

Idaho Grain Market Report, March 17, 2016

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, March 16, 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	\$5.75		\$4.12-4.40	\$4.00	\$5.10	\$4.60-4.80
Idaho Falls	\$6.25	\$9.30 - \$9.48	\$4.40	\$4.55	\$5.00	\$4.80
Blackfoot / Pocatello	NQ	\$8.35	\$4.40	\$4.55	\$5.00	\$4.80
Grace / Soda Springs	\$6.60		\$4.05	\$4.19	\$4.94	\$4.79
Burley / Rupert	\$6.00	\$9.48	\$4.25	\$3.90	NQ	\$4.69
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00-6.50		\$4.25	NQ	NQ	
			Feed wheat			
			\$3.75			
Nampa – Weiser	\$6.28		\$4.45			
Nez Perce / Craigmont	\$5.25		\$4.22	\$4.67	\$5.23	
Lewiston	\$5.75		\$4.48	\$4.93	\$5.49	
Moscow / Genesee	\$5.25-5.75		\$4.25–4.39	\$4.70-4.89	\$5.26-5.45	\$4.89

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 protein - No bid max 10.5% pro \$5.38-5.40¾	\$5.53¾–5.63¾	\$6.15½ - 6.20½	
Los Angeles	\$9.75-9.95			NQ (12%)		
Tulare	\$9.75–9.95					
Ogden	\$7.10		\$4.34	\$4.48	\$5.20	\$5.15
Great Falls	\$5.00-5.50	\$10.00		\$4.37-4.50 (12%)	\$4.86–5.05	
Minneapolis	\$5.10	NQ		\$5.28¾	\$5.80½ - 5.85½	

Market trends this week

BARLEY – USDA reported there were no barley export sales or shipments last week.

WHEAT – USDA reported wheat export sales last week totaled 212.9 TMT (plus 159.3 TMT in MY 2016/17), down 36% from the prior week and 35% from the previous 4-week average. Cumulative wheat export sales have reached 88% of the USDA estimate for the year compared to a 5-year average of 91.6%. Wheat export shipments last week totaled 416.2 TMT, unchanged from the previous week but up 21% from the 4-week average.

Wheat competitor / buyer news – The EU approved export licenses for 735 TMT of wheat this week, bringing their cumulative wheat exports to 20.1 MMT this marketing year compared to 23.7 MMT for the same period a year ago. Strategie Grains has raised their 2016 EU wheat production estimate by 1 MMT to 143.6 MMT, based on favorable winter wheat growing conditions. This compares with a record crop of 150.7 MMT produced in 2015. USDA Ag Attache in Egypt has pegged their wheat imports at 10.6 MMT this year, down 900 TMT from previous estimates due to economic difficulties. Egypt devalued their currency by 14% this week to a record low level. They purchased 240 TMT of wheat this week from Romania (60 TMT), Ukraine (60 TMT) and France (120 TMT).

CORN – USDA reported corn export sales were above trade expectations last week at 1.227 MMT (plus 61.4 TMT for MY 2016/17), up 5% from the previous week and up 17% from the previous 4-week average. Cumulative corn export sales have reached 71.7% of the USDA estimate for the year compared to a 5-year average of 79.9%. Corn export shipments last week totaled 873.9 TMT, down 17% from the previous week but up 4% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported another strong uptick in weekly ethanol production to 999,000 bpd, up 21,000 or 2.15% from the previous week and up 5.49% from the previous year. U.S. ethanol stocks slipped slightly to 22.85 million bbls, down nearly 2% from the previous week but up nearly 10% from the previous year. Corn used to produce ethanol last week totaled 104.9 million bu, above the weekly pace needed to reach USDA's revised projection of 5.225 billion bu for MY 2015/16.

Corn competitor / buyer news – Ukraine is reportedly shipping 50 TMT of corn to China, with more to follow. There is talk of more Argentine corn being shipped to North Carolina ports. Strategie Grains has pegged the 2016 EU corn crop at 63.9 MMT.

Futures Market trends this week

WHEAT – Wheat markets started the week on a strong note, extending gains from the previous week rally (up 16 cents) on short covering sparked by concerns about expanding dryness across the Western Plains where winter wheat is rapidly growing. Prices closed mixed on Tuesday with some support from forecasts calling for a cold snap across the Central and Southern Plains this weekend which might cause some crop damage. Right now winter wheat crop ratings are quite strong across the region, with 56% of the KS crop, 67% of the OK crop and 46% of the TX crop rated good/excellent. The region needs rain coverage to maintain these favorable conditions. Prices settled lower on Wednesday and Thursday as forecasts call for needed rain in parts of the Plains and ideas that cold damage expected this weekend may be limited.

Wheat market closes on Thursday, 3/17/16...

	<u>May 2016</u>	<u>Weekly Summary</u>	<u>May 2016</u>	<u>Weekly Summary</u>	<u>July 2016</u>	<u>Weekly Summary</u>
Chicago SRW	\$4.62½	Down \$0.13¼	\$4.70	Down \$0.12¾	\$4.79¾	Down \$0.10¼
KC HRW	\$4.70¾	Down \$0.18¼	\$4.81¾	Down \$0.17¾	\$4.95	Down \$0.17¼
MGE DNS	\$5.09¾	Down \$0.05¾	\$5.19¼	Down \$0.04¼	\$5.29¼	Down \$0.04

CORN –Corn posted moderate gains to start the week on a mix of fresh buying and short covering. Gains were limited by an aggressive cut in Chinese corn prices and ideas that current warm and dry conditions across the Midwest might boost total corn plantings this year. Corn closed narrowly mixed to modestly higher in choppy light trading on Tuesday, with technical support from an oversold condition and slow planting pace across the southern belt where rain has delayed field work. Corn futures finished fractionally mixed to lower both Wednesday and Thursday as early losses were erased by support from a lower dollar and higher crude oil. **Corn futures contract closes on Thursday, 3/17/16... May 2016 contract at \$3.68½, up \$0.03½ for the week, July 2016 contract closed at \$3.73, up \$0.03¾ for the week and the Sept 2016 contract closed at \$3.78¼, up \$0.04 for the week.**

CRUDE OIL – Volatility remained high in crude oil trading this week as early losses in the week gave way to stronger prices – pushing above \$40/bbl for the first time in months – on support from a lower dollar after the Federal Reserve issues reduced expectations of further interest rate cuts in the near future. U.S. DOE Energy Information Agency reported domestic crude oil stocks continued to climb for a fifth consecutive week – up 1.317 million bbls last week, compared to an expected increase of 3.4 million bbls. Distillates fell by 1.37 million bbls, while gasoline stocks fell by 747,000 bbls, compared to an expected decline of 3.4 million bbls. **Crude oil futures staged an impressive mid week rally to finish at \$40.20/bbl on Thursday, up \$1.70 for the week.**