Idaho Grain Market Report, June 27, 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 26, 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	7.50		5.02	5.03	5.11	5.13
Idaho Falls	NA	8.30-8.33	5.00	4.90	5.00	5.00
Blackfoot / Pocatello		7.06	5.00	4.90	5.00	5.00
Grace / Soda Springs	6.60		4.83	4.84	4.99	5.09
Burley / Rupert	7.15		5.00	4.91	4.85	5.01
Twin Falls / Buhl Jerome / Wendell	5.00		4.95			
Nampa / Weiser			NA			
Nezperce / Craigmont	4.71		5.32	4.94	5.40	
Lewiston	5.23		5.58	5.20	5.66	
Moscow / Genesee	4.74-5.43		5.35-5.42	4.97-5.17	5.43-5.64	

Prices at Selected Terminal Markets, cash FOB

Wednesday, June 26, 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			5.75-6.30	6.19-6.24	6.26-6.35	
Ogden	7.40		5.13	5.14	5.29	5.39
Great Falls	6.00-7.00	7.75-9.00		4.81-5.03	5.10-5.24	
Minneapolis					6.50	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged to down $0.05 for the week ending June 26, 2019. Idaho cash malt barley prices were unchanged for the week. For the period June 14-20, USDA FAS reported for 2019/2020 of 300 MT net sales to Japan. Exports to Japan of 1,000 MT were reported.

Barley Updates and Competitor News—This week's USDA reports show the U.S. barley crop is behind its normal development. Nationally two percent of the crop is headed compared to 12 percent for the five-year U.S. crop average. However, Idaho is fairing better with 23 percent of the crop is headed compared to 47 percent for the five-year average. Also, crop conditions for the U.S. barley crop overall were lowered compared to last year with the USDA estimating currently 72 percent at a good/excellent rating down from 83 percent a year ago. Idaho is above average currently with 76 percent at a good/excellent rating. Meanwhile, across Canada, farmers report planting 14 percent more acres of barley to 7.4 million acres for 2019 according to Statistics Canada in their June Filed Crop Survey. Barley area increased in all three Prairie provinces, which together accounted for 95.2 percent of barley area in Canada. The larger seeded area may be due to higher prices resulting from low global stocks and the higher anticipated need for livestock feed. Higher barley prices may also have influenced some farmers to plant barley instead of canola, given ongoing trade issues. Across the Atlantic, Irelands winter barley area has soared in recent years and increased from 56,000 ha in 2018 to a massive 80,000 ha in 2019, according to provisional results from the Department of Agriculture. The Gain Industry Association of Western Australia reported that Western Australia is still looking at its biggest ever barley planting this year. The report said the trend to increasing barley held true in most areas, except the north, and noted that wheat planting area has continued to be substituted by barley, especially due to a late start in much of the country this year. The wheat area there is likely to be historically low at less than 52 per cent of the total crop area in 2019, while this will be the largest area of barley planted for Western Australia on record at 1.91 million hectares.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending June 26. SWW prices ranged from down $0.20 to up $0.24 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 down even to up $0.14. USDA FAS reported net sales for 2019/2020 marketing year at 612,000 MT, destinations were to the Philippines (116,000 MT), Guatemala (88,300 MT), Japan (81,500 MT), El Salvador (71,100 MT), and Colombia (64,600 MT). Exports of 418,500 MT were to Algeria (111,900 MT), Guatemala (64,600 MT), Japan (57,000 MT), Taiwan (54,400 MT), and Nigeria(49,300 MT).

Wheat News—The U.S. winter wheat harvest has been proceeding in fits and starts with progress well behind the average pace for the date in major states according to the USDA. The cool and excessively wet spring weather that prevailed across many key wheat regions slowed crop development and wheat maturation, and sodden fields stymied farmers' efforts to begin combining even when wheat was ripe and skies were clear. The U.S. Department of Agriculture in its weekly Crop Progress report indicated the winter wheat harvest was 15% completed by June 23 compared to 39 percent last year and the recent five year average of 34 percent for the same time period. Idaho wheat harvest will begin in July. North of the border, Statistics Canada reports that all Canadian wheat acres are expected to drop about 1% to 24.6 million acres for 2019.

CORN— USDA FAS reported net export sales for 2018/2019 of 294,900 MT were up noticeably from the prior week and up 7% from the previous 4 week average. Increases were for Japan (16,500 MT), Mexico (139,000 MT), Colombia (47,800 MT), Taiwan (16,400 MT), and Honduras (16,400 MT). Exports were 640,900 MT were up 9% from the prior week and down 31% from the previous 4 week average. The destinations were primarily to Japan (241,900 MT), Mexico (197,200 MT), Colombia (63,800 MT), China (61,600 MT), and Costa Rica (30,300 MT).

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending June 21 averaged 1.072 million bbls/day – down 0.83 percent from the previous week and unchanged from last year. Total ethanol production for the week came in at 7.504 million barrels. Ethanol stocks were 21.567 million bbls on June 21, down 0.21 percent from last week and down 0.49 percent from last year. An estimated 110.66 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 4.48 billion bu. The USDA estimates 95.76 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 27, 2019

WHEAT FUTURES—Wheat futures were mixed this week but ended higher across the board for the week. The market's short-term trend is positive on the week's close above the 9-day moving average suggesting a slightly bullish posture.

Wheat futures prices ranged from up $0.14 to up $0.21½ (per bu). Wheat futures settlement prices (per bu) for Thursday, June 27, 2019:

	July 2019	Week Change	Sep 2019	Week Change	Dec 2019	Week Change	Mar 2020	Week Change
CHI SRW	**$5.47½**	**$0.21½**	**$5.46¾**	**$0.16**	**$5.56¾**	**$0.15¼**	**$5.65¾**	**$0.14**
KC HRW	**$4.68**	**$0.15½**	**$4.81½**	**$0.17**	**$5.03¼**	**$0.16¾**	**$5.23**	**$0.15¾**
MGE DNS	**$5.51½**	**$0.15½**	**$5.61½**	**$0.17½**	**$5.75½**	**$0.18¾**	**$5.70¾**	**$0.18½**

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 13. **July 2019 contract closed Thursday, June 27 at $4.40, down $0.02¼ for the week; September 2019 contract closed at $4.45¾, down $0.01¾; December 2019 contract closed at $4.51, down $0.02½; and March 2020 closed at $4.56¾, down $0.02½ for the week.**

CRUDE OIL FUTURES—Crude oil prices continued a seven day upward trend Thursday on positive carry-over from Wednesday's bullish EIA report, which pushed August WTI crude to 1-month highs. A rally in stocks on Thursday was also bullish for crude with stronger stocks signaling confidence in the economic outlook and is positive for energy demand. However, trade uncertainty continues to loom ahead of Saturday's meeting in Japan between President Trump and Chinese President Xi Jinping. In addition, Thursday's U.S. economic data was mostly weaker than expected, which is negative overall for energy demand so expect some treading water for crude oil prices.

EIA reported U.S. crude oil refinery inputs averaged 17.3 million bbls/day during the week ending June 21, 2019 73,000 bbls/day more than last week's average. Refineries operated at 94.2% of capacity last week. As of June 21, there was a decrease in Crude Oil stocks of 12.788 million bbls from last week to 469.576 million bbls, over the 5-year average of 441.648 million bbls. Distillate stocks decreased by 2.441 million bbls to a total of 125.38 million bbls, under the 5-year average of 135.514 million bbls; while gasoline stocks decreased by 0.996 million bbls to 232.225 million bbls, over the 230.329 million bbl 5-year average. The national average retail regular gasoline price was $2.654 per gallon on June 24, $0.016 lower than last week's price and $0.179 under a year ago. The national average retail diesel fuel price was $3.043 per gallon, down $0.027 per gallon from last week's level and down $0.173 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, June 27, 2019 to close at $59.43/bbl (August contract), up $2.00 for the week.

USDA Crop Progress / Condition Report—June 24, 2019

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/ Excellent	Previous Week	Previous Year
US Barley Emerged	97%	92%	99%	99%	-	-	-
ID Barley Emerged	**98%**	**96%**	**100%**	**99%**	**-**	**-**	**-**
US Barley Headed	9%	2%	25%	30%	72%	76%	83%
ID Barley Headed	**23%**	**3%**	**40%**	**47%**	**76%**	**78%**	**-**
US Winter Wheat Headed	94%	89%	98%	99%	61%	64%	37%
ID Winter Wheat Headed	**89%**	**74%**	**94%**	**91%**	**64%**	**80%**	**NA**
US Winter Wheat Harvested	15%	8%	39%	34%	-	-	-
ID Winter Wheat Harvested	**NA**	**NA**	**NA**	**NA**	-	-	-
US Spring Wheat Headed	7%	2%	30%	29%	75%	77%	77%
ID Spring Wheat Headed	**18%**	**5%**	**31%**	**40%**	**66%**	**65%**	-
US Corn Planted	96%	92%	100%	100%	56%	59%	77%
US Corn Emerged	89%	79%	100%	99%			

USDA U.S. Crop Weather Highlights—June 27 2019

West—Slow crop development from the Pacific Coast to the northern Rockies due to cooler than normal temperatures. Elevated wildfire threat in the Great Basin and the Southeast due to dry, breezy weather.

Plains—Near or above temperatures promote winter wheat maturation and summer crop growth.

Corn Belt—showers in several areas, including upper Midwest and mid Mississippi Valley. Favorable fry weather for the eastern Corn Belt. Topsoil moisture in Ohio was rated at 81% surplus and 63% surplus in Michigan on June 23.

South—Scattered showers in southern Texas, peninsular Florida, and the northern Delta. Adequate to abundant soil moisture to support summer crop development. A few areas of drought continue from Alabama to the southern Atlantic Coast.

Outlook for U.S.—Significant rainfall across the northern U.S., including parts of the northern Plains and the Midwest. Mostly dry weather in California, the Great Basin, and the southern Plains. Cooler than normal temperatures in the Pacific Coast States and the Northwest but neat or above normal temperatures across much of the central and eastern U.S. The NWS 6-10 Day forecast for July 2-6 calls for wetter than normal across much of the U.S. Above normal temperatures in the Pacific Northwest and across most of the eastern half of the county. Cooler than normal temperatures in the western Gulf Coast region and much of the West.

International Crop Weather Highlights—June 25, 2019

Europe–Warm temperatures accelerated corn, sunflowers, soybeans towards the reproductive phase of development across southern and southeastern Europe, crops are not yet flowering. Heavy showers benefit filling wheat and rapeseed across northeastern Europe. Drought continued to adversely affect vegetative corn and sunflowers in Spain.

Middle East–Showers in Turkey favored soil moisture for vegetative corn, cotton, and sunflowers.

FSU– Accelerated winter wheat maturation in Moldova, Ukraine, and southwestern Russia due to increased heat, hastened corn and sunflower reproduction. Showers eased heat stress on reproductive crop and sunflowers in southwestern Russia. Spring grain establishment in northern Kazakhstan. Showers in favorable for wheat and barley development in eastern Kazakhstan and Russia's Siberia District.

Asia– Monsoon rain delayed northward progress in India up to 2 weeks in some areas. Sowing of cotton, oil seeds, and other kharif crops discouraged until more rain arrives in Southern Asia. Showers in Yangtze Valley boosted moisture supplies for rice and other summer crops. Hot, dry weather favored wheat harvesting in eastern China but increased irrigation requirements for vegetative summer crops. Showers in northeastern China favored vegetative corn, soybeans, and rice.

Australia–Increased concern for winter wheat yield potential in the northeast. Good winter crop prospects in the southeast. Showers favored wheat, barley, and canola emergence and establishment in the west.

South America–Increased moisture for Argentina's winter wheat and barley. Rapid development of worn and cotton in Brazil.

Mexico– Showers aided in corn and other emerging summer crops.

Canada—Heavy showers favored emerging spring grain and oil seeds in most areas.

National Weather Service Climate Prediction Center
Three-Month Outlook of Temperature and Precipitation Probability, June 20, 2019
For the Months of JULY, AUGUST and SEPTEMBER 2019