

Idaho Grain Market Report, May 14, 2015

Published weekly by the Idaho Barley Commission, [kolson@barley.idaho.gov](mailto:kolson@barley.idaho.gov), 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, May 13, 2015. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED 48 lbs or better</b>	<b>MALTING Open market malting</b>	<b>Wheat (bu.) Milling #1 SWW</b>	<b>#1 HRW 11.5% pro</b>	<b>#1 DNS 14% pro</b>	<b>#1 HWW</b>
Rexburg/ Ririe/ Roberts	\$4.90		\$5.50	NQ	NQ	\$5.60
Idaho Falls	\$4.85	\$12.25-12.50	\$5.52 - \$5.81	\$4.50-5.35	\$5.74 - 6.20	\$5.40
Blackfoot / Pocatello	NQ	\$10.00	\$5.52	\$5.35	\$6.20	\$5.40
Grace / Soda Springs	\$5.00	NQ	\$5.55	\$4.79	\$5.90	\$4.79
Burley / Rupert	\$4.75 – 5.50	\$12.50	\$5.10-5.50	\$4.45	\$5.85	\$4.95
Hazelton						
Twin Falls / Buhl / Wendell	\$5.80– 6.25		<b>Feed wheat</b> \$3.50-3.60	NQ	NQ	
Nampa – Weiser	New crop \$5.62	NQ	new crop \$5.09	NQ	NQ	
Nez Perce / Craigmont	\$5.55		\$5.30	\$5.25	\$6.26	
Lewiston	\$6.05		\$5.55	\$5.50	\$6.51	
Moscow / Genesee	\$5.55 – 6.15		\$5.32 -5.49	\$5.27-5.45	\$6.28-6.51	\$5.45

**Prices at Selected Terminal Markets, cash prices FOB**

	<b>#2 Feed 46 lbs. -- unit trains barge</b>	<b>Malting</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			Ord protein \$5.90 - 6.02½ new crop \$5.85- 5.93 <b>max 10.5% pro</b> \$6.26 -6.58 new crop \$5.93 6.25	\$6.04½ - 6.10 ½ new crop \$5.94½- 6.09½	\$7.06¼ – 7.51¼ new crop \$6.56¾ -7.01¾	
Los Angeles	\$8.50–8.70			\$759 (13%)		
Tulare	\$8.50– 8.70					
Ogden	\$5.60		\$5.90	\$4.99	\$6.30	\$5.10
Great Falls	\$5.00	\$12.00		\$5.003–5.12 (12%)	\$5.36 – 6.00	
Minneapolis	\$5.73	NQ		\$5.49½	\$7.20 – 7.65	

**Market trends this week**

**BARLEY** - Local feed barley prices were steady to 50 cents higher this week. Open market malting barley prices closed steady. USDA reported barley there were no export sales last week and barley export shipments totaled 500 MT to Japan and Taiwan.

**USDA's BARLEY S&D Projections for MY 2014/15 – May 12, 2015** - USDA made only minor tweaks to the MY 2014/15 balance sheet, leaving U.S. ending stocks unchanged at 78 million bu, down 5% from the previous year. The final average U.S. barley farm-gate price was estimated at \$5.30/bu, down 13%. World barley ending stocks were revised higher at 24.5 MMT, down 2% from the previous year. **MY 2015/16** – USDA pegged **2015 U.S. barley production up 21 million bu (+12%) to 198 million bu**, based on 10% increased in planted acres. Total usage was pegged at 223 million bu, up 9%, and U.S. barley ending stocks were left unchanged at 78 million bu. The average U.S. barley farm-gate price was estimated at a range of \$4.10-4.90/bu. World barley production was pegged at 139.7 MMT, down 1%, based on

smaller crops projected in the EU, Russia and Ukraine. World barley ending stocks were pegged at 22.1 MMT, down 10% from this year.

**WHEAT** – Wheat prices were narrowly mixed this week: local SWW prices ranged from minus 4 cents to plus 5 cents; HRW prices ranged from 1 to 16 cents higher; and DNS prices ranged from minus 3 cents to plus 4 cents. USDA reported net wheat export sales last week were within trade expectations at 257 TMT (115 TMT old cop + 142 TMT new crop). Wheat export shipments were on the low end of expectations at 297.5 TMT, up 4% from the prior week but down 35% from the previous 4-week average.

**USDA's WHEAT S&D Projections for MY 2014/15 – May 12, 2015** - USDA raised wheat imports in the current marketing year by 5 million bu to 150 million bu and lowered exports by 20 million bu to 860 million bu (down 27% from the previous year). This resulted in a **25 million bu increase in U.S. wheat ending stocks to 709 million bu, which was ABOVE the average pre-report trade estimate of 693 million bu.** The final average U.S. wheat farm-gate price was estimated at \$6.00/bu, down 13%. World wheat ending stocks for MY 2014/15 were revised higher at 200.9 MMT, up 6% from the previous year. This was ABOVE the average pre-report trade estimate of 196.7 MMT. **MY 2015/16** – USDA pegged **2015 U.S. wheat production 61 million bu higher (+3%) to 2.087 billion bu, BELOW the average pre-report trade estimate of 2.096 billion bu.** Winter wheat production was pegged at 1.47 billion bu, up 7% from last year. Total usage was pegged at 2.144 billion bu, up 4% and **ending stocks were increased by 84 million bu to 793 million bu, which are ABOVE the average pre-report trade estimate of 750 million bu.** The average U.S. wheat farm-gate price was estimated at a range of \$4.50-5.50/bu. World wheat production was pegged at 718.9 MMT, down 1%, based on smaller crops projected in the EU, Russia and Ukraine. World wheat ending stocks were pegged at 203.3 MMT, up 1%, ABOVE the average pre-report trade estimate of 197.2 MMT.

**Wheat competitor / buyer news** – The EU granted export licenses for 477 TMT of wheat this week, bringing their cumulative wheat exports to 28.4 MMT, compared to 25.7 MMT for the same period a year ago. Strategie Grains raised their EU soft wheat production estimate this week to 142.6 MMT, but still down about 6-7 MMT from 2014 record production.

**CORN** – Corn export sales last week were very disappointing with only 370 TMT of old crop sales plus 3 TMT new crop sales, which were a marketing year low and 56% the previous week. Corn export inspections last week were better at 1.109 MMT, down 2% from the prior week but up 3% from the prior 4-week average.

**USDA's CORN S&D Projections for MY 2014/15 – May 12, 2015** - USDA tweaked the current marketing year corn balance sheet by lowering food and industrial use by 48 million bu to 6.547 billion bu, raised exports by 25 million bu to 1.825 billion bu and **raised U.S. corn ending stocks by 24 million bu to 1.851 billion bu, which was BELOW the average pre-report trade estimate of 1.964 billion bu.** The average U.S. corn farm-gate price was revised lower to \$3.55-3.75/bu. World corn ending stocks for MY 2014/15 were revised higher to 192.5 MMT, up 13% from the previous year. This was ABOVE the average pre-report trade estimate of 190 MMT. **MY 2015/16** – USDA pegged **2015 U.S. corn production 586 million bu lower (-4%) to 13.63 billion bu.** Total usage was pegged at 13.76 billion bu, up 1% and **ending stocks were cut by 105 million bu to 1.746 million bu, which was BELOW the average pre-report trade estimate of 1.752 billion bu.** The average U.S. corn farm-gate price was estimated at a range of \$3.20-3.80/bu. World corn production was pegged at 989.8 MMT, down 1%, based on smaller crops projected in the U.S., EU, Ukraine and Brazil. World corn ending stocks were pegged at 191.9 MMT, down slightly from this year but ABOVE the average pre-report trade estimate of 182.7 MMT.

**Ethanol corn usage** – DOE's Energy Information Agency reported a recovery in weekly ethanol production last week to 912,000 bbls per day – up 25,000 bbls or 2.8% last week but down 1% from a year ago. Processing margins have improved to more than 30 cent per gallon which is boosting production. Corn used in ethanol improved slightly to 95.76 million bu, which is still below the pace of 101 million bu needed to reach the USDA projection of 5.2 billion bu for the marketing year. U.S. ethanol inventories continued to decline 2% this week to 20.3 million bbls, which is 17% above a year ago.

**Corn competitor / buyer news** – Taiwan purchased 65 TMT of Brazilian corn this week. Strategie Grains raised their EU corn production estimate this week to 67.5 MMT, but still down 8 MMT from 2014 record production.

#### Futures Market trends this week

**WHEAT** – Wheat futures began the week mixed to lower under pressure from additional precipitation across both winter and wheat spring growing regions which is helping to improve overall winter wheat crop conditions and boost spring wheat emergence. Wheat closed modestly lower in choppy trading on Tuesday under pressure from bearish wheat supply and demand projections for the next Marketing Year 2015/16 and ideas that cold temperatures across part of the HRW belt early this week were not bad enough to cause serious winter wheat damage. Wheat finished firmer on Wednesday on a combination of short covering and technical buying sparked by a sinking dollar. Wheat prices surged higher today

(Thursday) on short covering sparked by a weaker dollar (4 month low) and ideas that the Southern Plains have received too much rains which is threatening quality and delaying crop maturity. Signs indicate that wheat markets may be carving out a near-term bottom. **Wheat market closes on Thursday, 5/14/15...**

	<b>July 2015</b>	<b>Weekly Summary</b>	<b>Sept 2015</b>	<b>Weekly Summary</b>	<b>Dec 2015</b>	<b>Weekly Summary</b>
Chicago SRW	\$5.14 <sup>1</sup> / <sub>4</sub>	Up \$0.04 <sup>1</sup> / <sub>4</sub>	\$5.21	Up \$0.31 <sup>3</sup> / <sub>4</sub>	\$5.36 <sup>1</sup> / <sub>4</sub>	Up \$0.30
KC HRW	\$5.43 <sup>3</sup> / <sub>4</sub>	Up \$0.05 <sup>1</sup> / <sub>2</sub>	\$5.53	Up \$0.35	\$5.67 <sup>1</sup> / <sub>4</sub>	Up \$0.32 <sup>3</sup> / <sub>4</sub>
MGE DNS	\$5.66 <sup>1</sup> / <sub>2</sub>	Up \$0.02 <sup>1</sup> / <sub>4</sub>	\$5.77 <sup>1</sup> / <sub>2</sub>	Up \$0.24 <sup>3</sup> / <sub>4</sub>	\$5.92 <sup>1</sup> / <sub>4</sub>	Up \$0.24 <sup>3</sup> / <sub>4</sub>

**CORN** – Corn prices moved modestly lower to start the week in lackluster trading and mild positioning ahead of Tuesday’s monthly S&D report. Pressure came from a strong planting pace (75% which is now well ahead of the 5-year average (57%) and warm and wet conditions for the next couple weeks which should boost emergence and early crop growth. Corn prices settled fractionally higher on Tuesday in choppy two-sided trading, with support from a neutral to supportive USDA S&D report and lower dollar. Prices continue to churn modestly higher on Wednesday on short covering triggered by a lower dollar. Corn was pulled higher today (Thursday) on spillover support from wheat and a lower dollar which fell to a 4 month low. Disappointing corn export sales kept a lid on gains. **Corn futures contract closes on Thursday, 5/14/15... July 2015 contract at \$3.68, up \$0.05 for the week, Sept. 2015 contract closed at \$3.74<sup>1</sup>/<sub>2</sub>, up \$0.06 and the Dec. 2015 contract closed at \$3.84<sup>3</sup>/<sub>4</sub>, up \$0.06<sup>1</sup>/<sub>2</sub> for the week.**

**CRUDE OIL** – Crude oil futures chopped in a narrow range this week, with support from a declining domestic inventory and a weaker dollar, which posted a four month low on ideas that softening US economic data will result in the Federal Reserve delaying an interest rate hikes until sometime early next year. DOE continued to report lower domestic crude inventories on Wednesday – down another 2.191 million bbls, compared to an expected decrease of 250,000 bbls. Distillates decreased by 2.503 million bbls while gasoline stocks decreased by 1.14 million bbls. **Crude oil finished lower today (Thursday)- down \$.62 to close at \$59.88/bbl, down \$0.49 for the week.**

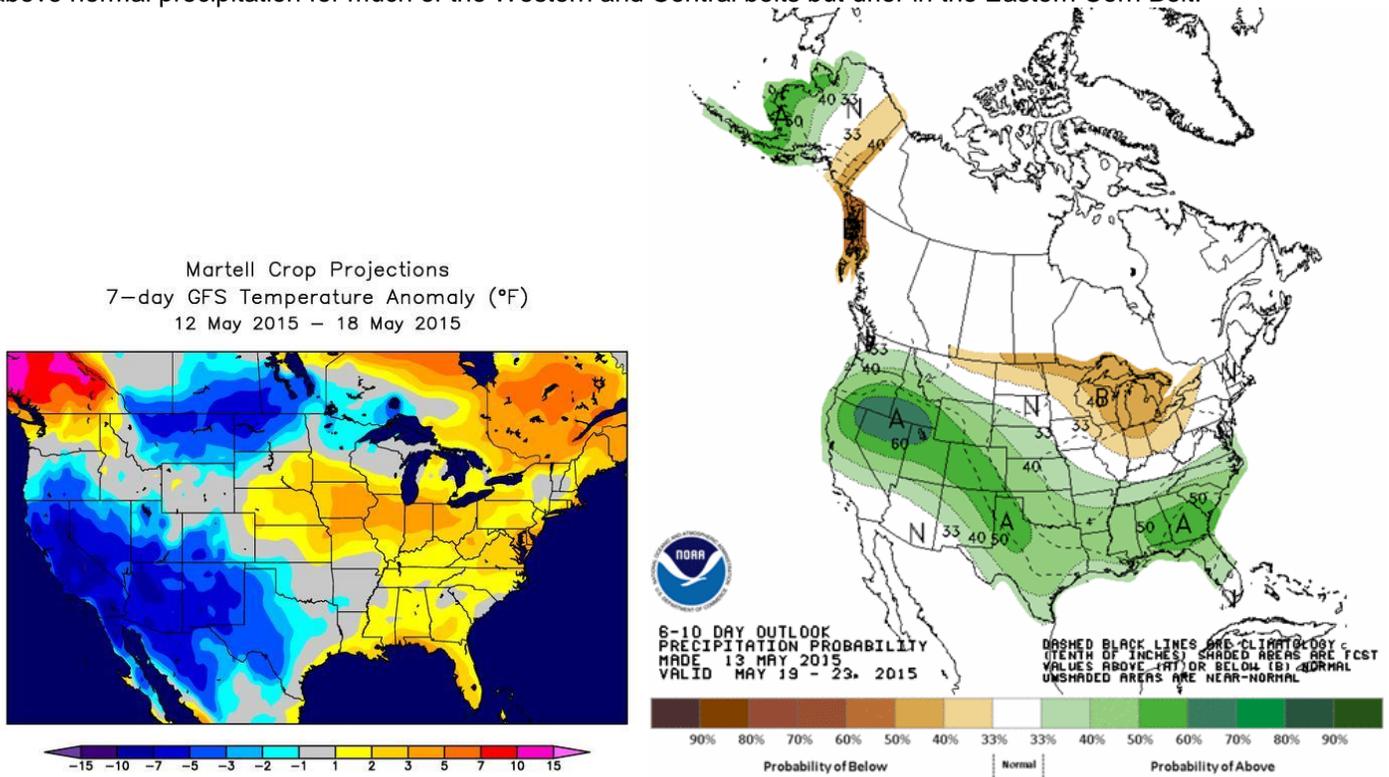
**USDA Crop Progress / Condition Report, May 11, 2015**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	88% planted 59% emerged	75%	54%	58%			
ID barley	94% planted 71% emerged	89%	90%	84%			
US spring wheat	87% Planted 54% emerged	75%	33%	51%			
ID spring wheat	96% planted 74% emerged	91%	97%	87%			
US winter wheat	56% headed	43%	42%	45%	44% g/ex	43% g/ex	0%
ID winter wheat	5% headed	3%	0%	0%	58%	55%	87%
Corn	75% planted 29% emerged	55%	55%	57%			
US topsoil moisture					78% adequate/surplus	72%	63%
Idaho topsoil moisture					61%	59%	
US subsoil moisture					73% adequate/surplus	71%	59%

Idaho subsoil moisture					64%	66%	
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## Weather/Crop Outlook –

**U.S. – PNW** – Unsettled weather continued to bring cooler than normal and widely scattered showers across the PNW and northern Rockies this week. The **6-10 day outlook** shows warmer and wet conditions. **Great Plains** – A series of active storm systems continued to bring heavy precipitation to the Central and Southern Plains, causing quality concerns and some localized flooding. The northwestern belt saw patchy frost and a mix of rain and snow early in the week, which may have caused some crop damage. The **6-10 day outlook** calls for moisture to continue. **Northern Plains** – Unsettled weather brought a mix of rain and snow and much colder temperatures stretching from Montana into the Dakotas. The **6-10 day outlook** calls for drier and cooler conditions across much of the northern belt. **Corn Belt** – Active storm systems continued to produce above average precipitation across much of the Midwest this week with good chances of widespread showers continuing for the next 5 days. This precipitation is viewed as very beneficial, particularly for previously dry areas in the western and central belts. Northern production region saw much colder temperatures this week which has slowed crop development. The **6-10 day outlook** calls for cooler than normal temperatures and normal to above normal precipitation for much of the Western and Central belts but drier in the Eastern Corn Belt.



- **Canada** – Spring grain planting continued to advance this week.
- **Europe** – Warm showery conditions maintain mostly favorable crop conditions this week, with some areas trending drier.
- **Black Sea region** – Continued periodic precipitation is maintaining favorable growing conditions. Southern Russia has turned hot and dry which is worth keeping an eye on.
- **China** – The main winter wheat belt continues to receive timely scattered showers to maintain favorable crop conditions.
- **Northern Africa** – Heat was stressing late developing winter grains in Algeria and Tunisia.
- **Middle East** – Rains are helping to maintain excellent conditions in reproductive winter grains across Turkey, Iraq and Iran.
- **South America** – Conditions remain favorable for second crop corn in Brazil and drier conditions are accelerating corn harvest in Argentina.
- **Australia** – Winter grain planting continues to advance. Western Australia is expected to receive good rains over the next week, while the Eastern growing area is trending very dry, consistent with an emerging strong El Niño signal.

**RECORDED WEBINAR on SUMMER 2015 WEATHER & WATER OUTLOOK** - presented by National Weather Service Senior Hydrologist Troy Lindquist on May 8, 2015. Link can be found at <http://connect.cals.uidaho.edu/p4fif67ckgr/>