Idaho Grain Market Report, August 8, 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, August 7 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	5.75-6.75		4.49-4.60	4.42	4.80	4.42-4.55
Idaho Falls	NA	8.30-8.33	4.70	4.50	4.60	4.50
Blackfoot / Pocatello		7.06	4.70	4.50	4.60	4.50
Grace / Soda Springs	7.00		4.55	4.42	4.79	4.52
Burley / Rupert	7.15		4.66	4.47	4.86	4.57
Twin Falls / Buhl Jerome / Wendell	6.00-6.75		4.65-4.75	4.35	4.75	4.55
Nampa / Weiser			NA			
Nezperce / Craigmont	5.21		4.88	5.11	4.47	
Lewiston	5.73		5.14	5.37	4.73	
Moscow / Genesee	5.24-5.43		4.91-5.03	4.63-5.14	4.50-5.26	

Prices at Selected Terminal Markets, cash FOB

Wednesday, August 7, 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			5.75-6.00	5.43-5.48	5.96-6.01	
Ogden	7.80		4.93	4.77	5.11	4.87
Great Falls	6.00-7.00	7.75-8.20		4.23-4.27	4.71-4.81	
Minneapolis					6.01	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices ranged from down $0.50 to no change for the week ending July 31. Idaho cash malt barley prices were unchanged for the week. For the period July 26– August 1, USDA FAS reported no net sales for 2019/2020. Barley exports of 1,400 MT to Japan were reported.

Barley/Beer News—August 2 was International Beer Day and despite changing tastes and buying habits, beer is still the #1 preferred beverage for on-premise sales in both Great Britain and the U.S. according to out-of-home experts CGA and its U.S.-based consultancy, Nielsen CGA. Even with a general decline in consumption, **beer is still the most popular alcoholic drink,** accounting for 48% of drinks sold in GB and 44% of drinks sold in the U.S. Cask ale sales have dropped 9.8% in GB over the past year alongside domestic premium which is down 9.3% in America. However, sales of imported beers, world beers, super premium lagers and craft beer continue to rise in both GB and U.S., led in part by consumer demand for premium drinks. While overall trends are similar, there are differences in serving preferences—in the U.S., consumers reach for the bottle or can, while GB consumers overwhelmingly purchase draught. Today's beer consumers across both markets are generally have higher household incomes and an increased tendency to eat and drink out, according to CGA's consumer research. However, beer drinkers across both markets have an older profile (ages 35-55+), with younger drinkers (18/21-34-year olds) the least engaged consumers of beer and showing the most dramatic decline in beer consumption since 2017. In the GB, younger consumers prefer to drink lager (23%) and craft beer (14%), while in America, they choose craft beer (51%), domestic non-craft (51%) and imported beer (47%). "As a key consumer group who are losing interest in the beer category, understanding and targeting the shifting preferences of younger drinkers is key, as is offering a wide selection of beers that are attractive to this younger population," commented CGA drinks expert, Mark Jackson.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mostly down for the week ending August 7. SWW prices ranged from down $0.27 to up $0.10 from the previous week; HRW prices were down $0.15 to up $0.59; DNS prices were down $0.62 to up $0.05; and HWW prices were down $0.05 to down $0.16. USDA FAS reported net sales for 2019/2020 at 487,700 MT, up 27% from previous week and 17% from the 4 week average. Increases were to the Philippines (76,600 MT), Mexico (71,400 MT), Japan (68,500 MT), Italy (65,300 MT), and Taiwan (61,500 MT). Exports of 367,600 MT were to Mexico (74,400 MT), the Philippines (56,600 MT), South Korea (55,200 MT), Peru (34,900 MT), and Chile (34,400 MT).

Wheat Competitor News—In France, the country's farm ministry says its soft wheat crop shook off record-breaking temperatures earlier this summer and could still reach production totaling 1.404 billion bushels – trending 12% above 2018's crop, if realized. Egypt purchased 15.2 million bushels of wheat from Ukraine, Romania and Russia for September shipment in an international tender that closed this week. Meanwhile, wheat production in Argentina in 2019-20 is forecast at a record 20.8 million tonnes, according to an Aug. 7 Global Agricultural Information Network (GAIN) report from the U.S. Department of Agriculture (USDA), with planted area for this marketing year increasing by 200,000 hectares to 6.4 million hectares.

CORN— USDA FAS reported net export sales for 2018/2019 of 42,600 MT, down 70% from the prior week and down 82% from the previous 4 week average. Increases were for Saudi Arabia (59,300 MT), Mexico (42,900 MT), El Salvador (30,400 MT), Japan (30,300 MT), and Colombia (25,800 MT). Exports of 692,6 MT were down 2% from the prior week and 11% from the previous 4 week average. The destinations were primarily to Mexico (253,800 MT), Japan (214,000 MT), Saudi Arabia (59,300 MT), Guatemala (37,400 MT), and El Salvador (25,100 MT).

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending August 2 averaged 1.04 million bbls/day – down 0.87 percent from the previous week and down 5.45 percent from last year. Total ethanol production for the week came in at 7.28 million barrels. Ethanol stocks were 23.117 million bbls on August, down 5.52 percent from last week and up 0.85 percent from last year. An estimated 107.27 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 5.13 billion bu. The USDA estimates 77.818 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 8, 2019

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, August 8:

Commodity	July 2019	Week Change	Sep 2019	Week Change	Dec 2019	Week Change	Mar 2020	Week Change
CHI SRW	**$4.98½**	**$0.07¾**	**$5.00**	**$0.08½**	**$5.08**	**$0.07½**	**$5.13**	**$0.07**
KC HRW	**$4.18½**	**-$0.03¼**	**$4.35**	**-$0.03¾**	**$4.51¾**	**-$0.03¾**	**$4.62¾**	**-$0.03½**
MGE DNS	**$5.20½**	**-$0.01¾**	**$5.32**	**-$0.02¾**	**$5.45¾**	**-$0.03**	**$5.55**	**-$0.02¾**
CORN	**$4.11**	**$.011½**	**$4.18½**	**$.08¾**	**$4.28½**	**$0.08**	**$4.33½**	**$0.07**

WHEAT FUTURES—Wheat futures prices were mixed for the market week ending August 8 as prices face harvest pressure to continued large domestic and global stockpiles, along with relatively low export sales. **Wheat futures prices ranged from down $0.03¾ to up $0.08½ (per bu) over the previous week.**

CORN FUTURES—Corn futures moved out of the red this week on mounting drought in some key production areas in the Corn Belt, with many fields needing perfect weather moving forward for any hope of making their way back to trendline yields. **Corn futures prices ranged from up $0.07 to up $0.11½ (per bu) over the previous week.**

CRUDE OIL FUTURES—Crude oil futures continued to drop for the market week ending August 8 with concerns that the worsening trade dispute between the United States and China will lead to a global economic slowdown and lower demand, in addition to expectations of more OPEC production cuts.

EIA reported U.S. crude oil refinery inputs averaged 17.8 million bbls/day during the week ending August 2, 2019 786,000 bbls/day more than last week's average. Refineries operated at 96.4% of capacity last week. As of August 2, there was an increase in Crude Oil stocks of 2.385 million bbls from last week to 438.93 million bbls, over the 5-year average of 426.637 million bbls. Distillate stocks increased by 1.529 million bbls to a total of 137.451 million bbls, under the 5-year average of 138.922 million bbls; while gasoline stocks increased by 4.437 million bbls to 235.172 million bbls, over the 225.705 million bbl 5-year average. The national average retail regular gasoline price was $2.688 per gallon on August 5, $0.027 lower than last week's price and $0.164 under a year ago. The national average retail diesel fuel price was $3.032 per gallon, down $0.002 per gallon from last week's level and down $0.191 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, August 8, 2019 to close at $52.54/bbl (September contract), down $3.12 for the week.

USDA Crop Progress / Condition Report—August 5, 2019

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/ Excellent	Previous Week	Previous Year
US Barley Harvested	3%	NA	14%	18%	76%	77%	79%
ID Barley Harvested	**5%**	**1%**	**14%**	**18%**	**83%**		
US Winter Wheat Harvested	82%	75%	89%	92%	-	-	-
ID Winter Wheat Harvested	**15%**	**6%**	**45%**	**46%**	**-**	**-**	-
US Spring Wheat Harvested	2%	NA	12%	14%	73%	73%	74%
ID Spring Wheat Harvested	**1%**	**NA**	**5%**	**16%**	**63%**	**-**	-
US Corn Silking	58%	35%	90%	83%	58%	57%	72%
US Corn Dough	23%	13%	54%	42%			

USDA U.S. Crop Weather Highlights—August 8, 2019

West—Cool weather in the West. Scattered showers inland. Reduced soil and rangeland stress in some areas across the Southwest and Intermountain West.

Plains—Showers are generally benefiting rangeland, and summer crops in Kansas, though local flash flooding may occur. Few showers across the southern Plains, but more rain is needed. Hot weather continues across western Texas.

Corn Belt—Dry weather and near to below normal temperatures are favorable but more rain is needed across parts of the southern and eastern Corn Belt to stabilize yield prospects for summer crops.

South—Hot, humid weather favors summer crop development. Most areas are dry except for heavy rain across the mid South including northern Arkansas.

Outlook for U.S.— Cool weather across much of the U.S. during the next few days. Lingering heat and humidity from the Southern Plains into the Southeast. Patterns of showers and thunderstorms northeastward from the Four Corner States, eastward across the northern and central Plains and Mississippi Valley, and southeastward toward the central and eastern Gulf Coast States. Showers also in the Northwest but no rain in California and Texas. The NWS 6-10 day outlook for August 13-17 calls for below normal temperatures from northern Rockies to New England. Hotter than normal weather across the southern half of the U.S. Near or above normal rainfall throughout the northern and central Plains, mid-South, Southwest, and the Pacific Northwest. Drier than normal conditional in the Southwest, Intermountain West, much of Texas, and the lower Great Lakes region into the Northeast.

International Crop Weather Highlights—August 6, 2019

Europe— Showers eased concerned of drought in northern Europe and boosted soil moisture for winter rapeseed planting. Improved summer crop prospects. Excellent prospects for reproductive to filling summer crops in the Balkans. Continued drought in Spain affecting corn and sunflowers.

Middle East– Sunny skies benefitted corn, sunflowers, and cotton in Turkey.

FSU– Favorable moisture for reproductive to filling corn, sunflowers, and soybeans in Ukraine and western Russia. Drought improved in northwestern Kazakhstan and parts of central Russia. Hot weather was untimely for flowering spring grains in eastern growing areas. Yield prospects affected by excessive heat for flowering cotton in Uzbekistan and environs.

Asia– Showers throughout India boost soil moisture and irrigation supplies for Kharif crops. Rainfall in eastern China increasing soil moisture for summer crops. Torrential rainfall along the southern coast of China. Heavy rainfall in the northwestern Philippines and the northern Indochina boosting soil moisture supplies. Dry weather in portions of Thailand.

Australia–Sunny skies and good moisture supply favored wheat, barley, and canola development in the west and south. Drought continued in the north. Rain favored winter crops in southern New Wales.

South America– Dry weather benefited summer crop harvesting and winter grain planting across Argentina. Dry weather benefited corn and cotton harvesting in Brazil. Although showers and cool weather lingered over southern wheat areas.

Mexico– Rain favored corn and other summer crops. Patches of dryness is some eastern sugarcane areas.

Canada—Sunny, warm weather aided rapid growth of Prairie spring grains and oilseed.