



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT November 11, 2017

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

So, this was the week for the November USDA WASDE Report and looking at the prices at the end of Friday it looks like much of a non-event.

The USDA increased expected corn yields for this year crop which pushed corn futures prices down to the low of the year. Corn stocks are forecasted to be at the highest level in 30 years. None of which was good news for prices or for farmers. However, things were not all that bad as corn futures were only down by about USD 3 m/t on the week.

With soybeans the yield number was reduced a little but was still higher than what most experts had been forecasting. Futures prices fell quite sharply after the WASDE report but still finished the week only down by less than USD 1 m/t – soymeal was down by USD 2 m/t.

There was not too much effect on wheat prices in the WASDE report with winter wheat staying quite steady – only hard red spring wheat was able to rally but much of that rally was before the report.

It will be interesting to see if the bearish report for corn can move prices lower next week and maybe even lower prices for US soybeans.

Crop progress and condition --- USA and France

	Harvested	Very poor %	Poor %	Fair %	Good %	Excellent %
Condition USA Nov 05, 2017						
Corn	70%					
Soybeans	90%					
Sorghum	72%					
Winter wheat	91% planted	3	8	34	45	10
Condition France Nov 06, 2017						
Corn	97%					
Winter soft wheat	90% planted	0	0	3	92	5



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Winter barley	97% planted					
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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)	\$17.50/18.00	Up \$0.50	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$22/23.00	Up \$1.00	X
US Gulf Israel: 50,000 m/t	\$27/28.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$26/27.00	Steady	X
US Gulf Turkey: 50,000 m/t	\$28/29.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$29/30.00	Steady	x
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$30/31.00	Steady	x
US Gulf Nigeria: 30,000 m/t	\$40/41.00	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	\$39/40.00	Steady	X
US Gulf Japan: Panamax	\$41/42.00	Down \$1.00	X
US Gulf China: Panamax	\$40/41.00	Down \$1.00	X
US PNW South Africa – 40,000 m/t	\$36/37.00	Steady	X
US PNW Japan: Panamax	\$22/23.00	Steady	X
US PNW China: Panamax	\$23/24.00	Steady	X
US East Coast Egypt: Panamax	\$46/47.00	Steady	X
US East Coast Nigeria: Handisize	\$39/40.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$13/14.00	Steady	X
France/Germany to Bangladesh: 35/45,000 m/t	\$34/35.00	New	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)	\$15/16.00	Steady	X
France/Germany to India: 50,000 m/t	\$20/21.00	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)	\$11/12.00	Down \$1.00	X
France/Germany to Saudi Arabia: 50/60,000	\$21/22.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$33/34.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$20/21.00	Steady	X
France/Germany to Yemen: 30,000 m/t	\$46/47.00	Down \$1.00	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$24/25.00	Steady	x
Argentina to China: 50,000 m/t, with top-off	\$39/40.00	Steady	X
Argentina to Japan: 50,000 m/t, with top-off	\$40/41.00	Steady	X
Argentina to Egypt: 50,000 m/t	\$26/27.00	Up \$1.00	X
Argentina to Europe: 50/60,000 m/t	\$25/26.00	Up \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$21/22.00	Steady	x
Argentina to Saudi Arabia: 25/30,000 m/t	\$47/48.00	Steady	x
Argentina to South Africa 25/30,000 m/t (3k disch)	\$36/37.00	Steady	x
Argentina to Spain: 30,000 m/t	\$25/26.00	Up \$1.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$24/25.00	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	\$28/29.00	Steady	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	\$22/23.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$27/28.00	Steady	X



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Brazil to Saudi Arabia 30/40,000 m/t	\$35/36.00	Up \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$24/25.00	Up \$1.00	X
Australia to China: 40-55,000 m/t – round trip	\$19.50/20.00	Down \$0.50	X
Australia to Japan: 40-55,000 m/t – round trip	\$20.00/20.50	Down \$0.50	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	\$31/32.00	Down \$1.00	X
Ukraine to India: 45/50,000 m/t	\$27/28.00	Down \$1.00	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)	\$30/31.00	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)	\$15/16.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$30/31.00	Steady	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$52/53.00	Steady	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$32/33.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$14/15.00	Down \$1.00	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$16/17.00	Steady	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$22/23.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$23/24.00	Up \$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	\$23/24.00	Steady	X
Baltic Dry Index	1464	Down 12	x
Baltic Capesize Index	3360	Up 324	x
Baltic Panamax Index	1418	Down 144	X
Baltic Supramax Index	912	Down 102	x
Baltic Handysize Index	644	Down 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 December 2017/February 2018

Wheat, USA Soft Red Winter, NOLA	USD 187/190	x
Wheat, USA Hard Red Winter 12 protein -NOLA	USD 241/243	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 178/183	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 187/191	X
Wheat, Romania 12.5 pro	USD 189/194	X
Wheat, Superior, France, Rouen	USD 191/193	x
Wheat, milling, 12.0%, Argentina, upriver	USD 177/182 new crop Dec	x
Wheat, feed, Black Sea	USD 174/178	X
Barley, France, Rouen port	USD 187/189	x
Barley, feed, Argentina	USD 184/188 new crop Dec	X
Barley, feed, Black Sea, 30,000+	USD 190/194	X



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Barley, feed, USA Pacific Northwest	USD 220/225	x
Corn, FOB NOLA USA	USD 157/160	x
Corn, FOB USA Pacific northwest	USD 164/167	x
Corn, FOB Argentina port, upriver	USD 146/151	X
Corn, FOB Brazil port	USD 147/152	X
Corn, FOB Ukraine, 30,000+ m/t	USD 157/161	X
Corn, FOB France	USD 186/189	x
Corn, FOB Romania	USD 163/167	X
Corn, FOB Russia	USD 162/167	X
Sorghum, FOB Texas	USD 183/187	X
Sorghum, FOB Argentina port	USD 158/163	X
Soymeal, 48% protein, FOB NOLA	USD 343/348	x
Soymeal, 48% protein, USA, Rotterdam	USD 368/373	x
Soymeal, Argentina, Rotterdam	USD 347/351	X
Soymeal, 47% pro, FOB Argentina	USD 317/321	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 345/350	X
Soymeal, 48% protein, FOB Brazil	USD 312/317	X
Soymeal, 48% protein, FOB India	USD 350/354	X
Soybeans, FOB NOLA	USD 378/382	x
Soybeans, Argentina, FOB	USD 371/375	X
Soybeans, Brazil, FOB	USD 386/391	X
Soybeans, Black Sea	USD 385/390	X
Corn Gluten Meal, USA FOB NOLA	USD 570/575 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 150/153 m/t	x
DDGS corn, 35 profat, USA FOB NOLA	USD 187/190 m/t	x

Most corn co-product prices were all up a little this week with DDGS export prices up quite a bit. DDGS was seeing good export demand along with the change in the DDGS situation into China – removal of the VAT tax, which could see exports to China move a little higher (or not).

There was upward pressure on US export prices due to some problems in the Mississippi river system, mainly in the Ohio river. According to the US Grains Council CIF Nola prices were up by about USD 6 m/t for DDGS and a similar level for other co-products.

According to the USDA, domestic corn gluten meal prices were up by close to USD 20 m/t, but this has not yet been seen in export prices. Domestic corn gluten feed prices were down a little, perhaps USD 2 m/t while DDGS was up a little in most US domestic markets.

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 500/510 m/t CNF Asia
Australian Poultry Meal, pet food	USD 800/820 m/t CNF Asia



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USA Meat & Bone meal, 50% protein	USD 450/460 m/t CNF Asia USD 340/360 to Indonesia
USA Feathermeal, 80% protein	USD 470/480 m/t CNF Asia
USA Poultry Meal, feed grade	USD 600/620 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 800/810 m/t CNF Asia

According to the Jacobsen Report this week the price for meat and bone meal into Indonesia continues to move lower as buyers seem to be quite well covered but supply just keeps on coming. The prices into China are considerably higher so producers are looking more to that market.

In the US market, except or some weakness in feed grade poultry meal, most price – both domestic and export – were mainly steady. Jacobsen says that poultry meal is being dragged down by lower meat and bone meal prices – needless to say, users are always looking for the most cost-effective ingredients.

It doesn't look like there is any reason for a rally in price – so, probably steady or perhaps lower for a bit.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

The talk in Peru this week is that the new quota will not be any higher than 1.8 million m/t – down from the 2.0 mm/t that has been forecasted ---- of course, this is all speculation. Estimates in the trade vary from a low of about 1.7 million m/t to a high of 2.2 mm/t. We just have to wait for the Peruvian government for the actual number. There has also been a story in the trade reports that fishing will not begin until the end of November.

Not much future business being done as most producers are waiting for some idea on the new quota and the timing of the season --- with delays and a possible lower than expected quota the producers are probably looking at higher prices.

MSI Ceres reports that prices in China are moving higher as fishmeal stocks on hand decrease with not much more on the way – at least not from Peru.

Prices in Europe seem to be down a little this week but that is probably related to the value of the US dollar and not a change in prices. In Peru price quotes for all grades are a little higher as quota worries push up prices.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,540
Danish fishmeal	64% protein	1,360
Peru fishmeal	64% protein	1,370
Chile fishmeal	67% protein	1,420
Iceland fishmeal	70% protein	1,570

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	1200/1210 m/t	
65/66 protein	1230/1240 m/t	
67% protein standard steam	1290/1300 m/t	
67% protein 150 TVN	1370/1380 m/t	1360/1380
67% protein 120 TVN	1410/1420 m/t	1400/1410
67% protein 1000 hist, 120 TVN	1450/1460 m/t	1440/1450
68% protein 500 hist, 120 TVN	1500/1510 m/t	1490/1500
Fish oil, crude bulk	1600/1650	1350/1400
Fish oil, crude drums	1700/1750	
Fish oil, flexi tank	1800/1850	
Fish oil, Omega 3: 28%EPA/DHA	1900/2000	

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

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