Idaho Grain Market Report, June 6, 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, June 5, 2019. Barley prices in $/Cwt. And wheat prices in $/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	6.00-6.50		4.65-4.77	4.76	5.16	4.81-4.85
Idaho Falls	NA	8.30-8.33	4.75	4.75	5.00	4.75
Blackfoot / Pocatello		7.06	4.75	4.75	5.00	4.75
Grace / Soda Springs	6.60		4.80	4.84	5.09	5.09
Burley / Rupert	6.25		4.51	4.71	4.62	4.91
Twin Falls / Buhl Jerome / Wendell	5.00-6.75		4.50-4.80	4.75	5.03	5.00
Nampa / Weiser			NA			
Nezperce / Craigmont	4.71		5.20	4.90	5.37	
Lewiston	5.23		5.46	5.16	5.63	
Moscow / Genesee	4.74-5.43		5.23-5.40	5.16-5.19	5.40-5.65	

Prices at Selected Terminal Markets, cash FOB

Wednesday, June 5, 2019. Barley prices in $/Cwt. And wheat prices in $/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			5.75-6.10	6.16-5.21	6.27.6.37	
Ogden	7.50		5.10	5.14	5.39	5.39
Great Falls	6.00-7.00	7.75-9.00		4.86-4.92	5.11-5.19	
Minneapolis					6.62	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged to up $0.20 for the week ending June 5, 2019. Idaho cash malt barley prices were unchanged for the week. For the period May 24-30, USDA FAS reported no net export sales for 2018/2019. 2019/2020 sales were reported to south Korea (200 MT). Exports of 500 MT were primarily to Japan. Exports were down 44% from the prior week and down 39% from the previous 4 week average.

Beer Industry Responds to Mexico Tariffs Announced by President Trump—On May 30 President Trump announced the U.S. will impose a 5% tariff on all Mexican imports from June 10 — and duties of up to 25% will be added in the coming months if Mexico does not take action to "reduce or eliminate the number of illegal aliens" crossing the U.S. border. Not only was Mexico was the second-largest importer of goods into the United States in 2018, according to the Office of the U.S. Trade Representative, but Mexico is the largest export market for American barley and sixth largest export market for American hops. In addition, by year-end, more than 360 million cases of Mexican beer will have been imported into the U.S., with the majority of that beer having been made from barley and hops grown in the United States. On June 4 the National Barley Growers Association (NBGA) joined with the Beer Institute, National Beer Wholesalers Association, and the Hop Growers of America in sending a letter to President Trump expressing concern that the proposed tariffs on all imports from Mexico will harm the beer industry. The letter quantified costs to the industry from the tariffs and urged President Trump to engage with the Mexican government in dialogue that avoids implementation of the tariffs. Current NBGA President and Idaho barley grower Dwight Little of Newdale signed the letter on behalf of the nation's barley growers. During the 2017/18 market year, Mexico imported 394,000 MT of U.S. malting barley compared to the next closest competition—97,000 MT from Canada, 31,000 MT from Belgium, 29,000 MT from Ukraine, 20,000 from Russia and 28,000 MT from other nations.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending June 6. SWW prices ranged from down $0.10 to up $0.26 from the previous week; HRW prices were down $0.10 to up $0.26; DNS prices were down $0.15 to up $0.26; and HWW prices were down $0.10 to up $0.26. USDA FAS reported net export sales reductions for the week ending May 30 of 26,000 MT, down remarkably from the prior week. Increases were for the Congo (15,500 MT), Liberia (8,800 MT), Mali (5,500MT), Malaysia (4,600 MT), and Iraq (2,500 MT). Exports of 747,200 MT were up 72% from the previous week and 6% from the prior 4 week average. The primary destinations were Malaysia (86,500 MT), Mexico (70,300 MT), Algeria (62,300 MT), and the Philippines (57,000 MT).

Wheat News—*World Grain* reported June 6 that at least three flour mills have been forced to close due to flooding along with the Mississippi River, but the impact appears far greater as movement of wheat and other grains to mills and flour and other products out of mills has been disrupted amid numerous railroad delays and service outages. Ardent Mills pro-actively took down Alton and Chester, Illinois, mills in anticipation of severe flooding, the nation's largest flour miller said in a statement to *Milling & Baking News.* The U.S. Durum Milling, Inc. (Italgrani U.S.A., Inc.) plant in St. Louis, Missouri, also was closed the week of June 2 because flood waters restricted movement of grain in and products out of the plant, although the plant itself remained operational. Other major milling companies also reported disruptions largely due to railroad service outages, which were common in southeast Nebraska, central Missouri, southeast Kansas, eastern Oklahoma, southern Illinois and Arkansas.

CORN— USDA FAS reported net export sales reductions for the week ending May 30 of 8,800 MT. Increases were for New Zealand (33,200 MT), Japan (24,200 MT), Mexico (20,500 MT), and Guatemala (13,000 MT), Taiwan (5,500 MT), and the Dominican Republic (22,000 MT). Exports of 770,000 MT were down 55% from the prior week and down 35% from the previous 4 week average. The destinations were primarily to Mexico (324,300 MT), Japan (218,20 MT), South Korea (59,100 MT), New Zealand (33,200 MT), and Guatemala (32,400 MT).

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending May 31 averaged 1.044 million bbls/day – down 1.23 percent from the previous week and up .29 percent from last year. Total ethanol production for the week came in at 7.308 million barrels. Ethanol stocks were 22.553 million bbls on May 31, down .31 percent from last week and up 3.00 percent from last year. An estimated 107.72 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 4.14 billion bu. The USDA estimates 99.425 million bu per week is needed for the total crop year estimate of 5.45 billion bu.

Futures Market News and Trends—Week Ending June 6, 2019

WHEAT FUTURES—Wheat futures were mostly higher this week on weather concerns in the Black Sea region and Canada; however Kansas City HRW was down across the board.

Wheat futures prices ranged from down $0.17 to up $0.07 (per bu). Wheat futures settlement prices (per bu) for Thursday, June 6, 2019:

	July 2019	Week Change	Sep 2019	Week Change	Dec 2019	Week Change	Mar 2020	Week Change
CHI SRW	**$5.10**	**$0.07**	**$5.14¼**	**$0.04½**	**$5.25¾**	**$0.02½**	**$5.36½**	**$0.00¼**
KC HRW	**$4.55¼**	**-$0.17¾**	**$4.68½**	**-$0.16¼**	**$4.91¾**	**-$0.13½**	**$5.13½**	**-$0.11**
MGE DNS	**$5.47**	**-$0.05**	**$5.56¾**	**$0.04¼**	**$5.71**	**-$0.01½**	**$5.85**	**$0.00½**

CORN FUTURES—Corn futures prices dropped for the week tied to a drier weather forecast for the corn belt plus bearish indicators from overbought levels for the week ending June 6. **July 2019 contract closed Thursday, June 6 at $4.20½, down $0.06½ for the week; September 2019 contract closed at $4.29½, down $0.06½; December 2019 contract closed at $4.38½, down $0.05¼; and March 2020 closed at $4.46¾, down $0.04¾ for the week.**

CRUDE OIL FUTURES—Crude oil markets went somewhat sideways to end the market week as analysts wait for the updated jobs figure. The market appears to be trying to find its footing after the recent sell-off. The WTI Crude Oil market fell over the last couple of weeks, but during trading on Wednesday and Thursday this week, there has been a bit of stability. That is a bullish sign and the market should bounce some from here.

EIA reported U.S. crude oil refinery inputs averaged 16.9 million bbls/day during the week ending May 31, 2019 171,000 bbls/day more than last week's average. Refineries operated at 91.8% of capacity last week. As of May 31, there was an increase in Crude Oil stocks of 6.771 million bbls over last week to 483.264 million bbls, over the 5-year average of 449.061 million bbls. Distillate stocks increased by 4.572 million bbls to a total of 129.372 million bbls, under the 5-year average of 134.338 million bbls; while gasoline stocks increased by 3.205 million bbls to 234.149 million bbls, over the 229.969 million bbl 5-year average. The national average retail regular gasoline price was $2.807 per gallon on June 3, $0.015 lower than last week's price and $0.113 under a year ago. The national average retail diesel fuel price was $3.136 per gallon, down $0.015 per gallon from last week's level and down $0.119 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, June 6, 2019 to close at $52.59/bbl (July contract), down $0.91 for the week.

USDA Crop Progress / Condition Report—June 3, 2019

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/ Excellent	Previous Week	Previous Year
US Barley Planted	94%	87%	96%	97%	-	-	-
ID Barley Planted	**97%**	**96%**	**97%**	**98%**	**-**	**-**	**-**
US Barley Emerged	73%	54%	80%	85%	88%	NA	79%
ID Barley Emerged	**83%**	**72%**	**94%**	**93%**	**84%**	**-**	**-**
US Winter Wheat Headed	76%	66%	82%	84%	64%	61%	37%
ID Winter Wheat Headed	**32%**	**10%**	**44%**	**38%**	**70%**	**63%**	**NA**
US Spring Wheat Planted	93%	84%	96%	96%	-	-	-
ID Spring Wheat Planted	**95%**	**93%**	**97%**	**97%**	-	-	-
US Spring Wheat Emerged	69%	47%	78%	84%	83%	NA	70%
ID Spring Wheat Emerged	**76%**	**66%**	**91%**	**92%**	**80%**	-	-
US Corn Planted	67%	58%	96%	96%	NA	NA	NA
US Corn Emerged	46%	32%	84%	84%			

USDA U.S. Crop Weather Highlights—June 6 2019

West—Cool air over the Pacific Coast States. Below normal temperatures and isolated showers in the Pacific Northwest. Dry weather in California.

Plains—Ideal weather for fieldwork and crop development across the northern areas except in still soggy areas of South Dakota. Fieldwork slowed on the central and southern Plains due to showers and thunderstorms.

Corn Belt—Drier weather after Wednesdays showers. Few showers remain across the southern Corn Belt. Corn and soybeans planting completion is challenging in some soggy areas.

South—Short term dryness being eased by numerous showers and thunderstorms increasing concern for flash flooding. Heavy rain falling in the central Gulf Coast region. Major flooding continues along the lower Arkansas River. Water levels in the Delta remain extremely high along the Mississippi River.

Outlook for U.S.—Heavy rainfall in the Southeast with 5 day rainfall totals from 2-8 inches or more. Possible flooding the lower half of the Mississippi Valley but should ease Southeastern drought. Late week and weekend showers and thunderstorms will arrive in the Northwest and spread across the Plains and Midwest. The NWS 6-10 day outlook for June 11-15 is calling for below normal temperature in most areas from the Plains to the East Coast. Warmer than normal weather across Florida's Peninsula and in the West. Below normal rainfall in the middle and lower Mississippi Valley and from the Pacific Northwest to the northern Plains. Wetter than normal conditions in the Atlantic Coast States and central and southern areas of the Rockies and High Plains.

International Crop Weather Highlights—June 4, 2019

Europe–Rain boosted soil moisture for reproductive to filling winter crops From Poland and the Baltic States into southeastern Europe. Winter grain drydown and harvesting accelerated in Spain. Winter wheat and rapeseed maturation promoted in France and southeastern England.

Middle East–Hot, sunny weather promoted heat harvesting in central growing areas and wheat and barley maturation and drydown in Turkey and northwestern Iran.

FSU–Weather favoring reproductive to filling winter wheat in western Russia and Ukraine. Soil moisture reduced for vegetative spring grain in Kazakhstan. Supplemental moisture provided for vegetative corn in Uzbekistan

Asia–Moisture supplies boosted for early summer crop sowing along southern and eastern India and Bangladesh. Rainfall benefited rice and other summer crops in northeastern and southern China. Wheat maturation promoted on the North China Plain. Widespread showers helped rice sowing and aided in establishment in Indochina and the Philippines.

Australia–Drought in the northeast saw no relief for recently sown wheat from recent isolated showers. In the southeast wheat, barley , and canola were buoyed by widespread showers. In the west, winter grain growth was hindered and planting stalled by dry weather, rain is needed.

South America–Favorable corn prospects in southern Brazil. Summer crop harvesting resumed in Argentina.

Mexico– Planting of corn and other summer crops were encouraged by showers on the southern plateau.

Canada—Much of the area is need of rain. Across the Prairies, spring crop plating has advanced.