



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY GRAIN AND PROTEIN REPORT November 09, 2019

We had all the USDA WASDE and WASDE related report issued on Friday and overall it seems to have been much of a non-event. At least for Friday there was no strong reaction in the markets – perhaps there will be more reaction on Monday.

Next week is Global Grain in Geneva where all of us grain folks will gather with the kickoff speaker to be Dan Basse and it will be interesting to hear if he can come up with anything at all bullish for grains and oilseeds.

For corn the WASDE report showed lower production and lower ending stocks but the changes were so small that no one much noticed. While there was an initial push higher in futures it didn't last and on the cash side of things prices don't have any strength at all --- there is just too much corn everywhere and, for US corn, too little export business.

Soybeans too didn't do to well with the WASDE or with Donald Trump. The WASDE didn't actually change much but "the Donald" did as he seemed to be cooling off a little on a quick agreement with China on anything – he says that he is "quite happy" with the current situation (I guess that he doesn't grow any soybeans around his golf courses).

There was also little new information on wheat and everyone in the world seems to have wheat mountains this year – there was nothing in the WASDE that would move wheat prices higher.

So, it looks like the trend is now set to be steady to lower for all rains until we get some exciting news and about the only place that that can happen now is in South America, where crops for 2020 are looking to be at or near record levels.

Top 20 US Export Destinations for Grains and Oilseeds – 9 months to September 2019 – in m/t

Country	Wheat	Corn	Sorghum	Soybeans	Soymeal
Algeria	565,900			30,100	
Argentina				203,000	
Bangladesh	37,100			616,800	25,200
Brazil	192,300				
Belgium				33,000	38,600
Burma				15,800	122,500
Cameroon			20,700		
Canada	87,800	1,782,200	3,700	462,200	675,300
Chile	318,000			15,000	
China	42,000	250,000	628,200	13,949,300	
Colombia	487,100	2,869,100		471,500	873,700
Costa Rica	70,300	650,900		195,500	61,100
Cuba		58,000		42,100	
Djibouti			59,100		90,400

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Dominican Rep	212,000	345,500		19,000	397,900
Ecuador	249,200	27,600			431,300
El Salvador	202,900	523,200			200,800
Egypt	726,700			1,815,700	
Eritrea			60,300		
Ethiopia	170,800		5,800		
France				95,200	
Germany				400,600	
Guatemala	438,500	820,800			319,100
Haiti	115,400	43,200			
Honduras	233,700	460,900			206,800
Indonesia	1,028,700	3,800		1,964,700	30,300
Iraq	472,500				
Israel	112,400	75,900		76,700	123,200
Italy	391,300		36,600	319,000	58,200
Jamaica	133,300	161,100			76,400
Japan	1,881,000	9,283,900	189,700	1,803,100	222,800
Kenya	124,500		600		
Lebanon				48,700	
Madagascar			2,100		
Malaysia	394,300	22,300		477,100	
Mexico	2,634,600	11,006,800	372,400	3,754,100	1,291,100
Morocco		61,800			243,000
Nepal				86,100	
Netherlands				1,469,700	
New Zealand		126,600			
Nigeria	1,796,900			20,800	
Nicaragua		252,000			87,300
Pakistan				402,400	
Panama	71,600	356,200		20,800	151,200
Peru	312,800	1,029,900		180,000	123,900
Philippines	2,254,800	71,500	500	81,700	1,601,300
Poland					127,200
Portugal				160,000	
Romania					49,700
Saudi Arabia	30,100	477,500			
Somalia			71,200		
South Africa	153,700		54,500		
South Korea	917,700	1,870,500	1,400	819,600	60,400
Spain		500	371,700	874,400	69,500
Sri Lanka	68,100				151,200
Sudan	53,100		85,600		
Taiwan	876,700	1,054,000	6,500	1,176,200	16,300
Thailand	508,300			705,500	130,700
Trinidad	89,800	56,600			19,200
Tunisia				64,400	33,700
UK	25,300			116,600	
Venezuela	63,100	4,500			98,100
Vietnam	136,400	65,000		283,200	468,200
Yemen	610,000				

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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)	\$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	\$30/31.00	Down \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$29/30.00	Down \$1.00	X
US Gulf Turkey: 50,000 m/t	\$31/32.00	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	\$48/49.00	Down \$1.00	X
US Gulf China: Panamax	\$47/48.00	Down \$1.00	X
US PNW South Africa – 40,000 m/t	\$37/38.00		X
US PNW Japan: Panamax	\$26/27.00	Down \$1.00	X
US PNW China: Panamax	\$25/26.00	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
France/Germany to Bangladesh: 35/45,000 m/t	\$40/41.00		X
France/Germany to China: 50,000 m/t	\$39/40.00	Down \$1.00	x
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$18/19.00		X
France/Germany to India: 50,000 m/t	\$32/33.00	Down \$1.00	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)	\$32/33.00	Up \$1.00	X
Argentina to China: 50,000 m/t, with top-off	\$39/40.00	Down \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$38/39.00	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	\$42/43.00	Down \$1.00	X
Argentina to Spain: 50,000 m/t	\$24/25.00		X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$32/33.00	Up \$1.00	X
Argentina to US Gulf: 25/35,000 m/t	\$20/21.00		X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$38/39.00	Up \$1.00	X
Brazil to China: 55,000 m/t	\$36/37.00	Down \$1.00	X
Brazil to Japan: 55,000 m/t	\$35/36.00	Down \$1.00	X
Brazil to Europe: 50,000 m/t	\$28/29.00		X
Brazil to Morocco: 25/30,000 m/t	\$35/36.00		X
Brazil to Saudi Arabia 30/40,000 m/t	\$44/45.00		X
Brazil to Spain: 50,000 m/t	\$28/29.00		X



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Brazil to Turkey/Egypt: 50,000 m/t	\$31/32.00		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		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)	\$16/17.00	Down \$1.00	X
Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$17/18.00	Down \$1.00	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)	\$43/44.00	Up \$5.00	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		X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$22/23.00	Down \$1.00	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$20/21.00		X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$26/27.00	Down \$1.00	X
Black Sea to Libya: 25/35,000 m/t	\$25/26.00		X
Black Sea to Saudi Arabia – Jeddah – 50k	\$30/31.00	Down \$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		X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$20/21.00	Down 2.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1378	Down 319	X
Baltic Capesize Index (100,000 plus DWT)	2444	Down 506	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1290	Down 223	X
Baltic Supramax Index (50,000 to 60,000 DWT)	824	Down 221	X
Baltic Handisize Index (25,000 plus DWT)	539	Down 41	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 December 2019/January 2020

Wheat, USA Soft Red Winter, US Gulf	USD 228/231	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 212/215	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 202/205	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 208/211	X
Wheat, Romania 12.5 pro	USD 204/207	X
Wheat, Superior, France, Rouen	USD 200/202	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 190/193	X
Wheat, feed, Black Sea	USD 197/200	X

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Barley, France, Rouen port	USD 185/188	X
Barley, feed, Argentina, up river	USD 178/181	X
Barley, feed, Black Sea, 30,000+	USD 186/189	X
Corn, 2YC FOB NOLA USA	USD 174/177	X
Corn, 3YC FOB USA Pacific northwest	USD 193/196	X
Corn, FOB Argentina port, upriver	USD 163/166	X
Corn, FOB Brazil port	USD 173/175	X
Corn, FOB France – Atlantic	USD 185/187	X
Corn, FOB Romania	USD 166/169	X
Corn, FOB Russia	USD 170/173	X
Corn, FOB Ukraine, 30,000+ m/t	USD 164/167	X
Sorghum, FOB Argentina port	USD 141/144	X
Sorghum, FOB Texas	USD 179/182	X
Soymeal, 48% protein, FOB NOLA	USD 344/347	X
Soymeal, 48% protein, USA, Rotterdam	USD 369/372	X
Soymeal, Argentina, Rotterdam	USD 350/33	X
Soymeal, 47% pro, FOB Argentina	USD 318/321	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 346/349	X
Soymeal, 48% protein, FOB Brazil	USD 317/320	X
Soybeans, FOB NOLA	USD 362/365	X
Soybeans, Argentina, FOB	USD 354/357	X
Soybeans, Brazil, FOB	USD 375/378	X
Soybeans, Black Sea	USD 361/364	X
Corn Gluten Meal, USA FOB NOLA	USD 500/510 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 191/194 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 203/208 m/t	X

The market was quite interesting for DDGS this week because, as corn prices were moving lower, DDGS prices took a little late week jump higher. Depending on who you talked to the US DDGS prices, inside the US, were up by USD 3 to 5 m/t. Most trades feel that DDGS prices will slip lower again next week as no one want to pay USD 5 m/t more for DDGS.

Corn gluten meal prices were steady, but it is said that corn gluten feed has increased for export which seems to be mainly due to transport and logistics problems.

With both corn and soymeal prices lower one would not expect to see any price increase for corn by-products.

USA exports of corn by-products – 9 months to September 2019 – major destinations and selected countries – in m/t

Country	Distillers Dried Grains DDGS 2019	Corn Gluten Meal 2019	Corn Gluten Feed 2019
Australia		2,500	
Bangladesh	142,900	24,900	
Burma	43,700	600	600

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Cambodia	34,300		
Canada	482,800	44,000	
Chile		96,800	
China	118,000	13,300	
Colombia	130,900	62,600	22,100
Costa Rica	66,100		
Ecuador	21,200	2,400	
Egypt	96,600	111,500	15,500
El Salvador	47,000	4,700	
Guatemala	46,400	2,100	1,800
Honduras	44,300	6,000	
Indonesia	682,600	111,700	8,200
Ireland	222,600		251,200
Israel	193,300		155,900
Japan	420,300	7,300	
Malaysia	44,500	27,500	
Mexico	1,538,900	13,600	26,700
Morocco	193,400		34,600
New Zealand	161,900		32,200
Peru	10,100	6,700	
Philippines	195,800	1,800	700
Portugal	14,200		18,000
South Korea	951,000	900	
Spain	103,400		
Taiwan	174,200	24,400	
Thailand	435,100	24,000	
Turkey	521,100		125,600
UK	149,700		51,100
Vietnam	921,200	15,000	

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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

The market for animal protein to major markets in Asia is said to be quite weak this week with buyers bidding well under the prices shown above. The situation is complicated by a drop in China demand due to African Swine Fever along with more than adequate supplies being seen from most major exporting countries. Supply seems to be overwhelming demand.

It looks like Asia buyers will be seeing some bargain prices for meat and bone meal and poultry meal

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for the next few weeks.

In the US domestic market, prices seemed to be reasonably steady but the Jacobsen report did say that there was quite bit of pressure on poultry meal prices and that lower poultry meal is tending to push US feathermeal prices lower.

You would be very hard pressed to find anyone who expects to see higher prices.

USA exports of animal protein – 9 months to September 2019 – major destinations – in m/t

Destination	Meat and bone meal – includes poultry and pork meal	Feather meal
Burma	4,000	
Cambodia	1,500	
Canada	38,600	6,700
Chile	28,200	33,300
China	108,700	3,600
Colombia	1,000	
Ecuador	23,600	500
Germany		
Guatemala	2,000	
Honduras	4,900	1,400
Indonesia	171,100	18,100
Jamaica		
Malaysia	8,400	
Mexico	147,600	
Peru	1,600	1,000
Philippines	22,500	200
Sri Lanka	1,900	
Thailand	23,300	
Vietnam	59,800	1,700
Total exports	650,000 Up 42.0%	66,700 Down 23.0%

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SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,820
Danish fishmeal	64% protein	1,370

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Peru fishmeal	64% protein	1,430
Chile fishmeal	67% protein	1,520
Iceland fishmeal	70% protein	1,740

There is some exploratory fishing being done in Peru this week – in the North-Central zone and 5 miles offshore – and any fish landed will be deducted from the quota when it is announced. So far about 27,000 m/t of anchovy have been landed.

There is very little that can be added to the comments this week as the entire industry has been in China and no one will be issuing any market reports until next week.

Prices are steady, although there seems to be a little weakness in European prices. There was a report that the Super Prime 68 protein prices had jumped higher but that has not been confirmed as yet.

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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