

Idaho Grain Market Report, October 20, 2016

Published weekly by the Idaho Barley Commission, kolson@barley.idaho.gov, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 19, 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	\$5.20		\$3.65	\$3.75	\$5.18	\$4.00
Idaho Falls	\$5.00	\$8.33 -8.35	\$3.50	\$3.80	\$5.15	\$4.00
Blackfoot / Pocatello	NQ	\$6.50	\$3.50	\$3.80	\$5.15	\$4.00
Grace / Soda Springs	\$5.50		\$3.63	\$3.65	\$5.17	\$4.05
Burley / Rupert	\$5.00		\$3.60	\$3.45	\$5.11	\$4.01
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00		\$3.90	NQ	NQ	
Nampa – Weiser	\$5.90		\$3.65			
Nez Perce / Craigmont	\$4.00		\$3.86	\$4.26	\$5.56	
Lewiston	\$4.50		\$4.12	\$4.52	\$5.82	
Moscow / Genesee	\$4.00-4.25		\$3.89-4.03	\$4.29-4.48	\$5.59-5.74	\$4.48

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 - \$4.52-4.80¼ max 10.5% pro \$4.80¼ – 4.85¼	\$5.10¼ - 5.20¼	\$6.30¼ -6.45¼	
Los Angeles	\$8.25-8.50					
Tulare	\$8.25–8.50					
Ogden	\$5.85		\$3.95	\$3.90	\$5.50	\$4.40
Great Falls	\$4.25-4.75	\$7.00		\$3.76-3.85 (12%)	\$4.82-5.03	
Minneapolis	\$4.17	NQ		\$4.55¼ (12%)	\$6.50¼ - 6.60¼	

Market trends this week

BARLEY – Local feed barley prices were mostly steady to 25 cents higher in southern ID and steady in northern Idaho. Open market malting barley prices remained steady. USDA reported there were no barley export sales last week but export shipments totaled 200 MT to Japan.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 15 cents to plus 13 cents; HRW prices ranged from minus 30 cents to plus 5 cents; and DNS prices ranged from minus 4 cents to plus 8 cents. USDA reported wheat export sales last week were on the high end of trade expectations at 513.8 TMT, up 5% from the previous week and up 3% from the previous 4-week average. Wheat export shipments totaled 461.5 TMT, up 22% from the previous week but down 25% from the previous 4-week average.

Wheat Competitor / Buyer News – SovEcon raised their Russian wheat production estimate this week from 70.8 MMT to 72 MMT. Saudi Arabia purchased 610 TMT of hard wheat from Germany, Poland and Latvia. Indian flour millers purchased 100 TMT of Australian wheat.

CORN – USDA reported corn export sales were above trade expectations at 1.023 MMT, up 17% from the previous week but down 8% from the previous 4-week average. By contrast, corn export shipments were disappointing at 851 TMT, down 32% from the previous week and down 35% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a rebound in U.S. ethanol production last week to 998,000 bpd, up 36,000 bpd or +3.7% from the previous week and up 4.9% from a year ago. Weekly corn usage totaled 104.79 million bu, back up above the weekly pace of 101.2 million bu needed to reach USDA's projection of 5.275 billion bu for MY 2016/17.

Corn Competitor / Buyer News – Indonesia bought 200 TMT of US corn this week. They are expected to import 1 MMT of corn this year, down from 3 MMT a year ago. China will suspend state corn auctions in an effort to encourage their end users to purchase new crop Chinese corn.

Futures Market trends this week

WHEAT – Wheat markets opened the week moderately higher on Monday in follow through short covering and spillover support from soybeans. Wheat finished lower on Tuesday under spillover pressure and a lack of supportive news as the export line-up looks light this week. Wheat rebounded modestly higher on Wednesday on mostly spillover support from corn and beans and a weaker dollar. Wheat finished lower on Thursday, pressured by a higher dollar and spillover weakness in corn and beans. **Wheat market closes on Thursday, 10/20/2016...**

	Dec 2016	Weekly Summary	Mar 2017	Weekly Summary	May 2017	Weekly Summary
Chicago SRW	\$4.17	Down \$0.04	\$4.37½	Down \$0.01¾	\$4.52¾	Up \$0.00¼
KC HRW	\$4.23	Up \$0.05¼	\$4.40½	Up \$0.05¾	\$4.52	Up \$0.06½
MGE DNS	\$5.31¼	Up \$0.03¼	\$5.34¾	Up \$0.02½	\$5.40½	Up \$0.02½

CORN – Corn finished mixed to fractionally higher on Monday with profit-taking offset by spillover support from stronger soybeans. Corn ground fractionally lower on Tuesday under pressure from disappointing export inspections and expanding hedge pressure as harvest approaches the half way mark and producers sell corn directly off of the combine because of a lack of storage. Corn rebounded moderately higher on Wednesday on support from crude oil and ethanol. Corn saw early buying give way to profit-taking to close lower on Thursday. **Corn futures contract closes on Thursday, 10/20/16... Dec 2016 contract at \$3.51, down \$0.03¼ for the week, Mar 2017 contract closed at \$3.60¾, down \$0.03 for the week and the May 2017 contract closed at \$3.67½, down \$0.02¾ for week.**

CRUDE OIL – Crude oil prices continued to chop higher, posting the best prices in 15 months on support from a weaker dollar. Crude prices have rallied 15% since OPEC members tentatively agreed to their first output cut since 2008. The U.S. DOE Energy Information Agency reported a surprisingly large decline in domestic crude oil inventories – down 5.247 million bbls, compared to an expected increase of 2.7 million bbls. Distillate stocks fell by 1.24 million bbls, while gasoline stocks increased by 2.469 million bbls. **Crude oil futures (Nov contract) finished up \$0.08/bbl this week to close at \$50.43, up \$0.63/bbl for the week.**

USDA Crop Progress / Condition Report, October 17, 2016

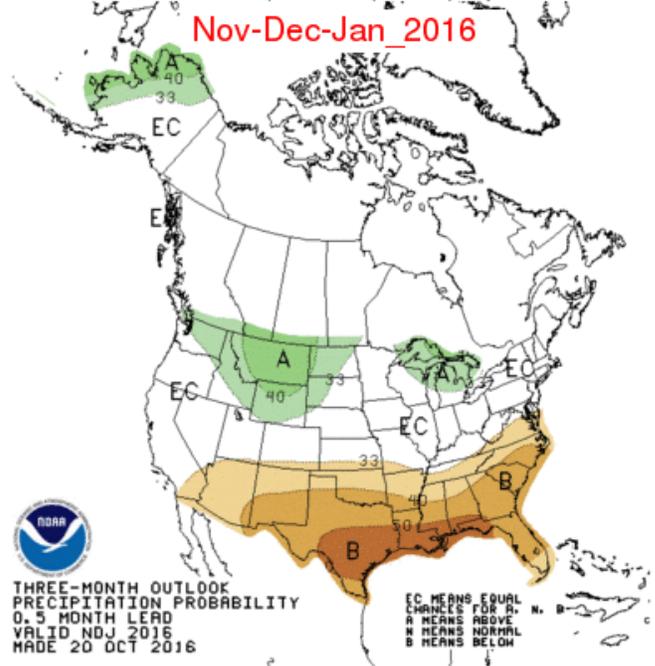
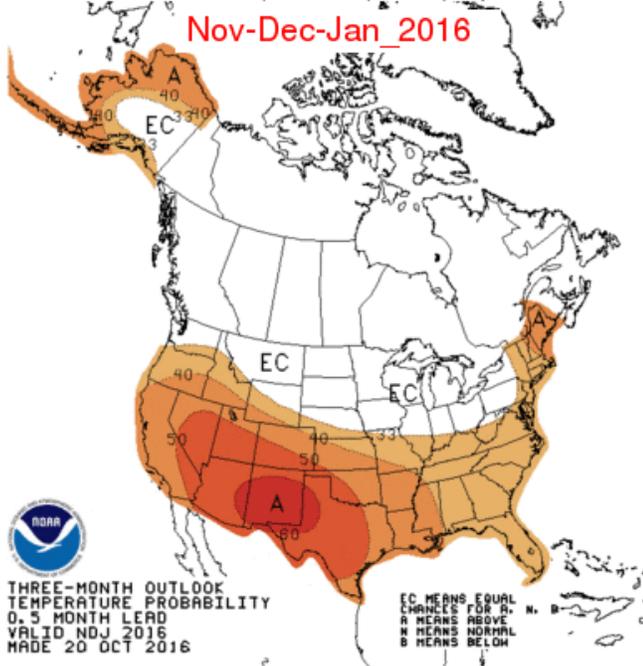
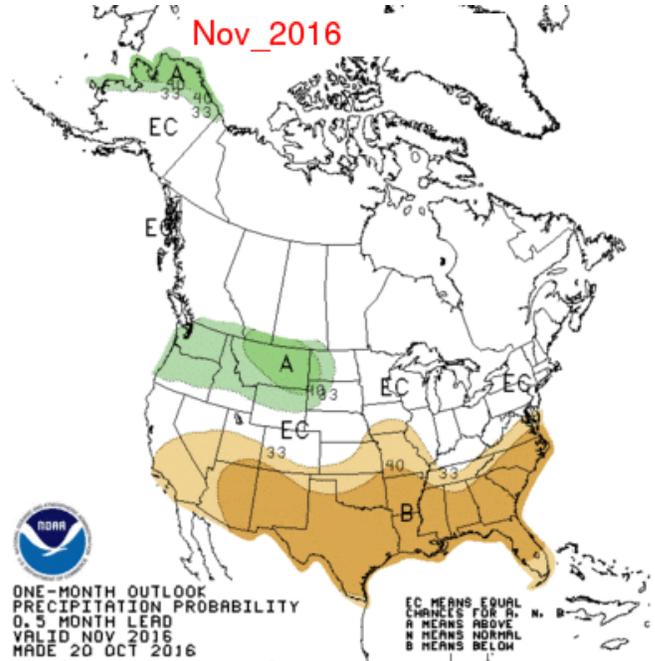
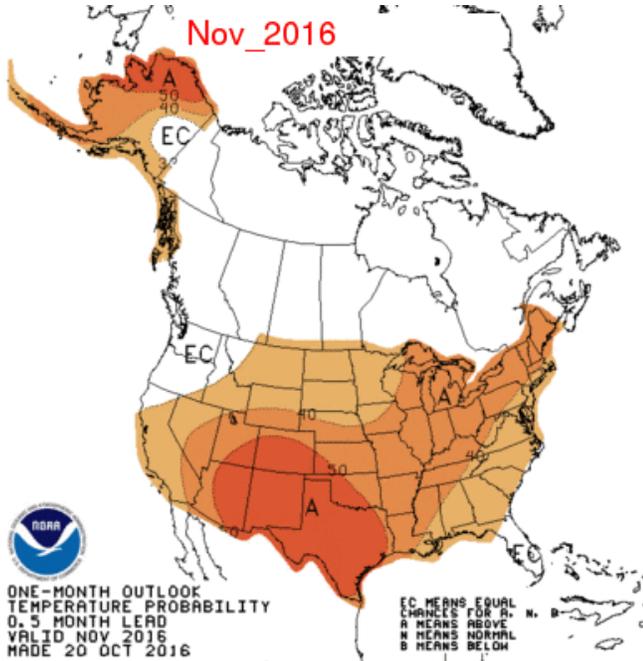
Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Winter Wheat	72% planted 47% emerged	59% 34%	73% 44%	73% 45%			
ID Winter Wheat	83% planted 67% emerged	72% 49%	85% 55%	85% 44%			
Corn	46% harvested	35%	54%	49%	74%	73%	68%

Weather / Crop Conditions – U.S. –

- **PNW** – Mild showery conditions prevailed this week, with wetter than normal conditions expected to continue in the extended outlook.
- **Northern Plains** – Cool and showery conditions covered the Northern Plains this week. The 6-10 day outlook calls for mostly warmer and wet conditions.

- **Central/Southern Plains** – Lingering heat is raising concerns about winter wheat conditions.
- **Corn Belt** – Mostly warm and dry conditions accelerated corn harvest this week. A round of showers moved through the Ohio River Valley. The 6-10 day outlook calls for above normal rainfall in the WCB and drier conditions in the eastern region. The extended 8-14 day outlook calls for wetter conditions across the entire belt.

La Nina Outlook – NOAA and other major weather forecasting organizations are projecting a strong probability of a moderate La Nina through first quarter 2017. According to NOAA's Climate Prediction Center, the Intermountain West can expect warmer and wetter than normal conditions over the next three months.



INTERNATIONAL -

- **Europe** – France and Spain received beneficial moisture.
- **Black Sea region** – Eastern Ukraine turned drier, allowing corn harvest to advance which is running 23% behind last year's pace due to recent heavy rains. After recent rain showers, soil moisture is adequate across Southern Russia.
- **South America** – Rains continued to move through Southern Brazil this week, where wheat harvest is underway. Some corn replanting may be necessary. Meanwhile, Argentina continued to receive heavy showers, easing dryness and boosting both flowering winter grain crops and corn emergence.
- **Australia** – Southeastern production region saw more showers which is likely causing some quality issues with maturing winter grains.