

# Idaho Grain Market Report, July 20, 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, July 17 2019. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED  48 lbs or better</b>	<b>MALTING  Open Market Malting</b>	<b>Wheat (bu.) Milling  #1 SWW</b>		<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Rexburg / Ririe	6.00-7.50		4.70-4.72	4.69	4.89	4.69-4.75	
Idaho Falls	NA	8.30-8.33	4.72	4.69	4.89	4.69	
Blackfoot / Pocatello		7.06	4.70	4.90	4.75	5.00	
Grace / Soda Springs	7.00		4.73	4.64	4.96	4.84	
Burley / Rupert	7.15		4.65	4.47	4.68	4.72	
Twin Falls / Buhl Jerome / Wendell	5.00-7.00		4.70-4.80	4.75	4.85	4.90	
Nampa / Weiser			NA				
Nezperce / Craigmont	5.21		5.25	5.20	4.74		
Lewiston	5.73		5.51	5.46	5.00		
Moscow / Genesee	5.24-5.43		5.28-5.40	4.89-5.23	4.77-5.37		

## Prices at Selected Terminal Markets, cash FOB

Wednesday, July 17, 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			5.75-6.20	5.70-5.80	6.05	
Ogden			5.03	4.94	5.26	5.14
Great Falls	6.00-7.00	8.20-9.00		4.41-4.45	4.77-4.92	
Minneapolis					6.18-6.23	

## Market News and Trends This Week

**BARLEY**—Idaho cash feed barley prices were mostly unchanged for the week ending July 17, but up \$.25 in one location. Idaho cash malt barley prices were unchanged for the week. For the period July 5-11, USDA FAS reported for no net sales for 2019/2020. Barley exports of 500 MT to South Korea were reported.

**Barley News**—Cheers to **Jim Dixon, a fifth-generation Idaho Falls area barley farmer** who collaborated with Anheuser-Busch brewmasters on a special Budweiser release Harvest Reserve Deep Golden Lager, a limited edition beer. Ricardo Marques, VP of Marketing Core & Value Brands at Anheuser-Busch said, “Our farmers are family, and while our relationship with many of these farmers goes back generations, Budweiser Harvest Reserve is the first time we’ve collaborated on a recipe together.” At 5.4 percent ABV, Budweiser Harvest Reserve is brewed with all-American barley that is toasted longer for a bolder taste and a crisp hoppy aroma that finishes smooth. The new beer is an all-malt recipe that uses 100 percent American grains from family farms. Each bottle features Jim Dixon’s signature. “My family has been growing barley with Budweiser for generations,” said Dixon, owner of Jim Dixon Farms. “Working with Budweiser on the recipe for a new beer was already humbling, but when I found out they wanted to put my name on every bottle, I was surprised and incredibly honored.” Budweiser Harvest Reserve was showcased at Anheuser-Busch’s Grower Day in Idaho Falls on July 15 after being released on July 11, and will be available this month in Des Moines, Iowa and Omaha, Nebraska. The beer will be available throughout the harvest season, while supplies last. For more information on Budweiser Harvest Reserve, check out [www.budweiser.com/HarvestReserve](http://www.budweiser.com/HarvestReserve). Also this month, Michelob ULTRA Pure Gold, an Anheuser-Busch brand and the first national beer brand to be USDA-certified organic, launched a new initiative called ‘Contract for Change’ that supports American barley farmers who want to transition conventional fields to try organic production for the first time. The brand, alongside expert agronomists, will provide assistance to farmers, including six Idaho farmers this year, as they navigate the costly and time consuming steps required to grow certified organic crops. For more information, visit [www.michelobultra.com](http://www.michelobultra.com).

## Market News and Trends This Week—continued

**WHEAT**—Idaho cash wheat prices were mixed for the week ending July 17. SWW prices ranged from down \$0.12 to up \$0.17 from the previous week; HRW prices were down \$0.04 to up \$0.62; DNS prices were down \$0.19 to up \$0.46; and HWW prices were down \$0.05 to up \$0.11. USDA FAS reported net sales for 2019/2020 at 347,300 MT, destinations were to Mexico (166,500 MT), South Korea (80,000 MT), Italy (31,000 MT), Haiti (27,500 MT), and Costa Rica (16,000 MT). Exports of 286,400 MT were to Taiwan (50,600 MT), Colombia (48,600 MT), Japan (42,600 MT), Algeria (30,200 MT), and Haiti (27,500 MT).

**Wheat Competitor News**—World-Grain reported that the Ministry of Agriculture of the Russian Federation has a long-term strategy aimed at increasing Russia's grain crop to 140 million tonnes by 2035, with the possibility of production rising as high as 150.3 million tonnes. The higher output totals would allow Russia to potentially export as much as 63.6 million tonnes by 2035, the agency said. Russia's grain crop in 2019-20 is forecast at 118 million tonnes, with exports at 45 million tonnes. Meanwhile, Ukraine exported a record 50.4 million tonnes of grains, legumes and flour in the 2018-19 marketing year, surpassing last year's total by 10.5 million tonnes. Of that total, 49.9 million tonnes were grain and legumes, the Ministry of Agrarian Policy and Food of Ukraine reported. Wheat and a mixture of wheat and rye accounted for 15.6 million tonnes; barley amounted to 3.7 million tonnes; rye 87,000 tonnes; corn 29.8 million tonnes. Flour exports reached 301,281 tonnes of which 299,897 tonnes were wheat flour or mixtures of wheat and rye; the rest was flour of other grain crops.

**CORN**—USDA FAS reported net export sales for 2018/2019 of 200,000 MT, down 60% from the prior week and 21% from the previous 4 week average. Increases were for Japan (144,300 MT), unknown destinations (31,200 MT), Jamaica (18,500 MT), Canada (14,300 MT), and Mexico (10,500 MT). Exports of 682,400 MT were down 40% from the prior week and down 1% from the previous 4 week average. The destinations were primarily to Mexico (308,800 MT), Japan (143,300 MT), Colombia (63,800 MT), South Korea (60,000 MT), and Guatemala (30,600 MT).

**Ethanol corn usage**—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending July 12 averaged 1.066 million bbls/day – up 1.81 percent from the previous week and up 0.19 percent from last year. Total ethanol production for the week came in at 7.462 million barrels. Ethanol stocks were 23.365 million bbls on July 12, up 1.55 percent from last week and up 7.34 percent from last year. An estimated 110.01 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 4.81 billion bu. The USDA estimates 89.959 million bu per week is needed for the total crop year estimate of 5.45 billion bu.

### Futures Market News and Trends—Week Ending July 18, 2019

#### FUTURES MARKET SETTLEMENT PRICES for the Week Ending July 18:

Commodity	July 2019	Week Change	Sep 2019	Week Change	Dec 2019	Week Change	Mar 2020	Week Change
CHI SRW	\$4.93½	-\$0.29½	\$5.05¼	-\$0.29¾	\$5.17¾	-\$0.29¾	\$5.23½	-\$0.29¾
KC HRW	\$4.32¾	-\$0.34½	\$4.53¼	-\$0.33½	\$4.73¼	-\$0.31¾	\$4.85½	-\$0.31½
MGE DNS	\$5.25½	-\$0.17¼	\$5.37¾	-\$0.18½	\$5.52½	-\$0.18½	\$5.61½	-\$0.17¾
CORN	\$4.24½	-\$0.29¾	\$4.29¾	-\$0.29½	\$4.38¼	-\$0.26¾	\$4.42¼	-\$0.24½

**WHEAT FUTURES**—All grain futures endured a punishing week. Slow progress and disagreement on key initial demands from Presidents Donald Trump and Xi Jinping is raising doubts about whether the U.S. and China will actually return to the negotiating table to overcome their much deeper differences. Plus, wheat is in over-sold territory and this week's export report was lackluster. **Wheat futures prices ranged from down \$0.17¼ to down \$0.34½ (per bu) over the previous week.**

**CORN FUTURES**—Better weather than expected and disappointing export numbers drove corn futures down sharply. **Corn futures prices ranged from down \$0.24½ to down \$0.29¾ (per bu) over last week.**

**CRUDE OIL FUTURES**—Crude oil markets struggled for the week in general, and escalating tensions between the U.S. and Iran could continue to underpin prices. On the demand side of the equation, the International Energy Administration (IEA) is revising its 2019 oil demand growth forecast to 1.1 million barrels per day (bpd) and may cut it again if the global economy and especially China shows further weakness, EIA Executive Director Fatih Birol said. "China is experiencing its slowest economic growth in the last three decades, so are some of the advanced economies ...," Birol told Reuters. Last year, the IEA predicted that 2019 oil demand would grow by 1.5 million bpd but had already cut the growth forecast to 1.2 million bpd in June this year.

EIA reported U.S. crude oil refinery inputs averaged 17.3 million bbls/day during the week ending July 12, 2019 172,000 bbls/day more than last week's average. Refineries operated at 94.4% of capacity last week. As of July 12, there was a decrease in Crude Oil stocks of 3.116 million bbls from last week to 455.876 million bbls, over the 5-year average of 432.340 million bbls. Distillate stocks increased by 5.686 million bbls to a total of 136.203 million bbls, under the 5-year average of 138.591 million bbls; while gasoline stocks increased by 3.565 million bbls to 232.752 million bbls, over the 228.440 million bbl 5-year average. The national average retail regular gasoline price was \$2.779 per gallon on July 15, \$0.036 higher than last week's price and \$0.086 under a year ago. The national average retail diesel fuel price was \$3.051 per gallon, down \$0.004 per gallon from last week's level and down \$0.188 from a year ago.

**NYMEX Crude Oil Futures finished the week ending Thursday, July 18, 2019 to close at \$55.30/bbl (August contract), down \$4.90 for the week.**

## USDA Crop Progress / Condition Report—July 15, 2019

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Barley Headed	75%	55%	88%	89%	76%	73%	85%
<b>ID Barley Headed</b>	<b>80%</b>	<b>73%</b>	<b>88%</b>	<b>90%</b>	<b>79%</b>	<b>80%</b>	-
US Barley Harvested		<i>Not reported this week.</i>					
<b>ID Barley Harvested</b>		<i>Not reported this week.</i>					
US Winter Wheat Harvested	57%	47%	72%	71%			
<b>ID Winter Wheat Harvested</b>	<b>1%</b>	-	<b>4%</b>	<b>5%</b>	-	-	-
US Spring Wheat Headed	78%	56%	91%	87%	76%	78%	80%
<b>ID Spring Wheat Headed</b>	<b>85%</b>	<b>73%</b>	<b>87%</b>	<b>89%</b>	<b>65%</b>	<b>75%</b>	-
US Corn Silking	17%	8%	59%	22%	58%	57%	72%

## USDA U.S. Crop Weather Highlights—July 18 2019

**West**—Cool weather conditions in California and the Northwest. Hot weather in the Southwest. Dry weather favors fieldwork throughout the region. As of July 14, Oregon led the Northwest with 4% of its winter wheat harvested.

**Plains**—Hot, humid weather from Nebraska southward. Heat was centered on Kansas, where temperatures reached 108 degrees. The high heat is stressing the summer crops, such as corn and soybeans, which have begun to enter reproduction. Near or below normal temperatures across the northwestern Plains.

**Corn Belt**—Heat warnings across the southern 2/3 of the region. Hot, humid conditions are increasing stress on livestock and summer crops. Corn and soybeans planted in soggy soil are vulnerable.

**South**—Hot, humid weather with scattered showers. Dry weather across the western Gulf Coast region.

**Outlook for U.S.—** Hot, humid weather into the weekend from the central and southern Plains to the East Coast. Cool weather will cover the Plains and upper Midwest by Sunday and cover most of the east of the Rockies early next week accompanied by widespread showers and thunderstorms. Five day rainfall totals could reach 1-3 inches across the eastern half of the US. Increased shower activity in the central and southern Rockies and the Desert Southwest. Dry weather in much of Texas and from the Pacific coast to the Great Basin and northern Rockies. The NWS—day outlook for July 23-27 calls for below normal temperatures from the central and southern Plains to the Atlantic Seaboard, excluding Florida. Hotter than normal temperatures in the West and northern High Plains. Below normal rainfall in the Midwest and northern Pacific Coast. Wetter than normal weather along Atlantic Coast, Deep South, and Intermountain West.

## International Crop Weather Highlights—July 16, 2019

**Europe**—Rain favors reproductive corn and sunflowers, and soybeans across central and eastern Europe. France remains dry. Heat and drought in Spain continue to effect reproductive corn and sunflowers. Showers provided moisture in northern portions of the region.

**Middle East**— Rain provided moisture for reproductive corn and sunflowers in the north. Sunny skies and normal temperatures benefited reproductive summer crops elsewhere.

**FSU**— Showers provided moisture reproductive corn, sunflowers, and soybeans in Moldova, Ukraine, and western Russia. Sunny skies favored wheat and barley development in eastern Kazakhstan and Russia's Siberia District. Excessive heat impacts reproductive spring grains in northwestern Kazakhstan.

**Asia**— Showers in India improved moisture conditions and promoted kharif crop planting. Western India remained too dry for cotton and groundnuts. Favorable moisture supplies for corn and soybeans nearing reproduction in northeastern China and for rice in southern China. Showers in Indochina and the Philippines benefit rice. Thailand remains too dry.

**Australia**—Limited drought relief in northern New South Wales. Good early season wheat, barley, and canola prospects in the southeast. In the west, adequate soil moisture favored winter grains and oilseeds.

**South America**— Dry weather benefits winter grain planting and summer crops harvesting throughout major production areas of Argentina and Brazil.

**Mexico**— Rain favored corn and other emerging to vegetative rain fed summer crops.

**Canada**—Prairie spring grains and oilseeds advanced in development. Summer weather advanced the development of corn, soybeans, and other crops in Ontario.