

Idaho Grain Market Report, March 24, 2016

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, March 23, 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	\$5.50		\$4.45			\$4.65
Idaho Falls	\$6.25	\$9.10 - \$9.48	\$3.95	\$4.40	\$4.85	\$4.55
Blackfoot / Pocatello	NQ	\$8.35	\$3.95	\$4.40	\$4.85	\$4.55
Grace / Soda Springs	\$6.60		\$3.97	\$3.89	\$4.86	\$4.69
Burley / Rupert	\$6.00	\$9.48	\$3.80-3.90	\$3.77	\$4.85	\$4.42
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00-6.50		\$4.20	NQ	NQ	
			Feed wheat			
			\$3.75			
Nampa – Weiser	\$6.13		\$4.51			
Nez Perce / Craigmont	\$5.25		\$4.12	\$4.54	\$5.19	
Lewiston	\$5.75		\$4.38	\$4.80	\$5.45	
Moscow / Genesee	\$5.25-5.75		\$4.15–4.32	\$4.57-4.76	\$5.22-5.36	\$4.76

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 - No bid max 10.5% pro \$5.33-5.38	\$5.42¼ –5.52¼	\$6.02 - 6.12	
Los Angeles	\$9.75-9.95			NQ (12%)		
Tulare	\$9.75–9.95					
Ogden	\$7.10		\$4.27	\$4.19	\$5.16	\$5.04
Great Falls	\$5.00-5.50	\$10.00		\$4.26-4.39 (12%)	\$4.78–5.02	
Minneapolis	\$5.10	NQ		\$5.17¼	\$5.77	

Market trends this week

BARLEY – Local feed barley prices were mostly steady to 15 cents lower this week. Malting barley prices were mostly steady. USDA reported there were no barley export sales and export shipments totaling 200 MT to South Korea last week.

WHEAT – Local wheat prices were mostly lower this week: SWW prices ranged from plus 5 cents to minus 45 cents; HRW prices ranged from 13 to 30 cents lower; and DNS prices ranged from 4 to 15 cents lower this week. USDA reported wheat export sales last week were better than expected at 368.9 TMT (plus 118.8 TMT in MY 2016/17), up 73% from the prior week and up 16% from the previous 4-week average. Cumulative wheat export sales have reached 89.8% of the USDA estimate for the year compared to a 5-year average of 93.1%. Wheat export shipments last week totaled 355.9 TMT, down 15% from the previous week and down 2% from the 4-week average.

Wheat competitor / buyer news – The EU approved export licenses for 1.055 MMT of wheat this week, bringing their cumulative wheat exports to 21.2 MMT this marketing year, down 13% from the same period a year ago. Egypt

purchased 60 of French wheat this week. Many in the trade expect Ukraine's wheat crop to fall to 20 MMT in 2016, down nearly 25% from last year.

CORN – USDA reported corn export sales were below trade expectations last week at 803.2 TMT (plus 99.9 TMT for MY 2016/17), down 35% from the previous week and down 27% from the previous 4-week average. Cumulative corn export sales have reached 76.3% of the USDA estimate for the year compared to a 5-year average of 81.9%. Corn export shipments last week totaled 997.5 TMT, up 14% from the previous week and up 13% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a slight downtick in weekly ethanol production to 995,000 bpd, down 4,000 bbls or 0.4% from the previous week but up 4.4% from the previous year. U.S. ethanol stocks continued to slip slightly last week to 22.5 million bbls, down 1.5% from the previous week but up nearly 6% from the previous year. Corn used to produce ethanol last week totaled 104.5 million bu, still well above the weekly pace needed to reach USDA's revised projection of 5.225 billion bu for MY 2015/16.

Corn competitor / buyer news – Argentina's corn exports reached 1.78 MMT in January, up 25% from the same month last year and February exports topped 2.6 MMT, up more than 230%. China is expected plans soon on how it will begin liquidating its massive government owned corn stockpiles. Chinese corn prices have fallen sharply in recent months to near world values, prompting talk that Chinese farmers will likely reduce their corn seedings in 2016. China's DDG imports from the U.S. have fallen sharply in recent months, hitting a one year low in February at only 180.8 TMT. Their corn imports also fell sharply to only 70.2 TMT in January and February, down 94% from the same period a year ago.

Futures Market trends this week

WHEAT – Wheat markets opened the week with modest gains on support from colder than expected weekend temperatures across the Central and Southern Plains winter wheat regions, where some crop damage was expected in crops in the jointing stage (KS 20% jointed). Gains were limited by a stronger dollar and increased farmer selling. Wheat continued to grind fractionally higher on Tuesday from ideas of weekend crop damage and possibility of more cold temperatures this coming weekend. Wheat finished modestly lower on Wednesday under profit-taking pressure sparked by a higher dollar and improving chances of better rain coverage across the Central Plains and Midwest in the extended forecast. Wheat closed mixed to lower on Thursday with some support from short covering on better than expected wheat export sales. **Wheat market closes on Thursday, 3/24/16...**

	<u>May 2016</u>	<u>Weekly Summary</u>	<u>May 2016</u>	<u>Weekly Summary</u>	<u>July 2016</u>	<u>Weekly Summary</u>
Chicago SRW	\$4.63	Unchanged	\$4.70 ³ / ₄	Up \$0.00 ¹ / ₂	\$4.80 ³ / ₄	Up \$0.00 ³ / ₄
KC HRW	\$4.71 ³ / ₄	Up \$0.02 ¹ / ₄	\$4.82 ³ / ₄	Up \$0.02 ³ / ₄	\$4.96 ¹ / ₄	Up \$0.02 ¹ / ₂
MGE DNS	\$5.14	Up \$0.05	\$5.22 ¹ / ₂	Up \$0.05	\$5.32 ¹ / ₂	Up \$0.05

CORN –Corn posted moderate gains to start the week from fresh technical buying, spillover strength from wheat and better than expected corn export shipments. Corn finished fractionally higher on Tuesday with gains trimmed into the close on technical resistance and modest uptick in farmer selling. Prices closed lower on Wednesday on profit-taking pressure sparked by a higher dollar and weak outside markets. Corn finished fractionally higher on Thursday in choppy two-sided trading. Corn prices are consolidating in a narrow range ahead of the key USDA prospective planting and quarterly stock reports next Thursday. **Corn futures contract closes on Thursday, 3/24/16... May 2016 contract at \$3.670, up \$0.03 for the week, July 2016 contract closed at \$3.74¹/₂, up \$0.02³/₄ for the week and the Sept 2016 contract closed at \$3.79¹/₄, up \$0.02¹/₂ for the week.**

CRUDE OIL – Crude oil prices were under pressure from a stronger dollar this week which was boosted by hawkish Federal Reserve Governor comments that suggest the likelihood of rate hikes in upcoming meetings in April or June and the possibility of more than two rates hikes yet this year despite minutes from last month's FOMC meeting that signaled only two rate hikes rather than the four expected by the trade. The U.S. DOE Energy Information Agency reported domestic crude oil stocks shot well above expectations last week– up a whopping 9.357 million bbls, compared to an expected increase of 2.5 million bbls. Distillates increased by 917,000 bbls, while gasoline stocks fell by 4.642 million bbls, compared to an expected decline of 2.2 million bbls. **Crude oil futures finished down \$1.68/bbl for the week at \$39.46/bbl.**