

Idaho Grain Market Report, November 10, 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, November 9, 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	\$5.10		\$3.46	\$3.65	\$5.08	\$3.92
Idaho Falls	\$4.69-5.00	\$8.30 -8.33	\$3.30	\$3.70	\$5.05	\$3.90
Blackfoot / Pocatello	\$4.69	\$6.50	\$3.30	\$3.70	\$5.05	\$3.90
Grace / Soda Springs	\$5.50		\$3.59	\$3.60	\$4.98	\$3.95
Burley / Rupert	\$5.00		\$3.55	\$3.50	\$4.95	\$3.96
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00		\$3.75	NQ	NQ	
Nampa – Weiser	\$5.90		\$3.65			
Nez Perce / Craigmont	\$4.00		\$3.89	\$4.11	\$5.40	
Lewiston	\$4.50		\$4.07	\$4.37	\$5.66	
Moscow / Genesee	\$4.00-4.25		\$3.92-3.98	\$4.14-4.28	\$5.43-5.57	\$4.28

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 - \$4.71¼ - 4.76 max 10.5% pro \$4.66¼ - 4.76¼	\$4.95¼ - 5.05¼	\$6.14½ - 6.29½	
Los Angeles	\$7.90-8.20					
Tulare	\$7.90-8.20					
Ogden	\$6.00		\$3.90	\$3.85	\$5.30	\$4.30
Great Falls	\$4.25-4.75	\$6.75		\$3.81-3.97 (12%)	\$4.84-4.94	
Minneapolis	\$4.17	NQ		\$4.40¼ (12%)	\$6.14½ - 6.29½	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to 10 cents lower, but were mostly 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 Vietnam, while export shipments totaled 800 MT to Japan.

BARLEY S&D Projections for MY 2016/17 – Nov 9, 2016 - USDA made no changes to the domestic barley balance sheet. The average U.S. barley farm-gate price range was tightened to \$4.55-5.15/bu. **World barley production was increased modestly by 0.25 MMT to 144.0 MMT, which is down 3.2% from last year**, with modest increases noted for the EU and Ukraine. World barley ending stocks were increased by 0.12 MMT, down 9% from last year.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 20 cents to plus 65 cents; HRW prices ranged from minus 26 cents to plus 21 cents; and DNS prices ranged from minus 8 cents to plus 3 cents. USDA reported wheat export sales last week were above trade expectations at 769.6 TMT, up noticeably from the previous week and up 63% from the previous 4-week average. Wheat export shipments were not as strong but still solid at 380.2 TMT, up 16% from the previous week and up 6% from the previous 4-week average.

WHEAT S&D Projections for MY 2016/17 – Nov. 9, 2016 – USDA made only one minor adjustment to their domestic wheat balance sheet – they cut seed use by 5 million bu to 963 million bu and raised ending stocks by 5 million bu to 1.143 billion bu, a 29-year high. USDA left their wheat farm-gate price projection unchanged this month at \$3.50-3.90/bu. **World wheat production was increased by 0.3 MMT this month to a record high of 744.7 MMT, up 1.3% from last year.** World wheat ending stocks were pegged 0.9 MMT higher this month at 249.2 MMT, which is up 3.4% from last year and was bearish against average trade estimate of 247.8 MMT.

Wheat Competitor / Buyer News – French wheat exports slipped in September to the lowest monthly tally in 9 years at only 340 TMT, compared to 913TMT in the previous month. Russia reports their winter wheat planted area for next year has jumped 8%. Egypt purchased 240 TMT of wheat this week, 180 TMT from Russia and 60 TMT from Romania.

CORN – USDA reported corn export sales were above trade expectations at 1.234 MMT, down 16% from the previous week but up 19% from the previous 4-week average. Corn export shipments were 892.6 TMT, up 3% from the previous week and up 3% from the previous 4-week average.

CORN S&D Projections for MY 2016/17 – Nov. 9, 2016- USDA dished up another surprisingly bearish production report, **increasing their 2016 yield estimate by another 2.0 bpa to a 175.3 bpa and corn production 169 million higher to 15.226 billion bu, ABOVE the average trade estimates of 173.2 bpa and 15.041 billion bu. Domestic food and industrial usage was increased by 85 million bu to 6.735 billion, including a 25 million bu increase in ethanol use to 5.3 billion bu. This resulted in a 83 million bu increase in ending stocks to 2.403 billion bu, ABOVE the average trade estimate of 2.3 billion bu.** The average U.S. corn farm-gate price range was raised on both ends to a range of \$3.00-3.60/bu. **World corn production was pegged 4.84 MMT higher this month at a record high of 1,030.5 MMT,** up 7.4% from last year. World corn ending stocks were pegged 1.4 MMT higher this month to 218.2 MMT, up 4% from last year.

Ethanol corn usage – DOE's Energy Information Agency reported a downtick in U.S. ethanol production last week to 1,002,000 bpd, down 20,000 bpd or -1.96% from the previous week but up 2% from a year ago. Stocks totaled 19.3 million bbls, down 2.6% from a year ago. Weekly corn usage totaled 105.2 million bu, still well above the weekly pace needed to reach USDA's revised projection of 5.3 billion bu for MY 2016/17.

Corn Competitor / Buyer News – Sources indicate that Brazilian chicken producers have booked at least two cargoes of U.S. corn imports, the first such imports since 2002. Argentine officials are now pegging their MY 2016/17 corn crop at 44.5 MMT based on increased acreage and strong early growth. This is well above USDA's latest estimate of 36.5 MMT, unchanged from last month.

Futures Market trends this week

WHEAT – Wheat markets remained mostly range bound, opening the week modestly lower under pressure from a stronger dollar ahead of Tuesday's presidential election. Wheat rallied on Tuesday as outside markets calmed and concerns were heightened over expanding pockets of dryness in the hard red winter wheat belt. Generally most markets were pricing in a Clinton presidential win which didn't turn out to be the case which propelled markets into chaos over night and into the early trading hours on Wednesday. A neutral to bearish monthly supply and demand report added to Wednesday's negative tone. Wheat settled moderately lower on Thursday under pressure from a higher dollar and technical selling. **Wheat market closes on Thursday, 11/10/2016...**

	Dec 2016	Weekly Summary	Mar 2017	Weekly Summary	May 2017	Weekly Summary
Chicago SRW	\$4.04³/₄	Down \$0.09¹/₂	\$4.22³/₄	Down \$0.09¹/₄	\$4.37¹/₂	Down \$0.09¹/₄
HRW	\$4.08³/₄	Down \$0.02¹/₂	\$4.26¹/₂	Down \$0.03¹/₄	\$4.38	Down \$0.04
MGE DNS	\$5.15	Up \$0.04¹/₄	\$5.19³/₄	Up \$0.01¹/₂	\$5.27¹/₄	Up \$0.01

CORN – Corn closed modestly lower on Monday as harvest was rapidly winding down. Pressure from a higher dollar was sparked by political and economic uncertainties ahead of the presidential election. Corn rebounded on Tuesday as markets calmed and fresh fund buying was noted on spillover support from soybeans and short covering ahead of Wednesday's monthly S&D report. Market jitters about future trade prospects under a Trump presidency and bearish yield and production estimates from USDA drove prices lower on Wednesday. Corn finished moderately higher on Thursday as short covering offset pressure from a firmer dollar. **Corn futures contract closes on Thursday, 11/10/16... Dec 2016 contract at \$3.43¹/₂, down \$0.05¹/₄ for the week, Mar 2017 contract closed at \$3.52, down \$0.05¹/₂ for the week and the May 2017 contract closed at \$3.59¹/₄, down \$0.05³/₄ for week.**

CRUDE OIL – Crude oil prices settled modestly higher this week, but took a wild roller coaster ride post election as analysts speculate about potential impacts from a Trump election on increased oil exploration and a likely shift in policy towards Iran. U.S. DOE Energy Information Agency reported another stronger than expected uptick in domestic crude oil inventories – up 2.43 million bbls, compared to an expected increase of 1.1 million bbls. Distillate stocks fell by 1.95 million bbls, while gasoline stocks fell by 2.84 million bbls. **Crude oil futures (Dec contract) finished up \$0.48/bbl this week to close at \$44.55.**

USDA Crop Progress / Condition Report, November 7, 2016

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Winter Wheat	91% planted 79% emerged	86% 70%	91% 78%	92% 78%	58%	58%	51%
ID Winter Wheat	96% planted 82% emerged	91% 79%	99% 84%	99% 86%	74%	74%	
Corn	75% harvested	61%	82%	75%			

Weather / Crop Conditions – U.S. –

- **PNW** – Warm mostly dry conditions persisted, with only isolated showers across the far northwestern corner. The extended outlook calls for warm and wet conditions.
- **Northern Plains** – Record heat and dry conditions persisted across the Northern Plains this week. The 6-10 day outlook calls for warm and dry conditions to continue.
- **Central/Southern Plains** – Weekend rains were highly variable across this key winter wheat region, with pockets of the western Central Plains still unfavorably dry. Lingering showers this week were confined to parts of Texas and the Eastern Plains.
- **Corn Belt** – Dry warm conditions pushed harvest to near completion this week, with favorable weather in the extended outlook.

INTERNATIONAL -

- **Europe** – Additional showers have boosted soil moisture for winter grain establishment and growth ahead of dormancy.
- **Black Sea region** – Eastern Ukraine continued to receive beneficial showers this week. Winter wheat in northern and central regions has entered winter dormancy after the first snowfall of the season.
- **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. Northern Argentina continued to see heavy rainfall in some areas which may be damaging wheat crops. Wheat harvest is underway and is reported to be 9% completed. Corn planting progress was reported at 40% completed compared to average planting pace of 46%.
- **Australia** – Southeastern region saw renewed shower activity during small grain harvest, but overall indications of crop damage from the rain have been less than expected.

Join us for these upcoming Idaho Grain Producer Education Programs...

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 Techology 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.