
7	USA	5,269	24,348	4,779	4,603	10,607	49,606	4.18
8	Mexico	8,133	21,881	4,578	5,066	3,556	43,214	3.64
9	Pakistan	12,487	15,184	1,719	722	-	30,112	2.54
10	Morocco	10,275	5,053	-	-	900	16,228	1.37
11	Ecuador	1,552	2,448	5,069	4,758	1,719	15,546	1.31
12	Burma	5,533	5,503	1,861	482	56	13,435	1.13
13	Malaysia	1,048	4,280	2,229	2,934	1,276	11,767	0.99
14	Panama	225	2,531	2,251	4,001	2,226	11,234	0.95
15	Denmark	2,856	2,079	1,117	711	301	7,064	0.59
16	South Africa	-	2,768	1,621	708	-	5,097	0.43
17	India	-	1,403	1,508	2,106	-	5,017	0.42
18	N Zealand	2,319	1,499	223	554	664	5,259	0.44
19	Namibia	829	989	300	326	100	2,544	0.21
20	Mauritius	675	640	498	206	94	2,113	0.18
21	Argentina	665	185	277	-	-	1,127	0.09
		312,837	464,360	148,902	167,976	93,360	1,187,435	100.00

Source: JCI

Courtesy of MSI Ceres

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,850
Danish fishmeal	64% protein	1,370
Peru fishmeal	64% protein	1,430
Chile fishmeal	67% protein	1,520
Iceland fishmeal	70% protein	1,780



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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	1050/1070 m/t	
67% protein standard steam	1100/1120 m/t	
67% protein 150 TVN	1150/1170 m/t	No prices
67% protein 120 TVN	1200/1220 m/t	1200/1220
67% protein 1000 hist, 120 TVN	1250/1270 m/t	1250/1270
68% protein 500 hist, 120 TVN	1300/1320 m/t	1300/1320
Fish oil, crude bulk	1800/1850	
Fish oil, crude drums	1850/1900	
Fish oil, flexi tank	1950/2000	
Fish oil, Omega 3: 28%EPA/DHA	2000/2200	

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

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