Idaho Grain Market Report, September 28, 2018—NEW CROP PRICES

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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, September 26, 2018. 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	6.25		4.50	5.01	5.40	5.33
Idaho Falls		8.30-8.33	4.25	4.80	5.35	5.20
Blackfoot / Pocatello		7.06	4.25	4.71	5.35	5.21
Grace / Soda Springs	3.90-6.50		4.44	4.67	5.32	5.07
Burley / Rupert	6.50		4.50	4.66	5.14	5.16
Twin Falls / Buhl Jerome / Wendell	6.50		4.43-4.50	4.75	5.35	
Nampa / Weiser	5.00		4.90			
Nezperce / Craigmont	5.21		5.20	5.47	5.77	
Lewiston	5.73		5.46	5.73	6.03	
Moscow / Genesee	5.24-5.43		5.23-5.35	5.50-5.63	5.80-5.91	5.63

Prices at Selected Terminal Markets, cash FOB

Wednesday, September 26, 2018. 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			5.90-6.18	6.31-6.46	6.63	
Ogden	7.30		4.60	4.90	5.62	5.50
Great Falls	5.85-6.50	7.75.8.05		5.07-5.21	5.31-5.44	
Minneapolis	2.60			NQ	6.63	

Market News and Trends This Week

BARLEY—Local feed barley prices, as well as open market malt barley prices were unchanged this week. USDA reported net export sales of 2,100 MT for 2018/2019 for South Korea (1,600 MT) and Taiwan (500 MT). Exports 900 MT were primarily to Japan.

Barley News—USDA's **2018 Annual Small Grains Summary** released today reported that U.S. barley production was estimated at 153 million bushels, up 8 percent from the 2017 total of 142 million bushels. Average yield per acre, at 77.4 bushels, was up 4.8 bushels from the previous year. **Idaho retains the top spot for states in barley production with over 34% of the nation's production.** USDA reported 530,000 Idaho barley acres harvested in 2018 at 101.0 bu/acre, compared to 510,000 Idaho barley acres harvested in 2017 at 95.0 bu/acre, and 580,000 Idaho barley acres harvested in 2016 at 107.0 bu/acre.

WHEAT—Local cash wheat prices were mixed this week with some movement both directions at elevators around the state. SWW prices ranged from $0.05 lower to $0.10 higher than a week ago; HRW prices ranged from $0.10 lower to $0.04 higher; DNS prices slipped in most markets ranging from par to $0.12 lower; and HWW prices came in at $0.10 lower to $.04 higher. Thursday, USDA reported net export sales of 657,100 metric tons for 2018/2019, up 40 percent from the previous week and 59 percent from the prior 4-week average. Increases were reported for Japan (140,600 MT), the Philippines (94,400 MT, Mexico (91,100 MT, including decreases of 700 MT), unknown destinations (88,200 MT), and Venezuela (60,000 MT, including 30,000 MT switched from Uruguay). Exports of 483,700 MT--a marketing-year high--were up 54 percent from the previous week and 35 percent from the prior 4-week average, primarily to Mexico (79,400 MT), Italy (59,400 MT), Thailand (58,200 MT), Taiwan (48,800 MT), and Guatemala (40,000 MT).

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Market News and Trends This Week—continued

Wheat News—USDA's **2018 Annual Small Grains Summary** released today reported that all U.S. wheat production totaled 1.88 billion bushels in 2018, up 8 percent from the revised 2017 total of 1.74 billion bushels. Area harvested for grain totaled 39.6 million acres, up 5 percent from the previous year. The U.S. yield was estimated at 47.6 bushels per acre, up 1.3 bushels from the previous year. The levels of production and changes from 2017 by type were: winter wheat, 1.18 billion bushels, down 7 percent; other spring wheat, 623 million bushels, up 50 percent; and Durum wheat, 77.3 million bushels, up 41 percent. USDA reported 2018 total **Idaho** wheat production at 104.4 million bushels harvested on 1.136 million acres, compared to 90.7 million total bushels in 2017 and 102.8 million total bushels in 2016. Idaho's 2018 average yield was 91.9 bu/acre, compared to 81.8 bu/acre in 2017, and 91.4 bu/acre in 2016.

CORN—USDA reported net export sales of 1,712,800 MT for 2018/2019 for Mexico (623,200 MT, including decreases of 4,100 MT), Guatemala (161,400 MT), Japan (124,500 MT, including 124,000 MT switched from unknown destinations and decreases of 70,400 MT), Egypt (110,500 MT, including 55,000 MT switched from unknown destinations), and Peru (92,900 MT, including 21,500 MT switched from unknown destinations and decreases of 1,000 MT). Reductions were reported for Vietnam (60,000 MT), Nicaragua (6,800 MT), and Jamaica (1,500 MT). For 2019/2020, net sales reductions of 9,700 MT were reported for Mexico. Exports of 1,358,800 MT were primarily to Mexico (342,700 MT), Japan (272,500 MT), Egypt (163,500 MT), Taiwan (139,300 MT), and South Korea (129,700 MT).

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending September 21 averaged 1.036 million bbls/day – down 1.43% from the previous week and up 4.02% over last year. Total ethanol production for the week came in at 7.252 million barrels. Ethanol stocks were 22.63 million bbls on September 21, down .51% from last week and up 9.11% from last year. An estimated 107.87 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 323.49 million bu, toward the USDA estimate of 5.65 billion bu total needed this crop year.

Futures Market News and Trends This Week

WHEAT FUTURES—Wheat futures prices slide backwards this week—dropping overall across the board.

Wheat futures prices finished $0.05½ to -$0.11¾ lower for the week. Wheat futures settlement prices for Thursday, 9/27/2018:

	Dec 2018	Week Change	Mar 2019	Week Change	May 2019	Week Change
CHI SRW	**$5.13**	**-$0.08¾**	**$5.30¾**	**-$0.10**	**$5.41¼**	**-$0.11¾**
KC HRW	**$5.17¼**	**-$0.08**	**$5.40½**	**-$0.08¼**	**$5.53¼**	**-$0.08**
MGE DNS	**$5.77½**	**-$0.08**	**$5.92**	**-$0.05½**	**$5.99¾**	**-$0.05¾**

CORN FUTURES—Corn futures were up this week on strong USDA export data released on Thursday. In addition, corn saw 67.4 million bushels in old crop sales last week, minus a small reduction of 400,000 bushels of new crop sales, for a total of 67.1 million bushels. That was steadily higher than the prior week's total of 54.9 million bushels and well ahead of the average trade estimate of 43.3 million bushels.
December 2018 contract closed Thursday at $3.64¾ up $0.07½ for the week, March 2019 contract closed at $3.76½ up $0.07¼ and May 2019 contract closed at $3.84, up $0.06¾.

CRUDE OIL FUTURES—The WTI Crude Oil market continues to show signs of strength. U.S. West Texas Intermediate and international-benchmark Brent crude oil futures traded higher on Thursday as buyers continue to be driven by expectations of a shortfall in global supply once U.S. sanctions against major crude export Iran come into play in November. The uncertainty over the amount of Iranian crude oil that will drop from the market once the U.S. sanctions begin in full force on November 4 continues to boost prices. Estimates range from 500,000 barrels per day (bpd) to 2 million bpd. Saudi Arabia and other allies are expected to add about 1.4 million bpd of additional supply to the market over the next couple of months in order to make up the drop in Iranian production but there are still worries it might need to limit output next year to balance global supply and demand as the U.S. pumps more crude.

EIA reported U.S. crude oil refinery inputs averaged 16.5 million bbls/day during the week ending September 21, 901,000 bbls/day less than last week's average. Refineries operated at 90.4% of capacity last week. There was an increase in Crude Oil stocks of 1.85 million bbls over last week to 395.99 million bbls, under the 5-year average of 405.85 million bbls. Distillate stocks decreased by 2.24 million bbls to a total of 137.88 million bbls, while gasoline stocks increased by 1.53 million bbls to 235.68 million bbls, over the 218.94 million bbl 5-year average. The national average retail regular gasoline price was $2.844 per gallon on September 24, 2018, $0.003 higher than last week's price and $0.261 over a year ago. The national average retail diesel fuel price was $3.271 per gallon, $0.003 per gallon above last week's level and $0.483 over a year ago.
Crude Oil Futures finished up for the week to close at $72.26/bbl (October contract), $1.46/bbl above last week.

USDA Crop Progress / Condition Report, September 24, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/ Excellent	Previous Week	Previous Year
US Barley		96%			*Not reported this week.*		
ID Barley		**98%**			*Not reported this week.*		
US Spring Wheat		97%			*Not reported this week.*		
ID Spring Wheat		**97%**			*Not reported this week.*		
US Winter Wheat Planted	28%	13%	22%	26%			
ID Winter Wheat Planted	**40%**	**24%**	**36%**	**34%**			
Corn	97% Dented 72% Mature	93% 54%	92% 49%	93% 53%	69%	68%	61%

USDA U.S. Crop Weather Highlights—September 27, 2018

West—Dry weather and record-setting high temps favor summer crop maturation and fieldwork, harvest and winter wheat planting. However, rain is needed for winter wheat emergence and establishment. On Sept. 23, topsoil moisture was least three-quarters very short to short in Oregon (89% very short to short), Idaho (77%), and California (75%).

Plains—The coolest air of the season is engulfing Montana and the Dakotas. Precipitation has begun to change to snow in the mountains of western Montana, while a chilly rain is falling on the northern Plains. Meanwhile, dry weather has returned to the southern Plains, following yesterday's cool, showery conditions.

Corn Belt—Showers are occurring in the lower Ohio Valley and parts of the upper Midwest. As a result of the showers and pockets of lingering wetness, some Midwestern producers are not yet able to harvest early maturing crops.

South—Unsettled, showery weather prevails from the western Gulf Coast region to the Appalachians, slowing or halting fieldwork. Cool conditions accompany the clouds and showers, but warmth lingers in the southern Atlantic States.

Outlook for U.S. Mainland—Western warmth will continue through much of the weekend. Early next week, however, the remnants of eastern Pacific Hurricane Rosa are expected to veer toward northwestern Mexico and the southwestern U.S., generating locally heavy showers and contributing to cooler conditions. Meanwhile, two surges of chilly air will overspread the northern Plains and upper Midwest, resulting in widespread late-week and weekend freezes from Montana to Wisconsin. Farther east, 5-day rainfall totals could reach 1 to 2 inches, with locally higher amounts, from the Gulf Coast region to the Atlantic Coast States. Similar totals can be expected in parts of the upper Midwest. The NWS 6- to 10-day outlook for October 2 – 6 calls for the likelihood of above-normal temperatures and precipitation across the majority of the country. Cooler-than-normal conditions will be limited to the Pacific Coast States and the nation's northern tier as far east as Lake Superior, while near-normal rainfall should be confined to parts of the Southeast.

USDA International Crop Weather Highlights—September 25, 2018

EUROPE—Showers brought some drought relief from central France into Germany and northwestern Poland; soil moisture remained lacking for winter wheat and rapeseed establishment. Sunny, warm weather in southern Europe helped summer crop harvesting. Dryness reduced topsoil moisture for winter crop planting and establishment in the Balkans.

MIDDLE EAST—Sunny skies in Turkey favored drydown and harvesting of corn, cotton, and sunflowers. Pockets of short-term drought limited soil moisture for winter grain planting in central Turkey.

FSU—Beneficial rain in southwestern Russia improved soil moisture for winter wheat establishment. Showers slowed spring grain maturation and harvesting in northern Kazakhstan and central Russia.

ASIA—Renewed monsoon showers provided timely moisture to summer (kharif) crops across India, although more rain is needed in Gujurat to prevent yield declines. Super Typhoon Mangkhut weakened rapidly as it approached southern China but still produced widespread, locally heavy showers for reproductive rice, with little crop damage reported. Widespread showers in eastern China slowed summer crop harvesting.

AUSTRALIA—For the second consecutive week, unfavorably dry weather covered most of the wheat belt. Winter crop prospects remained good in the west and south but poor to very poor in the east. Summer crop planting has begun in the east, but rain is needed to promote early crop development.

SOUTH AMERICA—Showers boosted moisture for Argentine winter grains as more crops reach reproduction. Seasonal showers provided timely moisture for soybeans and other Brazilian summer crops.

MEXICO—Locally heavy rain provided a late surge in northern reservoir levels.

CANADA—Rain slowed Prairie spring grain and oilseed harvesting.

National Weather Service Climate Prediction Center

Three-Month Outlook of Temperature and Precipitation Probability, September 20, 2018

For the Months of October, November and December 2018