Idaho Grain Market Report, August 2, 2019—NEW CROP PRICES

Published weekly by the Idaho Barley Commission

lwilder@barley.idaho.gov 208-334-2090 www.barley.idaho.gov

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, July 31 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	5.75-7.25		4.55-4.59	4.51	4.85	4.55-4.58
Idaho Falls	NA	8.30-8.33	4.60	4.60	4.60	4.60
Blackfoot / Pocatello		7.06	4.60	4.60	4.60	4.60
Grace / Soda Springs	7.00		4.60	4.53	4.76	4.68
Burley / Rupert	7.15		4.67	4.52	4.84	4.59
Twin Falls / Buhl Jerome / Wendell	6.00-6.75		4.75-4.80	4.50	4.75	4.50
Nampa / Weiser			NA			
Nezperce / Craigmont	5.21		5.15	4.52	5.09	
Lewiston	5.73		5.41	4.78	5.35	
Moscow / Genesee	5.24-5.43		5.18-5.30	4.55-4.68	5.12-5.24	

Prices at Selected Terminal Markets, cash FOB

Wednesday, July 31, 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			5.75-6.20	5.38	5.95	
Ogden	7.80		4.90	4.83	5.06	4.98
Great Falls	6.00-7.00	7.85-8.20		4.30-4.34	4.69-4.81	
Minneapolis					6.10	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were mostly ranged from down $0.25 to up $1.00 for the week ending July 31. Idaho cash malt barley prices were unchanged for the week. For the period July 12-18, USDA FAS reported net sales of 5,000 MT to Japan for 2019/2020. Barley exports of 1,800 MT to Japan were reported.

Barley/Beer News—Multiple news outlets reported this week that Anheuser-Busch InBev, the world's largest brewer, beat earnings expectations after beer sales grew at their fastest pace in over five years, helped by increases in Latin America, Europe and Africa and a later Easter. The maker of Budweiser, Corona and Stella Artois said beer volumes rose by 2.1% year-on-year in the April-June period, a rate unmatched for five years and meeting its strategy to focus much more on the top line. Price rises and consumers shifting to higher-priced beers saw revenue and profits increase by even more. AB InBev shares were up 4.3%, making them among the strongest performers in the FTSEurofirst index of leading European stocks. Although they gained almost 14% in the past week, are still some 11% down year-on-year. Meanwhile, Brewbound Craft Beer News reported July 29 that year-to-date beer category dollar sales are up 3.5 percent, to nearly $19.5 billion, in off-premise retailers tracked by market research firm IRI. According to the Chicago-based firm, three segments — imports (+5.9), flavored malt beverages (+27.7 percent) and domestic super premiums (+12.6 percent) — have achieved nine-figure sales growth through July 14 in its multi-outlet and convenience store universe. In fact, dollar sales of FMBs, including popular hard seltzers, have nearly reached $1.9 billion this year.
Category-wide trends were even stronger during the four weeks ending July 14, due to the important July 4 holiday. In that time, sales grew 5.7 percent, to more than $3.4 billion, and volume sales increased 2.3 percent. In that four-week period, FMB sales increased 38.2 percent.

Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mostly down for the week ending July 31. SWW prices ranged from down $0.15 to up $0.10 from the previous week; HRW prices were down $0.30 to up $0.05; DNS prices were down $0.20 to up $0.16; and HWW prices were down $0.13 to down $0.40. USDA FAS reported net sales for 2019/2020 at 383,100 MT, down 42% from previous week and 2% from the 4 week average. Destinations were to Brazil (85,000 MT), the Philippines (71,900 MT), Japan (51,300 MT), Mexico (35,500 MT), and Taiwan (30,900 MT). Exports of 409,700 MT were to Mexico (67,600 MT), Yemen (58,400 MT), Taiwan (58,100 MT), Colombia (55,700 MT), and the Philippines (33,900 MT).

Wheat Competitor News—According to the July 31 European Union EU28 Crop Update, the unprecedented heatwave in June across much of the European Union, plus a second, albeit brief, heatwave in late July has again brought attention to their 2019 grain crop. After a dry winter, rain in April and May was welcomed across the EU28 but came too late for Spain. The subsequent hot weather saw the winter barley harvest start promptly and the crop is generally reported to be of good quality and yield. However, for spring barley and wheat, the unusually early hot weather came at a crucial time for grain fill, with mixed results and reduced overall production.

CORN— USDA FAS reported net export sales for 2018/2019 of 143,100 MT, up 18% from the prior week but down 43% from the previous 4 week average. Increases were for Mexico (145,000 MT), Japan (74,800 MT), Taiwan (15,900 MT), Canada (7,300 MT), and El Salvador (3,900 MT). Exports of 704,100 MT were up 22% from the prior week and 5% from the previous 4 week average. The destinations were primarily to Mexico (298,100 MT), Japan (260,800 MT), China (63,000 MT), China (63,000 MT), El Salvador (28,900 MT) and Colombia (18,000 MT).

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending July 26 averaged 1.031 million bbls/day – down 0.77 percent from the previous week and down 3.10 percent from last year. Total ethanol production for the week came in at 7.217 million barrels. Ethanol stocks were 24.468 million bbls on July 26, up 3.29 percent from last week and up 11.39 percent from last year. An estimated 106.33 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 5.02 billion bu. The USDA estimates 83.427 million bu per week is needed for the total crop year estimate of 5.45 billion bu.

Futures Market News and Trends—Week Ending August 1, 2019

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, August 1:

Commodity	July 2019	Week Change	Sep 2019	Week Change	Dec 2019	Week Change	Mar 2020	Week Change
CHI SRW	$4.75¾	-$0.20¼	$4.80¾	-$0.23½	$4.91¾	-$0.23½	$4.97¾	-$0.22¾
KC HRW	$4.15¾	-$0.16¼	$4.33¼	-$0.17	$4.50½	-$0.16¾	$4.62¼	-$0.16¼
MGE DNS	$5.18½	-$0.06	$5.32¼	-$0.04½	$5.47	-$0.03¾	$5.56	-$0.03½
CORN	$3.92¾	-$0.21¾	$4.02½	-$0.22	$4.13¼	-$0.20¼	$4.19¾	-$0.19

WHEAT FUTURES—Wheat futures prices again saw big drops for the market week ending August 1 amidst pressure from a strong U.S. dollar and continued tariff trouble. **Wheat futures prices ranged from down $0.03½ to down $0.23½ (per bu) over the previous week.**

CORN FUTURES—Corn futures continued to tumble to the lowest levels seen since mid-May. The new round of tariffs on Chinese goods announced by President Trump late Thursday put a damper on prices as the market week ended. **Corn futures prices ranged from down $0.19 to down $0.22 (per bu) over the previous week.**

CRUDE OIL FUTURES—Crude oil futures plunged on Thursday after President Trump said he would impose an additional 10% tariff on $300 billion worth of Chinese imports to the U.S. effective September 1. He later added those levies could go up to 25%. Other news is pointing to lower crude demand with U.S. manufacturing dropping to a near three-year low last month. In addition, construction spending fell in June as investment in private construction projects tumbled to its lowest level in 1-1/2 years.

EIA reported U.S. crude oil refinery inputs averaged 17 million bbls/day during the week ending July 26, 2019 43,000 bbls/day less than last week's average. Refineries operated at 93.0% of capacity last week. As of July 26, there was a decrease in Crude Oil stocks of 8.496 million bbls from last week to 436.545 million bbls, over the 5-year average of 427.987 million bbls. Distillate stocks decreased by 0.894 million bbls to a total of 135.922 million bbls, under the 5-year average of 139.299 million bbls; while gasoline stocks decreased by 1.791 million bbls to 230.735 million bbls, over the 225.484 million bbl 5-year average. The national average retail regular gasoline price was $2.715 per gallon on July 29, $0.035 lower than last week's price and $0.131 under a year ago. The national average retail diesel fuel price was $3.034 per gallon, down $0.010 per gallon from last week's level and down $0.192 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, August 1, 2019 to close at $53.95/bbl (September contract), down $3.10 for the week.

USDA Crop Progress / Condition Report—July 29, 2019

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/ Excellent	Previous Week	Previous Year
US Barley Headed	96%	90%	97%	98%	76%	76%	80%
ID Barley Headed	**95%**	**87%**	**96%**	**97%**	**85%**	**85%**	**-**
US Barley Harvested		*Not reported this week.*					
ID Barley Harvested		*Not reported this week.*					
US Winter Wheat Harvested	75%	69%	84%	86%			
ID Winter Wheat Harvested	**6%**	**2%**	**22%**	**22%**	**-**	**-**	-
US Spring Wheat Headed	97%	92%	99%	98%	73%	76%	78%
ID Spring Wheat Headed	**95%**	**93%**	**94%**	**97%**	**69%**	**68%**	-
US Corn Silking	58%	35%	90%	83%	58%	57%	72%

USDA U.S. Crop Weather Highlights—August 1, 2019

West—Hot, dry weather throughout the interior Northwest benefitting small grain maturation and harvesting, topsoil moisture reduced and increased wildfire threat.

Plains—Dry, hot weather in Texas and environs increase stress on rangeland, pastures, and summer crops. Heavy rain causing flooding in eastern Kansas.

Corn Belt—Mostly dry but below normal temperatures. Spotty dryness is a concern. Limited topsoil moisture and shallow rooted corn and soybeans are concerning.

South—Unsettled showery weather along the southern Atlantic Coast, especially Florida. Heavy rain through parts of the Ozark Plateau. Remaining of the region experiencing warm, humid weather benefitting pasture growth and summer crop development.

Outlook for U.S.— Heavy rain and possible flooding in eastern Kansas, western Missouri, and environs. Heavy showers in the Southeast, 5 day rainfall totals could reach 1-3 inches. Showers northward from Four Corner States. Dry weather throughout the southern High Plains, the central and eastern Corn Belt, and the Far West. The NWS 6-10 day outlook for August 6-10 calls for near or above normal temperatures nationwide except Coastal California and parts of the north to central U.S. where temperatures will be below normal. Near or above normal rainfall across most of the U.S. except for drier than normal weather across the South from Texas to Georgia.

International Crop Weather Highlights—July 30, 2019

Europe— Heat across much of the western and central Europe, increased stress on reproductive summer crops. Late week showers provide moisture and heat relief. Excellent prospects for reproductive summer crops in Balkans.

Middle East– Sunny skies benefitted late reproductive to filling corn, sunflowers, and cotton in Turkey.

FSU– Favorable moisture for reproductive to filling corn, sunflowers, and soybeans in Ukraine and western Russia. Dry weather in northern Ukraine. Drought improved in northwestern Kazakhstan and parts of central Russia. Cooler weather eased stress on reproductive spring grains.

Asia– Showers in India improved soil moisture and encouraged kharif crop planting. Showers across eastern and southern China benefitted reproductive corn and soybeans. Rainfall in southern Japan. Widespread showers in southeast Asia boosted moisture supplies for rice and other summer crops. Dryness persist in central Thailand.

Australia–Dry weather continued in the northeast, leading to further deterioration of winter wheat. Reduced soil moisture for winter grains and oilseeds in southern New Wales South. Good wheat, barley, and canola prospects in the west and south. Throughout much of Brazil, harvesting of corn, cotton, and other crops advanced.

South America– Boosted moisture in winter grains in northeastern Argentina, where dryness aided fieldwork. Throughout much of Brazil, harvesting corn, cotton, and other crops advanced.

Mexico– Rain near the Gulf of Mexico benefitted sugarcane and other rain fed summer crops.

Canada—Sunny, warm weather aided rapid growth of Prairie spring crops and corn and soybean development in Ontario.

National Weather Service Climate Prediction Center
Three-Month Outlook of Temperature and Precipitation Probability, July 18, 2019
For the Months of August, September and October 2019