

Idaho Grain Market Report, November 12, 2015

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 11, 2015. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open market malting	Wheat (bu.) Milling			
			#1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Rexburg/ Ririe/ Roberts	\$6.00		\$5.10	\$4.00	\$5.10	\$4.75
Idaho Falls	\$6.00	\$9.30 - \$9.38	\$5.05-5.14	\$4.00-4.05	\$5.05-5.16	\$4.60-4.74
Blackfoot / Pocatello	NQ	\$9.00	\$5.05	\$4.05	\$5.05	\$4.60
Grace / Soda Springs	\$6.50	NQ	\$5.04	\$4.02	\$5.00	\$4.72
Burley / Rupert	\$6.00-6.80	\$9.38	\$5.10-5.30	\$4.00	\$4.82	\$4.62
Hazelton						
Twin Falls / Buhl / Wendell	\$6.80-7.00		\$5.15	NQ	NQ	
			Feed wheat			
			\$4.20			
Nampa – Weiser	\$6.78	NQ	\$5.64	NQ	NQ	
Nez Perce / Craigmont	\$5.50		\$4.62	\$4.81	\$5.58	
Lewiston	\$6.00		\$4.88	\$5.07	\$5.84	
Moscow / Genesee	\$5.50-6.00		\$4.65-4.79	\$4.84-4.98	\$5.61-5.80	\$5.03

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. -- unit trains barge	Malting	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			Ord protein \$4.94 ³ / ₄ - 5.50 max 10.5% pro \$6.59 ³ / ₄ - 6.90	\$5.64 ¹ / ₄ – 5.79 ¹ / ₄	\$6.06 ³ / ₄ - 6.51 ³ / ₄	
Los Angeles	\$9.85-9.70			NQ (12%)		
Tulare	\$9.85-9.70					
Ogden	\$7.00		\$5.34	\$4.35	\$5.41	\$5.04
Great Falls	\$5.50-5.75	\$10.00		\$4.48-4.57 (12%)	\$5.08-5.21	
Minneapolis	\$5.42	NQ		\$5.29 ¹ / ₄	\$6.21 ³ / ₄ - 6.51 ³ / ₄	

Market trends this week

BARLEY - Local feed barley prices were mostly steady in southern Idaho and steady to 25 cents lower in northern Idaho. Open market malting barley prices were steady this week. USDA will report barley export sales on Friday due to the Veteran's Day holiday.

USDA's BARLEY S&D Projections for MY 2015/16- Nov. 10, 2015– USDA made only a few tweaks to the U.S. barley balance sheet: they cut imports by 2 million bu to 18 million bu and cut exports by 3 million bu to 12 million bu, which resulted in 1 million bu increase in ending stocks to 96 million bu. Stocks-to-use remains very bearish at 45%. The average U.S. barley farm-gate price range was increased to \$4.85-5.55/bu. World barley production was pegged slightly higher this month to 144.8 MMT, which is 2.5% above a year ago. World barley ending stocks were pegged slightly higher this month at 23.7 MMT, which is down 0.5% from last year.

WHEAT – Wheat prices were lower this week: SWW prices ranged from 20 to 32 cents higher; HRW prices ranged from 25 to 30 cents lower; and DNS prices ranged from 8 to 23 cents lower. USDA will report export sales on Friday, but they reported wheat export shipments totaled 282.6 TMT, up 65% from the previous week. Cumulative wheat export shipments now tally 40.4% of the USDA estimate for the marketing year, compared to a 5-year average pace of 45.5%.

USDA's WHEAT S&D Projections for MY 2015/16 – Nov. 10, 2015 – Wheat S&D estimates were bearish against trade expectations this month, with higher than expected U.S. ending stocks ... Based on the sluggish export pace thus far this year, USDA cut U.S. wheat exports by 50 million bu to 800 million bu, resulting in a **50 million bu increase in ending stocks to 911 million bu.** This was ABOVE the **average pre-report trade estimate for ending stocks of 877 million bu.** Stocks-to-use remains very bearish at 45%. The average U.S. wheat farm-gate price range was tightened to \$4.80-5.20/bu. World wheat production was increased just slightly to a new record 732.98 MMT, with larger crop estimates for the EU more than offsetting cuts for Australia and Russia. **World wheat ending stocks were cut by 1.2 MMT this month to 227.3 MMT, but still up 7% from last year.**

Wheat competitor / buyer news – USDA raised their EU wheat crop estimate (+2 MMT to 157.2 MMT) and cut Australian production (-1 MMT to 26 MMT). Egypt made two large wheat purchases this week – 115 TMT early in the week from Russia and Ukraine and 120 TMT from Russia and France.

CORN – USDA will report corn export sales on Friday. Corn export shipments last week were very disappointing at 295.7 TMT, down 48% from the previous week. Cumulative corn export shipments now tally 11.8% of the USDA estimate for the marketing year, compared to a 5-year average pace of 17.7%.

USDA's CORN S&D Projections for MY 2015/16 – Nov. 10, 2015 - Corn S&D estimates are considered bearish against trade expectations... USDA raised their yield projection by 1.3 bpa to 169.3 bpa, which was ABOVE the average pre-report trade estimate of 168.4 bpa. **This resulted in a 99 million bu increase in corn production to 13.654 billion bu, ABOVE the the average pre-report trade estimate of 13.579 billion bu.** As widely expected, USDA cut 75 million bu from ethanol use to 5.175 billion bu (reflecting a shift in feedstocks from corn to sorghum at several U.S. plants) and cut exports by 50 million bu to 1.8 billion bu. They increased domestic feed usage by 25 million bu to 5.3 billion bu. These changes resulted in a **199 million bu increase in U.S. ending stocks to 1.760 billion bu, which was ABOVE the average pre-report trade estimate of 1.579 billion bu.** The average corn farm-gate price range was lowered to \$3.35-3.95/bu. World corn production was increased by 2.3 MMT this month to 974.9 MMT, which is down 4% from last year. **World corn ending stocks were increased significantly this month - up 24 MMT to 211.9 MMT - due almost entirely to adjustments higher in Chinese stocks for both last year and the current year. This revised stocks estimate is up 2% from a year ago and was well ABOVE the average pre-report trade estimate of 188.4 MMT.**

Ethanol corn usage – DOE's Energy Information Agency reported a second consecutive week of strong gains in ethanol production last week – up 13,000 bbls per day or 1.3% from the previous week to 982,000 bbls, which is up 3.8% from the previous year. U.S. ethanol stocks continued to climb last week, increasing 0.4% to 18.85 million bbls, which is up 6.5% from the previous year. Corn used to produce ethanol last week totaled 103.11 million bu, above the weekly pace needed to reach USDA's projection for MY 2015/16 of 5.175 billion bu.

Corn competitor / buyer news – USDA raised their corn production estimates for Brazil (+1 MMT to 81 MMT) and Argentina (+1.6 MMT to 25.6 MMT). CONAB slightly lowered their Brazilian corn production estimate to a range of 81.1 - 82.7 MMT. Reports suggest Brazil has a current corn export line-up totaling nearly 7 MMT, after exporting at least 6 MMT last month but a farmer strike now underway may affect their nearby loading pace.

Futures Market trends this week

WHEAT – Wheat futures posted double digit losses to start the week under pressure from technical selling which triggered sell stops and extended early losses. Negative features included positioning ahead of Tuesday's monthly S&D report. Prices slumped to three-week lows on Tuesday in the face of more bearish than expected ending stocks (exports were cut by 50 million bu). A round of fresh short covering lifted wheat prices modestly higher on Wednesday. Wheat finished mixed to higher today (Thursday) in thin volume, with the main feature spread trade against the December contract. **Wheat market closes on Thursday, 11/12/15...**

	Dec 2015	Weekly Summary	Mar 2016	Weekly Summary	May 2016	Weekly Summary
Chicago SRW	\$4.98	Down \$0.25¼	\$5.00¼	Down \$0.25¼	\$5.03	Down \$0.26¼
KC HRW	\$4.63¾	Down \$0.26½	\$4.78	Down \$0.27¾	\$4.87¾	Down \$0.28½
MGE DNS	\$5.05¼	Down \$0.13½	\$5.11¼	Down \$0.16	\$5.21½	Down \$0.13½

CORN – Corn futures posted moderate losses to start the week in positioning ahead of Tuesday's monthly S&D report and expectations of larger ending stocks. Bearish production and ending stock estimates pressured corn prices on Tuesday, pulling prices to three month lows. Corn ground modestly higher on Wednesday on support from short covering

and fresh bargain buying. Corn settled fractionally lower today (Thursday) on a lack of fresh supportive news and increasing focus on the lagging corn export pace. **Corn futures contract closes on Thursday, 11/12/15... Dec 2015 contract at \$3.62, down \$0.11 for the week, Mar. 2016 contract closed at \$3.69½, down \$0.12¼ and the May 2016 contract closed at \$3.75½, down \$0.12¾ for the week.**

CRUDE OIL – Prices fell to a 2 month low this week under pressure from a higher dollar and Chinese demand concerns on increasing signs of an economic slowdown (industrial production rose by the slowest pace in 7 years and producer prices fell by the most in 6 years). There are also signs that Iraq is flooding the U.S. market with crude imports with reports that 10 tankers were recently loaded and headed to the U.S. DOE reported crude oil inventories increased for the 7th consecutive week by 4.224 million bbls, compared to an expected increase of 1.3 million bbls. Distillates increased by 352,000 bbls and gasoline stocks fell by 2.102 million bbls. **Crude oil finished \$1.18 lower on Thursday to close at \$41.75 – down \$2.74/bbl for the week.**

USDA Crop Progress / Condition Report, November 9, 2015

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	92% planted 80% emerged	88% 72%	93% 82%	94% 80%	51%	49%	60%
ID winter wheat	100% planted 86% emerged	98% 79%	100% 92%	100% 89%	66%	62%	
Corn	93% harvested	85%	78%	88%			

Weather/Crop Outlook –

- **U.S.** – West saw beneficial rain and snow showers across the Northern Rockies and Intermountain West. Most of the Midwest and Plains experienced mild dry conditions ahead of the winter storm moving eastward which is bringing severe weather across a wide swath of the winter wheat belt. There are freeze warnings for parts of Oklahoma and Texas and high wind warnings for most of the Midwest. **The 6-10 day outlook** – Above normal precipitation is expected for much of the country. Cooler than normal temperatures are expected across the West and above normal temperatures are expected for much of the Midwest and Eastern U.S.
- **Black Sea** – Ukraine and Russia received moisture this week, but reports indicate that only 88% of Ukrainian winter wheat has been planted and crop conditions have fallen to only 29% good, compared to 41% last year.
- **South America** – Southern Brazil and Argentine wheat areas received beneficial moisture this week.
- **Australia** – More precipitation across the eastern grain belt is causing harvest delays and quality concerns. More unwanted moisture is in the outlook for next week although some forecasts are now showing drier conditions.

IBC WEBINARS

- **El Nino Winter Outlook on Nov. 18 at 8:30 am** featuring Troy Lindquist, NWS Senior Hydrologist. Log on to: <https://zoom.us/j/734930534>

IBC Crop Insurance & Crop Management Workshops

Dec. 2 - Ashton Trails End Restaurant, 8:30 am - 11:30 am

Rigby Courthouse, 2:00 pm - 5 :00 pm

Dec. 3 - Idaho Falls Extension Office, 8:30 am - 11:30 am

Soda Springs Extension Office, 2:00 pm - 5:00 pm

Dec. 4 - Rupert Extension Office, 8:30 am - 11:30 am

Twin Falls Red Lion Hotel, 2:00 pm - 5:00 pm

TOPICS:

Crop Insurance – Dave Paul, Watts & Associates; Dan Bramwell, Rain & Hail; Tracy Hawker, Hub International; Mark Andreasen, Mountain States Insurance and Heber Loughmiller, Leavitt Group

- NEW Malting Barley Endorsement insurance
- Whole Farm Revenue insurance
- Impacts of water cutbacks on irrigated coverage

Crop Management –

- **Achieving water use efficiency in an era of water cutbacks** – Extension Educators Jon Hogge and Carlo Moreno will present for Dr. Howard Neibling, UI Extension Water Engineer
- **Managing for disease pressures** – Dr. Juliet Marshall, UI Extension Cereal Pathologist/Agronomist