



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT November 10, 2018

Off to Global Grain in Geneva next week (Nov 13-15) – so if you see me say hello.

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

The USDA WASDE (World Agricultural Supply and Demand Estimates) report did hold a few surprises this week: increased China corn stocks, lower US corn yields, lower US soybean yields, higher world ending stocks for all corn, soybeans and wheat.

From a US futures point of view there was no change in corn or soybean prices on the week while soybean slipped lower by about USD 5 m/t and wheat prices move USD 5 to 7 m/t lower.

The report of trade talks between China and the US probably gave soybean prices support as the market hopes for a trade solution. There seem to be some positive rumors on the China situation sneaking out of Washington. The trade also seemed to feel that soybean crop yields will probably be even lower than the USDA numbers in the WASDE and this too help to keep soybean prices from moving lower.

Corn was very quiet on the week. The WASDE didn't seem to have much effect and international reports on corn crops from both France and the Ukraine were quite positive. On the more negative side of things, US corn exports are not up where the USDA is hoping to see them, and this is the time when US corn should own the market in many corn importing countries. With the Ukraine expected to have a very good corn crop, US corn will be back having to fight the Black Sea for business in the Middle East and North Africa.

Wheat price slipped lower mainly due to low exports and worries that very good Black Sea wheat crops will once again make exports tough for US wheat. However, some expert do feel that the USDA is overestimating the wheat export business from some origins – so there is still hope that US wheat exports will hit the USDA target.

As to prices, the next few weeks are the doldrums of the grain market with never too much happening in November and December to get markets too excited. Of course, after saying that, I will probably be proven wrong.

Crop Situation and Condition – USA/France --- reports November 09, 2018

USA	Very poor %	Poor %	Fair %	Good %	Very Good %
Condition					
Winter wheat	3	9	37	42	9
Harvested	This week %	Last week %	This week 2017	Average 2013/17	
Corn	76	63	68	77	
Sorghum	64	53	70	76	
Soybeans	83	72	89	89	



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Planted					
Wheat, winter	84	78	90	90	
France	Very poor %	Poor %	Fair %	Good %	Very Good %
Condition					
Corn	5	13	24	52	5
Harvested	This week %	Last week %	This week 2017		
Corn	98	96	94		
Planted	This week %	Last week %	This week 2017		
Wheat, winter	85	70	87		
Barley, winter	90	75	95		

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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)	\$20/21.00	Down \$1.00	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$20/21.00	Down \$1.00	X
US Gulf Israel: 50,000 m/t	\$34/35.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$33/34.00	Up \$1.00	X
US Gulf Turkey: 50,000 m/t	\$35/36.00	Up \$1.00	X
US Gulf Morocco: 30,000(5,000 disch)	\$36/37.00	Up \$1.00	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$37/38.00	Up \$1.00	X
US Gulf Nigeria: 30,000 m/t	\$45/46.00	Steady	x
US Gulf other Med: 30,000 MT(5,000 disch)	\$34/35.00	Up \$1.00	X
US Gulf South Africa: 45,000 m/t	\$37/38.00	Steady	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	\$36/37.00	Steady	X
US PNW Japan: Panamax	\$27/28.00	Steady	X
US PNW China: Panamax	\$26/27.00	Steady	X
US East Coast Egypt: Panamax	\$42/43.00	Steady	X
US East Coast Nigeria: Handisize	\$45/46.00	Down \$1.00	x
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$15/16.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$31/32.00	Steady	X
France/Germany to China: 50,000 m/t	\$37/38.00	Steady	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$14/15.00	Steady	X
France/Germany to India: 50,000 m/t	\$25/26.00	Steady	X
France/Germany to Jordan: 35/45,000 m/t (4k disch)	\$21/22.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k disch)	\$13/14.00	Steady	X
France/Germany to Saudi Arabia: 50/60,000	\$26/27.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$24/25.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$14/15.00	Down \$1.00	X



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France/Germany to Yemen: 30,000 m/t	\$37/38.00	Down \$1.00	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$27/28.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$43/44.00	Steady	X
Argentina to Japan: 50,000 m/t, with top-off	\$42/43.00	Steady	X
Argentina to Egypt: 50,000 m/t	\$36/37.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$38/39.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$23/24.00	Down \$1.00	X
Argentina to Jordan: 50,000 m/t	\$35/36.00	Steady	X
Argentina to Saudi Arabia: 50,000 m/t	\$33/34.00	Steady	X
Argentina to South Africa 50,000 m/t	\$30/31.00	Steady	X
Argentina to Spain: 50,000 m/t	\$38/39.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$27/28.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$21/22.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$28/29.00	Steady	X
Brazil to China: 55,000 m/t	\$38/39.00	Steady	X
Brazil to Japan: 55,000 m/t	\$38/39.00	Steady	X
Brazil to Europe: 50,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to Morocco: 25/30,000 m/t	\$27/28.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$37/38.00	Steady	X
Brazil to Spain: 50,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$33/34.00	Down \$1.00	X
Australia to China: 40-55,000 m/t – round trip	\$19.00/19.50	Steady	X
Australia to Japan: 40-55,000 m/t – round trip	\$19.50/20.00	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	Steady	X
Ukraine to Bangladesh: 45,000 m/t	\$32/33.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$28/29.00	Up \$1.00	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$13/14.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$31/32.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$30/32.00	Down \$2.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$17/18.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$17/18.00	Down \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$32/33.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$46/47.00	Down \$2.00	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$38/39.00	Steady	X
Black Sea to Europe: 50,000 m/t	\$23/24.00	Down \$1.00	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$16/17.00	Steady	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$23/24.00	Down \$1.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$28/29.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$20/21.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$31/32.00	Down \$2.00	X
Black Sea to South Africa – 30,000 m/t	\$38/39.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$11/12.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$18/19.00	Down \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1147	Down 310	X
Baltic Capesize Index (100,000 plus DWT)	1461	Down 1041	X



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Baltic Panamax Index (60,000 to 80,000 DWT)	1495	Down 35	X
Baltic Supramax Index (50,000 to 60,000 DWT)	1003	Down 48	X
Baltic Handysize Index (25,000 plus DWT)	656	Down 10	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 2018/February 2019

Wheat, USA Soft Red Winter, NOLA	USD 214/219	X
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 229/233	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 223/227	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 228/232	X
Wheat, Romania 12.5 pro	USD 230/234	X
Wheat, Superior, France, Rouen	USD 232/234	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 215/218 Jan/Feb 2019	X
Wheat, feed, Black Sea	USD 215/218	x
Barley, France, Rouen port	USD 235/237	x
Barley, feed, Argentina, up river	USD no prices	X
Barley, feed, Black Sea, 30,000+	USD 237/241	X
Barley, feed, USA Pacific Northwest	USD 220/225	X
Corn, 2YC FOB NOLA USA	USD 165/168	x
Corn, 3YC FOB USA Pacific northwest	USD 183/186	x
Corn, FOB Argentina port, upriver	USD 165/169	X
Corn, FOB Brazil port	USD 168/172	X
Corn, FOB France - Atlantic	USD 199/201	x
Corn, FOB Romania	USD 166/170	X
Corn, FOB Russia	USD 185/189	X
Corn, FOB Ukraine, 30,000+ m/t	USD 168/172	X
Sorghum, FOB Argentina port	USD 156/161	X
Sorghum, FOB Texas	USD 170/174	x
Soymeal, 48% protein, FOB NOLA	USD 347/351	X
Soymeal, 48% protein, USA, Rotterdam	USD 372/376	x
Soymeal, Argentina, Rotterdam	USD 363/367	X
Soymeal, 47% pro, FOB Argentina	USD 332/336	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 366/370	X
Soymeal, 48% protein, FOB Brazil	USD 337/341	X
Soybeans, FOB NOLA	USD 335/338	x
Soybeans, Argentina, FOB	USD 375/379	X
Soybeans, Brazil, FOB	USD 392>>374	X
Soybeans, Black Sea	USD 347/353	x
Corn Gluten Meal, USA FOB NOLA	USD 545>>525 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 175>>165 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 195/199	X



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Not much at all going on in the corn by-product market – prices for export seemed to stay quite steady for the week. Although, the USDA price report shows the average Midwest USA price for corn gluten feed was up by about US 6 m/t and up USD 3 m/t for corn gluten feed. These higher prices were not seen in the export market.

Demand for DDGS from Asian buyers is steady but not overwhelming. The US Grains Council report this week was saying that DDGS prices could start to move higher as the winter months usually have higher US domestic demand and more demand normally means higher prices.

It will be interesting to see if anything happens to corn gluten meal prices when the new fishing quota for Peru is announced and buyers rush into the market. If the new quota is high and fishmeal prices weaken then there is a good chance that CGM will follow.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 380/400 m/t CNF Asia
Australian MBM 50% protein	USD 420/440 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 570/580 m/t CNF Asia
Australian Poultry Meal, pet food	USD 750/760 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 500/510 m/t CNF Asia
	USD 480/520 to Indonesia
USA Feathermeal, 80% protein	USD 570/580 m/t CNF Asia
USA Poultry Meal, feed grade	USD 550/570 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 750/770 m/t CNF Asia

Meat and bone meal prices into Asia, for non-Indonesia destinations, moved a little higher this week but it is reported that US origin prices have been softer as buyers are looking at origins that can offer quicker delivery than the US. New Zealand is showing higher prices as they are about the best game in town for now.

US export prices and domestic prices were steady on the week. Animal protein stocks in the US are quite high and low vegetable protein prices mean that animal proteins are having to fight for business. The Jacobsen report was mentioning that feathermeal prices are up on the week pushed higher by good export demand – they also feel that feathermeal and perhaps poultry meal prices could be trending higher – leaving poor old meat and bone meal behind.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishmeal prices in Peru were quoted a little lower this week – probably slipped a little as there are no buyers and few sellers as we all wait to find out what will happen with the next fishing quota. Some of the trade folks are saying that a quick announcement of the quota could see fishing start early next week. I guess all the fishing boats are sitting there with their motors revved up and fishing nets in hand.

Reports say that the very last of the current fishmeal stocks have been sold and the warehouses are all but empty –just the last few lots still to ship.

MSI-Ceres was mentioning this week that buyers in China will probably want new business not shipped until mid-January so that arrivals in China don't bump into Chinese New Year and face discharge delays and demurrage. China's current fishmeal imports from all origins are reported by officials to be at about 1.2 million m/t at the end of September which is down by about 11% on the



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previous year. Shipments from Peru represent 56% of China's fishmeal imports with the balance of imports coming from 19 different origins.

Peru's fishmeal exports to the end of October are just under 950,000 m/t with 770,000 m/t going to China and another 110,000 m/t to Asian destinations. These numbers certainly tell you where all the fishmeal business is being done.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,755
Danish fishmeal	64% protein	1,480
Peru fishmeal	64% protein	1,475
Chile fishmeal	67% protein	1,525
Iceland fishmeal	70% protein	1,750

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
65/66 protein	1240/1250 m/t	
67% protein standard steam	1300/1310 m/t	
67% protein 150 TVN	1450/1460 m/t	No prices
67% protein 120 TVN	1500/1510 m/t	1540/1560
67% protein 1000 hist, 120 TVN	1550/1570 m/t	1580/1600
68% protein 500 hist, 120 TVN	1600/1620 m/t	1610/1630
Fish oil, crude bulk	1500/1550	1400/1450
Fish oil, crude drums	1550/1600	
Fish oil, flexi tank	1650/1700	
Fish oil, Omega 3: 28%EPA/DHA	1750/1800	

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

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