



# Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

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## WEEKLY FEED GRAIN AND PROTEIN REPORT December 31, 2016 --- week 52

### **SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN**

With all the holidays these days it is not easy to get up to date trade info --- of course, with everyone on holidays who cares about trade info.

Most all US grain prices were up on the week: corn was up by about USD 2 m/t with soybeans up by about the same. Soymeal prices were up by about USD 5 m/t. Both soft and hard red winter wheat were up by about USD 5 m/t.

The major concern in the corn and soybean markets has been the weather in South America with very dry conditions seen in Brazil although Argentina is looking a little better with some rainfall where it has been needed.

In the futures market, the week finished off with a low volume day – not much of a surprise – with the markets closed again on Monday for day trading but will be open for the night trading session.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$16/16.50	Steady	X
US Gulf to Spain: 30,000 m/t (5,000 disch)	\$25/26.00	Steady	x
US Gulf Israel: 50,000 MT	\$25/26.00	Steady	X
US Gulf to Egypt: Panamax(6,000 disch)	\$24/25.00	Steady	X
US Gulf Turkey: 50,000	\$26/27.00	Steady	X
US Gulf Morocco: 30,000(5,000 disch)	\$35/36.00	Steady	X
US Gulf Nigeria: 30,000 m/t	\$55/56.00	Down \$2.00	X
US Gulf other Med: 30,000 MT(5,000 disch)	\$37/38.00	Steady	X
US Gulf Japan: Panamax	\$35/36.00	Steady	X
US Gulf China: Panamax	\$33/34.00	Steady	X
US PNW South Africa – 40,000 m/t	\$38/39.00	Up \$1.00	X
US PNW Japan: Panamax	\$19/20.00	Steady	X
US PNW China: Panamax	\$18/19.00	Steady	X
US East Coast Egypt: Panamax	\$47/48.00	Up \$1.00	X
US East Coast Nigeria: Handisize	\$57/58.00	Up \$2.00	X
France/Germany to Algeria: 30,000 m/t(3,000 disch)	\$27/28.00	Down \$1.00	X
France/Germany to Egypt: 50,000 m/t (10,000 disch)	\$18/19.00	Down \$2.00	X
France/Germany to Jordan: 35/45,000 m/t (4,000 disch)	\$38/39.00	Up \$2.00	X
France/Germany to Morocco: 30,000 m/t (3,000 disch)	\$25/26.00	Down \$2.00	X
France/Germany to Saudi Arabia: 50/60,000	\$28/29.00	Up \$2.00	X
France/Germany to South Africa: 30,000 m/t	\$40/41.00	Steady	x
France/Germany to Yemen: 30,000 m/t	\$56/57.00	Steady	X



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Argentina to Algeria: 25/30,000 m/t(3,000 disch)	\$30/31.00	Up \$1.00	X
Argentina to China: 50,000 m/t, with top-off	\$30/31.00	Up \$1.00	X
Argentina to Japan: 50,000 m/t, with top-off	\$32/33.00	Up \$1.00	X
Argentina to Egypt: 50,000 m/t	\$25/26.00	Steady	X
Argentina to Europe: 50/60,000 m/t	\$25/26.00	Down \$2.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$29/30.00	Up \$1.00	X
Argentina to Saudi Arabia: 25/30,000 m/t	\$47/48.00	Up \$1.00	X
Argentina to South Africa 25/30,000 m/t (3,000 disch)	\$34/35.00	Up \$2.00	X
Argentina to Spain: 30,000 m/t	\$28/29.00	Steady	x
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$30/31.00	Up \$1.00	X
Brazil to Algeria/Tunisia: 25/30,000 m/t	\$34/35.00	Up \$2.00	X
Brazil to China: 55,000 m/t	\$26/27.00	Up \$2.00	X
Brazil to Japan: 55,000 m/t	\$28/29.00	Up \$2.00	X
Brazil to Europe: 30,000 m/t	\$34/35.00	Up \$2.00	X
Brazil to Morocco: 25/30,000 m/t	\$30/31.00	Up \$2.00	X
Brazil to Saudi Arabia 30/40,000 m/t	\$46/47.00	Steady	X
Brazil to Turkey/Egypt: 50,000 m/t	\$25/26.00	Down \$1.00	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	\$27/28.00	Down \$1.00	X
Ukraine to China: 50,000 m/t	\$29/30.00	Down \$1.00	X
Black Sea to East Med: 30,000 m/t (3,000 disch)	\$21/22.00	Steady	X
Ukraine to East Med: coaster (1,000 disch)	\$27/28.00	Steady	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 dich)	\$17/18.00	Steady	X
Ukraine to Egypt: coaster 3,000 m/t (1,000 disch)	\$27/28.00	Steady	X
Black Sea to Iraq: 50,000 m/t (4,000 disch)	\$29/30.00	Steady	X
Black Sea to Morocco: 30,000 m/t (3,000 disch)	\$24/25.00	Down \$2.00	X
Black Sea to Spain: 40/50,000 m/t (8,000 disch)	\$15/16.00	Steady	X
Black Sea to Jordan: 50,000 m/t (4,000 disch)	\$23/24.00	Steady	x
Black Sea to Saudi Arabia – Jeddah – 50k	\$28/29.00	Steady	X
Black Sea to South Africa – 30,000 m//t	\$38/39.00	Steady	X
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$20/21.00	Down \$2.00	X
Baltic Dry Index	961	Up 15	x
Baltic Capesize Index	1385	Up 337	x
Baltic Panamax Index	852	Down 274	X
Baltic Supramax Index	903	Down 63	X
Baltic Handisize Index	597	Down 3	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 January 2017/March 2017

Wheat, USA Soft Red Winter, NOLA	USD no update	X
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Wheat, USA Hard Red Winter 12 protein	USD 196/200	X
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 178/181	X
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 180/183	X
Wheat, Romania 12.5 pro	USD 180/184	X
Wheat, Superior, France, Rouen	USD 172/175	X
Wheat, Medium, France, Rouen	No prices	X
Wheat, milling, 12.0%, Argentina, upriver	USD 173/176	X
Wheat, feed, Black Sea	USD 167/171	X
Barley, France, Rouen port	USD 150/154	X
Barley, feed, Argentina	USD 148/154	X
Barley, feed, Black Sea, 30,000+	USD 157/161	X
Barley, feed, USA Pacific Northwest	USD 185/190	X
Corn, FOB NOLA USA	USD 162/165	X
Corn, FOB USA Pacific northwest	USD 173/175	X
Corn, FOB Argentina port, upriver	USD 180/183	X
Corn, FOB Brazil port	USD 182/185	X
Corn, FOB Black Sea, 30,000+ m/t	USD 164/168	X
Corn, FOB France	USD 179/182	X
Corn, FOB Romania	USD 168/172	X
Sorghum, FOB Texas	USD 164/167	X
Sorghum, FOB Argentina port	USD 157/160	x
Soymeal, 48% protein, FOB NOLA	USD 354/357	X
Soymeal, 48% protein, USA, Rotterdam	USD 379/382	x
Soymeal, Argentina, Rotterdam	USD 370/373	x
Soymeal, 47% pro, FOB Argentina	USD 338/342	x
Soymeal, 48% protein, Brazil, Rotterdam	USD 364/368	x
Soymeal, 48% protein, FOB Brazil	USD 322/326	x
Soybeans, FOB NOLA	USD 387/390	x
Soybeans, Argentina, FOB	USD 396/400	x
Soybeans, Brazil, FOB	USD 398/402	x
Soybeans, Black Sea	USD 410/420	x
Corn Gluten Meal, USA FOB NOLA	USD 595/600 m/t	X
Corn Gluten Meal, CNF Egypt	USD 700/710 m/t	X
Corn Gluten Feed, USA FOB NOLA	USD 147/150 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 164/167 m/t	x

As with most everything, information on corn by-products has been difficult to come by this holiday week. According to the USDA the average price of corn gluten meal is up by about USD 5 m/t while corn gluten feed is down by about USD 1 m/t. DDGS domestic prices were variable but overall prices seemed to be up by about USD 5 m/t. Export prices for DDGS were reported to be a little stronger for January with the same applying to CGM.

## Container shipments, minimum 200 m/t

Argentina Meat & Bone meal, 45/50 protein	USD 410/430 m/t CNF Asia
Argentina poultry meal, 57/60 protein	USD 530/540 m/t CNF Asia
Argentina feathermeal, 78/80 protein	USD 460/470 m/t CNF Asia
Paraguay Meat & Bone meal, 45% protein	USD 410/420 m/t CNF Asia
Australian MBM 45 protein	USD 440/450 m/t CNF Asia



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Australian MBM 50 protein	USD 490/500 m/t CNF Asia
Australian Feathermeal, 80 protein	USD 510/520 m/t CNF Asia
Australian Poultry Meal, pet food	USD 770/790 m/t CNF Asia
USA Meat & Bone meal, 50 protein	USD 460/470 m/t CNF Asia
USA Feathermeal, 80 protein	USD 510/520 m/t CNF Asia
USA Poultry Meal, feed grade	USD 560/580 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 780/800 m/t CNF Asia

With all the holidays there is very little news in the animal protein world. Many of the producers are closed for the holiday week and there are not too many buyers in the market. Next week will be more representative as everyone will be back to work. However, according to the Jacobsen Report the USA prices for MBM took a significant jump higher for January on strong demand. We will have to see if this is still true after the holidays.

## SECTION 2 --- FISHMEAL COMMENTS AND PRICES: PERUVIAN

Fishing in Peru has been very good, at least compared to earlier in the fishing season. The total landed as of the 29<sup>th</sup> is reported as just a shade under 1.3 million m/t – although one trade report says 1.5 million m/t. So, depending on which trade report you follow, we have between 500,000 and 700,000 m/t to go to reach quota.

Normally the fishing in January is quite poor but we will have to wait and see. The last few days fishing in December certainly weren't poor and perhaps we will see some more days like that in January – several days were at or above 40,000 m/t of catch.

With all the holidays it is difficult to get a good idea on prices but it does seem that overall they are slipping a little lower with only prime and super prime staying reasonably firm. According to the MSI Ceres trade report, much of the recent catch has produced lower quality fishmeal.

The IFFO reports that their RS (responsible supply) standard now covers 118 producers in 16 countries and represents 45 percent of total world output of fishmeal and fishoil. The RS Standard program is an evolving program with version two expected to be implemented during 2017, if the initial public consultation period goes well.

## European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,515
Danish fishmeal	64% protein	1,410
Peru fishmeal	64% protein	1,550
Chile fishmeal	67% protein	1,650
Iceland fishmeal	70% protein	1,500

## 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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<u>Specification</u>	<u>Price per m/t FOB vessel Peru port</u>	<u>Price per m/t Chile port</u>
65% protein	1250/1270 m/t	
65/66 protein	1280/1300 m/t	
67% protein standard steam	1330/1350 m/t	1400/1420
67% protein 150 TVN	1390/1410 m/t	1430/1450
67% protein 120 TVN	1460/1480 m/t	1480/1500
67% protein 1000 hist, 120 TVN	1510/1540 m/t	1530/1550
68% protein 500 hist, 120 TVN	1560/1580 m/t	1580/1600
Fish oil, crude bulk	1800/1850	1600/1650
Fish oil, crude drums	1900/1950	
Fish oil, flexi tank	2050/2100	
Fish oil, Omega 3: 28%EPA/DHA	2600/2700	

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

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