

Idaho Grain Market Report, January 28, 2016

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, January 27, 2016. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	Barley (Cwt.) FEED	MALTING	Wheat (bu.) Milling			
	48 lbs or better	Open market malting	#1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Rexburg / Ririe	\$6.00		\$4.70	\$4.20	\$4.85	\$4.74
Idaho Falls	\$6.25	\$9.38 - \$9.50	\$4.75-4.96	\$4.13-4.50	\$5.00-5.06	\$4.70-4.84
Blackfoot / Pocatello	NQ	\$8.50	\$4.75	\$4.50	\$5.00	\$4.70
Grace / Soda Springs	\$6.50		\$4.87	\$4.25	\$4.97	\$4.80
Burley / Rupert	\$6.00	\$9.38	\$4.76-4.85	\$3.87	\$4.92	\$4.72
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00-6.50		\$4.77	NQ	NQ	
			Feed wheat			
			\$4.00			
Nampa – Weiser	\$6.68		\$5.26			
Nez Perce / Craigmont	\$5.35		\$4.44	\$4.84	\$5.28	
Lewiston	\$5.85		\$4.70	\$5.10	\$5.54	
Moscow / Genesee	\$5.35-5.75		\$4.47-4.61	\$4.87-4.92	\$5.31-5.50	\$4.92

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 Jan . \$5.30- 5.41½ max 10.5% pro \$6.26½ -6.45	\$5.62¼ –5.72½	\$6.01½ - 6.21½	
Los Angeles	\$9.80-10.00			NQ (12%)		
Tulare	\$9.80-10.00					
Ogden	\$7.25		\$5.06	\$4.47	\$5.26	\$5.10
Great Falls	\$5.50-5.75	\$10.00		\$4.44-4.50 (12%)	\$4.88-5.03	
Minneapolis	\$5.31	NQ		\$5.42¼	\$5.86½ - 6.09½	

Market trends this week

BARLEY – Idaho feed and malting barley prices were steady this week. USDA will release their export sales report on Friday due to the government shut down from last weekend's heavy Mid-Atlantic snow storm.

WHEAT – Idaho wheat prices were mixed to mostly higher this week: SWW prices ranged from minus 5 to plus 11 cents; HRW prices ranged from minus 14 to plus 17 cents; and DNS prices ranged from minus 2 to plus 9 cents. Wheat export sales will be reported on Friday, but export inspections last week were well below trade expectations at 187.9 TMT, down 45% from the previous week. Cumulative wheat export shipments now tally 60.1% of the USDA estimate for the year, compared to a 5-year average of 61.4%.

Wheat competitor / buyer news – The EU granted export licenses for 822 TMT of wheat this week, bringing cumulative exports to 14.8 MMT, down 12% from the same period a year ago. Reports that Argentina has inked wheat export sales to South Korea and Vietnam. Canadian Ag Agency has pegged their 2016 spring wheat crop 2% lower. Russian Ag Ministry is expected to meet at the end of the week to discuss wheat export policy, with rumors early in the week

suggesting they might employ tighter export controls to help ease domestic prices countered by more recent chatter that wheat export taxes will be eliminated or reduced.

CORN – USDA will report corn export sales on Friday but corn export shipments last week were solid at 599.8 TMT, up 3% from the previous week. Cumulative corn export shipments have reached 25.3% of the USDA estimate for the year, compared to a 5-year average of 36.2%.

Ethanol corn usage – DOE's Energy Information Agency reported a second consecutive week of lower ethanol production due to poor processing margins – down 22,000 bbls per day to 961,000 bpd, down 2.3% from the previous week and down 1.7% from the previous year. U.S. ethanol stocks fell slightly to 21.4 million bbls, down 2% from the previous week but up 4% from the previous year. Corn used to produce ethanol last week totaled 100.91 million bu, still above the weekly pace needed to reach USDA's projection of 5.2 billion bu for MY 2015/16.

Corn competitor / buyer news – Reports this week that China will likely allow domestic corn prices to more closely track global market prices and ideas that China will cut import quotas for corn and feedgrain substitutes by as much as 50% to help reduce their record large government corn stockpiles. Recent weather conditions across the Argentine corn belt indicate the possibility of irreversible yield damage, affecting as much as 20% of the corn crop. Weather outlook was expected to improve over the near term. The South African National Crop Estimation Committee has pegged South Africa's corn production at 7.44 MMT, down sharply from the previous year due to historic drought conditions.

Futures Market trends this week

WHEAT – Wheat futures began the week moderately higher, boosted by short covering and technical buying on rumors that Russian Ag Ministry was considering tougher export limits to help ease domestic prices. Wheat prices retreated on Wednesday on conflicting rumors that Russian officials are likely to cut or eliminate wheat export taxes rather than implement tougher export controls as reported earlier in the week. Wheat markets closed lower today (Thursday), under pressure from soybean weakness and more talk of Russian officials cutting wheat export taxes. **Wheat market closes on Thursday, 1/28/16...**

	Mar 2016	Weekly Summary	May 2016	Weekly Summary	July 2016	Weekly Summary
Chicago SRW	\$4.72 ³ / ₄	Down \$0.03 ³ / ₄	\$4.78	Down \$0.02 ³ / ₄	\$4.84	Down \$0.01 ³ / ₄
KC HRW	\$4.64 ³ / ₄	Down \$0.06	\$4.75 ¹ / ₂	Down \$0.05 ³ / ₄	\$4.85 ³ / ₄	Down \$0.05
MGE DNS	\$4.95 ³ / ₄	Down \$0.01 ³ / ₄	\$5.00 ³ / ₄	Down \$0.02 ³ / ₄	\$5.07	Down \$0.02

CORN – Corn futures chopped in a narrow range this week in two-sided action with little fresh supportive news to support the recent positive momentum. Corn finished lower today (Thursday) under the weight of demand concerns as ethanol production slips and export shipments are well behind the pace needed to reach USDA's estimate for the year, reinforced by news that China will cut their corn and feedgrain imports significantly this year. **Corn futures contract closes on Thursday, 1/28/16...** Mar. 2016 contract at \$3.65¹/₂, down \$0.04³/₄ for the week, May 2016 contract closed at \$3.70¹/₂, down \$0.04³/₄ for the week and the July 2016 contract closed at \$3.75¹/₂, down \$0.04¹/₂ for the week.

CRUDE OIL – Crude oil trading remained highly volatile this week with pressure from news that Iraq reached record oil production last month which was offset by reports that key OPEC producers and Russia may be close to striking a deal to cut current production levels. DOE's Energy Information Agency reported domestic crude oil stocks increased by 8.383 million bbls, compared to an expected increase of 3.2 million bbls. Distillates fell by 4.057 million bbls, compared to an expected decrease of 2.0 million bbls, while gasoline stocks increased by 3.464 million bbls, compared to an expected increase of 1.5 million bbls. **Crude oil prices closed stronger on Thursday on ideas that Russian oil officials are signaling the possibility of cooperating with an OPEC production cut – closing at \$32.30, up \$0.11 for the week.**

LINKS TO RECORDED WEBINARS

- **Controlling Fusarium Head Blight in Barley and Wheat Crops** presented by Dr. Juliet Marshall, UI Cereal Pathologist on January 19, 2016. Link can be found at <https://vimeo.com/152646122>
- **2016 Grain Marketing Strategies** presented by Brian Rydlund, CHS Hedging on December 16, 2015. Link can be found at <https://vimeo.com/149175681>
- **El Nino Winter Weather Outlook** presented by NWS Senior Hydrologist Troy Lindquist on Nov. 18, 2015. Link can be found at <https://vimeo.com/146130357>
- **2016 Malting Barley Revenue Endorsement Crop Insurance** presented by Dave Paul, Watt's & Associates on October 22, 2015. Link can be found at <https://vimeo.com/143410554>