

Idaho Grain Market Report, Aug. 10, 2017

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New CROP prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, Aug. 9, 2017. 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	\$5.00-5.25		\$3.50-3.70	\$4.20	\$6.95	\$4.60-4.70
Idaho Falls		\$8.30 -9.06	\$3.70	\$4.25	\$6.80	\$4.65
Blackfoot / Pocatello		\$6.50	\$3.70	\$4.25	\$6.80	\$4.65
Grace / Soda Springs	\$6.15		\$3.71	\$3.94	\$6.79	\$4.69
Burley / Rupert	\$5.50		\$3.70	\$3.91	\$6.86	\$4.56
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.90-6.15		\$3.70-3.77	\$3.96	\$6.82	\$4.75
Nampa / Weiser	\$5.50		\$4.25			
Nez Perce / Craigmont	\$4.50		\$4.66	\$4.74	\$7.65	
Lewiston	\$5.00		\$4.92	\$5.00	\$7.91	
Moscow / Genesee	\$4.75		\$4.69-4.78	\$4.77-4.92	\$7.68-7.82	\$4.92

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW Ord pro - \$4.99½ – 5.27	#1 HRW 11.5% Protein \$5.28¾ – 5.63¾	#1 DNS 14% Protein \$8.24 – 8.44	#1 HWW
Portland						
Los Angeles	\$9.00-9.25					
Tulare	\$9.00-9.25					
Ogden	\$6.75		\$4.00	\$4.17	\$7.07	\$5.01
Great Falls	\$4.50-4.60	\$7.25		\$4.33-4.67 (12%)	\$7.24-7.36	
Minneapolis	\$4.37			\$4.93¾ (12%)	\$8.19-8.24	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to 50 cents lower, while open market barley prices remained steady this week. USDA reported there were no barley export sales last week, while exports totaled 500 MT to Japan.

BARLEY S&D Projections Aug. 10, 2017 - – USDA made only minor adjustments to the domestic barley balance sheet this month – as expected they lowered 2017 production but by only 3 million bu to 140 million bu, due to lower average yields in key production states, and reduced ending stocks by the same amount to 70 million bu. The average farm-gate price range was tightened to \$4.90-5.90. **Idaho barley production is pegged at 48.48 million bu, down 22% from last year, but represents 35% of the total US crop.**

WHEAT – Local wheat prices were mixed to mostly higher this week: SWW prices ranged from minus 12 cents to plus 29 cents; HRW prices ranged from minus 5 cents to plus 10 cents; and DNS prices ranged from minus 12 cents to plus 22 cents. USDA reported export sales were well within trade expectations at 464.3 TMT, up noticeably from last week and up 11% from the previous 4-week average. Wheat export shipments also remained strong at 568.2 TMT, down 3% from the previous week but up 9% from the previous 4-week average.

WHEAT S&D Projections Aug. 10, 2017 – Bearish against trade expectations... As widely expected USDA **lowered 2017 U.S. wheat production but by only 21 million bu to 1.739 billion bu, compared to the average pre-report trade estimate of 1.717 billion bu.** Winter wheat is pegged at 1.287 billion bu, compared to average trade estimate of 1.278 billion bu, while spring wheat is estimated at 402 million bu, compared to the trade estimate of 390 million bu. U.S. wheat imports are increased by another 10 million bu and domestic food usage is cut by 50 million bu, **resulting**

in a 5 million bu cut to ending stocks to 933 million bu, ABOVE the average pre-report trade estimate of 901 million bu. The average U.S. wheat farm-gate price range is left unchanged at \$4.40-5.20/bu. **World wheat production is pegged at 743.18 MMT**, up 5.35 MMT from last month but down 1.6% from last year. **World wheat ending stocks are pegged at 264.7 MMT**, up 4.1 MMT from last month and up 2.4% from last year, based on much bigger than expected Russian and Ukrainian crops at 77.5 MMT and 26.5 MMT, respectively. This was ABOVE the average pre-report trade estimate of 256.8 MMT.

Idaho's winter wheat crop is pegged at 58.48 million bu, down 12% from last year. Idaho's spring wheat crop is estimated at 33.62 million bu, down 3% from 2016.

Wheat Competitor / Buyer News – USDA is now estimating record Russian wheat production at 77.5 MMT, surpassing last year's record by 5.0 MMT. According to USDA, increased production in Russia, Ukraine and Kazakhstan more than offsets reduced production forecasts for the U.S., Canada and the EU. UkrAgroConsult is pegging Ukraine's wheat crop at 25.0 MMT, compared to USDA's latest estimate of 26.0 MMT.

CORN – USDA reported corn export sales last week were within trade expectations - old crop export sales totaled 52 TMT and new crop sales improved from last week to 628.4 TMT. Corn export shipments totaled 973.5 TMT, down 11% from the previous week but unchanged from the 4-week average.

CORN S&D Projections Aug. 10, 2017- MY 2017/18- Bearish against trade expectations... As widely expected USDA cut U.S. production but by a smaller than anticipated amount – **down 102 million bu to 14.153 billion bu, based on an average yield of 169.5 bpa (down 1.2 bpa), compared to the average pre-report trade estimate of 13.807 billion bu.** USDA cut domestic feed usage by 25 million bu to 5.450 billion bu and cut exports by 25 million bu to 1.85 billion bu, resulting in a **52 million bu cut to endings stocks to 2.273 billion bu, ABOVE the average estimate of 1.94 billion bu.** The average U.S. corn farm-gate price range is left unchanged at \$2.90-3.70/bu. **World corn production is pegged at 1,033.5 MMT**, down 3.4 MMT from last month and down 3.5% from last year. **World corn ending stocks are left mostly unchanged at 200.9 MMT and ABOVE the average pre-report trade estimate of 193.4 MMT.**

Ethanol corn usage – DOE's Energy Information Agency reported a modest uptick in U.S. ethanol production last week – up 10,000 bbls or 1% to 1,012,000 bbls per day, which is down 0.6% from a year ago. Ethanol stocks increased by 2.4% last week to 21.35 million bbls, now 4.3% above a year ago. Weekly corn usage for ethanol remains strong at 106.26 million bu and cumulative use at 5.15 billion bu.

Corn Competitor / Buyer News – CONAB is estimating the Brazil's corn crop at 97.2 MMT, compared to USDA's estimate of 98.5 MMT. UkrAgroConsult is pegging Ukraine's corn crop at 26.2 MMT, compared to USDA's latest estimate of 28.5 MMT. Ukraine reports their MY 2016/17 corn exports now total 21.2 MMT, up from a previous estimate of 20.6 MMT. Indonesia reportedly purchased 150-200 TMT of Black Sea feed wheat this week. Taiwan passed on all offers from their most recent tender for 130 TMT of optional origin corn.

Futures Market trends this week

WHEAT – Wheat markets were choppy this week in anticipation of Thursday's monthly S&D report. They opened the week stronger on support from short covering in anticipation of at least a 40 million bu cut in production but were tempered by advancing spring wheat harvest. Prices finished mixed on Tuesday with winter wheat closing lower on anticipated moisture across harvested winter wheat areas and spring wheat closed higher as harvest confirms disappointing yields. Wheat markets posted a modest rebound on Wednesday in positioning ahead of Thursday's crop production report. Wheat closed sharply lower today (Thursday) in mostly spillover pressure from a bearish crop production report. **Wheat futures contract closes on Thursday, 8/10/2017 ...**

	Sept 2017	Weekly Summary	Dec 2017	Weekly Summary	Mar 2018	Weekly Summary
CHI SRW	\$4.40½	Down \$0.14¼	\$4.68¾	Down \$0.13¾	\$4.90¼	Down \$0.13½
KC HRW	\$4.48¼	Down \$0.11¼	\$4.75¾	Down \$0.11½	\$4.93¾	Down \$0.11½
MGE DNS	\$7.03¼	Down \$0.13	\$7.15½	Down \$0.13¾	\$7.15¼	Down \$0.15¼

CORN – Corn opened the week modestly higher, lifted by short covering triggered by expanding dryness across the central corn belt and spillover support. Traders are anticipating a sizable cut to corn yields and production which did not materialize. Corn slipped lower after early gains on Tuesday as markets encountered technical chart resistance and long liquidation triggered by lagging new crop export bookings. Corn rebounded modestly higher on Wednesday in consolidation ahead of Thursday's crop production report, with support from revised weather forecasts which show key central belt states remaining dry in the near-by forecast. Corn finished sharply lower today (Thursday) under pressure from larger than expected corn yield and crop production estimates from USDA. **Corn futures contract closes on**

Thursday, 8/10/2017 ...Sept. 2017 contract at \$3.57¼, down \$0.09¼ for the week, Dec. 2017 contract closed at \$3.71, down \$0.10 for the week and Mar. 2018 contract closed at \$3.83, down \$0.09½ for the week.

CRUDE OIL – Crude oil futures continued to grind mostly sideways this week, with support from lower domestic inventories and geopolitical uncertainties. The DOE EIA reported another weekly U.S. crude inventory decline – down 6.451 million bbls, compared to an expected decline of 2.7 million bbls. Distillate stocks fell by 1.729 million bbls, compared to an expected decline of 131,000 bbls. Gasoline stocks increased by 3.424 million bbls, compared to an expected decline of 1.5 million bbls. **Crude oil futures finished down \$0.99/bbl for the week to close at \$48.59/bbl.**

Crop / Weather Conditions –

U.S. – PNW and Intermountain West remained hot and smokey, with grain harvest advancing. The extended outlook shows cooler and showery weather. Crop moisture shortage continues across the Northern Plains and Central Corn Belt. The Central and Southern Plains are receiving beneficial soaking rains this week. The 6-10 day outlook calls for cooler showery conditions across much of the country.

USDA Crop Progress / Condition Report, Aug. 7, 2017

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	25% harvested	6%	29%	22%	45%	49%	72%
ID Barley	19% harvested	2%	31	23%	75%	79%	77%
US Spring Wheat	24% harvested	9%	27%	21%	32%	31%	68%
ID Spring Wheat	12% harvested	2%	36%	20%	53%	53%	75%
US Winter Wheat	94% harvested	88%	93%	92%			
ID Winter Wheat	52% harvested	17%	50%	49%	62%	63%	78%
Corn	93% silking 42% dough 7% dented	85% 23% NA	96% 50% 8%	96% 44% 11%	60%	61%	74%

International

Canada – Spring grains remain under heat and moisture stress across the western growing region. Overall crop ratings have dropped significantly this year in Alberta, the largest barley and second largest wheat producing province, currently pegged at 60% compared to 82.5% last year and a 5-year average of 74%. Northern growing areas are suffering from excessive moisture while southern regions remain stressed from mostly hot and dry conditions.

EU – Wheat crops continue to deteriorate in Germany and Poland from excessive late season moisture. More rainfall is in the forecast for this week. Corn crops in southern and eastern growing areas have been damaged by recent heat wave.

Black Sea region – Hot weather is rapidly advancing small grain crop maturity across Russia but crop conditions remains favorable. Harvest has begun and yields are better than expected.

China – Corn crop yields have been stabilized by recent rains.

South America – Crop areas in Southern Brazil and Northern Argentina expected to receive beneficial moisture this week, aiding newly planted corn crop establishment.

Australia – Recent soaking rains provided a much needed boost to vegetative winter grains.