

Idaho Grain Market Report, November 5, 2015

Published weekly by the Idaho Barley Commission, [kolson@barley.idaho.gov](mailto:kolson@barley.idaho.gov), 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 4, 2015. 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</b>	#1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Rexburg/ Ririe/ Roberts	\$5.25 -6.00			\$5.30-5.38	\$4.31	\$5.18	\$4.81 – 5.15
Idaho Falls	\$6.00	\$9.30 - \$9.38		\$5.37-5.44	\$4.27-4.35	\$5.25-5.34	\$4.90-4.92
Blackfoot / Pocatello	NQ	\$9.00		\$5.37	\$4.35	\$5.25	\$4.90
Grace / Soda Springs	\$6.50	NQ		\$5.26	\$4.27	\$5.20	\$4.87
Burley / Rupert	\$6.00	\$9.38		\$5.20-5.36	\$4.28	\$5.05	\$4.88
Hazelton							
Twin Falls / Buhl / Wendell	\$7.00			\$5.45	NQ	NQ	
				<b>Feed wheat</b>			
				\$4.20			
Nampa – Weiser	\$7.05	NQ		\$5.91	NQ	NQ	
Nez Perce / Craigmont	\$5.75			\$4.92	\$5.14	\$5.81	
Lewiston	\$6.25			\$5.18	\$5.40	\$6.07	
Moscow / Genesee	\$5.75-6.00			\$4.95-5.09	\$5.17-5.36	\$5.84-6.03	\$5.36

Prices at Selected Terminal Markets, cash prices FOB

	<b>#2 Feed 46 lbs. -- unit trains barge</b>	<b>Malting</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			Ord protein \$5.66¼ - 5.75 <b>max 10.5% pro</b> \$6.91¼ - 7.14¼	\$5.97¼ – 6.02¼	\$6.29¼ - 6.74¼	
Los Angeles	\$9.85-10.15			NQ (12%)		
Tulare	\$9.85-10.15					
Ogden	\$7.10		\$5.60	\$4.50	\$5.75	\$5.20
Great Falls	\$5.00-5.25	\$10.00		\$4.71-4.80 (12%)	\$5.25-5.42	
Minneapolis	\$5.42	NQ		\$5.57¼	\$6.54½	

Market trends this week

**BARLEY** - Local feed barley prices ranged from 5 to 20 cents higher and steady in northern Idaho. Open market malting barley prices were steady this week. USDA reported barley export sales of 1.3 TMT last week to Israel, South Korea and Taiwan and export shipments of 100 MT to South Korea.

**WHEAT** – Wheat prices were mostly higher this week: SWW prices ranged from 3 to 22 cents higher; HRW prices ranged from minus 7 cents to plus 15 cents; and DNS prices ranged from minus 12 cents to plus 13 cents. USDA reported wheat export sales were well trade expectations last week at 105.6 TMT (84.6 TMT for MY 2015/16 and 21.0 TMT for MY 16/17), down 85% from the previous week and down 80% from the 4-week average. Wheat export shipments last week also were dismal at 176.9 TMT, down 45% from the previous week and 52% from the 4-week average.

**Wheat competitor / buyer news** – The EU raised their 2015 wheat production estimate this week to 149 MMT. USDA Ag Attache has pegged Ukraine's 2015 wheat crop at 27.6 MMT, up 12% from last year. But noted that the 2016 winter wheat crop is off to a difficult start, with as prospects of 20 percent lower production from drought and planting delays. Ukraine reportedly exported nearly 4 MMT of grain in October. The Argentine wheat crop is pegged at 9.5 MMT, down 16% and the smallest crop in three years.

**CORN** – USDA reported corn export sales were within trade expectations last week at 574.9 TMT (556.0 TMT for MY 2015/16 and 18.9 TMT for MY 16/17), down 22% from the previous week but up 7% from the 4-week average. Corn export shipments last week totaled 492.7 TMT, up 14% from the previous week and 2% from the 4-week average.

**Ethanol corn usage** – DOE’s Energy Information Agency reported a solid uptick in ethanol production last week as prices moved higher – up 25,000 bbls per day or 2.7% from the previous week to 969,000 bbls, which is up 4.3% from the previous year. U.S. ethanol stocks climbed to 18.77 million bbls, up 2.7% from the previous week. Corn used to produce ethanol last week totaled 101.75 million bu, now above the weekly pace needed to reach USDA’s projection for MY 2015/16 of 5.25 billion bu.

**Corn competitor / buyer news** – Private analysts are projecting China’s corn crop will fall by 6% this year due to drought and heat stress in the key northeastern production region, where about 40% of the crop is grown. China announced a major shift in its domestic farm support policies over the next five years stating they would pay farmers to idle land rather than buy surplus stocks.

**Futures Market trends this week**

**WHEAT** – Wheat futures began the week settling sharply lower on Monday, posting the biggest one day decline in two months on profit-taking pressures triggered by beneficial moisture across much of the Central and Southern Plains, helping erase serious dryness concerns before the winter wheat crop moves into dormancy. In a typical turn-around Tuesday, wheat moved solidly higher, despite dismal export shipment data, on ideas that Monday’s losses were overdone and mounting crop concerns in eastern Australia grain belt from too much rain at harvest and the Black Sea region where at least 10% of the winter wheat crop has not been planted. Wheat finished solidly higher again on Wednesday, boosted by continued short covering on crop concerns. Very disappointing wheat export sales triggered profit-taking and lower prices lower today (Thursday). **Wheat market closes on Thursday, 11/05/15...**

	<b>Dec 2015</b>	<b>Weekly Summary</b>	<b>Mar 2015</b>	<b>Weekly Summary</b>	<b>May 2016</b>	<b>Weekly Summary</b>
Chicago SRW	\$5.26¼	Up \$0.04¼	\$5.27	Up \$.01½	\$5.28½	Down \$0.00½
KC HRW	\$4.86	Down \$0.07¾	\$5.01	Down \$0.09	\$5.11¼	Down \$0.08¾
MGE DNS	\$5.16¼	Down \$0.09¼	\$5.27	Down \$0.08½	\$5.35¼	Down \$0.09

**CORN** – Corn futures posted modest losses to start the week, continuing its recent choppy sideways trading pattern from the past several months. Profit-taking and spillover pressure were noted features. Short covering drive prices higher on Tuesday, triggered by higher energies. But gains could not be sustained on Wednesday as corn finished fractionally lower on expectations of bigger production and ending stocks estimates from USDA in next week’s monthly S&D report. Corn settled lower again today (Thursday) on spillover pressure from soybeans, export demand worries and ideas that USDA will cut corn exports and hike ending stock estimates next week. **Corn futures contract closes on Thursday, 11/05/15...** Dec 2015 contract at \$3.74½, down \$0.07¾ for the week, Mar. 2016 contract closed at \$3.82¾, down \$0.08¾ and the May 2016 contract closed at \$3.89, down \$0.08¼ for the week.

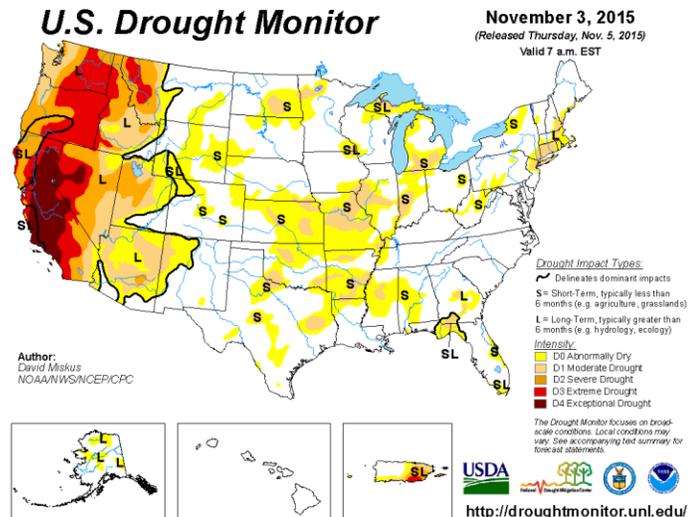
**CRUDE OIL** – More choppy trading in crude oil futures this week tied to the gyrations in the dollar index as speculation continues to swing back and forth on whether the Federal Reserve will raise interest rates at their December meeting. Fed Chairman Janet Yellen’s comments before a congressional committee this week signaled that the Fed may still raise rates before the end of the year, despite signs of lagging U.S. growth and global economic uncertainties. Friday’s monthly jobs report is expected to be a key factor in the Fed’s decision, with private payroll estimates this week forecasting 182,000 jobs were added in October compared to 200,000 the month before. DOE reported crude oil inventories increased for the 6<sup>th</sup> consecutive week by 2.847 million bbls – reaching a 5 month high - compared to an expected increase of 2.5 million bbls. Distillates decreased by 1.3 million bbls, compared to an expected decline of 2.0 million bbls and gasoline stocks fell by 3.3 million bbls, compared to an expected decline of 1.25 million bbls. **Crude oil finished \$1.12 lower on Thursday to close at \$45.20 – down \$1.39/bbl for the week.**

**USDA Crop Progress / Condition Report, November 2, 2015**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	88% planted 72% emerged	83% 62%	89% 76%	90% 73%	49%	47%	59%
ID winter wheat	98% planted 79% emerged	94% 69%	100% 82%	99% 80%	62%	55%	
Corn	75% harvested	59%	44%	68%			

## Weather/Crop Outlook –

- **U.S.** – Conditions were mostly warm and dry in advance of a cold front, allowing corn harvest to rapidly advance and wind down. Meanwhile, winter wheat received beneficial moisture across parts of the Pacific Northwest and Great Plains in recent days, improving germination and overall condition before the crop enters winter dormancy. Drought remains a concern across the Pacific Northwest region, as noted below in the latest **U.S. Drought Monitor**. **The 6-10 day outlook** – Near to above normal precipitation for much of the country, except for a dry belt across the Intermountain Region; cool in the west and above normal temperatures from the mid section to east coast.



- **Black Sea** – Some Russian wheat areas east of the Black Sea received light showers in recent days but seeding across Ukraine is down 15%. Better chances for moisture next week.
- **South America** – weather forecasts look favorable for crop germination and development.
- **Australia** – Heavy moisture across the eastern and southern production regions is causing quality losses and interrupting harvest. Showers are tapering off into the weekend.

## IBC WEBINARS

- **El Nino Winter Outlook on Nov. 18 at 8:30 am** featuring Troy Lindquist, NWS Senior Hydrologist
- **2016 Malting Barley Endorsement Insurance** - [link to recorded webinar on our website at www.barley.idaho.gov](http://www.barley.idaho.gov)

## IBC Crop Insurance & Crop Management Workshops

**Dec. 2** - Ashton Trails End Restaurant, 8:30 am - 11:30 am

Rigby Courthouse, 2:00 pm - 5:00 pm

**Dec. 3** - Idaho Falls Extension Office, 8:30 am - 11:30 am

Soda Springs Extension Office, 2:00 pm - 5:00 pm

**Dec. 4** - Rupert Extension Office, 8:30 am - 11:30 am

Twin Falls location TBD, 2:00 pm - 5:00 pm

## TOPICS:

**Grain Crop Insurance** – Dave Paul, Watts & Associates; Dan Bramwell, Rain & Hail; Tracy Hawker, Hub International and Mark Andreasen, Mountain States Insurance

- NEW Malting Barley Endorsement insurance
- Whole Farm Revenue insurance
- Changes to Special Provisions for wheat for determining losses from falling numbers
- Impacts of water curtailment on irrigated coverage

## Crop Management –

- **Achieving water use efficiency in an era of water cutbacks** – Extension Educators Jon Hogge and Carlo Moreno will present for Dr. Howard Neibling, UI Extension Water Engineer
- **Managing for disease pressures** – Dr. Juliet Marshall, UI Extension Cereal Pathologist/Agronomist