



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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WEEKLY FEED GRAIN AND PROTEIN REPORT December 22, 2018



SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

Overall it seemed like a down week for most all grains and oilseeds – corn prices were down by about USD 2 m/t on the week while soybeans dropped USD 6 mt and winter wheat moved down by about USD 6 m/t. Reports say that volumes in the futures market have moved lower as we get closer to the holidays.

US futures markets are only open for half a day trading on Monday, so market activity will be limited.

Trade reports say that the lack of more soybean sales to China allowed the soybean prices to move lower – no one seems to be too impressed with the 3 million m/t already booked by China. Weekend weather in South America looks quite good with some rain in the dry parts of Brazil with sunshine in the wet parts of Argentina – all very good for the soybean crop.

There was very little happening in the corn market although there was talk of drought in some parts of the US that could affect corn when we get into the planting season, but this is still a long way away.

Reports on the weakness in wheat prices say that it was all due to Russia raising their wheat export forecast. Nothing like more Russian wheat in the international markets to keep prices easy. Some



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experts were saying that the very large shipments of wheat made by Russia in the past three months would limit further exports --- Russia doesn't agree and looks to export even more.

There may not be a weekly report next weekend – I haven't decided yet – it all depends on what information is available. Many trade services will not publish reports or information again until January and I may just do the same.

If so then see you again in 2019 and wishing all my readers a vey good year. Hopefully not quite as exciting at 2018 both in business and in politics.

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	Steady	x
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$20/21.00	Steady	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)	\$37/38.00	Steady	x
US Gulf Algeria/Tunisia: 30,000 (3,000 disch)	\$36/37.00	Down \$2.00	x
US Gulf Nigeria: 30,000 m/t	\$45/46.00	Steady	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$36/37.00	Steady	X
US Gulf South Africa: 45,000 m/t	\$38/39.00	Steady	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	Down \$1.00	X
US PNW Japan: Panamax	\$26/27.00	Steady	X
US PNW China: Panamax	\$25/26.00	Steady	X
US East Coast Egypt: Panamax	\$42/43.00	Steady	X
US East Coast Nigeria: Handisize	\$47/48.00	Steady	X
France/Germny to Algeria: 30,000 m/t(3,000 disch)	\$15/16.00	Steady	X
France/Germny to Bangladesh: 35/45,000 m/t	\$30/31.00	Steady	X
France/Germny to China: 50,000 m/t	\$37/38.00	Steady	X
France/Germny to Egypt: 50,000 m/t (10,000 disch)	\$14/15.00	Steady	X
France/Germny to India: 50,000 m/t	\$24/25.00	Steady	X
France/Germny to Jordan: 35/45,000 m/t (4k disch)	\$20/21.00	Steady	X
France/Germny to Morocco: 30,000 m/t (3k disch)	\$13/14.00	Steady	X
France/Germny to Saudi Arabia: 50/60,000	\$26/27.00	Steady	X
France/Germny to South Africa: 30,000 m/t	\$21/22.00	Down \$1.00	X
France/Germny to Turkey: 35,000 m/t	\$14/15.00	Down \$2.00	X
France/Germny to Yemen: 30,000 m/t	\$34/35.00	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	\$39/40.00	Down \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$38/39.00	Down \$1.00	X
Argentina to Egypt: 50,000 m/t	\$34/35.00	Down \$1.00	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	\$34/35.00	Down \$1.00	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



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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	\$20/21.00	Steady	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$27/28.00	Down \$1.00	X
Brazil to China: 55,000 m/t	\$34/35.00	Down \$1.00	X
Brazil to Japan: 55,000 m/t	\$33/34.00	Down \$1.00	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	\$38/39.00	Steady	X
Brazil to Spain: 50,000 m/t	\$32/33.00	Down \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$31/32.00	Down \$1.00	X
Australia to China: 40-55,000 m/t – round trip	\$18.50/19.00	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	Steady	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$15/16.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$36/37.00	Up \$2.00	X
Russia to Turkey - Izmir: coaster (1,000 disch) -	\$31/32.00	Down \$3.00	X
Black Sea to Egypt: 40/50,000 m/t – (6,000 disch)	\$16/17.00	Steady	X
Black Sea to Egypt: 30,000 m/t – (4,000 disch)	\$16/17.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$36/37.00	Up \$2.00	X
Russia to Egypt: coaster 3,000 m/t (1,000 disch)	\$51/52.00	Up \$4.00	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$37/38.00	Steady	X
Black Sea to Europe: 50,000 m/t	\$21/22.00	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)	\$21/22.00	Down \$1.00	X
Black Sea to Jordan: 50,000 m/t (5,000 disch)	\$28/29.00	Down \$2.00	X
Black Sea to Libya: 25/35,000 m/t	\$19/20.00	Steady	X
Black Sea to Saudi Arabia – Jeddah – 50k	\$27/28.00	Down \$1.00	X
Black Sea to South Africa – 30,000 m/t	\$38/39.00	Steady	X
Black Sea to Turkey – 30,000 m/t	\$13/14.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$16/17.00	Down \$3.00	X
Baltic Dry Index – 40% Cape, 30% Panamax, 30% Supramax – no Handisize included)	1279	Down 122	X
Baltic Capesize Index (100,000 plus DWT)	1913	Down 470	x
Baltic Panamax Index (60,000 to 80,000 DWT)	1437	Down 41	X
Baltic Supramax Index (50,000 to 60,000 DWT)	977	Up 3	x
Baltic Handisize Index (25,000 plus DWT)	597	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.)



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ALL PRICES ARE FOR January/March 2019

Wheat, USA Soft Red Winter, NOLA	USD 229/233	X
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 235/239	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 230/232	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 238/241	X
Wheat, Romania 12.5 pro	USD 234/237	X
Wheat, Superior, France, Rouen	USD 239/240	X
Wheat, milling, 12.0%, Argentina, Upriver	USD 204/207	X
Wheat, feed, Black Sea	USD 221/224	X
Barley, France, Rouen port	USD 238/240	X
Barley, feed, Argentina, up river	USD 198/201	X
Barley, feed, Black Sea, 30,000+	USD 238/242	X
Corn, 2YC FOB NOLA USA	USD 168/171	X
Corn, 3YC FOB USA Pacific northwest	USD 192/195	X
Corn, FOB Argentina port, upriver	USD 173/176	X
Corn, FOB Brazil port	USD 177/180	X
Corn, FOB France - Atlantic	USD 211/214	X
Corn, FOB Romania	USD 174/177	X
Corn, FOB Russia	USD 185/188	X
Corn, FOB Ukraine, 30,000+ m/t	USD 172/175	X
Sorghum, FOB Argentina port	USD 160/163	X
Sorghum, FOB Texas	USD 175/178	X
Soymeal, 48% protein, FOB NOLA	USD 344/348	X
Soymeal, 48% protein, USA, Rotterdam	USD 369/373	X
Soymeal, Argentina, Rotterdam	USD 362/365	X
Soymeal, 47% pro, FOB Argentina	USD 323/327	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 361/364	X
Soymeal, 48% protein, FOB Brazil	USD 324/327	X
Soybeans, FOB NOLA	USD 341/345	X
Soybeans, Argentina, FOB	USD 356/359	X
Soybeans, Brazil, FOB	USD 347/350	X
Soybeans, Black Sea	USD no prices	x
Corn Gluten Meal, USA FOB NOLA	USD 630>>610 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 195>>185 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 222/226	x

The trade reports that export business was quiet this week as everyone starts to wind down for the holidays. Prices for all corn by-products were steady but there were reports that container freight rates into Asia had moved higher by USD 3 to 5 m/t.

According to the USDA average prices: corn gluten feed was unchanged on the week and the same with DDGS, but corn gluten meal is said to be about USD 5 m/t higher in US markets.

With corn and soymeal prices both slipping a little lower there is little chance corn by-product prices will move higher --- so we look to be steady to lower into 2019.



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Container shipments, minimum 200 m/t

Australian MBM 45% protein	USD 380/390 m/t CNF Asia
Australian MBM 50% protein	USD 420/430 m/t CNF Asia
Australian Feathermeal, 80% protein	USD 570/580 m/t CNF Asia
Australian Poultry Meal, pet food	USD 730/740 m/t CNF Asia
USA Meat & Bone meal, 50% protein	USD 460/470 m/t CNF Asia
	USD 440/450 to Indonesia
USA Feathermeal, 80% protein	USD 580/600 m/t CNF Asia
USA Poultry Meal, feed grade	USD 520/540 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 800/820 m/t CNF Asia

Meat and bone meal prices into Asia are said to be a little lower this week and, according to the Jacobsen Report, it is due to US sellers being very aggressive in the Asia market. Large MBM supplies in the US are keeping export prices low.

Business out of both Australia and New Zealand is said to be very limited this week with everyone well covered for a while and no one getting too excited to buy as we get into the holiday period.

The low US export prices into Asia are going to put pressure on OZ and NZ prices so that, they too, could drop lower.

In the US domestic market, while MBM is overstocked with prices slipping lower, the supplies of both poultry meal and feathermeal can't quite meet the winter demand so prices for those two items look about ready to move a little higher.

SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in Peru is still reasonable – although it is lower this week due to some mini-bans and perhaps a little bad fishing weather. With a total now up to just under 1.7 mm/t landed it still looks very good for landing the entire quota – probably in early January. With only 400,000 m/t to go this could all get done in only a couple of weeks, even if fishing drops off a little.

Reports from Peru say that export business has picked up with buyers expecting that prices will not be moving much lower – probably due to the good level of sales already booked. It is also reported that some sellers are holding off on new business until we get into January – they don't see any sense in booking business at prices below the market when 2019 prices should be steady to higher.

MSI Ceres was mentioning this week how the African Swine Fever in China is lowering fishmeal demand and that it is expected that local China fishmeal production will be up by 30% -- both factors could shrink China's fishmeal purchases in the first quarter of 2019.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,785
Danish fishmeal	64% protein	1,475
Peru fishmeal	64% protein	1,475
Chile fishmeal	67% protein	1,525
Iceland fishmeal	70% protein	1,795



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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	1220/1240 m/t	
67% protein standard steam	1280/1300 m/t	
67% protein 150 TVN	1430/1450 m/t	No prices
67% protein 120 TVN	1480/1500 m/t	1490/1510
67% protein 1000 hist, 120 TVN	1530/1550 m/t	1520/1540
68% protein 500 hist, 120 TVN	1580/1600 m/t	1570/1590
Fish oil, crude bulk	1500/1550	1380/1400
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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