

Idaho Grain Market Report, September 8, 2016

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, September 7, 2016. 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	\$5.00		\$3.50	\$3.58	\$4.57	\$3.80
Idaho Falls	\$5.25	\$8.33–8.35	\$3.40-3.62	\$3.66-3.70	\$4.70-4.78	\$3.81-3.90
Blackfoot / Pocatello	NQ	\$7.00	\$3.40	\$3.70	\$4.70	\$3.90
Grace / Soda Springs	\$5.20		\$3.56	\$3.56	\$4.49	\$3.96
Burley / Rupert	\$5.30	\$8.33	\$3.62	\$3.50	\$4.68	\$3.78
Hazelton						
Twin Falls / Buhl / Wendell	\$5.50		\$3.50-3.75	NQ	NQ	
Nampa – Weiser	\$6.00		\$3.75			
Nez Perce / Craigmont	\$4.25		\$3.88	\$4.07	\$5.04	
Lewiston	\$4.75		\$4.14	\$4.33	\$5.30	
Moscow / Genesee	\$4.25-4.75		\$3.92–4.08	\$4.11-4.29	\$5.07-5.26	\$4.29

**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			<b>Ord pro - \$4.65-4.82<sup>3</sup>/<sub>4</sub> max 10.5% pro \$4.65–4.87<sup>3</sup>/<sub>4</sub></b>	\$4.86--5.01	\$5.78—5.98	
Los Angeles	\$8.60-8.80					
Tulare	\$8.60–8.80					
Ogden	\$5.55		\$3.86	\$3.81	\$4.90	\$4.35
Great Falls	\$4.75-5.00	\$7.00		\$3.56-3.66 (12%)	\$4.47-4.54	
Minneapolis	\$3.96	NQ		\$4.24 <sup>3</sup> / <sub>4</sub> (12%)	\$5.43-5.53	

**Market trends this week**

**BARLEY** – Local feed barley prices ranged from minus 10 cents to plus 25 cents this week. Open market malting barley prices remained steady. USDA will report weekly export sales on Friday due to Monday’s Labor Day holiday.

**WHEAT** – Local wheat prices were higher this week: SWW prices ranged from 5 to 17 cents higher; HRW prices ranged from 10 to 15 cents higher; and DNS prices ranged from steady to 25 cents higher. USDA will report weekly export sales on Friday. Wheat export shipments were robust at 639.3 TMT, up 25% from the previous week. Cumulative wheat export sales now tally 28.1% of the USDA estimate for MY 16/17, compared to a 5-year average pace of 29.2%.

**Wheat Competitor / Buyer News** – Egypt rejected a wheat shipment from Romania this week due to ergot. India has reportedly purchased 52 TMT of Ukrainian wheat. India is projected to import as much as 2 MMT of wheat this year, compared to imports of only 471 TMT last year due to drought damage in their domestic crop.

**CORN** – USDA will report weekly export sales on Friday. Corn export shipments were remained strong at 1.232 MMT.

**Ethanol corn usage** – DOE’s Energy Information Agency reported a sizeable downtick in U.S. ethanol production last week to 998,000 bpd, down 2.4% from the previous week but up 4.2% from a year ago. US. ethanol stocks also

decreased slightly to 20.65 million bbls, up nearly 11% from last year's inventory. Cumulative MY 2015/16 corn use for ethanol is estimated at 5.252 billion bu, above the USDA projection of 5.2 billion bu.

**Corn Competitor / Buyer News** – CONAB is now projecting Brazil's MY 15/16 corn crop at 67 MMT, down from 84.7 MMT last year and USDA's current estimate of 68.5 MMT. The Chinese corn crop is pegged 500 TMT higher this month to 219.5 MMT, according to the CNGOIC, but would be 2.3% below last year's record crop. Plantings were estimated to be down 5% due to the lower government incentives to plant corn. China sold 476.5 TMT of government corn stocks this week out of 3.6 MMT offered for sale.

**Futures Market trends this week**

**WHEAT** – Wheat markets began the week mixed to lower in chopping trading on Tuesday despite strong export shipments and a weaker dollar. Underlying pressure continues to come from ample world stocks and a decision by Russia to suspend their wheat export tariffs for the next two years to boost their exports. Wheat prices rebounded on Wednesday and Thursday on spillover support from corn and technical buying sparked by signs of improving export demand for U.S. wheat. **Wheat market closes on Thursday, 9/08/2016...**

	<b>Sept 2016</b>	<b>Weekly Summary</b>	<b>Dec 2016</b>	<b>Weekly Summary</b>	<b>Mar 2017</b>	<b>Weekly Summary</b>
Chicago SRW	<b>\$3.77</b>	<b>Up \$0.03¾</b>	<b>\$4.06</b>	<b>Up \$0.06¾</b>	<b>\$4.27¼</b>	<b>Up \$0.06</b>
KC HRW	<b>\$3.92½</b>	<b>Up \$0.06</b>	<b>\$4.18</b>	<b>Up \$0.04¾</b>	<b>\$4.34</b>	<b>Up \$0.04</b>
MGE DNS	<b>\$4.95</b>	<b>Down \$0.01¼</b>	<b>\$4.92</b>	<b>Up \$0.00½</b>	<b>\$5.03½</b>	<b>Up \$0.01¾</b>

**CORN** – Corn prices were steady to moderately higher all week on short covering sparked by a lower dollar and expectations that USDA will lower its corn production and ending stock estimates next Monday. **Corn futures contract closes on Thursday, 9/08/16...** Sept 2016 contract at **\$3.27, up \$0.10½ for the week, Dec 2016 contract closed at \$3.38½, up \$0.10 for the week and the Mar 2017 contract closed at \$3.48½, up \$0.10 for week.**

**CRUDE OIL** – Crude oil traded sharply higher this week, buoyed by a much bigger than expected weekly draw in U.S. crude oil inventories and a lower dollar as speculation mounts that the Fed will not raise interest rates later this month due to slowing economic signals. The U.S. DOE Energy Information Agency reported a surprisingly large decrease in domestic crude oil inventories – down 14.51 million bbls - compared to an expected decrease of 100,000 bbls. Distillates increased by 3.38 million bbls, while gasoline stocks decreased by 4.21 million bbls. **Crude oil futures (Oct contract) finished up \$3.18/bbl this week to close at \$47.62/bbl.**

**USDA Crop Progress / Condition Report, September 6, 2016**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	91% harvested	86%	94%	82%			
<b>ID Barley</b>	<b>88% harvested</b>	<b>85%</b>	<b>92%</b>	<b>83%</b>			
US Spring Wheat	91% harvested	81%	92%	75%			
<b>ID Spring Wheat</b>	<b>82% harvested</b>	<b>75%</b>	<b>93%</b>	<b>80%</b>			
<b>ID Winter Wheat</b>	<b>96% harvested</b>	<b>89%</b>	<b>99%</b>	<b>96%</b>			
Corn	76% dented 18% mature	60% 9%	71% 17%	69% 20%	74%	75%	68%

**Weather / Crop Conditions – U.S. –**

- **PNW** – Dry and cool conditions prevailed, favoring final spring grain harvest. Heat is beginning to rebuild across the Intermountain West. The extended outlook calls for dry and warmer conditions.
- **Northern Plains** – After a week of severe storms and local flooding, conditions turned drier across the Dakotas this week. Parts of Montana continued to see showers interrupt final spring grain harvest. Conditions are expected to be dry and cool in the extended outlook.

- **Central/Southern Plains** – Locally heavy showers continued to boost soil moisture for winter wheat planting. The 6-10 day outlook calls for cooler and mostly wet conditions.
- **Corn Belt** – Two cold fronts brought locally heavy rains across a wide band stretching from the Mid Mississippi River Valley into the Great Lakes. Rain is expected to continue through the weekend. The extended outlook calls for cooler than normal conditions across the WCB and warmer than normal across the ECB. The entire region is expected to see normal to above normal precipitation.

#### **INTERNATIONAL -**

- **Canada** – Conditions remain mostly favorable for spring grain harvesting.
- **Europe** – Warm and dry weather dominated the region, aiding summer crop harvesting and winter grain planting. Soil moisture deficits across parts of Spain, France and Germany may limit winter grain emergence.
- **Black Sea region** – Warm and dry conditions prevailed, aiding summer crop harvest and winter wheat planting.
- **South America** – Southern Brazilian wheat areas have received excessive moisture during grain fill and maturation. Central Argentine production areas received some beneficial moisture for developing wheat crops.
- **Australia** – Northeastern production region (New South Wales) has received excessive moisture recently, causing damage to the maturing winter grain crops. Rain was in the forecast this week for southeastern production region.