

Idaho Grain Market Report, November 3, 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, November 2, 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	\$5.10		\$3.40	\$3.63	\$5.05	\$3.90
Idaho Falls	\$5.00	\$8.30 -8.33	\$3.50	\$3.86	\$5.12	\$4.06
Blackfoot / Pocatello	\$4.69	\$6.50	\$3.50	\$3.86	\$5.12	\$4.06
Grace / Soda Springs	\$5.50		\$3.63	\$3.60	\$5.06	\$4.00
Burley / Rupert	\$5.00		\$3.71	\$3.29	\$4.97	\$3.99
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00		\$3.90	NQ	NQ	
Nampa – Weiser	\$6.00		\$3.67			
Nez Perce / Craigmont	\$4.00		\$3.86	\$4.16	\$5.43	
Lewiston	\$4.50		\$4.12	\$4.42	\$5.69	
Moscow / Genesee	\$4.00-4.25		\$3.89-4.03	\$4.19-4.33	\$5.46-5.60	\$4.33

**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 - \$4.57¾ - 4.82¾ max 10.5% pro \$4.57¾ - 4.87¾</b>	\$5.00½ - 5.10½	\$6.07¼ - 6.32¼	
Los Angeles	\$7.90-8.20					
Tulare	\$7.90-8.20					
Ogden	\$6.10		\$3.95	\$3.85	\$5.36	\$4.40
Great Falls	\$4.25-4.75	\$7.00		\$3.86-3.97 (12%)	\$4.87-4.92	
Minneapolis	\$4.17	NQ		\$4.45½ (12%)	\$6.17¼ - 6.32¼	

**Market trends this week**

**BARLEY** – Local feed barley prices were steady in both southern and northern ID. Open market malting barley prices remained steady. USDA reported barley export sales last week totaled 300 MT to Taiwan and South Korea, while export shipments saw a nice bump to 700 MT to Vietnam and Japan.

**WHEAT** – Local wheat prices were mixed this week: SWW prices ranged from minus 2 cents to plus 15 cents; HRW prices ranged from minus 16 cents to plus 11 cents; and DNS prices ranged from 3 to 11 cents lower. USDA reported wheat export sales last week were below trade expectations at 234.9 TMT, down 64% from the previous week and down 54% from the previous 4-week average. Wheat export shipments were better at 327.1 TMT, up 24% from the previous week but down 28% from the previous 4-week average.

**Wheat Competitor / Buyer News** – Reports of frost damage affecting about 15% of the winter grain area in Western Australia early this week, which is the largest wheat and barley producing region. Its too early to know the extent of wheat losses, but preliminary estimates are showing a 1 MMT loss. UkrAgroConsult is pegging Black Sea wheat exports will increase 12% to 54 MMT this year due to better than expected output in both Russia and Kazakhstan. This is in line with USDA's estimates on October 12 which showed a wheat export projection of 54.1 MMT. Combined wheat production

from these three countries is pegged at 115.5 MMT, up 13% from last year. Iran is expecting to export up to 3 MMT due to record domestic wheat production this year. USDA Ag Attache's in India is projecting the Indian wheat crop at 87 MMT compared to USDA's most recent estimate of 90 MMT and is projecting India will need to import as much as 3 MMT of wheat this year compared to only 300 TMT imported last year.

**CORN** – USDA reported corn export sales were above trade expectations at 1.473 MMT, up 84% from the previous week and up 24% from the previous 4-week average. Corn export shipments were not as strong but still a significant improvement from the previous week at 868.7 TMT, up 66% from the previous week but down 13% from the previous 4-week average.

**Ethanol corn usage** – DOE's Energy Information Agency reported an impressive rebound in U.S. ethanol production last week to 1,022,000 bpd, up 31,000 bpd or +3.1% from the previous week and up 5.5% from a year ago. Stocks totaled 19.7 million bbls, down -0.9% from a year ago. Weekly corn usage totaled 107.31 million bu, well above the weekly pace needed to reach USDA's projection of 5.275 billion bu for MY 2016/17.

**Corn Competitor / Buyer News** – Brazil reportedly exported 1.1 MMT of corn in October, down sharply from 2.9 MMT exported the previous month and 5.547 MMT the previous year. However their MY 2016/17 corn exports are expected to pick up as South American crop projections show substantial year-over-year increases (crop is being planted right now): USDA has pegged the Brazilian crop at 83.5 MMT (up 25%) and the Argentine crop at 36.5 MMT (up 30%), with combined production of 120 MMT, up 26%. Pro Farmer's South American crop consultant has pegged the Brazilian crop at 83 MMT and Argentine crop at 35 MMT, with an upside bias as planting begins to wrap up. South Korean feed buyers continued a strong pace of corn purchases this week, with one feed processor buying 55 TMT of US corn and another buying 63 TMT of optional origin corn.

**Futures Market trends this week**

**WHEAT** – Wheat markets opened the week higher with spillover support and end of the month short covering. Gains were short lived, however, as wheat prices retreated on Tuesday under spillover pressure as traders unwind popular long soybean/short wheat spreads. Wheat posted a modest rebound on Wednesday on continued short covering in the face of heightened risk-off sentiment ahead of the presidential election next week. Wheat finished lower on Thursday under pressure from disappointing wheat export sales. **Wheat market closes on Thursday, 11/03/2016...**

	<b>Dec 2016</b>	<b>Weekly Summary</b>	<b>Mar 2017</b>	<b>Weekly Summary</b>	<b>May 2017</b>	<b>Weekly Summary</b>
Chicago SRW	<b>\$4.12</b>	<b>Up \$0.03½</b>	<b>\$4.29¾</b>	<b>Up \$0.01½</b>	<b>\$4.45</b>	<b>Up \$0.01¼</b>
HRW	<b>\$4.10½</b>	<b>Down \$0.00¾</b>	<b>\$4.28½</b>	<b>Down \$0.00¾</b>	<b>\$4.40¾</b>	<b>Down \$0.00½</b>
MGE DNS	<b>\$5.09¾</b>	<b>Down \$0.14¾</b>	<b>\$5.17½</b>	<b>Down \$0.13¼</b>	<b>\$5.25½</b>	<b>Down \$0.12</b>

**CORN** – Corn closed fractionally lower on Monday in two-sided action with harvest pressure offset by more bullish export demand. Prices continued to erode on Tuesday under profit-taking pressures triggered by double digit losses in soybeans. Prices continued to chop lower on Wednesday on harvest friendly weather forecasts and the possibility of a larger corn yield estimate from USDA next week as pre-report private forecasts start dribbling into the market. Corn rebounded higher on Thursday as outside market anxieties eased after the Fed reserve announced no changes to interest rates and corn export sales were much stronger than expected. **Corn futures contract closes on Thursday, 11/03/16... Dec 2016 contract at \$3.48, down \$0.07 for the week, Mar 2017 contract closed at \$3.57, down \$0.06¼ for the week and the May 2017 contract closed at \$3.64¼, down \$0.06 for week.**

**CRUDE OIL** – Crude oil prices ground lower this week with pressure from an unexpectedly large increase in US crude oil stocks and growing speculation that OPEC members may not be able to hammer out a plan to cut production quotas that was announced in principle last month. The U.S. DOE Energy Information Agency reported a very surprising increase in domestic crude oil inventories – up 14.42 million bbls, compared to an expected increase of 2.0 million bbls. Distillate stocks fell by 1.828 million bbls, while gasoline stocks fell by 2.207 million bbls. **Crude oil futures (Dec contract) finished down \$4.04/bbl this week to close at \$44.66.**

**USDA Crop Progress / Condition Report, October 31, 2016**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Winter	86% planted	79%	87%	88%	58%	59%	49%

Wheat	70% emerged	60%	69%	69%			
<b>ID Winter Wheat</b>	<b>91% planted</b> <b>79% emerged</b>	<b>87%</b> <b>76%</b>	<b>97%</b> <b>76%</b>	<b>98%</b> <b>75%</b>	<b>74%</b>	<b>71%</b>	
Corn	75% harvested	61%	82%	75%			

#### Weather / Crop Conditions –

#### U.S. –

- **PNW** – Mild mostly dry conditions prevailed across the region, with locally heavy showers moving into the far northern corner. Much of the PNW drought has been erased after above normal precipitation in October. The extended outlook calls for warm and dry conditions.
- **Northern Plains** – Record heat overspread the Northern Plains this week, with mostly dry conditions. The 6-10 day outlook calls for warm and dry conditions to persist.
- **Central/Southern Plains** – Conditions remained warmer than normal, while a few showers developing along a slow moving cold front bringing beneficial moisture to a wide band of winter wheat growing area from Texas into the eastern belt.
- **Corn Belt** – Late season warmth and mostly dry conditions allowed corn harvest to advance to 75% completed which is above the 10 year average pace of 68%. A band of showers stretching from Iowa into Michigan moved through the central belt mid-week slowing harvest in some areas. The 6-10 day outlook calls for above normal temperatures and below average rainfall across much of the region.

#### INTERNATIONAL -

- **Europe** – Better rain coverage was expected this week which will help ease pockets of dryness, particularly in France. Showers are in the extended outlook.
- **Black Sea region** – Eastern Ukraine and Southwestern Russia saw light rain coverage this week which is boosting winter wheat establishment ahead of winter dormancy.
- **South America** – Rains continued to move through Central and Southern Brazil this week, aiding emerging corn crops but causing some quality concerns for wheat which is being harvested right now. The northern Argentine wheat belt saw moisture more this week which may increase flooding concerns. The extended outlook is drier.
- **Australia** – Southeastern region turned drier this week, aiding wheat maturation and harvest. Reports of frost damage affecting about 15% of the winter grain area in Western Australia this week, which is the largest wheat and barley producing region. Its too early to know the extent of wheat losses, but preliminary estimates are showing a 1 MMT loss.

## Join us for these upcoming Idaho Grain Producer Educational

**Programs...** REACCH, [Regional Approaches to Climate Change in Pacific Northwest Agriculture](#), needs you! We are looking for producers, crop advisors, and those making pest management decisions and others across the region. We hope to have your expertise in assessing and evaluating some decision support tools that are under development. We are hosting focus group conversations on November 9, 2016 from 9:00 – 11 am prior to the start of the Tri-State Growers meeting in Coeur d'Alene. This is an opportunity to provide feedback that will help to guide future research on Inland Northwest cereal crop production and decision support tool development. REACCH will provide a generous stipend (\$300) and a room at the resort on November 8 if needed. If you are interested, please contact Dianne Daley Laursen at 208-885-1231 or [diannedl@uidaho.edu](mailto:diannedl@uidaho.edu).

IBC is sponsoring a **November 17 WEBINAR on “2017 Winter Weather and Water Outlook” at 8 a.m. MST featuring NOAA Senior Hydrologist Troy Lindquist.** You can participate by logging onto <https://uidaho.zoom.us/j/801548800>

**UI Extension 2017 Idaho Ag Outlook Seminars on Dec. 6 at Burley Inn and Dec. 7 at Idaho Falls Residence Inn, from 9:00 am to 4:30 pm. New this year will be a two-hour session on**

**How to Make Ag Technology Pay on the Farm**, with presentations on Basics of On-Farm Performance in soil health, fertility and irrigation and an in-depth discussion on how to use new variable rate technologies to generate data to help boost farm productivity while optimizing input costs. More details are attached.