Idaho Grain Market Report, February 7, 2020—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday February 5, 2020. 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			4.88	4.95	5.34	
Idaho Falls		8.30-8.33	4.80	5.10	4.40	4.90
Blackfoot / Pocatello		7.06	4.80	5.10	4.40	4.90
Grace / Soda Springs	7.00			4.84	5.34	4.89
Burley / Rupert	6.50		4.78	4.95	5.05	5.06
Twin Falls / Buhl Jerome / Wendell	7.50		5.00	4.75	5.35	4.80
Nampa / Weiser			NA			
Nezperce / Craigmont	5.21		5.40	5.29	6.48	
Lewiston	5.73		5.66	5.55	6.44	
Moscow / Genesee	5.24-5.43		5.43-5.57	5.32-5.45	6.21-6.34	

Prices at Selected Terminal Markets, cash FOB

Wednesday February 5, 2020. 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			6.20-6.35	6.24-6.29	6.70-7.05	
Ogden	7.80		4.92	4.94	5.44	4.99
Great Falls	4.50-6.50	8.20-8.60		4.88-4.94	5.31-5.60	
Minneapolis					6.70	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged to up $0.25 for the week ending February 5. Idaho cash malt barley prices were unchanged for the week. For the period January 24-30, USDA FAS reported for 2020/2021 net barley sales of 21,500 MT to Japan. Exports of 1,200 MT to Japan (1,100 MT) and Taiwan (100 MT) were up 28 percent from the prior week and up noticeably from the previous 4 week average.

Barley News—A new generation barley variety has been unveiled and is set to take the Western Australian grain-belt by storm. Building on the success of Spartacus CL, Maximus CL boasts improved yields, superior disease resistance and highly desirable physical grain qualities. Tolerant to imidazolinone herbicides, the variety partners well with canola and creates more flexible and profitable crop rotations with strong malting rates in comparison to other competitors. This early-to-mid-flowering variety also has improved resistance to spot form net blotch, net form, net blotch and scale, along with outstanding grain size and hectolitre weight to aid malt achievement. The new entrant in the barley arena was bred by InterGrain, in which the State Government is a major shareholder with the Grains Research and Development Corporation. Maximus CL is currently being tested for malt accreditation and will be bulked up for a commercial release in 2021. In other news, the UK spring barley harvest could be large this year if more is grown after weather problems hampered winter cereal planting. There are opportunities for the crop, according to reports at a malting barley conference in Newmarket hosted by seeds and agrochemicals firm Syngenta. Variety specialist Samantha Brooke said the UK produces some of the best quality malting barley in the world, putting it in a strong position to sell into home markets and abroad. "The availability of dual-purpose spring malting barley varieties, which are suitable for distilling and brewing, gives growers additional flexibility just at a time when distilling for whisky production and the amount of malted barley included in certain ales are both increasing," she said.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending February 5. SWW prices ranged from down $0.14 to up $0.02 from the previous week; HRW prices were down $0.17 to up $0.02; DNS prices were down $1.00 to up $0.03; and HWW prices were down $0.14 to up $0.15. USDA FAS reported net sales for 2019/2020 for the period January 24-30 at 338,600 MT, down 48 percent from the prior week and down 35 percent from the previous 4 week average. Increases were primarily to the Philippines (94,300 MT), unknown destinations (60,500 MT), Mexico (52,100 MT), Nigeria (36,000 MT), and Italy (30,000 MT). Exports of 404,800 MT were up 85 percent from the previous week and up 4 percent from the prior 4-week average.

Wheat News—According to Agricensus, US cereal producer Kellogg's said it will phase out the controversial herbicide glyphosate in its wheat and oat supply chains. In response to claims that the herbicide can cause cancer, the world's biggest cereal maker said in a statement on its website that it would seek to pressure its suppliers within five years not to use the agent at the end of the crop cycle. "We are working with our suppliers to phase out using glyphosate as pre-harvest drying agent in our wheat and oat supply chain in our major markets, including the US, by the end of 2025," the company said on its website late Monday. Glyphosate – more commonly known as Round Up – is widely used in the US to destroy weeds on crops such as soybeans and corn. However, it can also be used as a drying agent on wheat and oats – key ingredients for many of the cereal-makers brands. Kellogg's is one of the first consumer goods to companies to publicly say it would source products from farmers that do not spray the chemical on crops and adds pressure to the US government to regulate its use. Several European governments have pledged to phase out the use of the chemical on crops after a US gardener successfully sued the maker of the product Monsanto in 2018, claiming it caused his cancer, although the US government has maintained it is safe to use. Since then, thousands of plaintiffs are seeking to claim damages from Bayer, the owner of Monsanto that ringfenced $10 billion to service the claims.

CORN—USDA FAS reported net export sales for 2019/2020 for period January 24-30 of 1,247,800 MT, increases were primarily to Mexico (439,400 MT), Japan (234,400 MT), Colombia (147,300 MT), unknown destinations (145,500 MT), and Trinidad (95,000 MT). Exports of 599,900 MT were to Mexico (278,400 MT), Japan (88,100 MT), Guatemala (55,700 MT), Costa Rica (54,900 MT), and Colombia (38,100 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending January 31 averaged 1.081 million bbls/day – up 5.05 percent from the previous week and up 11.79 percent from last year. Total ethanol production for the week was 7.567 million barrels. Ethanol stocks were 23.474 million bbls on January 31, down 3.18 percent from last week and down 1.98 percent from last year. An estimated 108.57 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 2.26 billion bu. Corn used needs to average 102.892 million bu per week to meet USDA estimate of 5.375 billions bu for the crop year.

Futures Market News and Trends—Week Ending February 6, 2020

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, February 6, 2020:

Commodity	March 2020	Week Change	May 2020	Week Change	July 2020	Week Change	Sept 2020	Week Change
CHI SRW	$5.56¼	$0.02½	$5.53½	$0.01	$5.53¼	$0.00¾	$5.58½	$0.00½
KC HRW	$4.67¾	$0.02¼	$4.74½	$0.02	$4.81½	$0.01½	$4.89½	$0.00¾
MGE DNS	$5.32½	-$0.01¼	$5.42½	-$0.00¾	$5.51½	-$0.00¾	$5.60¼	-$0.00¾
CORN	$3.79¼	-$0.02	$3.84½	-$0.02	$3.88	-$0.03	$3.85½	-$0.02¼

WHEAT FUTURES—Wheat futures prices were mixed for the market week ending February. **Wheat futures prices were down $0.01¼ to up $0.02½ (per bu) compared to the previous week.**

CORN FUTURES—Corn futures prices were down with higher export sales according to the export data from USDA to end the market week February 6. **Corn futures prices ranged from down $0.03 to down $0.02 (per bu) under the previous week.**

CRUDE OIL FUTURES—On Tuesday, a Kremlin spokesman said that Russia is ready to cooperate with OPEC on global oil markets. The Kremlin said on Monday that President Vladimir Putin and Saudi Arabia's King Salman spoke by phone and confirmed their readiness to continue cooperating in the OPEC+ format to ensure stability on the global oil market.

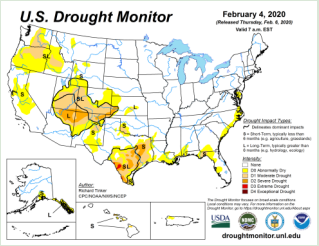
EIA reported U.S. crude oil refinery inputs averaged 16.0 million bbls/day during the week ending January 31, 2020 was 48,000 bbls/day more than last week's average. Refineries operated at 87.4% of capacity last week. As of January 31, there was an increase in Crude Oil stocks of 3.365 million bbls from last week to 435.009 million bbls, under the 5-year average of 446.106 million bbls. Distillate stocks decreased by 1.512 million bbls to a total of 143.235 million bbls, under the 5-year average of 148.757 million bbls; while gasoline stocks decreased by 0.091 million bbls to 261.144 million bbls, over the 251.578 million bbl 5-year average. The national average retail regular gasoline price was $2.455 per gallon on February 3, $0.051 lower than last week's price but $0.201 over a year ago. The national average retail diesel fuel price was $2.956 per gallon, down $0.054 per gallon from last week's level and down $0.010 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, February 6, 2020 to close at $50.95/bbl (February contract), down $0.61 for the week.

USDA Crop Progress / Condition Report—Next Report April 6, 2020

The first USDA Crop Progress/Condition Report for 2020 will be released April 6, 2020.

United States Drought Monitor by the National Drought Mitigation Center—February 6 , 2020



National Drought Summary for February 06, 2020:

Northeast-Abnormal dryness remained ion the Delmarva Peninsula. No new dryness introduced.

Southeast– Abnormal dryness covers most of the central and eastern Gulf Coast, the Florida Peninsula, Georgia, and the Carolinas Coast. Dryness ended in parts of southern Florida.

South– Abnormal dryness over much of coastal Mississippi and Louisiana, the Red River Valley, and southwestern Oklahoma. Moderate to sever e drought in a large area of Texas.. A few areas of extreme drought in southwestern Texas.

Midwest– No drought or abnormal dryness in the Midwest this week.

High Plains– Light to moderate rainfall in south-central through northern Wyoming., reductions of abnormal dryness in those areas. Abnormal dryness remains in southern Wyoming, Colorado, and areas of Kansas.

West—Heavy rainfall in most of Washington, Oregon, across the Intermountain West , and Idaho. Abnormal dryness eliminated in most of Montana. Abnormal dryness to moderate drought remains in areas of New Mexico, Arizona, Utah, Nevada, and California.

Looking Ahead– Heavy rainfall from the ventral Gulf Coast northeastward through the middle Atlantic States. Moderate rainfall in northeastern Oregon through mush of the Idaho panhandle, western Montana through central Colorado. Heavy rainfall n the Pacific Northwest.

USDA U.S. Crop Weather Highlights—February 6, 2020

West—Rainfall across the Northwest toward northern and central Rockies. Flooding threats in western Washington. Dry conditions in California and the Southwest.

Plains—Snow remains on the ground from west-central Texas to eastern Oklahoma and south-eastern Kansas. Snowfall totals for February 5 are 5.7 inches in Midland, Texas, and 4.6 niches in Oklahoma City, Oklahoma.

Corn Belt— Light snow and freezing drizzle from Illinois eastward. Cold, dry conditions settle om snow covered sections of the Upper Midwest, morning temperatures fell to near 0 degrees,

South— Light snow in areas of Arkansas. Heavy rain and severe thunderstorms farther east is sparking flooding form the southern Appalachians to the central Gulf Coast. Several tornadoes were reported on Wednesday on Mississippi.

Outlook for U.S.— A storm system over the southern Appalachians moving northeasteward reaching New England by late Friday. Eastern rainfall totals could reach 1-3 inches . Severe thunderstorms in the southern Atlantic Coast. California and te southwest may receive beneficial rainfall early nest week. Snow will blanket areas of the northern Plains and upper Midwest over the weekend. The NWS 60=20 day outlook for February 11-15 calls for below normal temperatures from western Texas to Lake Superior. Warmer than normal conditions across the South, East, and lower Midwest. Below normal rainfall in northern California and peninsular Florida. Wetter than normal conditions across the remainder of the country.

International Crop Weather Highlights—February 4, 2020

Europe—Rainfall eased much of the short term dryness, while improving moisture reserves for winter wheat and rapeseed across much of central and northern Europe. Drought and reduced moisture supplies for winter crop spring growth in Italy and the Danube River Valley. Warm conditions kept northern and eastern Europe unusually snow free.

Middle East– Rainfall and mountain snow boosted reserves for dormant winter wheat and barley in Turkey. Moderate rainfall favored dormant to vegetative winter grains from the eastern Mediterranean Coast into Iran.

Asia– Cool conditions and light rainfall in northern India maintained good to excellent growing conditions for wheat and rapeseed. Light showers in eastern China maintained adequate to abundant moisture reserves for overwintering wheat and rapeseed. Rainfall favored rice and oil palm in Indonesia. More rain needed to alleviate seasonal moisture deficits.

Australia–Hot, dry conditions returned to southern Queensland and northern New South Wales, adding to stress on drought plagued summer crops.

South America– Dry weather throughout much of Brazil, beneficial to soybean harvesting but limiting moisture for second crop corn. Dry areas over central Argentina, but rainfall elsewhere favoring summer grains, oil seeds, and cotton.

South Africa— Warm, sunny conditions favoring growth of corn and vegetative to reproductive summer crops

Northwestern Africa– Dry conditions across the region, bringing renewed drought concerns in Morocco and increasing short term dryness in eastern Algeria and northern Tunisia. Wheat and barley are progressing through the vegetative stages of development.