



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY USA GRAIN AND PROTEIN REPORT November 28, 2020

This was a very short work week in the US with some companies only working three days and those that did work tended to be on short staff. Most markets were quite thin as no one wanted to do anything before the holiday and are holding fire on any new business until next week when everyone is back to work.

Even with the short week and the reduced activity, grain/oilseed markets all moved a little higher on the week. Corn prices were up by about USD 3 m/t, soybeans up by about USD 4 m/t, soymeal up by USD 4 to 6 m/t with most US wheat up by USD 3 to 5 m/t.

Some experts were saying that the rally in the grain/oilseed futures on Friday were due to low volume business pushing prices higher and that this one day rally could reverse itself on Monday. However, other experts were saying that corn prices can easily move another USD 6 or 7 m/t higher in the near term.

Also on the futures side, corn shorts seem to be liquidating positions which points toward a continuing rally in corn prices. Trading in soybeans was quite light on Friday but did push prices higher. The trade reports that futures trading in wheat was at about average volume, not lower volume as seen in other grains/oilseeds. Wheat buyers seemed quite bullish and pushed prices higher reversing the down days seen before the holiday.

According to trade experts, the US markets were all stronger due to good export sales, lower US dollar and not enough rain in South America. The longer-term weather forecast for South America looks to have some rain coming but serious rainfall could be a couple of weeks away. Brazilian soybeans look to be the crop that most needs some rain.

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

US Gulf to Europe: Panamax (10,000 disch)	\$19/20.00	Steady	X
US Gulf to Spain: Panamax m/t (5,000 disch)	\$19/20.00	Steady	X
US Gulf Israel: Panamax m/t	\$27/28.00	Steady	X
US Gulf to Egypt: Panamax (6,000 disch)	\$27/28.00	steady	X
US Gulf Turkey: Panamax m/t	\$28/29.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$40/41.00	Steady	X
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$39/40.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$40/41.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$41/42.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$35/36.00	Steady	X
US Gulf Japan: Panamax	\$42/43.00	Steady	X
US Gulf China: Panamax	\$41/42.00	Steady	X
US PNW South Africa – 40,000 m/t	\$35/36.00	Steady	X
US PNW Japan: Panamax	\$23/24.00	Steady	X
US PNW China: Panamax	\$22/23.00	Steady	X
US East Coast Egypt: Panamax	\$30/31.00	Down \$2.00	X
US East Coast Nigeria: Handisize	\$40/41.00	Steady	X



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US Lakes – Europe – 30,000 m/t	\$43/44.00	Steady	X
US Lakes – Morocco – 30,000 m/t	\$44/45.00	Steady	X
France/Germany to Algeria: 30,000 m/t(3,000 dis)	\$20/21.00	Down \$1.00	X
France/Germany to Bangladesh: 35/45,000 m/t	\$44/45.00	Steady	X
France/Germany to China: Panamax	\$40/41.00	Steady	X
France/Germany to Egypt: Panamax (10,000 dis)	\$18/19.00	Steady	X
France/Germany to India: Panamax	\$35/36.00	Steady	X
France/Germany to Jordan: 35/45,000 (4k dis)	\$40/41.00	Steady	X
France/Germany to Morocco: 30,000 m/t (3k dis)	\$23/24.00	Steady	X
France/Germany to Saudi Arabia: Panamax	\$39/40.00	Steady	X
France/Germany to South Africa: 30,000 m/t	\$41/42.00	Steady	X
France/Germany to Turkey: 35,000 m/t	\$21/22.00	Up \$1.00	X
France/Germany to Yemen: 30,000 m/t	\$55/56.00	Steady	X
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$30/31.00	Steady	X
Argentina to China: Panamax, with top-off	\$35/36.00	Steady	X
Argentina to Japan: Panamax, with top-off	\$35/36.00	Steady	X
Argentina to Egypt: Panamax	\$29/30.00	Steady	X
Argentina to Europe: Panamax	\$20/21.00	Steady	X
Argentina to Morocco: 25/30,000 m/t(3,000 dis)	\$28/29.00	Steady	X
Argentina to Libya: 25/30,000 m/t	\$33/34.00	Steady	X
Argentina to Jordan: Panamax	\$40/41.00	Steady	X
Argentina to Saudi Arabia: Panamax	\$40/41.00	Steady	X
Argentina to South Africa: Panamax	\$27/28.00	Steady	X
Argentina to Spain: Panamax	\$20/21.00	Steady	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$30/31.00	Steady	X
Argentina to US Gulf: 25/35,000 m/t	\$31/32.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$32/33.00	Steady	X
Brazil to China: Panamax	\$29/30.00	Steady	X
Brazil to Japan: Panamax	\$28/29.00	Steady	X
Brazil to Europe: Panamax	\$26/27.00	Steady	X
Brazil to Morocco: 25/30,000 m/t	\$31/32.00	Up \$1.00	X
Brazil to Iran: Panamax	\$41/42.00	Steady	X
Brazil to Saudi Arabia 30/40,000 m/t	\$42/43.00	Up \$1.00	X
Brazil to Spain: Panamax	\$26/27.00	Steady	X
Brazil to Turkey/Egypt: Panamax	\$31/32.00	Steady	X
Australia to China: Panamax – round trip	\$17/18.00	Steady	X
Australia to Japan: Panamax – round trip	\$31/31.50	Steady	X
Australia to Saudi Arabia: Panamax	\$35/36.00	Steady	X
Ukraine to China: Panamax	\$30/31.00	Steady	X
Ukraine to Bangladesh, Panamax	\$44/45.00	Steady	X
Ukraine to India, Panamax	\$37/38.00	Down \$1.00	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$19/20.00	Up \$1.00	X
Ukraine to East Med: coaster (1,000 disch)	\$27/28.00	Steady	X
Ukraine to Turkey: coaster (1,000 disch)	\$18/19.00	Steady	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$23/24.00	Steady	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 dis)	\$15/16.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 dich)	\$19/20.00	Up \$1.00	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$27/28.00	Steady	X



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Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$40/41.00	Steady	X
Black Sea to Iraq: Panamax (4,000 disch)	\$44/45.00	Steady	X
Black Sea to Iran: Panamax	\$34/35.00	Steady	X
Black Sea to Europe: Panamax (8,000 disch)	\$21/22.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$21/22.00	Steady	X
Black Sea to Spain: Panamax (8,000 disch)	\$21/22.00	Steady	X
Black Sea to Jordan: Panamax (5,000 disch)	\$24/25.00	Steady	X
Black Sea to Libya: 25/35,000 m/t	\$25/26.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – Panamax	\$30/31.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$17/18.00	Steady	X
Black Sea to South Africa – 30,000 m/t	\$30/31.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$20/21.00	Steady	x
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1230	Up 96	X
Baltic Capesize Index (100,000 plus DWT)	1533	Up 103	x
Baltic Panamax Index (60,000 to 80,000 DWT)	1429	Up 103	X
Baltic Supramax Index (50,000 to 60,000 DWT)	1018	Up 103	X
Baltic Handisize Index (25,000 plus DWT)	649	Up 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 December 2020/February 2021

Wheat, USA Soft Red Winter, US Gulf	USD 267/270	X
Wheat, USA Hard Red Winter 11 protein, US Gulf	USD 262/265	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 253/255	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 254/256	X
Wheat, Romania 12.5 pro	USD 258/260	X
Wheat, Superior, France, Rouen	USD 257/259	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 262/265	X
Wheat, feed, Black Sea	USD 250/252	X
Barley, France, Rouen port	USD 244/246	X
Barley, feed, Argentina, up river	USD 232/235	X
Barley, feed, Black Sea, 30,000+	USD 220/223	X
Corn, 2YC FOB NOLA USA	USD 225>>216	X
Corn, 3YC FOB USA Pacific northwest	USD 236>>223	X
Corn, FOB Argentina port, upriver	USD 232/235	X
Corn, FOB Brazil port	USD 239/242	X
Corn, FOB France – Atlantic	USD 244/246	X
Corn, FOB Romania	USD 238/241	X
Corn, FOB Russia	USD 238/241	X
Corn, FOB Ukraine, 30,000+ m/t	USD 236/239	X
Sorghum, FOB Argentina port	USD 166/169	X
Sorghum, FOB Texas	USD 284/286	X



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Soymeal, 48% protein, FOB NOLA	USD 478/480	X
Soymeal, 48% protein, USA, Rotterdam	USD 503/505	X
Soymeal, Argentina, Rotterdam	USD 498/500	X
Soymeal, 47% pro, FOB Argentina	USD 461/464	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 500/503	X
Soymeal, 48% protein, FOB Brazil	USD 464/467	X
Soybeans, FOB NOLA	USD 478/481	X
Soybeans, Argentina, FOB	USD 507/510	X
Soybeans, Brazil, FOB	USD 466/467 January New crop	X
Soybeans, Black Sea	USD 475/480	X
Corn Gluten Meal, USA FOB NOLA	USD 640/650 m/t Dec/Feb	X
Corn Gluten Feed, USA FOB NOLA	USD 226/230 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 285/290 m/t	X

The latest USDA grain crushing report shows DDGS production up to the highest level seen in many weeks. DDGS production was at 94,157 m/t for last week with corn gluten feed at 9,882 m/t and corn gluten meal at 1,830 m/t --- all corn byproducts are at their highest production level in weeks.

Unfortunately, the higher production levels don't mean lower prices as demand and logistic problems ae keep all prices strong. Add to that the ever increasing soymeal prices and higher corn prices and there looks to be little reason to expect lower prices in the short term.

The shortage of export container positions has really jacked up CNF prices in containers and this situation will probably continue for a good few weeks. Most market experts are looking at strong prices through February 2021.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 480/500 m/t CNF Asia
Australian MBM 50% protein	USD 530/550 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 560/570 m/t CNF Asia
Australian Poultry Meal, pet food	USD 900/920 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 520/530 m/t CNF China USD 500/520 to Indonesia
USA Feathermeal, 80% protein	USD 580/600 m/t CNF Asia
USA Poultry by-product Meal, feed grade	USD 440/460 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 920/940 m/t CNF Asia

No comments on animal proteins this week due to a lack of reports on the sector because of the USA holiday.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Total fish landings slipped lower this week as mini-bans were off and on, but the daily average was still at about 32,500 m/t --- total against the quota is now at 534,000 m/t.

Fishmeal trading for the week was reported to be quite good and there is a feeling in the market that the good demand from China is going to firm up prices somewhat. There were a couple of comments



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that prices had moved up by about USD 50 m/t, but this has not been confirmed.

Demand from China is expected to stay quite strong due to very good recovery of the pork industry and poor local fishmeal production numbers in China.

China's fishmeal imports for the first 10 months of 2020 total 1.24 million m/t with 582,600 m/t coming from Peru, just over 47% of total fishmeal imports. Vietnam and Chile are the two next main suppliers both with just over 100,000 m/t of shipments. Looking at fishmeal from the Peru side, China represents about 77% of fishmeal exports with all of Asia accounting for 90% of exports – total exports are at 759,000 m/t until the end of October 2020.

PERU "INDICATION" FISHMEAL PRICES:

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,600
Danish fishmeal	64% protein	1,450
Peru fishmeal	64% protein	1,470
Chile fishmeal	67% protein	1,520
Iceland fishmeal	70% protein	1,635

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	1200/1220 m/t	
67% protein standard steam	1280/1300 m/t	
67% protein 150 TVN	1350/1370 m/t	1380/1400 m/t
67% protein 120 TVN	1400/1420 m/t	1430/1450 m/t
67% protein 1000 hist, 120 TVN	1450/1470 m/t	1480/1500 m/t
68% protein 500 hist, 120 TVN	1500/1520 m/t	1550/1570 m/t
Fish oil, crude bulk	2100/2150	2200/2300
Fish oil, crude drums	2150/2200	
Fish oil, flexi tank	2250/2300	
Fish oil, Omega 3: 28%EPA/DHA	2400/2500	

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

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