

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

The USA has their Thanksgiving holiday later in the week, so the coming week will probably be a quiet week. For last week there wasn't a great deal of market excitement – only a great many people talking about and guessing about the US/China trade situation.

The soybean market did have some rallies and drops this week as rumors and speculation regarding China kept changing – rallies were on trade settlement rumors then dips followed on settlement denials. Still, soybeans and soymeal did move a little higher on the week on good US export numbers. Much of the export business looks to be heading south to Argentina – seems that US prices are too low to ignore.

The US corn crop is quickly getting harvested with less than 20% still to go. Weather is still quite good to finish off the harvest with rain holding off in many areas so that farmers can finish the harvest at top speed. Depending upon where you are in the US, the temperatures are either higher than normal or getting into winter cold and snow.

Wheat too had a quiet week in the US – exports were less than expected and winter wheat planting is all but completed with early winter weather for wheat looking OK.

As mentioned above, next week should be another quiet week for US grains and oilseeds.

Crop Situation and Condition – USA/France --- reports November 15, 2018

<u>USA</u>	Very poor %	Poor %	Fair %	Good %	Very Good %
<u>Condition</u>					
Winter wheat	3	9	34	45	9
<u>Harvested</u>	This week %	Last week %	This week 2017	Average 2013/17	
Corn	84	76	81	87	
Sorghum	73	64	81	84	
Soybeans	88	83	93	93	
<u>Planted</u>					
Wheat, winter	89	84	94	94	
<u>France</u>	Very poor %	Poor %	Fair %	Good %	Very Good %
<u>Condition</u>					
Corn	5	13	24	52	5
Wheat, winter	1	4	14	81	1
<u>Harvested</u>	This week	Last week	This week		

	%	%	2017		
Corn	99	98	98		
Planted	This week %	Last week %	This week 2017		
Wheat, winter	92	85	94		
Barley, winter	95	90	98		

@ USDA and AgriMer

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	Down \$1.00	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$19/20.00	Down \$1.00	X
US Gulf Israel: 50,000 m/t	\$34/35.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$33/34.00	Steady	X
US Gulf Turkey: 50,000 m/t	\$35/36.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$36/37.00	Steady	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$37/38.00	Steady	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	Steady	X
US Gulf South Africa: 45,000 m/t	\$38/39.00	Up \$1.00	X
US Gulf Japan: Panamax	\$48/49.00	Steady	X
US Gulf China: Panamax	\$47/48.00	Steady	X
US PNW South Africa – 40,000 m/t	\$36/37.00	Steady	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	\$42/43.00	Steady	X
US East Coast Nigeria: Handisize	\$45/46.00	Steady	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	Steady	X
France/Germany to Yemen: 30,000 m/t	\$37/38.00	Steady	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	\$42/43.00	Down \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$41/42.00	Down \$1.00	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	Steady	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	\$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	\$32/33.00	Steady	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	Steady	X
Brazil to Turkey/Egypt: 50,000 m/t	\$33/34.00	Steady	X
Australia to China: 40-55,000 m/t – round trip	\$18.50/19.00	Down \$0.50	X
Australia to Japan: 40-55,000 m/t – round trip	\$19.00/19.50	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	\$32/33.00	Steady	X
Ukraine to India: 45/50,000 m/t	\$28/29.00	Steady	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	Steady	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 dich)	\$16/17.00	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	Steady	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	Steady	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	Steady	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	\$33/34.00	Up \$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)	\$17/18.00	Down \$1.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1031	Down 116	X
Baltic Capesize Index (100,000 plus DWT)	1057	Down 404	X
Baltic Panamax Index (60,000 to 80,000 DWT)	1453	Down 42	X
Baltic Supramax Index (50,000 to 60,000 DWT)	969	Down 34	X
Baltic Handisize Index (25,000 plus DWT)	646	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 219/224	X
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 234/238	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 223/227	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 231/235	X
Wheat, Romania 12.5 pro	USD 232/236	X
Wheat, Superior, France, Rouen	USD 232/234	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 210/213 Jan/Feb 2019	X
Wheat, feed, Black Sea	USD 215/218	X
Barley, France, Rouen port	USD 234/236	X
Barley, feed, Argentina, up river	USD no prices	X
Barley, feed, Black Sea, 30,000+	USD 238/242	X
Corn, 2YC FOB NOLA USA	USD 162/165	X
Corn, 3YC FOB USA Pacific northwest	USD 179/182	X
Corn, FOB Argentina port, upriver	USD 164/168	X
Corn, FOB Brazil port	USD 171/175	X
Corn, FOB France - Atlantic	USD 204/206	X
Corn, FOB Romania	USD 168/172	X
Corn, FOB Russia	USD 186/190	X
Corn, FOB Ukraine, 30,000+ m/t	USD 165/169	X
Sorghum, FOB Argentina port	USD 155/159	X
Sorghum, FOB Texas	USD 168/172	X
Soymeal, 48% protein, FOB NOLA	USD 350/355	X
Soymeal, 48% protein, USA, Rotterdam	USD 377/380	X
Soymeal, Argentina, Rotterdam	USD 365/368	X
Soymeal, 47% pro, FOB Argentina	USD 331/334	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 361/364	X
Soymeal, 48% protein, FOB Brazil	USD 335/339	X
Soybeans, FOB NOLA	USD 336/339	X
Soybeans, Argentina, FOB	USD 374/378	X
Soybeans, Brazil, FOB	USD 378/382	X
Soybeans, Black Sea	USD 347/353	X
Corn Gluten Meal, USA FOB NOLA	USD 565 >> 555 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 175 >> 165 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 204/208	x

Corn gluten meal prices moved higher this week by USD 20 to 25 m/t and may have room to move higher. A couple of reasons were mentioned in the trade, first was logistics problems pushing thing higher, but it was also mentioned that the expectation of higher fishmeal prices could have made corn gluten meal a more attractive alternative.

Corn gluten feed prices did not change at all on the week.

DDGS prices were also up on the week and this seemed to be all due to very good export demand from Asia.

According to USDA prices, corn gluten meal was up by USD 25 to 50 m/t while corn gluten feed was unchanged and DDGS was up from USD 5 to 10 m/t.

Just as a matter of information DDGS prices in Europe are much higher than in the US with wheat based DDGS selling for as much as USD 290 m/t. US DDGS is only imported into very limited markets in the EU due to GMO concerns in some countries.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 400/420 m/t CNF Asia
Australian MBM 50% protein	USD 440/450 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 500/520 to Indonesia
USA Feathermeal, 80% protein	USD 580/600 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 in Asia are moving higher this week with prices said to be up by about USD 20 m/t in major markets. Supplies of MBM from both Australia and New Zealand were a little tighter – cattle slaughter tends to wind down once we get into December, so prices could perk up even more.

Meat and bone meal export and domestic prices from the US were steady on the week but there was a little bump higher in feathermeal prices strictly due to good demand both for export and in the US.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

As I am sure everyone knows, the new Peru quota of 2.1 million m/t has been announced and fishing started on the 15th. With this announcement the total quota for the year will be the total 2018 quota is the largest total yearly quota in five years – total landings of over 5.5 million m/t. Comments in the trade are that the full 2.1 million m/t should easily be landed.

Looking at the pre-booked business of about 200,000 m/t and production of fishmeal on the new quota of about 490,000 m/t then there should still be 290,000 m/t available for sale.

So far there has been no change in demand or in prices as we all wait to see how the early fishing is going. However, there is the odd comment that China may not be in the market quickly and if so this could mean prices might just slip lower – especially if fishing is good and demand is not.

The latest Peru export number to the end of October show exports to date up to just under 950,000 m/t of fishmeal with 92% going to Asia and 81% or 770,000 m/t going to China alone. Over 88% of Peru's fishmeal exports were done by six companies with two companies: Tasa and Copeinca representing 46% of all exports.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,740
Danish fishmeal	64% protein	1,475
Peru fishmeal	64% protein	1,475
Chile fishmeal	67% protein	1,525
Iceland fishmeal	70% protein	1,775

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

The information contained herein is based on sources that we believe to be reliable, but we do not represent that it is accurate or complete. Nothing contained herein should be considered as an offer to sell or a solicitation of an offer to buy. All references to prices are subject to change without notice. Any opinions expressed herein are solely those of the author. As such, they may differ in material respects from those of, or expressed or published by or on behalf of, Hammersmith Marketing Ltd or its officers, directors, employees or affiliates