



Hammersmith Trade Services

A division of Hammersmith Marketing Ltd.

Corporate Head Office: Suite 200B, Centre of Commerce, One Bay Street,
PO Box N-3944, Nassau, Bahamas. Email: tradegroup@hammersmith.biz
WWW: hammersmithltd.blogspot.com SKYPE: bacon39a

Representative Office: +33.9.7044.4881 Mobile: +33.6.8068.4564 Fax: +33.4.5774.7575
1 Traverse Du Cheval Blanc, St Remy de Provence, 13210 France

WEEKLY FEED GRAIN AND PROTEIN REPORT December 09, 2017

SECTION 1: US FEED GRAINS and VEGETABLE AND ANIMAL PROTEIN

Another quiet week in the grain and oilseed business – expect perhaps for wheat prices which seemed willing to dip lower and lower.

Corn prices moved around in a range of only USD 2 m/t or so while soybeans and soymeal did about the same.

No matter where one looks or what one reads, there seems to be lots of grain around both for now and for 2018. There certainly hasn't been much in the news to push prices higher and with most everyone forecasting large grain/oilseed crops for next year, the mood for now is very bearish.

Corn activity has been very slow on the futures side of things with not enough excitement in the market to cause much to happen --- looks like for corn we will probably be range bound for a while until there is something new that will stir the market.

Soybeans continue to see large purchases by China and the trend does look to be for slightly higher prices in coming weeks with some experts feeling that it is more likely that soybean prices will drop rather than rally – just too many beans chasing too little business.

And then there is wheat --- down, down, down on the week with US prices dropping by USD 6 to 8 m/t for all types of wheat. There is just too much wheat in the world this year and too little of the export wheat business is going to US wheat, so US prices are struggling.

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

US Gulf to Europe: 60/70,000 (10,000 disch)	\$18/19.00	Steady	X
US Gulf to Spain: 50,000 m/t (5,000 disch)	\$22/23.00	Steady	x
US Gulf Israel: 50,000 m/t	\$28/29.00	Down \$1.00	X
US Gulf to Egypt: Panamax (6,000 disch)	\$27/28.00	Down \$1.00	X
US Gulf Turkey: 50,000 m/t	\$29/30.00	Down \$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	Up \$2.00	
US Gulf Nigeria: 30,000 m/t	\$39/40.00	Steady	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	Down \$1.00	X
US PNW China: Panamax	\$23/24.00	Down \$1.00	x
US East Coast Egypt: Panamax	\$46/47.00	Down \$1.00	X
US East Coast Nigeria: Handisize	\$40/41.00	Down \$1.00	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	Corrected	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	Down \$1.00	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)	\$24/25.00	Steady	X
Argentina to China: 50,000 m/t, with top-off	\$41/42.00	Up \$1.00	x
Argentina to Japan: 50,000 m/t, with top-off	\$42/43.00	Up \$1.00	x
Argentina to Egypt: 50,000 m/t	\$27/28.00	Up \$1.00	x
Argentina to Europe: 50/60,000 m/t	\$24/25.00	Down \$1.00	X
Argentina to Morocco: 25/30,000 m/t(3,000 disch)	\$21/22.00	Steady	X
Argentina to Saudi Arabia: 25/30,000 m/t	\$47/48.00	Steady	X
Argentina to South Africa 50,000 m/t	\$24/25.00	Steady	x
Argentina to Spain: 50,000 m/t	\$22/23.00	Down \$2.00	X
Argentina to Tunisia: 25/30,000 m/t (3,000 disch)	\$24/25.00	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	Up \$1.00	X
Brazil to China: 55,000 m/t	\$34/35.00	Steady	X
Brazil to Japan: 55,000 m/t	\$35/36.00	Steady	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	Up \$1.00	X
Brazil to Turkey/Egypt: 50,000 m/t	\$26/27.00	Up \$1.00	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	\$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	\$28/20.00	Up \$1.00	X
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	Up \$3.00	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	\$23/24.00	Down \$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
Black Sea to Tunisia/Algeria: 30,000(5,000 disch)	\$16/17.00	Up \$1.00	X



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Black Sea to Yemen: 50,000 m/t	\$24/25.00	Up \$1.00	x
Baltic Dry Index	1702	Up 76	X
Baltic Capesize Index	4193	Up 96	X
Baltic Panamax Index	1588	Up 94	X
Baltic Supramax Index	943	Down 1	X
Baltic Handysize Index	631	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 178/181	x
Wheat, USA Hard Red Winter 11 protein -NOLA	USD 197/202 lower protein from 12% down to 11%	x
Wheat, Ukraine 11.5 pro, 30,000+ m/t	USD 177/181	x
Wheat, Russia 12.5 pro, 30,000+ m/t	USD 186/191	x
Wheat, Romania 12.5 pro	USD 189/192	x
Wheat, Superior, France, Rouen	USD 190/192	X
Wheat, milling, 12.0%, Argentina, upriver	USD 179/182	x
Wheat, feed, Black Sea	USD 177/180	x
Barley, France, Rouen port	USD 183/185	X
Barley, feed, Argentina	USD 175/179	x
Barley, feed, Black Sea, 30,000+	USD 187/191	x
Barley, feed, USA Pacific Northwest	USD 220/225	x
Corn, 2YC FOB NOLA USA	USD 157/160	x
Corn, 3YC FOB USA Pacific northwest	USD 168/171	x
Corn, FOB Argentina port, upriver	USD 158/161	x
Corn, FOB Brazil port	USD 153/157	x
Corn, FOB Ukraine, 30,000+ m/t	USD 158/162	x
Corn, FOB France	USD 186/191	x
Corn, FOB Romania	USD 166/170	x
Corn, FOB Russia	USD 164/168	X
Sorghum, FOB Texas	USD 184/188	X
Sorghum, FOB Argentina port	USD 158/162	x
Soymeal, 48% protein, FOB NOLA	USD 357/362	X
Soymeal, 48% protein, USA, Rotterdam	USD 382/387	x
Soymeal, Argentina, Rotterdam	USD 384/387	x
Soymeal, 47% pro, FOB Argentina	USD 358/362	X
Soymeal, 48% protein, Brazil, Rotterdam	USD 372/375	X
Soymeal, 48% protein, FOB Brazil	USD no offers	x
Soymeal, 48% protein, FOB India	USD 370/375	x
Soybeans, FOB NOLA	USD 382/386	x
Soybeans, Argentina, FOB	USD 376/381	x
Soybeans, Brazil, FOB	USD 391/394	x



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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 153/156 m/t	X
DDGS corn, 35 profat, USA FOB NOLA	USD 192/195 m/t	X

DDGS prices moved up this week due to good export demand and the strength in soymeal prices. According to the US Grains Council report, DDGS prices are getting close to the top of the range versus corn and soymeal, so may not be able to move higher unless there is further strength in corn and beans.

The USDA average domestic price report on both corn gluten meal and corn gluten feed showed no change in prices on the week and domestic DDGS prices were also unchanged in most markets.

USA corn by-product exports – January to October 2017 – in m/t **Major destinations**

Destination	Distillers Dried Grains DDGS	Corn Gluten Meal	Corn Gluten Feed
Bangladesh	101,600		3,200
Cambodia	47,400		
Canada	593,600		48,700
Chile	18,500		99,700
China	345,400		
Colombia	173,600	30,600	73,100
Costa Rica	71,000		
Denmark			8,600
Egypt	111,400	16,900	81,200
El Salvador	51,700		5,800
Guatemala	47,000		8,300
Honduras	39,200		6,700
Indonesia	576,100		197,900
Ireland	289,000	304,200	
Israel	236,000	193,800	5,200
Japan	369,400		4,800
Malaysia	64,300		13,100
Mexico	1,836,400	35,000	23,000
Morocco	207,900	51,900	
New Zealand	157,000	10,000	
Pakistan	42,500		
Peru	16,700		8,200
Philippines	114,500		
Portugal	51,700	32,100	
Saudi Arabia	52,800		
South Korea	770,700		
Spain	297,700	5,500	
Taiwan	219,300		27,300
Thailand	589,300		35,500
Turkey	1,292,500	237,000	



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UK	199,700	54,500	
Vietnam	115,500		5,200
Total all exports	9,233,400	973,500	668,800

@USDA-FAS

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 380/390 to Indonesia
USA Feathermeal, 80% protein	USD 480/500 m/t CNF Asia
USA Poultry Meal, feed grade	USD 570/590 m/t CNF Asia
USA Poultry Meal, pet food grade	USD 800/820 m/t CNF Asia

Animal protein prices in Asia moved a little higher this week as buyers are willing to pay a little more to get prompt shipment prior to the late December holidays. Expected reduction in supply due to closures of production facilities over Christmas and New Year is pushing prices higher – at least for prompt goods. Prices in January/February are not showing the same strength as December prices.

Other than higher near-term prices, there hasn't been much change at all in market prices and, while producers are said to be trying to push longer term prices higher, buyers don't seem at all inclined to pay higher prices in early 2018.

Unless there is a sudden rally in soymeal, prices will probably be steady until the end of 2017.

USA animal protein exports – January to October 2017 – in m/t

Major destinations

Destination	Meat and bone meal Including pork and poultry meal	Feathermeal
Canada	57,700	16,600
Cambodia	5,000	
Chile		9,400
China	37,900	15,700
Ecuador	6,900	
Germany	3,900	
Honduras	3,300	
Indonesia	132,200	24,400
Malaysia	5,400	
Mexico	465,100	
Peru	4,700	
Thailand	12,100	
Vietnam	23,400	
Total all	770,000	67,900



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

The juvenile level is still very high in Peru resulting in more mini-bans and much reduced fishing.

There is nothing new to report on the fishmeal business in Peru as no one is offering anything for sale as the fishing situation is just too complicated at present. Once we get back to full time fishing again then the producers will have a better idea of what the supply situation will be and how much fishmeal will be available for sale.

There is quite a bit of concern regarding the pre-season sales that had been made and whether the producers will be able to have anything to ship. Everyone would like to receive their fishmeal but so far there isn't any.

There have been a great many questions in trade publications about why the juvenile level is so high this year – could it be La Nina effect or late spawning or more aroused anchovy – lots of speculation but no answers so far. Speculate as much as you want it is very difficult to figure out Mother Nature and what she is doing.

European fishmeal prices – FOB North German port.

Type	Protein %	Price per m/t USD
Herring fishmeal	72% protein	1,630
Danish fishmeal	64% protein	1,490
Peru fishmeal	64% protein	1,500
Chile fishmeal	67% protein	1,550
Iceland fishmeal	70% protein	1,580

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	1300/1320 m/t	Up \$80	
65/66 protein	1330/1350 m/t	Up \$80	
67% protein standard steam	1400/1300 m/t	Up \$90	
67% protein 150 TVN	1550/1570 m/t	Up \$160	No prices
67% protein 120 TVN	1600/1620 m/t	Up \$170	No prices
67% protein 1000 hist, 120 TVN	1650/1670 m/t	Up \$180	1650/1670
68% protein 500 hist, 120 TVN	1700/1720 m/t	Up \$180	1700/1720
Fish oil, crude bulk	1800/1850	Up \$200	1450/1500
Fish oil, crude drums	1900/1950	Up \$200	
Fish oil, flexi tank	2000/2050	Up \$200	
Fish oil, Omega 3: 28%EPA/DHA	No prices		



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

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