

Idaho Grain Market Report, July 7, 2016

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NEW CROP Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, July 6, 2016. 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	\$5.25			\$3.66-3.85	\$3.56	\$5.02	\$4.12-4.20
Idaho Falls	NQ	\$8.90 - \$9.38		\$3.55	\$3.85	\$4.60	\$4.05
Blackfoot / Pocatello	NQ	new crop \$7.50		\$3.55	\$3.85	\$4.60	\$4.05
Grace / Soda Springs	\$5.95			\$3.63	\$3.43	\$4.74	\$4.08
Burley / Rupert Hazelton	\$5.50	\$9.38		\$3.83	\$3.25	\$4.57	\$4.10
Twin Falls / Buhl / Wendell	\$6.45- \$6.70			\$4.15	NQ	NQ	
Nampa – Weiser	\$6.45			\$4.02			
Nez Perce / Craigmont	\$5.25			\$4.12	\$3.98	\$5.11	
Lewiston	\$5.75			\$4.38	\$4.24	\$5.37	
Moscow / Genesee	\$5.25-5.75			\$4.15-4.29	\$4.01-4.20	\$5.14-5.33	\$4.20

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 pro - \$4.75 -5.03 max 10.5% pro \$4.85 -5.01½	\$4.74¾ - 4.89¾	\$5.77¼ -5.87¼	
Los Angeles	\$8.90-9.10					
Tulare	\$8.90-9.10					
Ogden	\$5.70		\$4.05	\$3.65	\$5.10	\$4.30
Great Falls	\$5.00-5.25	\$8.00		\$3.60-3.70 (12%)	\$4.62-4.77	
Minneapolis	\$4.90	NQ		\$4.44¾ (12%)	\$5.92¼	

Market trends this week

BARLEY – Local feed barley ranged from steady to 25 cents lower this week. Open market malting barley prices were steady. USDA will report weekly barley export sales on Friday due to the Monday 4th of July holiday.

WHEAT – Local NEW CROP wheat prices were lower this week. USDA will report weekly export sales on Friday, but they reported better than expected weekly export shipments at 560.59 TMT, up 6% from the previous week. Cumulative wheat export shipments in MY 2016/17 now total 9.3% of the USDA estimate for the year, compared to a 5-year average pace of 9.7%.

Wheat Competitor / Buyer News – Cocereal raised their overall EU soft wheat crop forecast to 148 MMT this week, compared to March estimate of 145.2 MMT. The French wheat crop, however, may be smaller due to excessive rain damage. There is also talk of quality concerns in the German wheat crop. Winter grain harvest has started in Russia and Ukraine where yield prospects remain very favorable. Ukraine's wheat crop has been pegged at 23.3 MMT but could increase to 24.2 MMT based on strong yield potential, compared to 26.5 MMT last year.

CORN – USDA reported corn export shipments were on the low end of trade expectations last week at 1.164 MMT, down 22% from the previous week. Cumulative corn export shipments in MY 2015/16 now total 75.6% of the USDA estimate for the year, compared to a 5-year average pace of 81.3%.

Ethanol corn usage – DOE's Energy Information Agency reported a downtick in U.S. ethanol production last week – down 19,000 bpd to 984,000 bpd, down 2% from the previous week and down 0.8% from last year. US ethanol stocks increased to 21.56 million bbls, up 1.8% from the previous week and up 8.7% from a year ago. Corn used to produce ethanol remains strong at 103.3 million bu, still well above the weekly pace of 94.2 million bu needed to achieve USDA's projection of 5.25 billion bu for MY 2015/16. Cumulative corn use for ethanol production not totals 4.44 billion bu.

Corn Competitor / Buyer News – Private forecasters cut their Brazilian 2015/16 crop output this week due to problems with the second crop, particularly in Mato Grosso which has become the largest corn producing state.

Futures Market trends this week

WHEAT – Wheat markets settled modestly higher on Tuesday, recovering from early follow-through selling from last week's bearish news. Concerns about rain delays and possible quality losses in the central winter wheat belt provided underlying support. Wheat turned lower on Wednesday and Thursday – hitting fresh contract lows – under spillover pressure and ample world stocks. **Wheat market closes on Thursday, 7/07/16...**

	Sept 2016	Weekly Summary	Dec 2016	Weekly Summary	Mar 2017	Weekly Summary
Chicago SRW	\$4.25½	Down \$0.04¾	\$4.46¼	Down \$0.04½	\$4.64	Down \$0.04¾
KC HRW	\$4.12¼	Up \$0.00¾	\$4.36½	Up \$0.00¼	\$4.52¾	Unchanged
MGE DNS	\$4.95¼	Down \$0.04¾	\$5.11½	Down \$0.04½	\$5.27	Down \$0.04

CORN – Corn posted solid losses to start the week under pressure from long liquidations driven by follow-through selling from last week's bearish acreage report and nonthreatening weather as pollination expands the next two weeks. Corn settled narrowly mixed on Thursday, with support from early short covering sparked by more favorable outside market sentiment. **Corn futures contract closes on Thursday, 7/07/16.. Sept 2016 contract at \$3.41¾, down \$0.25¾ for the week, Dec 2016 contract closed at \$3.48½, down \$0.23½ for the week and the Mar 2017 contract closed at \$3.57¼, down \$0.23 for week.**

CRUDE OIL – Crude oil was under pressure this week from a glut in gasoline supplies and continuing economic worries about the fallout from Brexit. The U.S. DOE Energy Information Agency reported domestic crude oil stocks were in line with private trade expectations – down 2.223 million bbls - compared to an expected decline of 2.3 million bbls. Distillates decreased by 1.574 million bbls and gasoline stocks fell by 122,000 bbls, compared to an expected decline of 353,000 bbls. **Crude oil futures (Aug contract) finished down \$3.85/bbl for the week at \$45.14/bbl.**

USDA Crop Progress / Condition Report, July 5, 2016

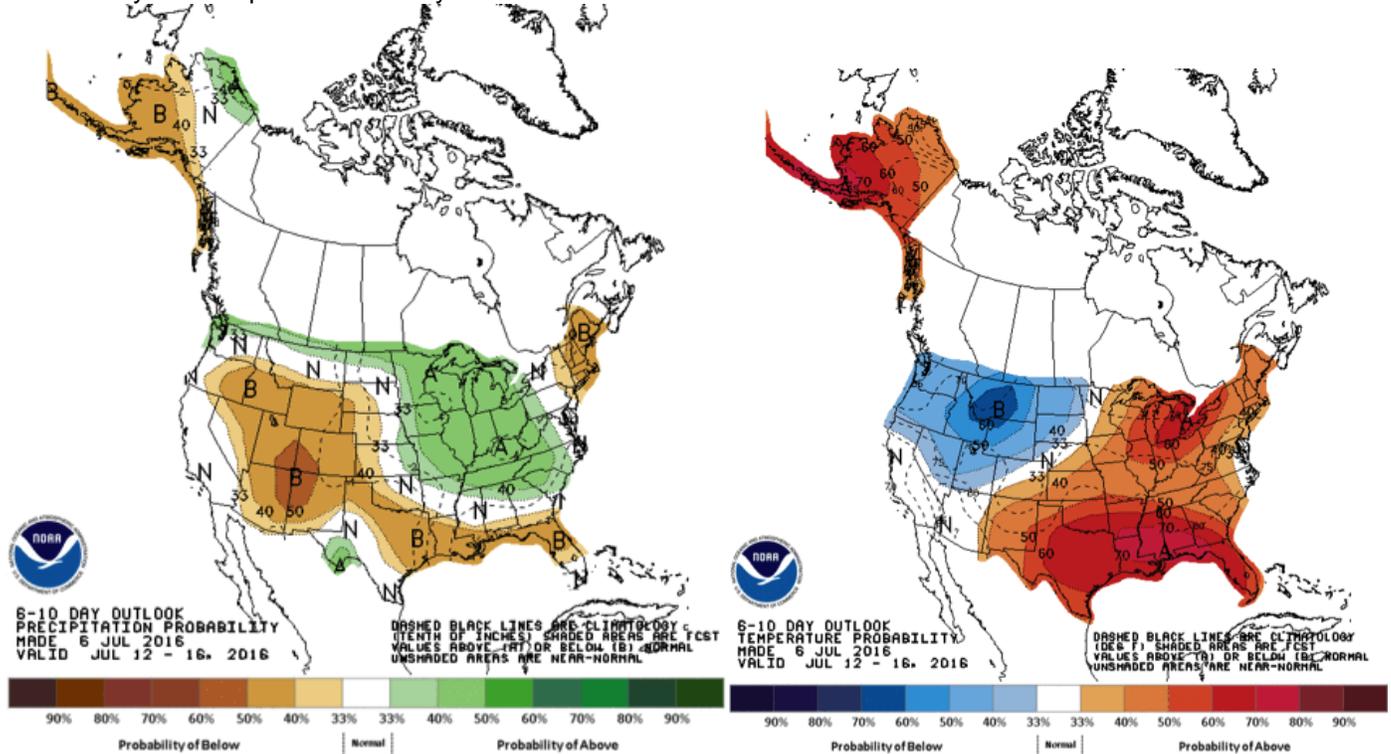
Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	72% headed	55%	78%	48%	75%	75%	73%
ID Barley	70% headed	54%	77%	59%	75%	75%	89%
US Spring Wheat	74% headed	56%	68%	45%	72%	72%	70%
ID Spring Wheat	78% headed	63%	79%	60%	75%	76%	79%
US Winter Wheat	58% harvested	45%	50%	55%	62% g/ex	62%	40%
ID Winter Wheat	1% harvested	0%	2%	0%	79% g/ex	79%	59%
Corn	15% silking	6%	10%	13%	75%	75%	69%

Weather / Crop Conditions – U.S. –

- **PNW** – Temperatures ranged from cooler than normal to normal across the region, with mostly dry conditions, with some widely scattered showers across the most northern region. The 6-10 day outlook calls for drier than normal

and cooler temps.

- **Northern Plains** – Series of disturbances moved through the region, bringing unsettled weather but moisture was welcome in areas that had been trending dry. The 6-10 day outlook calls for cooler than normal but mostly dry conditions.
- **Central/Southern Plains** – Hot temperatures were accompanied by additional rains across parts of KS and NE, interrupting winter grain harvest. Field reports suggest that rainfall has not had a major impact on crop quality thus far and hot and dry conditions are in the extended outlook.
- **Corn Belt** – A wide swath of thunderstorms and warm temperatures were considered nonthreatening to both the corn and soybean crops. The 6-10 day outlook calls for warm and wet conditions.



INTERNATIONAL -

- **Canada** – Growing conditions remain mostly favorable.
- **Europe** – Two weeks of wet overcast conditions have slowed winter grain maturation and harvest and are raising concerns about crop quality in France and Germany, the EU's two largest wheat and barley producers.
- **Black Sea region** – Recent showers have boosted soil moisture for summer crops. Winter grains are maturing and harvest has begun. Showers aided spring grain development across Central Russia.
- **China** – Consistent rainfall across northeastern China and North China Plains is maintaining good soil moisture for summer crops.
- **South America** – Northern Argentina remained mostly dry allowing corn harvest to wind down, meanwhile showers returned to other regions where winter grain planting is underway. Showers may slow corn harvest in Parana but Mato Grosso remains favorably dry for second crop corn harvest.
- **Australia** – Eastern grain belt continued to receive favorable moisture while southwestern region received only scattered showers.