

Idaho Grain Market Report, November 8, 2018—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 7, 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	5.40-6.25		4.48-4.67	5.08	5.50	5.20-5.38
Idaho Falls		8.30-8.33	4.55	5.05	5.45	5.45
Blackfoot / Pocatello	3.00	7.06	4.55	5.05	5.45	5.45
Grace / Soda Springs	6.50		4.59	4.82	5.57	5.37
Burley / Rupert	6.30		4.70	4.66	5.25	5.26
Twin Falls / Buhl Jerome / Wendell	5.00-7.00		4.50	NQ	NQ	NQ
Nampa / Weiser			4.78			
Nezperce / Craigmont	5.21		5.35	5.76	6.09	
Lewiston	5.73		5.61	6.02	6.35	
Moscow / Genesee	5.24-5.43		5.38-5.48	5.79-5.87	6.12-6.23	5.87

Prices at Selected Terminal Markets, cash FOB

Wednesday, November 7, 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			6.22-6.35	6.44-6.62	6.83-6.93	
Ogden	7.30		4.90	5.13	5.92	5.68
Great Falls	5.85-6.50	7.75-8.05		5.41-5.45	5.60-5.71	
Minneapolis	2.60			5.82	NQ	

Market News and Trends This Week

BARLEY—Local feed barley prices were mostly steady but ranged from \$0.10 lower to \$.05 higher at Idaho elevators this week, while open market malt barley prices remained unchanged. USDA reported net export sales reductions of 100 MT for 2018/2019 for South Korea. Exports of 700 MT were primarily to South Korea (300 MT), Taiwan (200 MT), and Japan (200 MT).

Barley Production Forecast: The USDA World Agricultural Supply and Demand Estimates Report (WASDE) released November 8, 2018 projected barley U.S. barley production for 2018/19 at 153 million bushels. This production combined with beginning stocks and imports puts U.S. barley beginning stocks at 263 million bushels, unchanged from last months estimate. 2018/19 U.S. barley exports are projected at 175 million bushels with domestic use (feed, food, seed and industrial) expected to be at 170 million bushels. The November forecast price range for barley is \$4.15 to \$5.15, unchanged from October price estimates.

WHEAT—Local cash wheat prices were up across the board at every Idaho elevator reporting this week. SWW prices ranged from \$0.01 to \$0.25 higher than a week ago; HRW prices were \$0.11 to \$0.25 higher; DNS prices ranged from \$0.06 to \$0.20 higher; and HWW prices were \$0.11 to \$0.20 higher. USDA reported net export sales of 661,200 metric tons for 2018/2019, up 14 percent from the previous week and 47 percent from the prior 4-week average. Increases were reported for the Philippines (306,100 MT), Indonesia (130,000 MT), Japan (99,600 MT), South Korea (77,100 MT), and Mexico (65,800 MT, including decreases of 6,100 MT). Exports of 328,400 MT were down 21 percent from the previous week and 26 percent from the prior 4-week average. The destinations were primarily to Saudi Arabia (64,500 MT), Bangladesh (63,900 MT), Brazil (48,200 MT), Mexico (31,700 MT), and South Korea (28,900 MT).

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Market News and Trends This Week—continued

Wheat Production Forecast: The USDA World Agricultural Supply and Demand Estimates Report (WASDE) — Supplies for the 2018/19 U.S. wheat crop are unchanged this month, and total use is raised 7 million bushels on higher seed use that reflects increased projected 2019/20 wheat planted area. Small offsetting by -class changes are made for wheat imports and exports. Food use is unchanged based on the latest NASS Flour Milling Products report, issued November 1. Projected ending stocks are lowered 7 million bushels to 949 million. The season-average farm price is unchanged at the midpoint of \$5.10 per bushel and the range is narrowed to \$4.90 to \$5.30. Global 2018/19 wheat supplies are raised 6.7 million tons on both increased production and beginning stocks. The vast majority of this change stems from the updated production data released by China's NBS, which made significant production changes from 2007/08 through 2017/18. In addition, China's 2018/19 production forecast is raised with both higher harvested area and yield, based on the NBS revisions. Total 2018/19 global production is raised 2.6 million tons, but is down 1.9 million tons excluding the China revision.

CORN—USDA reported net export sales of 701,500 MT for 2018/2019, up 78 percent from the previous week and 32 percent from the prior 4-week average. Increases were reported for Japan (371,500 MT), Mexico (267,600 MT), South Korea (127,100 MT), Taiwan (82,800 MT), and Egypt (55,000 MT). Reductions were primarily for unknown destinations (302,600 MT). Exports of 1,355,400 MT were up 80 percent from the previous week and 16 percent from the prior 4-week average. The destinations were primarily to Japan (391,600 MT), Mexico (319,100 MT), South Korea (135,600 MT), Taiwan (77,100 MT), and Peru (72,500 MT).

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending November 2 averaged 1.068 million bbls/day – up 0.85% from the previous week and up 1.04% over last year. Total ethanol production for the week came in at 7.476 million barrels. Ethanol stocks were 23.15 million bbls on November 2, up 1.78% from last week and up 8.46% from last year. An estimated 111.19 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 967.1 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 dropped across the board from last week with the November WASDE reporting increased global wheat stocks, significantly in China.

Wheat futures prices finished at a range of \$0.08½ to \$0.00½ per bu lower for the week. Wheat futures settlement prices (per bu) for Thursday, 11/08/2018:

	Dec 2018	Week Change	Mar 2019	Week Change	May 2019	Week Change	July 2019	Week Change
CHI SRW	\$5.07¾	-\$0.01	\$5.19¾	-\$0.04¼	\$5.30¼	-\$0.05½	\$5.39¾	-\$0.03
KC HRW	\$4.97¼	-\$0.07	\$5.19½	-\$0.08½	\$5.33¼	-\$0.08	\$5.44¼	-\$0.04¼
MGE DNS	\$5.80	-\$0.00½	\$5.84¾	-\$0.03½	\$5.92¼	-\$0.03¾	\$5.99½	-\$0.04

CORN FUTURES—Corn futures gained ground across the board this week due in part to mostly positive export and supply data released by USDA on Thursday, the highlight of the trading week. The USDA pegged U.S. corn production at 14.626 billion bu. versus trade expectations of 14.721 billion bu. This compares to 14.778 billion bu. in October and 14.604 billion bu. in 2017. USDA cut the average U.S. corn yield 1.8 bu., to 178.9 bu. per acre. That would still be a record yield.

December 2018 contract closed Thursday at \$3.73½ up \$0.02¼ for the week, March 2019 contract closed at \$3.85¼ up \$0.02, May 2019 contract closed at \$3.93¼, up \$0.02 over the previous week, and July 2019 closed at \$3.99¼, up \$0.02¼ for the week.

CRUDE OIL FUTURES—West Texas Intermediate Crude Oil markets continue to decline overall as worry over oversupply continues. The Iranian sanctions have done nothing to update supply, and now with Americans pumping out over 12 million barrels a day, oil markets have had to adjust. Brent markets tried to rally during trading on Thursday but failed to gain ground so it looks like more price drops are coming. If the US dollar strengthens, that could also put more bearish pressure on the crude market. Expect some volatility to continue.

EIA reported U.S. crude oil refinery inputs averaged 16.4 million bbls/day during the week ending November 2, 9,000 bbls/day more than last week's average. Refineries operated at 90.0% of capacity last week. There was an increase in Crude Oil stocks of 5.78 million bbls over last week to 431.79 million bbls, over the 5-year average of 420.35 million bbls. Distillate stocks decreased by 3.47 million bbls to a total of 122.86 million bbls, under the 5-year average of 129.89 bbls; while gasoline stocks increased by 1.85 million bbls to 228.02 million bbls, over the 211.30 million bbl 5-year average. The national average retail regular gasoline price was \$2.753 per gallon on November 2, 2018, \$0.058 lower than last week's price but up \$0.192 over a year ago. The national average retail diesel fuel price was \$3.338 per gallon, \$0.017 per gallon below last week's level but up \$0.456 over a year ago.

Crude Oil Futures finished down for the week to close at \$60.67/bbl on Thursday, November 8, 2018 (December contract), \$2.47/bbl below last week.

USDA Crop Progress / Condition Report, November 5, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Barley		<i>Not reported this week.</i>			<i>Not reported this week.</i>		
ID Barley		<i>Not reported this week.</i>			<i>Not reported this week.</i>		
US Winter Wheat Emerged	70%	63%	74%	77%	51%	52%	55%
ID Winter Wheat Emerged	88%	77%	91%	84%	64%	59%	NA
US Winter Wheat Planted	84%	78%	90%	90%	<i>Not reported this week.</i>		
ID Winter Wheat Planted	99%	98%	100%	99%	<i>Not reported this week.</i>		
Corn	76% Harvested	63% Harvested	68% Harvested	77% Harvested	NA	NA	NA

USDA U.S. Crop Weather Highlights—November 8, 2018

West—Dry weather prevails. However, below-normal temperatures in the Rockies contrast with warm, windy weather in California and environs. In addition, conditions in parts of California are conducive for explosive wildfire expansion due to high winds, low humidity levels, and abundant fuel loads.

Plains—Cold conditions are in place. An early-season snowfall is occurring in an area broadly centered on Kansas, further delaying harvest activities and halting winter wheat development. On November 4, only 69% of Kansas' winter wheat had emerged, compared to the 5-year average of 81%. Farther north, Thursday morning's low temperatures in Montana locally dipped below 0°F.

Corn Belt—Snow showers and squalls are limited to areas downwind of the Great Lakes. Elsewhere, cold, dry weather is conducive to corn and soybean harvest activities in fields where soils are dry enough to support heavy equipment.

South—Showery weather continues to slow autumn fieldwork, especially from eastern Texas to the Mississippi Delta and the Tennessee Valley. In contrast, warm weather lingers across Florida, where some dryness has developed.

Outlook for U.S. Mainland—Santa Ana winds will bring warmth and threaten wildfires the next few days in California, but much of the remainder of the country will experience significantly below-normal temperatures. Snow should end across the central Plains, but significant accumulations may occur during the next several days downwind of the Great Lakes. Late-week rainfall can be expected in the South and East, with 1- to 2-inch totals possible in many locations. No precipitation will occur during the next 5 days west of the Rockies. The NWS 6- to 10-day outlook for November 13 – 17 calls for below-normal temperatures from the central and southern Rockies to the Atlantic Seaboard, while warmer-than-normal weather will be limited to the Far West. Below-normal precipitation across much of the western and central U.S. should contrast with wetter-than-normal conditions in southern Texas and the Atlantic Coast States.

USDA International Crop Weather Highlights—November 6, 2018

EUROPE—Rain eased drought and improved soil moisture for winter crops in France, while additional showers improved wheat and rapeseed prospects in Germany and Poland. Warm weather promoted winter wheat and rapeseed from Poland into the Balkans. Showers slowed fieldwork but benefited winter grain establishment in Spain and Italy.

MIDDLE EAST—Sunny skies benefited seasonal fieldwork and winter grain establishment after last week's soaking rain in Turkey, Syria, Iraq, and western Iran, though a storm returned to Iraq at the end of the period. Early-season showers in southern and eastern Iran conditioned soils for winter grain planting.

FSU—Sunny, warm weather favored winter wheat establishment in Ukraine and SW Russia. Spring wheat harvesting nearly complete in Kazakhstan and central Russia, while cotton was mostly harvested in Uzbekistan and environs.

ASIA—Seasonably dry weather promoted winter (rabi) crop sowing across India, although some delays in the north were the result of the slow pace of rice and cotton harvesting. Dry weather in eastern China aided the final stages of wheat and rapeseed planting. Typhoon Yutu approached southeastern China, producing widespread, locally heavy showers for sugarcane and winter vegetable establishment, as well as damage to maturing rice and corn in Philippines.

AUSTRALIA—In the northeast, widely scattered showers aided local cotton and sorghum germination and emergence. In the southeast and west, warm, mostly dry weather continued to favor wheat, barley, and canola maturation and initial harvesting.

SOUTH AMERICA—In Brazil, widespread showers sustained favorable prospects for soybeans and other summer crops. Rain improved conditions for emerging corn and soybean in central Argentina.

SOUTH AFRICA—Rain benefited corn and other newly-sown summer crops in commercial production areas.