



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT December 16, 2017

I am not too sure that there will be a weekly report next week – my wife and I are spending Christmas in Italy and I will be dependent on local wireless and internet cafes for updated info. We will see, if I can get all the info and steal the time then there will be a report.

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

This week was a big week for South American concerns for soybeans – at least in Argentina. According to reports at the end of the week, this week will be very critical for Argentina soybeans and corn with rain needed in much of the country. The soybean and corn plantings are about half completed but the very dry soil conditions are said to be having a bad effect on the fields planted to date with even more concern over the fields not planted.

The short-term weather forecast expects a little rain this weekend, but things do not look good for much more rainfall until after the end of December.

So, if it rains a good bit in Argentina, markets will calm down but if the rainfall is poor we could easily see a decent rally higher in soybeans and soymeal with corn following along.

Corn futures contracts hit new low levels on Friday as corn continues along with little interest little trading and more than adequate supplies of corn on every street corner. Some US forecasters are saying that they expect corn planting will drop a little as farmers switch to more profitable soybeans for 2018. However, as it is only December and we have a good chunk of time until planting then things could change quite quickly.

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	Up \$1.00	x
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$22/23.00	Steady	x
US Gulf Israel: 50,000 m/t	\$29/30.00	Up \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$28/29.00	Up \$1.00	X
US Gulf Turkey: 50,000 m/t	\$30/31.00	Up \$1.00	x
US Gulf Morocco: 30,000(5,000 disch)	\$31/32.00	Steady	x
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$32/33.00	Steady	x
US Gulf Nigeria: 30,000 m/t	\$40/41.00	Up \$1.00	x
US Gulf other Med: 30,000 MT(5,000 disch)	\$32/33.00	Steady	x
US Gulf South Africa: 45,000 m/t	\$38/39.00	Steady	x
US Gulf Japan: Panamax	\$44/45.00	Steady	x
US Gulf China: Panamax	\$43/44.00	Steady	x
US PNW South Africa – 40,000 m/t	\$37/38.00	Steady	x
US PNW Japan: Panamax	\$24/25.00	Steady	x
US PNW China: Panamax	\$23/24.00	Steady	x
US East Coast Egypt: Panamax	\$47/48.00	Up \$1.00	X
US East Coast Nigeria: Handisize	\$42/43.00	Up \$2.00	x



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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	Steady	x
France/Germany to China: 50,000 m/t	\$32/33.00	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	\$29/30.00	Steady	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)	\$10/11.00	Steady	x
France/Germany to Saudi Arabia: 50/60,000	\$22/23.00	Steady	x
France/Germany to South Africa: 30,000 m/t	\$31/32.00	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	Steady	x
Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$25/26.00	Up \$1.00	x
Argentina to China: 50,000 m/t, with top-off	\$40/41.00	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	\$27/28.00	Steady	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)	\$22/23.00	Up \$1.00	X
Argentina to Saudi Arabia: 25/30,000 m/t	\$47/48.00	Steady	x
Argentina to South Africa 50,000 m/t	\$25/26.00	Up \$1.00	X
Argentina to Spain: 50,000 m/t	\$24/25.00	Up \$2.00	x
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$25/26.00	Up \$1.00	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	\$33/34.00	Down \$1.00	X
Brazil to Japan: 55,000 m/t	\$34/35.00	Down \$1.00	x
Brazil to Europe: 50,000 m/t	\$22/23.00	Steady	x
Brazil to Morocco: 25/30,000 m/t	\$26/27.00	Steady	x
Brazil to Saudi Arabia 30/40,000 m/t	\$36/37.00	Steady	x
Brazil to Turkey/Egypt: 50,000 m/t	\$26/27.00	Steady	x
Australia to China: 40-55,000 m/t – round trip	\$19.50/20.00	Steady	x
Australia to Japan: 40-55,000 m/t – round trip	\$20.00/20.50	Steady	x
Australia to Saudi Arabia: 40-55,000 m/t	\$25/26.00	Steady	x
Ukraine to China: 50,000 m/t	\$33/34.00	Up \$1.00	x
Ukraine to Bangladesh: 45,000 m/t	\$32/33.00	Steady	
Ukraine to India: 45/50,000 m/t	\$28/20.00	Up \$1.00	
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 dich)	\$15/16.00	Up \$1.00	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)	\$55/56.00	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)	\$15/16.00	Steady	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	\$24/25.00	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	\$13/14.00	Steady	x



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Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$16/17.00	steady	x
Black Sea to Yemen: 50,000 m/t	\$24/25.00	Up \$1.00	
Baltic Dry Index	1619	Down 83	x
Baltic Capesize Index	3777	Down 416	X
Baltic Panamax Index	1677	Up 89	X
Baltic Supramax Index	942	Down 1	X
Baltic Handysize Index	636	Up 5	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 179/182	x
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 197/200 lower protein from 12% down to 11%	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 180/183	x
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 190/192	x
Wheat, Romania 12.5 pro	USD 191/194	x
Wheat, Superior, France, Rouen	USD 190/193	x
Wheat, milling, 12.0%, Argentina, upriver	USD 177/180	x
Wheat, feed, Black Sea	USD 178/182	x
Barley, France, Rouen port	USD 183/185	x
Barley, feed, Argentina	USD 176/180	X
Barley, feed, Black Sea, 30,000+	USD 187/191	X
Barley, feed, USA Pacific Northwest	USD 218/223	x
Corn, 2YC FOB NOLA USA	USD 154/157	X
Corn, 3YC FOB USA Pacific northwest	USD 168/170	x
Corn, FOB Argentina port, upriver	USD 157/160	X
Corn, FOB Brazil port	USD 161/164	x
Corn, FOB Ukraine, 30,000+ m/t	USD 164/167	X
Corn, FOB France	USD 186/191	x
Corn, FOB Romania	USD 168/172	X
Corn, FOB Russia	USD 166/170	X
Sorghum, FOB Texas	USD 188/191	X
Sorghum, FOB Argentina port	USD 163/165	x
Soymeal, 48% protein, FOB NOLA	USD 345/349	x
Soymeal, 48% protein, USA, Rotterdam	USD 370/374	X
Soymeal, Argentina, Rotterdam	USD 366/370	x
Soymeal, 47% pro, FOB Argentina	USD 341/345	x
Soymeal, 48% protein, Brazil, Rotterdam	USD 356/362	x
Soymeal, 48% protein, FOB Brazil	USD 330/336	x
Soymeal, 48% protein, FOB India	USD 360/365	x
Soybeans, FOB NOLA	USD 372/376	X
Soybeans, Argentina, FOB	USD 375/379	X



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Soybeans, Brazil, FOB	USD 383/387	X
Soybeans, Black Sea	USD 387/392	x
Corn Gluten Meal, USA FOB NOLA	USD 590/600 m/t	x
Corn Gluten Feed, USA FOB NOLA	USD 150/154 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 201/204 m/t	X

Strong export demand is pushing DDGS prices higher again this week – prices are up at levels not seen since mid-2016. DDGS prices looks to be up by USD 5 to 7 m/t FOB USA with a couple of more dollars on top for higher container freight costs.

Corn gluten feed and corn gluten meal did not show the strength seen in DDGS prices with CGM slipping a little in the export market but if poultry meal and fishmeal export prices stay strong then we should see a rally in CGM price too.

Corn gluten feed prices were pretty well unchanged on the week bit for export and in domestic US markets.

Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 400/410 m/t CNF Asia
Australian MBM 50% protein	USD 440/450 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 480/490 m/t CNF Asia
Australian Poultry Meal, pet food	USD 860/870 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 470/490 m/t CNF Asia USD 400/410 to Indonesia
USA Feathermeal, 80% protein	USD 500/520 m/t CNF Asia
USA Poultry Meal, feed grade	USD 580/600 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 850/870 m/t CNF Asia

Animal protein prices into major markets in Asia moved higher this week as sellers didn't seem to be as aggressive as they had been for the past few weeks – the oversupply situation seems to be winding down, especially for US product. Prices from OZ and NZ for animal proteins were steady to higher which may be more demand related than any supply problem. Buyers seem to be lining up for post New Year business which is pushing prices a little higher.

The strong Asia demand has pushed US export prices higher even though the domestic US prices didn't move higher. Domestic supply and demand seemed about balanced in the US with only export prices showing a move higher.

However, due to the holidays we will probably see steady to higher prices until we get into the early weeks of 2018 when the market can shake off the holiday and get back to normal supply/demand price relationships.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Depending on which market trade report you read, either nothing is happening, or prices are rocketing higher. While it is true that prices have moved up quite a bit in China, it is quite a bit more difficult to know exactly where the selling prices may be in Peru.



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The much higher prices shown below may or may not be accurate and perhaps could just be someone's wild idea of where business can be done --- or it may even be 100% correct. Very tough to know exactly what the true price is for a ton of Peruvian fishmeal.

With no fishing being done at present and sellers not selling then the experts in the trade can justify almost any prices in their trade reports.

The Christmas and New Year holidays will be upon us in a few days, so we may not get a good idea of where production and prices will be until we get into January 2018.

For this week, prices are certainly higher but perhaps not as strong as those shown below. We will see what January brings.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,620
Danish fishmeal	64% protein	1,475
Peru fishmeal	64% protein	1,510
Chile fishmeal	67% protein	1,550
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

Specification	Price per m/t FOB vessel Peru port		Price per m/t Chile port
65% protein	1400/1420 m/t	Up \$100	
65/66 protein	1450/1500 m/t	Up \$150	
67% protein standard steam	1550/1450 m/t	Up \$150	
67% protein 150 TVN	1750/1770 m/t	Up \$200	No prices
67% protein 120 TVN	1800/1850 m/t	Up \$200	No prices
67% protein 1000 hist, 120 TVN	1850/1870 m/t	Up \$200	1820/1870
68% protein 500 hist, 120 TVN	1900/1920 m/t	Up \$200	1850/1900
Fish oil, crude bulk	2000/2050	Up \$200	1500/1600
Fish oil, crude drums	2100/2150	Up \$200	
Fish oil, flexi tank	2200/2250	Up \$200	
Fish oil, Omega 3: 28%EPA/DHA	No prices		

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

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