

Idaho Grain Market Report, October 22, 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, October 21, 2015. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED</b>	<b>MALTING</b>	<b>Wheat (bu.) Milling</b>			
	<b>48 lbs or better</b>	<b>Open market malting</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% pro</b>	<b>#1 DNS 14% pro</b>	<b>#1 HWW</b>
Rexburg/ Ririe/ Roberts	\$5.20		\$5.10	NQ	NQ	\$5.00
Idaho Falls	\$6.00	\$9.30 - \$9.38	\$5.05-5.14	\$4.16 – 4.20	\$5.11-5.12	\$4.65-4.71
Blackfoot / Pocatello	NQ	\$9.00	\$5.05	\$4.16	\$5.12	\$4.71
Grace / Soda Springs	\$6.35	NQ	\$5.11	\$4.21	\$5.13	
Burley / Rupert	\$6.10	\$9.38	\$5.15	\$4.16	\$4.92	\$4.66
Hazelton						
Twin Falls / Buhl / Wendell	\$6.90–7.00		\$5.10	NQ	NQ	
			<b>Feed wheat</b>			
			\$4.20			
Nampa – Weiser	\$7.05	NQ	\$5.54	NQ	NQ	
Nez Perce / Craigmont	\$5.75		\$4.73	\$5.07	\$5.68	
Lewiston	\$6.25		\$4.99	\$5.33	\$5.94	
Moscow / Genesee	\$5.75-6.00		\$4.76 –4.91	\$5.10-5.24	\$5.71-5.90	\$5.24

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 \$5.24 <sup>3</sup> / <sub>4</sub> -5.55 <b>max 10.5% pro</b> \$6.44 <sup>3</sup> / <sub>4</sub> - 6.65	\$5.90 <sup>1</sup> / <sub>2</sub> – 6.00 <sup>1</sup> / <sub>2</sub>	\$6.26 <sup>3</sup> / <sub>4</sub> - 6.61 <sup>3</sup> / <sub>4</sub>	
Los Angeles	\$9.90-10.25			\$6.27 – 6.35 (12%)		
Tulare	\$10.00 – 10.25					
Ogden	\$6.90		\$5.40	\$4.51	\$5.63	\$4.80
Great Falls	\$5.00–5.25	\$10.00		\$4.45-4.66 (12%)	\$4.90-5.31	
Minneapolis	\$5.42	NQ		\$5.30 <sup>3</sup> / <sub>4</sub>	\$6.36 - 6.46	

Market trends this week

**BARLEY** - Local feed barley prices ranged from steady to plus 35 cents, but were mostly steady this week. Open market malting barley prices were steady this week. USDA reported no barley export sales or shipments last week.

**WHEAT** – Wheat prices were lower this week: SWW prices ranged from 5 to 30 cents lower; HRW prices ranged from 19 to 24 cents lower; and DNS prices ranged from 6 to 18 cents lower. USDA reported wheat export sales were on the low end of trade expectations at 359.2 TMT, down 22% from the previous week but 29% higher than the 4-week average. Wheat export shipments last week were well below trade expectations at 211.9 TMT, down 43% from the previous week and down 60% from the 4-week average.

**Wheat competitor / buyer news** – Australian ag economist has pegged the Australian 2015/16 wheat crop at only 24 MMT, compared to an official ABARE estimate last month of 25.3 MMT and USDA estimate of 27 MMT. Ukrainian ag officials peg their winter wheat plantings at between 5.4 - 5.5 million hectares, down 10% from last year due to severe drought in many areas. Only about 30% of their crop has reportedly emerged. The Indian government raised their wheat import duty from 10% to 25%. Chinese cumulative wheat imports from January through September were reported at 2.2 MMT, down 21% from the same period last year.

**CORN** – USDA reported corn export sales were well below trade expectations last week at 248 TMT, down 59% from the previous week and 57% from the 4-week average. Corn export shipments last week were better but still below trade expectations at 248 TMT, down 33% from the previous week and down 39% from the 4-week average.

**Ethanol corn usage** – DOE’s Energy Information Agency reported a modest uptick in ethanol production last week – up 2,000 bbls per day or 0.2% from the previous week to 951,000 bbls, which is up 6.1% from the previous year . U.S. ethanol stocks fell slightly to 18.87 million bbls, down 0.4% from the previous week but up 5.2% from the previous year. Corn used to produce ethanol last week totaled 99.86 million bu, still running slightly below the 100.8 million bu pace needed to reach USDA’s projection for MY 2015/16 of 5.25 billion bu.

**Corn competitor / buyer news** – AgroConsult has pegged the MY 2015/16 Brazilian corn crop at 88.5 MMT, compared to USDA’s most recent estimate of 80 MMT and ProFarmer consultant estimate of 81.2 MMT. Chinese DDG imports are reported to be up 72% in the period January through September compared to the same period the year before, with September imports surging to 933.5 TMT, up 18% from August. The Chinese government is expected to reduce state corn purchases in MY 2015/16 by around 50%, pegged by local sources at 40-50 MMT compared to 83 MMT last year. They already announced they were lowering their domestic corn support price by 10% for next year in an attempt to move bring their domestic corn price more in line with world prices and help move some of their burdensome government stocks onto the market. Japanese use of corn in feed rations improved in August to 45.7%, up from 45% a year ago,

**Futures Market trends this week**

**WHEAT** – Wheat futures finished lower on Monday in follow through selling pressure from forecasts showing beneficial moisture in the nearby outlook for the US Great Plains, Eastern Ukraine and Southern Russia. Wheat posted moderate gains on Tuesday and Wednesday on technical short covering sparked by a lower dollar and spillover support from higher soybeans and corn. Gains were limited by pressure from soaking rains moving through the Great Plains late this week. Wheat settled lower today (Thursday) on a combination of bearish weather (beneficial rains) and mediocre export sales.

**Wheat market closes on Thursday, 10/22/15...**

	<b>Dec 2015</b>	<b>Weekly Summary</b>	<b>Mar 2015</b>	<b>Weekly Summary</b>	<b>May 2016</b>	<b>Weekly Summary</b>
Chicago SRW	\$4.90 <sup>3</sup> / <sub>4</sub>	Down \$0.01 <sup>1</sup> / <sub>2</sub>	\$4.97	Down \$0.03	\$5.01 <sup>1</sup> / <sub>2</sub>	Down \$0.03 <sup>1</sup> / <sub>2</sub>
KC HRW	\$4.75 <sup>1</sup> / <sub>2</sub>	Down \$0.08	\$4.90 <sup>1</sup> / <sub>2</sub>	Down \$0.08	\$5.00 <sup>1</sup> / <sub>2</sub>	Down \$0.08
MGE DNS	\$5.08	Down \$0.04 <sup>1</sup> / <sub>4</sub>	\$5.22	Down \$0.03 <sup>1</sup> / <sub>2</sub>	\$5.33 <sup>3</sup> / <sub>4</sub>	Down \$0.02

**CORN** – Corn futures began the week modestly lower on pressure from a higher dollar, rapidly advancing harvest and disappointing export inspections. Prices closed higher on Tuesday and Wednesday on modest corrective buying driven by spillover support from soybeans, strong cash basis and signs of solid domestic demand. Lagging corn exports, on the other hand, remain a dark cloud over US corn demand. Corn finished modestly lower today (Thursday) under pressure from very disappointing export sales. **Corn futures contract closes on Thursday, 10/22/15... Dec 2015 contract at \$3.78<sup>1</sup>/<sub>4</sub>, up \$0.01<sup>1</sup>/<sub>2</sub> for the week, Mar. 2016 contract closed at \$3.88, up \$0.00<sup>1</sup>/<sub>4</sub> and the May 2016 contract closed at \$3.93<sup>1</sup>/<sub>2</sub>, down \$0.00<sup>1</sup>/<sub>2</sub> for the week.**

**CRUDE OIL** – Crude oil futures churned lower this week on continuing signs of Chinese economic weakness, substantial weekly gains in domestic inventories and a lower dollar index. DOE reported crude oil inventories increased by 8.028 million bbls, compared to an expected increase of 3.5 million bbls. Distillates decreased by 2.622 million bbls and gasoline stocks fell by 1.518 million bbls, compared to an expected decline of 1.0 million bbls. DOE reported that supplies at Cushing OK fell by 78,000 bbls compared to an expected increase of 500,000 bbls. **Crude oil finished \$.18 higher on Thursday to close at \$45.38 – down \$1.88/bbl for the week.**

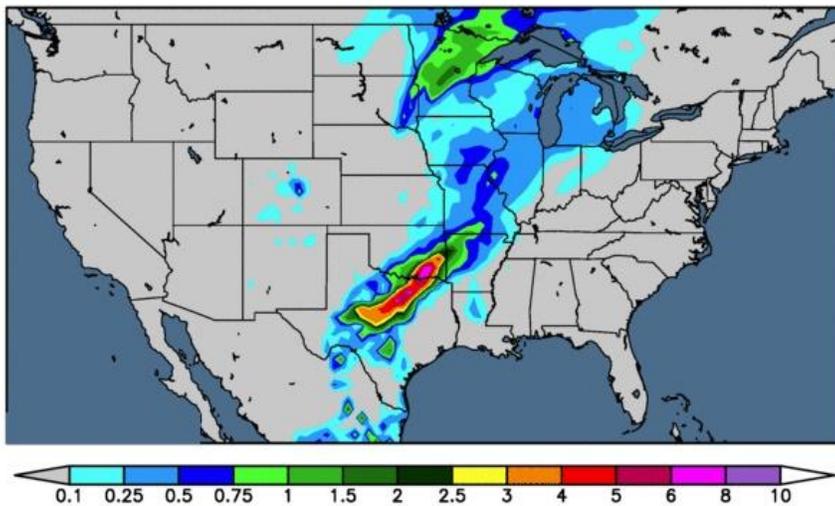
## USDA Crop Progress / Condition Report, October 19, 2015

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	76% planted 49% emerged	64%	75%	77%			
ID winter wheat	<b>89% planted</b> <b>62% emerged</b>	<b>75%</b> <b>38%</b>	<b>90%</b> <b>53%</b>	<b>88%</b> <b>48%</b>			
Corn	59% harvested	42%	30%	54%	68%	68%	74%

### Weather/Crop Outlook –

- U.S.** – Mild mostly dry conditions prevailed across the PNW, with winter wheat receiving some beneficial moisture to boost emergence. However, the winter wheat planting pace remains behind normal in this winter wheat region due to moisture deficits, with Oregon reporting only 60% of its intended winter wheat acres planted compared to 74% on average and only 18% emerged compared to 31% on average. Dry and very warm conditions persisted across the Great Plains through mid-week, with a strong storm system moving through Thursday morning bringing beneficial soaking rains to TX, Eastern OK and Eastern KS. The Corn Belt was mostly warm and dry, allowing corn harvest to rapidly advance. By the weekend the storm system is expected to track northeastward through the Ohio River Valley, as depicted in the map below. **The 6-10 day outlook** – Near to above normal temperatures are forecast for much of the country, except the eastern and lower Midwest. Near to above normal precipitation is expected for the majority of the country, except for drier than normal for the the Northern Plains and Upper Midwest.

Forecast Precipitation (inches, GFS model)  
12 UTC 23 Oct 2015 – 12 UTC 24 Oct 2015



- Black Sea** – Ukrainian and Russian winter wheat areas were expected to see some beneficial rainfall this week, but most Russian areas remain cold and frosty which has slowed planting and emergence. Ukrainian ag officials indicate that winter wheat plantings are down 10% due to severe drought and note that only 30% of the planted area has emerged.
- Brazil** – Soybean planting pace advanced to 13% compared to 18% on average, mostly due to delayed monsoonal moisture. Along with drought, extreme heat is a concern across Mato Grosso and the northeastern tropical production region, but the extended forecast is turning wetter for next week. Meanwhile, the south is too wet in many areas.
- Argentina** – Rainfall deficits are expanding across key corn areas, including Cordoba and Buenos Aires, hampering corn planting.
- Australia** – Southwest region remains dry while the southeast saw some beneficial rainfall this week. Winter grain harvest is underway in parts of Western and Southern Australia.