

Idaho Grain Market Report, Feb. 15, 2018

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, Feb. 14, 2018. 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	\$7.25		\$3.80	\$5.25	\$5.73	\$5.30
Idaho Falls		\$8.30 -9.06	\$3.75	\$4.85	\$5.50	\$4.95
Blackfoot / Pocatello		\$6.50	\$3.75	\$4.85	\$5.50	\$4.95
Grace / Soda Springs	\$6.80		\$3.99	\$4.79	\$5.53	\$5.09
Burley / Rupert	\$6.25		\$4.00	\$4.44	\$5.49	\$5.14
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.30-5.75		\$4.00-4.15	\$4.60	\$5.55	\$4.95
Nampa / Weiser	\$6.00		\$4.25			
Nez Perce / Craigmont	\$5.00		\$4.65	\$5.29	\$6.40	
Lewiston	\$5.50		\$4.91	\$5.53	\$6.66	
Moscow / Genesee	\$5.00-5.45		\$4.68-4.81	\$5.32-5.53	\$6.43-6.58	\$5.48

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW Ord pro -	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			\$5.30 -5.52	\$6.14 ³ / ₄ -6.39 ³ / ₄	\$7.15 ¹ / ₄ -7.30 ¹ / ₄	
Los Angeles	\$8.65-9.00					
Tulare	\$8.65-9.00					
Ogden	\$7.00		\$4.20	\$5.05	\$5.95	\$5.40
Great Falls	\$5.25	\$7.75- 8.00		\$5.22-5.44(12%)	\$6.15-6.23	
Minneapolis	\$5.94			\$5.39 ³ / ₄ (12%)	\$7.20 ¹ / ₄ - 7.25 ¹ / ₄	

Market trends this week

BARLEY – Local feed barley prices ranged from minus 25 cents to plus 10 cents, while open market malting barley prices remained steady this week. USDA reported there were no barley export sales for MY 2017/18 but sales of 4 TMT reported for MY 18/19. U.S. barley export shipments totaled 600 MT to Japan last week.

WHEAT – Local wheat prices were mixed to mostly lower this week. SWW prices ranged from minus 20 cents to plus 5 cents; HRW prices ranged from 6 to 31 cents lower; and DNS prices ranged from minus 20 cents to steady. USDA reported wheat export sales were within trade expectations last week at 311.1 TMT (plus MY 18/19 sales of 110.8 TMT), down 21% from the previous week and down 2% from the 4-week average. Wheat export shipments were better at 489.4 TMT, up 5% from the previous week and up 10% from the 4-week average.

Wheat Competitor / Buyer News – Russian wheat prices continued to climb, reaching the highest prices since November 2015. Indonesia is expected to become the largest importer of wheat this year, with imports projected at 12.5 MMT, up 23% from a year ago. Egypt purchased 360 TMT of Russian and Romania wheat. Iraq purchased 150 TMT of U.S., Canadian and Australian wheat this week. Saudi Arabia tendered for 300 TMT of soft wheat this week.

CORN – USDA reported corn export sales were above trade expectations last week at 1.97 MMT (plus MY 18/19 sales of 97.5 TMT), up 12% from the previous week and up 14% from the 4-week average. Corn export shipments last week totaled 864.5 TMT, down 10% from the previous week but up 7% from the 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported an unexpected downtick in weekly U.S. ethanol production – down 3.9% or 41,000 bbls/day to 1.016 million bbls/day, which is down 2.3% from a year ago. This is the lowest weekly ethanol grind in more than a month. Ethanol stocks declined 2.6% to 22.89 million bbls, which is up 1.7% from a year ago. Weekly corn usage for ethanol remains robust at 105.66 mbu, still above the weekly pace needed to reach USDA's estimate for MY 2017/18 of 5.525 billion bu. Cumulative year-to-date corn use now totals 2.61 billion bu.

Corn Competitor/Buyer News – The Buenos Aires Grain Exchange lowered their Argentine corn production estimate from 41 MMT to 39 MMT, in line with USDA's latest forecast issued last week. AgriPac, a private crop forecaster has pegged their crop at 35 MMT. Many private crop forecasters also have dialed in a much lower corn production estimates for Brazil -ranging from 86-88 MMT - compared to USDA's current peg of 95 MMT. Ukrainian corn prices reached the highest level this week since 2016, due to recent Chinese purchases (believed to be cancelled U.S. purchases).

Futures Market trends this week

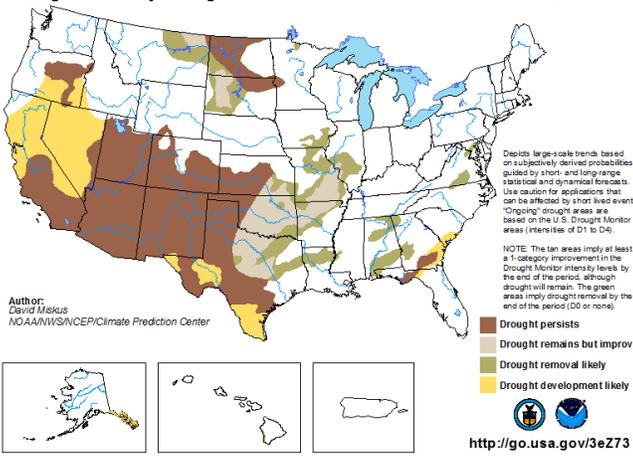
WHEAT – Wheat prices posted double digit gains on Monday, buoyed by persistent dry weather worries across the central winter wheat belt. Prices reversed lower on Tuesday and Wednesday on technical weakness and profit-taking. An extended NWS weather forecast showing improving chances of rain across dry areas of OK and TX also pressured the winter wheat futures. Wheat rebounded modestly higher today (Thursday) on intensifying drought conditions across the Central U.S., with 42% of the HRW belt and 47% of the Upper Midwest spring wheat belt currently rated as in moderate to extreme drought conditions (see the latest Drought Monitor map below). **Wheat futures contract closes on Thursday, 2/15/2018...**

	Mar 2018	Week Change	May 2018	Week Change	July 2018	Week Change
CHI SRW	\$4.61 ³ / ₄	Up \$0.12 ³ / ₄	\$4.75 ¹ / ₄	Up \$0.14 ¹ / ₄	\$4.90	Up \$0.15 ¹ / ₄
KC HRW	\$4.78	Up \$0.12 ¹ / ₂	\$4.93	Up \$0.12 ¹ / ₂	\$5.10 ¹ / ₂	Up \$0.13 ¹ / ₄
MGE DNS	\$6.08	Up \$0.04 ¹ / ₂	\$6.18 ³ / ₄	Up \$0.03	\$6.27 ¹ / ₂	Up \$0.02 ¹ / ₄

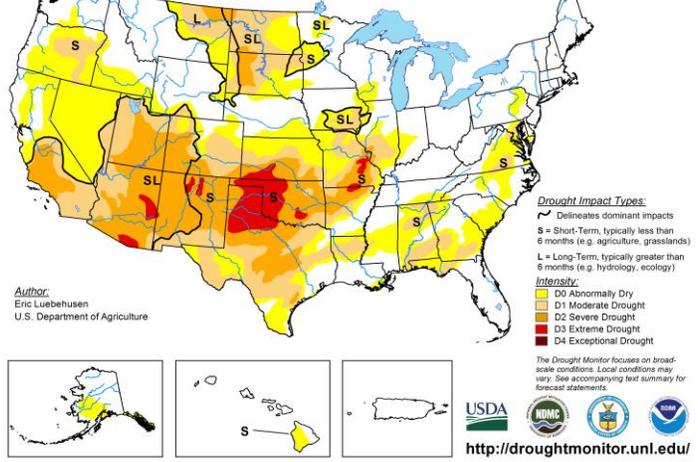
CORN- Disappointing weekend rains and another dry weak forecast for Argentine production areas pulled U.S. corn futures higher to start the week. Only 10-20% of their main corn growing area was reported to have received light weekend rains compared to a forecasted 50% coverage. Corn traded in a narrow range on Tuesday and Wednesday with underlying support from South American crop worries and improving U.S. demand. Corn finished fractionally higher today (Thursday) on stronger than expected weekly export sales. **Mar. 2018 contract closed on Thursday, 2/15/2018 at \$3.67³/₄, up \$0.05³/₄ for the week, May 2018 contract closed at \$3.75¹/₂, up \$0.05³/₄ for the week and July 2018 contract closed at \$3.83, up \$0.05¹/₂ for the week.**

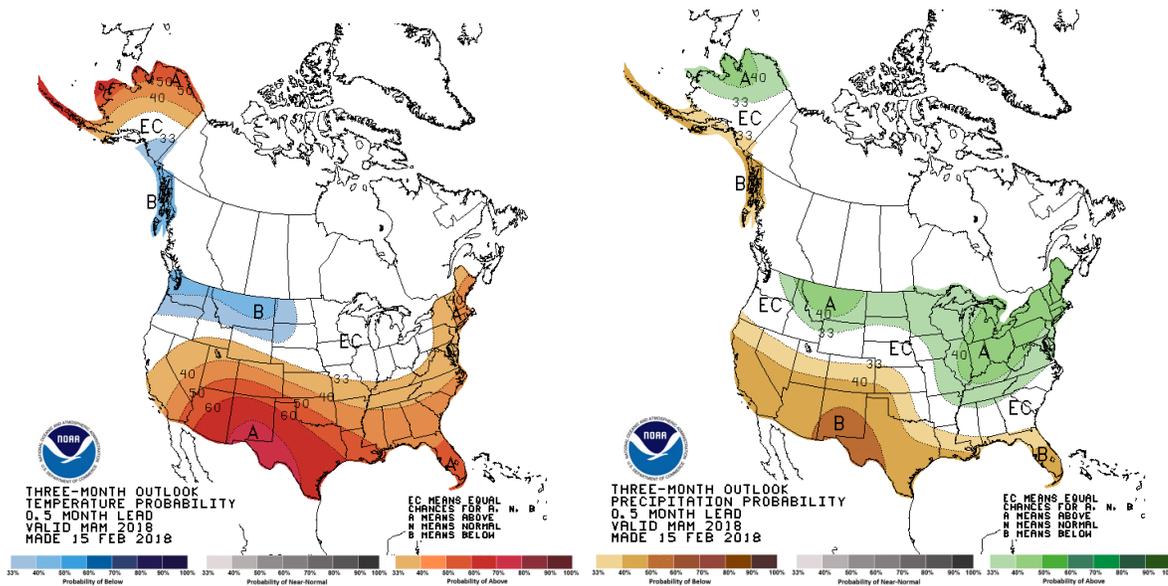
CRUDE OIL – Crude oil futures chopped around this week, with narrow trading early in the weak, followed by strengthening prices on forecasts of improving global demand and a sharp reduction in global surplus from 264 million bbls a year ago to 50 million bbls now. The U.S.. EIA reported that weekly domestic oil stockpiles increased by 1.84 million bbls last week, below the expected increase of 2.8 million bbls. Distillate stocks declined by 459,000 bbls, compared to an expected decline of 1.1 million bbls, while gasoline stockpiles increased by 3.6 million bbls, above the expected increase of 1.2 million bbls. **Crude oil futures finished up \$2.14/bbl for the week to close at \$61.34/bbl (Mar contract).**

U.S. Seasonal Drought Outlook
Drought Tendency During the Valid Period
Valid for February 15 - May 31, 2018
Released February 15, 2018



U.S. Drought Monitor
February 13, 2018
(Released Thursday, Feb. 15, 2018)
Valid 7 a.m. EST





RECORDED DEC. 14, 2017 GRAIN MARKETING WEBINAR... Five Common Mistakes in Grain Marketing featuring Ed Usset, University of Minnesota Center for Farm Financial Management. Link at <https://umn.webex.com/umn/lsr.php?RCID=ae9df66dac774406b1dd375c7f9e2a30>

RECORDED Dec. 1, 2017 WEATHER WEBINAR... Winter 2018 Weather & Water Outlook featuring Troy Lindquist, NWS Senior Hydrologist. Link at <https://vimeo.com/246010744>

RECORDED March 2017 GRAIN MARKETING WEBINAR... How to Write a Pre-Harvest Grain Marketing Plan, featuring Ed Usset, Univ. of Minnesota. Link at <https://umn.webex.com/cmp3200/webcomponents/jsp/docshow/closewind>