

Idaho Grain Market Report, January 21, 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, January 20, 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	NQ		\$4.90	NQ	NQ	\$4.75
Idaho Falls	\$6.25	\$9.38 - \$9.50	\$4.70-4.91	\$4.27-4.50	\$4.94-4.95	\$4.70-4.92
Blackfoot / Pocatello	NQ	\$8.50	\$4.70	\$4.50	\$4.95	\$4.70
Grace / Soda Springs	\$6.50		\$4.76	\$4.17	\$4.99	\$4.77
Burley / Rupert	\$6.00	\$9.38	\$4.90	\$3.87	\$4.92	\$4.72
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00-6.50		\$4.70	NQ	NQ	
			<b>Feed wheat</b>			
			\$4.00			
Nampa – Weiser	\$6.82		\$5.21			
Nez Perce / Craigmont	\$5.35		\$4.42	\$4.67	\$5.27	
Lewiston	\$5.85		\$4.68	\$4.93	\$5.53	
Moscow / Genesee	\$5.35-5.75		\$4.45-4.59	\$4.70-4.92	\$5.30-5.49	\$4.92

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			Ord protein Jan . \$5.30- 5.31½ <b>max 10.5% pro</b> \$6.21½ -6.45	\$5.52¼ –5.62¼	\$5.99¾ - 6.19¾	
Los Angeles	\$9.80-10.00			NQ (12%)		
Tulare	\$9.80-10.00					
Ogden	\$7.35		\$5.01	\$4.47	\$5.34	\$5.12
Great Falls	\$5.25-5.75	\$10.00		\$4.44-4.53 (12%)	\$4.85-5.01	
Minneapolis	\$5.31	NQ		\$5.42¼	\$5.89¾ - 6.09¾	

Market trends this week

**BARLEY** – Idaho feed barley prices ranged from steady to 25 cents lower, but were mostly steady this week. Idaho malting barley prices were steady. USDA will release their export sales report on Friday due to Monday's MLK holiday.

**WHEAT** – Idaho wheat prices were mostly lower this week: SWW prices ranged from 5 to 22 cents lower; HRW prices ranged from 3 to 10 cents lower; and DNS prices ranged from 1 to 13 cents lower. Wheat export sales will be reported on Friday, but wheat export inspections last week were within trade expectations at 340.8 TMT, down 38% from the previous week and below the pace needed to reach the USDA export estimate for MY 2015/16. Cumulative wheat export shipments have reached 59.2% of the USDA estimate for the year, compared to a 5-year average of 59.7%.

**Wheat competitor / buyer news** – The EU granted export licenses for 511 TMT of wheat this week, with cumulative wheat exports running 13% behind last year's pace. Strategie Grains has pegged 2016 EU wheat production at 143.1 MMT and exports at 28.9 MMT, up from this year's estimate of 28.1 MMT. Egypt bought 235 TMT of Russian and European wheat this week (115 TMT Russian, 60 TMT French and 60 TMT Romanian).

**CORN** – USDA will report corn export sales on Friday but corn export shipments last week totaled 581.48 TMT down 9% from the previous week. Cumulative corn export shipments have reached 23.6% of the USDA estimate for the year, compared to a 5-year average of 25.6%. **Informa has pegged 2016 U.S. corn acreage at 88.869 million, down 57,000 acres from their previous estimate but up from 88 million planted in 2015.**

**Ethanol corn usage** – DOE's Energy Information Agency reported a contraction in ethanol production last week due to poor processing margins – down 20,000 bbls per day to 983,000 bpd which is down 2% from the previous week but up 0.4% from the previous year. U.S. ethanol stocks continued to increase at 21.9 million bbls, up 3% from the previous week and 8% from the previous year. Corn used to produce ethanol last week totaled 103.22 million bu, still above the weekly pace needed to reach USDA's projection of 5.2 billion bu for MY 2015/16.

**Corn competitor / buyer news** – Brazilian based AgroConsult is pegging the Brazilian corn crop at 85.6 MMT, up .9 MMT from an earlier estimate and higher than ProFarmer's estimate of 81.2 MMT and USDA's estimate of 81.5 MMT. There was talk this week that recent rain across the west-central grain belt may delay soybean harvest and reduce second crop corn plantings in that region of the country. The Buenos Aires Grain Exchange has pegged Argentine corn plantings at 5.69 million ha, up from an earlier estimate of 5.4 mha, due to bullish market sentiment after the new government lifted export taxes. Indonesia announced they expected to import 600 TMT of corn the first quarter of 2016, the first such imports in a decade. There was talk that South Africa may need to import as much as 11 MMT of grain this year due to serious drought conditions which have decimated their domestic crops.

**Futures Market trends this week**

**WHEAT** – Markets were closed on Monday due to the MLK holiday. Wheat futures finished mixed to fractionally lower on Tuesday in choppy two-sided trading, with pressure from a fresh contract low in EU wheat futures and a new all time low in Russian currency which makes Russian wheat very cheap on the world market. A collapse in energy and global equity markets added to the bearish commodity tone. Wheat continued to struggle on Wednesday on weak outside markets and reports that Russia posted record grain exports in December and is preparing to export wheat to China after a two decade ban. Positive outside markets sparked short covering in wheat markets today (Thursday), pulling wheat prices moderately higher. **Wheat market closes on Thursday, 1/21/16...**

	<b>Mar 2016</b>	<b>Weekly Summary</b>	<b>May 2016</b>	<b>Weekly Summary</b>	<b>July 2016</b>	<b>Weekly Summary</b>
Chicago SRW	\$4.75	Up \$0.01¼	\$4.79¾	Up \$0.01¼	\$4.85	Up \$0.00½
KC HRW	\$4.71½	Down \$0.02½	\$4.81¾	Down \$0.02¼	\$4.91¼	Down \$0.02¼
MGE DNS	\$5.00¼	Up \$0.03	\$5.05½	Up \$0.02	\$5.11½	Up \$0.01

**CORN** – Corn futures opened the week modestly higher on Tuesday, posting a near one month high on short covering and technical support. Solid export shipment data and reports of a one-day sale of 110.5 TMT corn to an unknown destination provided underlying support. Corn continued to chop higher on Wednesday with support from continued short covering and strong cash basis. Gains were limited by the broad outside market weakness and an overbought technical condition. Corn finished modestly lower today (Thursday) under pressure from lower ethanol demand and competition from Argentine feed wheat sales, with confirmation of two cargoes headed to the southeastern U.S. port of Wilmington, NC. **Corn futures contract closes on Thursday, 1/21/16...** Mar. 2016 contract at \$3.67¾, up \$0.04½ for the week, May 2016 contract closed at \$3.72, up \$0.04½ for the week and the July 2016 contract closed at \$3.77, up \$0.04¼ for the week.

**CRUDE OIL** – Crude oil prices collapsed to a 13 year low this week, sparking a sharp sell-off in global equities. Heavy pressure continues to come from a world supply glut that is likely to get bigger now that Iranian oil is allowed to move onto world markets as well as deepening concerns about Chinese economic weakness. DOE's Energy Information Agency reported domestic crude oil stocks increased by 3.979 million bbls, compared to an expected increase of 2.8 million bbls. Distillates fell by 1.025 million bbls, compared to an expected increase of 100,000 bbls, while gasoline stocks increased by 4.563 million bbls, compared to an expected increase of 1.4 million bbls. **Crude oil prices rebounded from a 13 year low to close stronger on Thursday – largely erasing earlier losses to close at \$29.53/bbl (down \$0.86/bbl for the week) - on hopes of future monetary easing by China and the EU.**