

# Idaho Grain Market Report, May 17, 2019—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, May 15, 2019. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED</b> 48 lbs or better	<b>MALTING</b> Open Market Malting	<b>Wheat (bu.) Milling</b> #1 SWW	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Rexburg / Ririe	5.80-6.50		4.35-4.40	4.63	4.97	4.55-4.63
Idaho Falls	NA	8.30-8.33	4.25	4.75	4.75	4.75
Pocatello			4.25	4.75	4.75	4.75
Grace / Soda Springs	6.60		4.50	4.43	4.70	4.58
Burley / Rupert	6.25		4.40	4.40	4.40	4.60
Twin Falls / Buhl Jerome / Wendell	5.00-6.50		4.35-4.45	4.36	4.82	4.50
Nampa / Weiser			NA			
Nezperce / Craigmont	5.21		4.95	4.82	5.15	
Lewiston	5.73		5.21	5.08	5.41	
Moscow / Genesee	5.24-5.43		4.98-5.15	4.785-5.14	5.18-5.47	

## Prices at Selected Terminal Markets, cash FOB

Wednesday, May 15, 2019. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>#2 Feed Barley 46 lbs. --</b>	<b>Malting Barley</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			5.70-5.75	5.78-5.88	6.18-6.28	
Ogden	7.50		4.80	4.73	5.00	4.88
Great Falls	6.00-7.00	7.75-9.00		4.56-4.69	4.84-4.94	
Minneapolis					N/A	

## Market News and Trends This Week

**BARLEY**—Idaho cash feed barley and malt barley prices were mostly unchanged for the week ending May 15, 2019, but up \$0.05 for feed barley in one location. For the period May 3-9, USDA FAS reported no net sales for 2018/2019. Exports of 1,000 MT, primarily to Japan (700 MT), South Korea (200 MT), and Taiwan (100 MT), were up 30% from the prior week and up 18% from the previous 4 week average.

**Barley Trends**—Beer Canada released Industry Trends 2018 this week, its latest annual update that looks at the domestic and international beer market. 2018 proved to be another exciting and challenging year in the Canadian beer industry. The number of brewing facilities increased by 21.8% from 817 in 2017 to an all-time high of 995. Most of Canada's breweries are small, local operations with 93% producing less than 15,000 hectolitres (hL) of beer in 2018. (Note: Eq. to 12,873 barrels. 1 hectoliter = .852 beer barrel.) Nationally, from 2017 to 2018 the number of brewing facilities per 100,000 drinking age adults increased by 20.9% from 2.8 to 3.4. Overall, although the number of breweries in Canada is growing, domestic beer production and sales are not keeping pace. In 2018, domestic production decreased by 3.4% to 21.65 million hL and domestic sales rose modestly by 0.3%. From 2017 to 2018 import sales declined by 3.4%. In total, national beer sales declined by 0.3% in 2018 to a total of 22.1 million hL. Meanwhile in the United States, in their U.S. Beer Industry 2018 report, the National Beer Wholesalers Association points out how significantly the U.S. beer industry structure has changed over the past 30 years. In 1983, there were 49 breweries. At the end of 2017 there were 5,648 reporting brewers, and by the end of CY 2017 the most recent data show there were 10,115 TTB permitted breweries in the United States – an all-time high. The brewery expansions parallel the business cycle expansion from 2010 to 2018 and the industry stands out in an economy that has been sluggish and subpar relative to past business cycles. New breweries have continued to find growth opportunities in the beer market. In addition, In 2018, 82 percent of all U.S. beer sold was domestically produced, and 18 percent was imported from more than 100 different countries.

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## Market News and Trends This Week—continued

**WHEAT**—Idaho cash wheat prices were mixed for the week ending May 15. SWW prices ranged from down \$0.20 to up \$0.25 from the previous week; HRW prices were down \$0.04 to up \$0.15; DNS prices were down \$0.07 to up \$0.38; and HWW prices were up \$0.03 to \$0.14. USDA FAS reported net export sales for the week ending May 9 of 114,500 MT, up 26% from the prior week but down 52% from the previous 4 week average. Increases were for Indonesia (88,500 MT), Iraq (55,000 MT), the Philippines (51,500MT), Vietnam (39,000 MT), and Italy (33,800 MT). Reductions were primarily for South Korea (144,900 MT) and Honduras (4,600 MT). Exports of 665,100 MT were up 20% from the previous week and 9% from the prior 4 week average.

**Wheat Outlook**—USDA reported in their **May 14 Wheat Outlook Report** that the U.S. All-Wheat 2019/20 Production and Carryout Forecast exceeds 2018/19 estimates. Winter wheat production for 2019/20 is projected at 1,268 million bushels, up more than 84 million bushels on expanded U.S. harvested area and sharply higher yields year-to-year in key winter wheat growing States. A net increase in U.S. wheat production combines with higher carrying from the 2018/19 crop and contributes to growth in projected supplies, up 41 million bushels from 2018/19 to 3,164 million. A five percent increase in domestic use helps to absorb some of the additional supplies; however, exports are projected down 25 million bushels in 2019/20 resulting in a net increase in carryout while the stocks-to-use ratio remains on par with the 2018/19 estimate. World wheat production in 2019/20 is projected 45.9 million tons higher than in 2018/19 at 777.5 million tons. It is an increase of 6.3 percent, and if realized, will be the largest wheat harvest in history. The rise in the foreign (global minus the U.S.) wheat output is slightly smaller, as a 0.3- million-ton higher U.S. wheat crop adds to global wheat production.

**CORN**— USDA FAS reported net export sales for the week ending May 9 of 553,300 MT, up 92% from the prior week, but down 15% from the previous 4 week average. Increases were for Colombia (226,700 MT), Japan (121,400 MT), Mexico (121,400 MT), South Korea (57,600 MT), and Guatemala (36,400 MT). Exports of 983,900 MT were down 15% from the prior week and down 4% from the previous 21% week average. The destinations were primarily to Mexico (279,400 MT), Japan (276,200 MT), South Korea (117,100 MT), Colombia (99,900 MT) and Taiwan (79,000 MT).

**Ethanol corn usage**—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending May 10 averaged 1.051 million bbls/day – up 1.45 percent from the previous week and down 0.66 percent from last year. Total ethanol production for the week came in at 7.357 million barrels. Ethanol stocks were 22.25 million bbls on May 10, down .97 percent from last week and up 3.46 percent from last year. An estimated 108.45 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 3.82 billion bu. The USDA estimates 101.245 million bu per week is needed for the total crop year estimate of 5.45 billion bu.

## Futures Market News and Trends—Week Ending May 16, 2019

**WHEAT FUTURES**—Wheat futures markets mostly soared higher this week with short coverings from managed money traders and continued wet weather in winter wheat areas that is causing concern for quality issues and disease problems.

**Wheat futures prices ranged from down \$0.00½ to up \$0.42¼ (per bu). Wheat futures settlement prices (per bu) for Thursday, May 16, 2019:**

	July 2019	Week Change	Sep 2019	Week Change	Dec 2019	Week Change	Mar 2020	Week Change
CHI SRW	<b>\$4.67</b>	<b>\$0.42¼</b>	<b>\$4.73½</b>	<b>\$0.39¾</b>	<b>\$4.86¼</b>	<b>\$0.38</b>	<b>\$4.98¾</b>	<b>\$0.35¾</b>
KC HRW	<b>\$4.16¾</b>	<b>\$0.29¾</b>	<b>\$4.27¾</b>	<b>\$0.29¾</b>	<b>\$4.48¾</b>	<b>\$0.29¾</b>	<b>\$4.70</b>	<b>\$0.30</b>
MGE DNS	<b>\$5.15¼</b>	<b>-\$0.01¾</b>	<b>\$5.24½</b>	<b>-\$0.01</b>	<b>\$5.37¾</b>	<b>-\$0.01¾</b>	<b>\$5.52</b>	<b>-\$0.00½</b>

**CORN FUTURES**—Corn futures rebounded sharply and gained ground for the week ending May 16, on very late planting news Monday from USDA reporting that just 30 percent of the U.S. corn crop is planted so far—the slowest pace on record for this time in May, along with some help from shortcoming rallies in soybeans and wheat. **July 2019 contract closed Thursday, May 16 at \$3.79, up \$0.27¼ for the week; September 2019 contract closed at \$3.87, up \$0.26; December 2019 contract closed at \$3.96½, up \$0.24½; and March 2020 closed at \$4.06½, up \$0.20¼ for the week.**

**CRUDE OIL FUTURES**—Crude oil markets rallied a bit during the day on Thursday, and unlike so many times before seem to be willing to hang onto gains. This is a very bullish sign and could help crude oil for the longer-term. Ultimately, this is a market that will move back and forth based upon not only demand but perceived global demand as the economies performed.

EIA reported U.S. crude oil refinery inputs averaged 16.7 million bbls/day during the week ending May 10, 2019 271,000 bbls/day more than last week's average. Refineries operated at 90.5% of capacity last week. As of May 10, there was an increase in Crude Oil stocks of 5.431 million bbls over last week to 472.035 million bbls, over the 5-year average of 454.372 million bbls. Distillate stocks increased by 0.084 million bbls to a total of 125.647 million bbls, under the 5-year average of 131.587million bbls; while gasoline stocks decreased by 1.123 million bbls to 225.024 million bbls, under the 229.613 million bbl 5-year average. The national average retail regular gasoline price was \$2.866 per gallon on May 13, \$0.031 lower than last week's price and \$0.007 under a year ago. The national average retail diesel fuel price was \$3.160 per gallon, down \$0.011 per gallon from last week's level and down \$0.079 from a year ago.

**NYMEX Crude Oil Futures finished the week ending Thursday, May 16, 2019 to close at \$62.87/bbl (June contract), up \$1.17 for the week.**

**USDA Crop Progress / Condition Report—May 13, 2019 NEXT REPORT OUT MONDAY, MAY 20**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Barley Planted	59%	37%	59%	72%	-	-	-
<b>ID Barley Planted</b>	<b>85%</b>	<b>77%</b>	<b>89%</b>	<b>89%</b>	-	-	-
US Barley Emerged	25%	12%	20%	42%	-	-	-
<b>ID Barley Emerged</b>	<b>41%</b>	<b>30%</b>	<b>59%</b>	<b>66%</b>	-	-	-
US Winter Wheat Headed	42%	29%	43%	54%	64%	64%	36%
<b>ID Winter Wheat Headed</b>	<b>3%</b>	<b>2%</b>	<b>8%</b>	<b>6%</b>	<b>56%</b>	<b>65%</b>	<b>NA</b>
US Spring Wheat Planted	45%	22%	54%	67%	-	-	-
<b>ID Spring Wheat Planted</b>	<b>81%</b>	<b>72%</b>	<b>87%</b>	<b>89%</b>	-	-	-
US Spring Wheat Emerged					-	-	-
<b>ID Spring Wheat Emerged</b>					-	-	-
US Corn Planted	30%	23%	59%	66%	NA	NA	NA
US Corn Emerged	10%	6%	25%	29%			

**USDA U.S. Crop Weather Highlights—May 16, 2019**

**West**—Heavy precipitation spreading throughout California, the western Great Basin, and the Northwest. Late snow in the Sierra Nevada. Cool, wet weather halting or slowing fieldwork. Western crops are benefiting from a boost in topsoil moisture.

**Plains**—Warm, dry weather from Nebraska southward promoting fieldwork, winter wheat development, and summer crop emergence and establishment. Cooler air and scattered showers overspreading the northern Plains.

**Corn Belt**—Scattered showers affecting the Great Lakes region. Mild, dry weather favoring an increase in corn and soybean planting especially in drier areas. By May 12, Missouri led the Midwest in corn planting (52% complete, followed by Iowa (48%) and Nebraska (46%).

**South**—Warm, mostly dry weather promoting late spring planting as well as winter wheat maturation and summer crop development. Lingering wetness impedes fieldwork from eastern Texas to the Mississippi Delta.

**Outlook for U.S.**—Starting Friday May 17, a multi day severe weather storm will affect areas from the Plains into the Mississippi Valley. Warm weather in advance of the storm in the southern and eastern states. The remainder of the country will have cooler than normal weather. The NWS 6-10 day outlook for May 21-25, above normal temperatures across eastern half of U.S. Cooler than normal temperatures along the west. Below normal rainfall in the Southeast. Wetter than normal in the rest of the country.

**International Crop Weather Highlights—May 14, 2019**

**Europe**—Moderate to heavy rain boosted soil moisture for reproductive winter crops in England, France, and Germany. Short term dryness reduced soil moisture for wheat and rapeseed over northeastern Europe. Sunny skies favoring winter grain development in Spain.

**Middle East**—Good soil moisture for winter grains in central Turkey and northwestern Iran. Sunny skies promoting wheat maturation and harvesting in Syria, Iraq, and central Iran.

**FSU**—Rainfall favoring vegetative winter wheat across Moldova, Ukraine, and Russia.

**Asia**—Fry weather in eastern India and Bangladesh following Tropical Cyclone Fani. Cotton and rice sowing nearing completion in northern India. Showers from southern China to western Yangtze Valley maintaining good moisture conditions for emerging summer crops and reproductive early rice crop. Warm, dry weather benefited ripening rapeseed in the eastern half of the Yangtze Valley and filling wheat on the North China Plain.

**Australia**—Dry weather favored final summer crop harvests in the northeast but more rain needed for winter wheats. Rain benefited wheat, barley, and canola planting in the southeast. More rain needed for winter crop germination and emergence in the West.

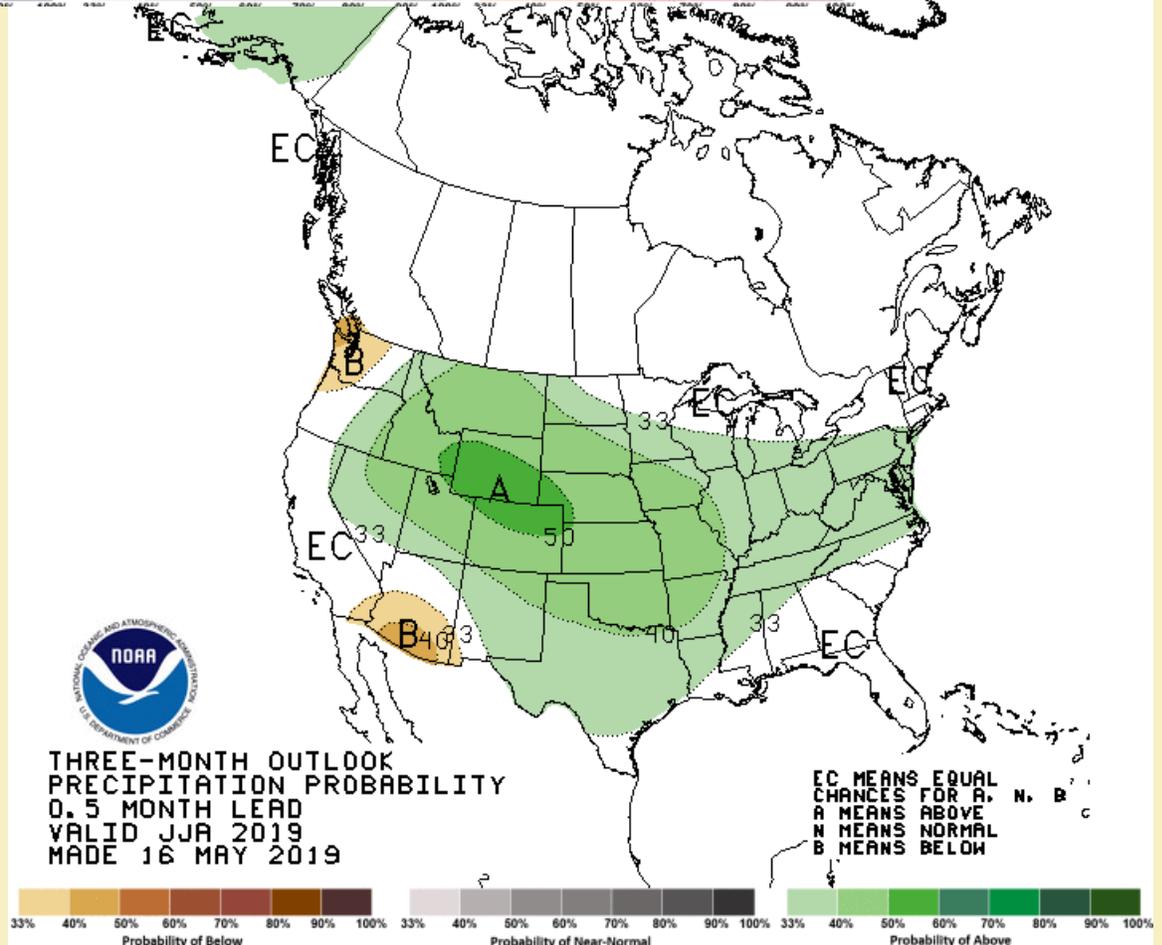
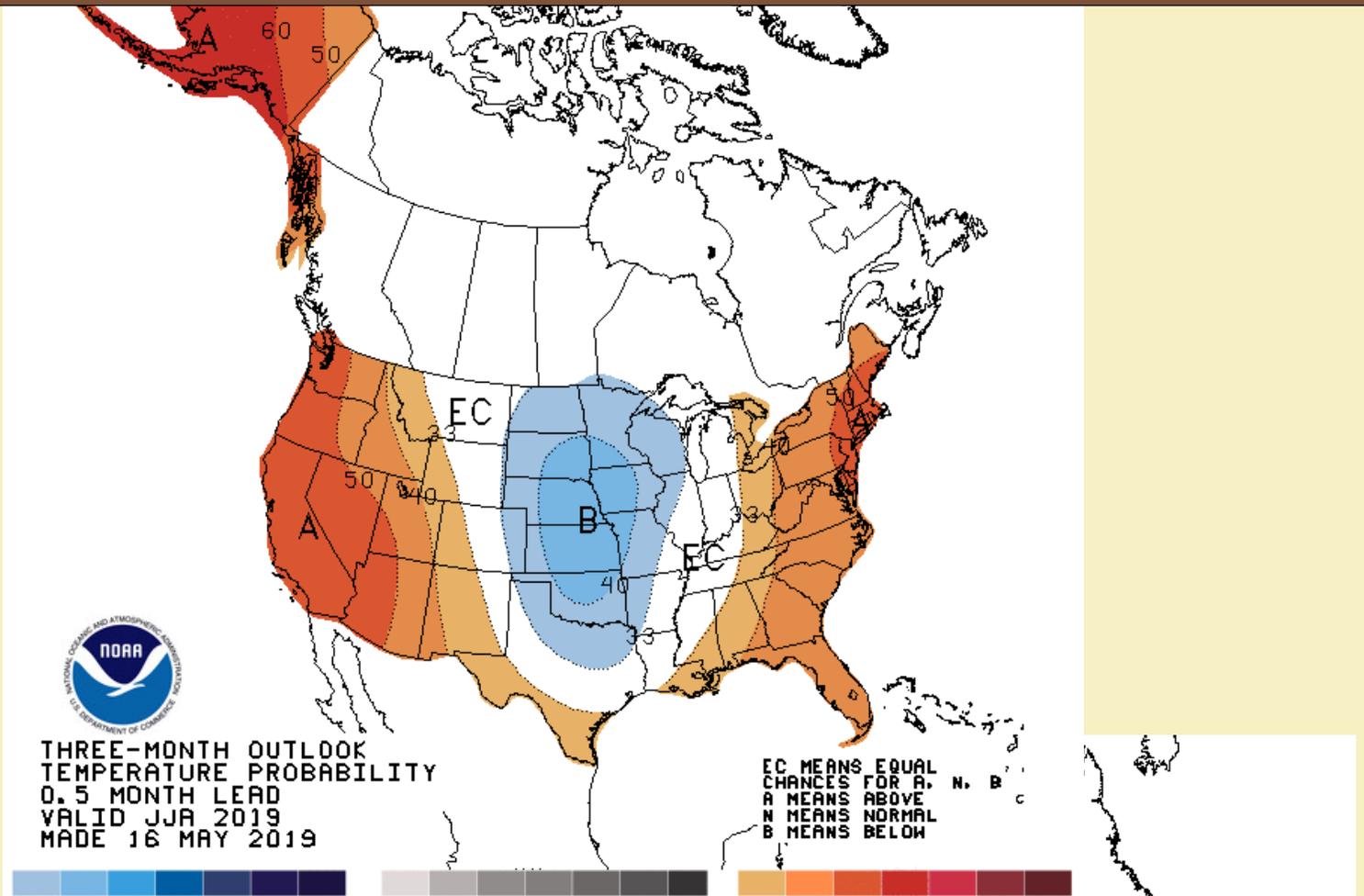
**South America**—Warm, sunny weather benefited growth of corn and cotton in central Brazil.

**Northwest Africa**—Sunny weather favored harvesting in Morocco, Algeria, and Tunisia.

**Mexico**—Rain needed for summer corn planting.

**Canada**—Spring planting progressing across Prairies. Cool, wet weather in Ontario favored winter wheat growth.

**National Weather Service Climate Prediction Center  
 Three-Month Outlook of Temperature and Precipitation Probability, May 16, 2019  
 For the Months of June, July and August 2019**



33% 40% 50% 60% 70% 80% 90% 100% 33% 40% 50% 60% 70% 80% 90% 100% 33% 40% 50% 60% 70% 80% 90% 100%

Probability of Below                      Probability of Near-Normal                      Probability of Above