

# Idaho Grain Market Report, February 28, 2020—NEW CROP PRICES

Published weekly by the Idaho Barley Commission  
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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday February 26, 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	5.75-7.25		4.70-4.71	4.62	5.14	4.67-4.75
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.06				
Grace / Soda Springs	7.00			4.70	5.16	4.75
Burley / Rupert	6.50		4.45	4.41	4.99	4.51
Twin Falls / Buhl Jerome / Wendell	6.00-7.25		4.71-4.75	4.60	5.15	4.65
Nampa / Weiser			NA			
Nezperce / Craigmont	5.21		5.25	5.24	6.07	
Lewiston	5.73		5.51	5.50	6.33	
Moscow / Genesee	5.24-5.43		5.28-5.40	5.27-5.28	6.10-6.16	

## Prices at Selected Terminal Markets, cash FOB

Wednesday February 26, 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			6.12-6.18	5.97-6.07	6.50-6.95	
Ogden	7.80		4.63	4.80	5.26	4.85
Great Falls	4.50-6.50	8.15-8.60		4.71-4.88	5.36-5.49	
Minneapolis						

## Market News and Trends This Week

**BARLEY**—Idaho cash feed barley prices were unchanged for the week ending February 26. Idaho cash malt barley prices were unchanged for the week. For the period February 14-20, USDA FAS reported for net barley sales of 300 MT to Japan for 2019/2020. Net sales of 500 MT to Japan were reported for 2020/2021. Exports of 300 MT to Japan were down 19 percent from the prior week and 66 percent from the previous 4 week average.

**Barley News**- Grain markets traded in a tight range as they were under pressure from mounting fears from the Coronavirus outbreak as new cases found in South Korea, Italy and Iran. Traders will continue to monitor the spreading of the outbreak and whether it grows into a pandemic situation. U.S. CDC alerted Americans to begin preparing for the spread of coronavirus in the United States after new cases surfaced in several more countries. "The data over the past week about the spread in other countries has raised our level of concern and expectation that we are going to have community spread here," Dr. Nancy Messonnier, the CDC's head of respiratory diseases. In other news, U.S. Trade Representative Lighthizer will meet with Britain's trade minister Liz Truss this week, British government officials said. Truss said Britain would seek large reductions in U.S. tariffs that would run alongside negotiations over its future relationship with the E.U. The U.S. is expected to face fierce resistance in Britain to U.S.-grown genetically modified crops and meat treated with hormones and antibacterial washes. Also, Agricensus reported on Thursday that Tunisia's state buyer picked up 75,000 mt of feed barley in a tender paying \$1.85/mt less than its previous purchase. Office des Cereales (ODC) purchased all three 25,000 mt cargoes from Glencore paying \$204.29/MT CFR, as the offer was made at different prices for each period or "all at \$204.29/mt CFR", according to the document seen. The consignments should be delivered during April 5-15, April 10-20 and April 25-May 5 periods. In its previous tender last week, ODC booked 75,000 mt of feed barley at \$206.14/mt CFR March-April shipment, with Glencore taking two cargoes and another 25,000 mt done by Dreyfus.

## Market News and Trends This Week—continued

**WHEAT**—Idaho cash wheat prices were mostly down for the week ending February 26. SWW prices ranged from down \$0.31 to up \$0.20 from the previous week; HRW prices were down \$0.42 to down \$0.14; DNS prices were down \$0.24 to down \$0.14; and HWW prices were down \$0.32 to down \$0.05. USDA FAS reported net sales for 2019/2020 for the period February 14-20 at 381,800 MT, up 10 percent from the prior week but down 23 percent from the previous 4 week average percent. Increases were to Japan (116,800 MT), the Philippines (76,000 MT), Indonesia (55,000 MT), Thailand (45,200 MT), and Peru (43,400 MT). Exports of 408,000 MT were down 32 percent from the previous week and down 5 percent from the prior 4-week average.

**Wheat News**—On February 19, the Wheat Quality Council held its annual meeting in Kansas City. Mary Guttieri, PhD, says “cleaner” air from reduced coal-fired electricity generation has affected wheat yields and baking quality of flour milled from wheat grown on sulfur deficient soils. The amount of sulfur in the air, largely from coal-fired electricity production, which falls to the ground in rain and is naturally “fixed” in soils, before being utilized by wheat plants once was adequate to produce desired sulfur levels in wheat and flour, said Guttieri, who is with the Agricultural Research Service of the U.S. Department of Agriculture based at Kansas State University in Manhattan. But in 2003, the line was “crossed” where more sulfur was being removed through harvest than was being fixed in soil from the atmosphere, she said. Sulfur also is available through crop residue, she said. Sulfur deficiency looks much like nitrogen deficiency in the field, she said. Guttieri says, “Low sulfur really affected protein quality,” Research from Kansas State showed flour deficient in sulfur had lower farinograph results (dough and gluten qualities, especially water absorption) than flour with adequate sulfur. Guttieri says flour with low sulfur also may test high for asparagine, an amino acid that with certain sugars forms acrylamide in the baking process. While adding sulfur to fields has shown mixed results, apparently mostly depending on the amount of organic matter and sulfur already in the top two feet of the soil, it appears about 10 pounds per acre of sulfur added in granular form (versus liquid) has the most beneficial results in fields that have less than 20 pounds of available sulfur.

**CORN**—USDA FAS reported net export sales for 2019/2020 for period February 14-20 of 864,600 MT, increases were primarily to Japan (316,700 MT), Mexico (162,300 MT), Costa Rica (146,600 MT), Colombia (104,500 MT), and South Korea (67,100 MT). Exports of 844,700 MT were to Mexico (278,700 MT), Colombia (224,700 MT), Japan (155,500 MT), Guatemala (62,200 MT), and Honduras (59,600 MT).

**Ethanol Corn Usage**—DOE’s Energy Information Agency (EIA) reported ethanol production for the week ending February 21 averaged 1.054 million bbls/day – up 1.53 percent from the previous week and up 2.53 percent from last year. Total ethanol production for the week was 7.378 million barrels. Ethanol stocks were 24.718 million bbls on February 21, down 0.25 percent from last week and up 4.26 percent from last year. An estimated 105.82 million bu of corn was used in last week’s production bringing this crop year’s cumulative corn usage for ethanol production at 2.57 billion bu. Corn used needs to average 104.534 million bu per week to meet USDA estimate of 5.425 billions bu for the crop year.

## Futures Market News and Trends—Week Ending February 27, 2020

### FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, February 27, 2020:

Commodity	March 2020	Week Change	May 2020	Week Change	July 2020	Week Change	Sept 2020	Week Change
CHI SRW	\$5.29 <sup>1</sup> / <sub>4</sub>	-\$0.21 <sup>3</sup> / <sub>4</sub>	\$5.27 <sup>1</sup> / <sub>2</sub>	-\$0.21 <sup>1</sup> / <sub>2</sub>	\$5.29	-\$0.23	\$5.36	-\$0.22
KC HRW	\$4.43 <sup>1</sup> / <sub>4</sub>	-\$0.25 <sup>1</sup> / <sub>4</sub>	\$4.51 <sup>3</sup> / <sub>4</sub>	-\$0.23 <sup>3</sup> / <sub>4</sub>	\$4.58 <sup>3</sup> / <sub>4</sub>	-\$0.23 <sup>1</sup> / <sub>2</sub>	\$4.68	-\$0.22 <sup>1</sup> / <sub>4</sub>
MGE DNS	\$5.07 <sup>3</sup> / <sub>4</sub>	-\$0.18 <sup>1</sup> / <sub>4</sub>	\$5.24	-\$0.14 <sup>1</sup> / <sub>4</sub>	\$5.33 <sup>1</sup> / <sub>2</sub>	-\$0.14	\$5.43	-\$0.13 <sup>1</sup> / <sub>4</sub>
CORN	\$3.64 <sup>1</sup> / <sub>2</sub>	-\$0.12 <sup>1</sup> / <sub>2</sub>	\$3.68	-\$0.12 <sup>3</sup> / <sub>4</sub>	\$3.72 <sup>1</sup> / <sub>2</sub>	-\$0.11	\$3.72 <sup>3</sup> / <sub>4</sub>	-\$0.09 <sup>1</sup> / <sub>4</sub>

**WHEAT FUTURES**—Wheat futures prices were down for the market week ending February 27. **Wheat futures prices were down \$0.25<sup>1</sup>/<sub>4</sub> to down \$0.13<sup>1</sup>/<sub>4</sub> (per bu) compared to the previous week.**

**CORN FUTURES**—Corn futures prices were down with lower export sales according to the export data from USDA to end the market week February 20. **Corn futures prices ranged from down \$0.12<sup>3</sup>/<sub>4</sub> to up \$0.09<sup>1</sup>/<sub>4</sub> (per bu) under the previous week.**

**CRUDE OIL FUTURES**—Oil prices continue to fall below the \$49 level. With the coronavirus continuing to spread, crude prices remain under heavy pressure. The outbreak has caused significant economic damage in China and its ramifications are being felt worldwide, such as the toll on the global tourism industry.

EIA reported U.S. crude oil refinery inputs averaged 16.0 million bbls/day during the week ending February 21, 2020 was 202,000 bbls/day less than last week’s average. Refineries operated at 87.9% of capacity last week. As of February 21, there was an increase in Crude Oil stocks of 0.452 million bbls from last week to 443.335 million bbls, under the 5-year average of 457.298 million bbls. Distillate stocks decreased by 2.115 million bbls to a total of 138-.472 million bbls, under the 5-year average of 145.429 million bbls; while gasoline stocks decreased by 2.691 million bbls to 256.387 million bbls, over the 251.539 million bbl 5-year average. The national average retail regular gasoline price was \$2.466 per gallon on February 24, \$0.038 higher than last week’s price and \$0.076 over a year ago. The national average retail diesel fuel price was \$2.882 per gallon, down \$0.008 per gallon from last week’s level and down \$0.116 from a year ago.

**NYMEX Crude Oil Futures finished the week ending Thursday, February 27, 2020 to close at \$47.09/bbl (April contract), down \$6.29 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 25, 2020

#### National Drought Summary for February 25, 2020:

**Northeast**— No new abnormal dryness developed this week.

**Southeast**— Abnormal dryness expanded across northeastern and west central Florida. Areas in the northern Florida panhandle abnormal dryness to severe drought were lightly decreased. Tallahassee, Florida received decent amounts of rain but because of the long term dryness, moderate drought still remains.

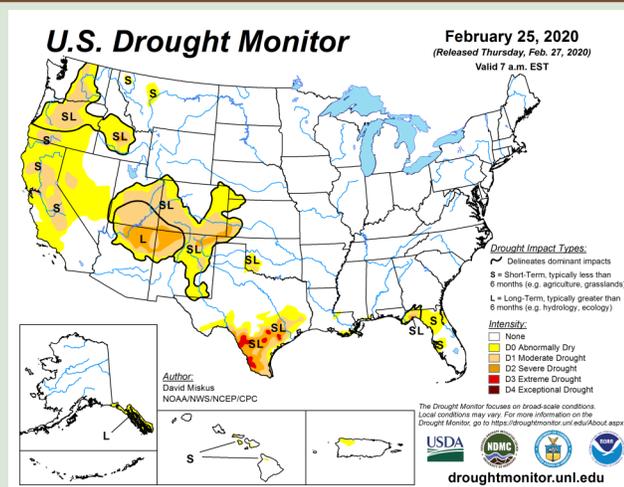
**South**— Improvements were made across the area due to heavy rainfall.

**Midwest**— No drought or abnormal dryness in the Midwest this week.

**High Plains**— Abnormal dryness removed from Kansas and eastern Colorado,

**West**— Although California received rainfall in November and December, it was not enough to ease dryness. Abnormal dryness and drought remained in most of California and the Southwest.

**Looking Ahead**— In the West, light to moderate rainfall is expected over the next five days, Dry conditions in the Plains. Light to moderate rainfall in the Northeast, Ohio Valley, and central Florida.



### USDA U.S. Crop Weather Highlights—February 27, 2020

**West**— Warm, dry conditions. Early spring and record low rainfall totals have lead to producers to start irrigating. Record high temperatures . Record high temperatures in California locations such as Stockton (79 degrees) and Sacramento (76 degrees)

**Plains**— Light snow across the northern half of the region. Below normal temperatures throughout the region. Producers in North Dakota made progress during February with the delayed sunflower harvest, now at 79%.

**Corn Belt**— Breezy, cold conditions. Downwind of the Great Lakes, snow showers and squalls occurring. Concerns of excess soil moisture in the Midwest. The USDA/NASS reported that the topsoil moisture was at least one third surplus in Michigan (50%), Missouri (50%), South Dakota (39%), Illinois (37%), and North Dakota (34%).

**South**— Freezing temperatures throughout the western Gulf Coast region, except in the Deep South. Snow showers in the Appalachians.

**Outlook for U.S.**— Heavy rainfall in coastal New England. Snow blanketing northern sections of New Hampshire and Maine. Blizzard warnings downwind of the Lake Erie and Ontario. Warm conditions in the East, cooler conditions in the West. Heavy rain possible from the southeastern Plains into the Ohio Valley. The NWS 6-10 day weather outlook for March 3-7 calls for near or above normal precipitation and temperatures across much of the nation. Cooler than normal conditions in central and southern sections of the Rockies and High Plains. Drier than normal conditions in southern Texas and from Oregon and California into the Great Basin.

### International Crop Weather Highlights—February 25, 2020

**Europe**— Abnormally warm conditions moved winter crops out of dormancy more than a month ahead of schedule from Germany into Poland and the Balkans. A strong north Atlantic storm brought heavy rain to northern Europe, maintaining good moisture reserves for greening winter wheat and rapeseed. Short term dryness increased concerns of drought for vegetative winter grains in Spain and Italy.

**Middle East**— Rainfall and snow benefited dormant winter grains from Turkey into northwestern Iran. Heavy rainfall favored dormant to vegetative wheat and barley from the eastern Mediterranean Coast into Iran.

**Asia**— Light rain favored immature wheat and other rabi crops in northern India and Pakistan, but drier weather is welcome. Spring like weather pushed wheat to break dormancy in eastern China while rapeseed development was promoted. Rainfall in Java, Indonesia bring beneficial late season moisture to first crop rice and boosted moisture reserves for spring and summer sown rice.

**Australia**— Rainfall brought drought relief to southern Queensland and northern New South Wales, although wet weather has not significantly improved summer crop prospects.

**South America**— Rain in Argentina favored immature summer grains and oilseeds. Light showers throughout southern and central Brazil's farming areas, limiting moisture for development of second crop corn and cotton.

**South Africa**— Heavy rainfall favored reproductive to filling corn in western production areas. Dry conditions in the eastern corn belt.

**Northwestern Africa**— Drought intensified in Morocco and expanded into Algeria and Tunisia. Wheat and barley entering reproduction ahead of schedule.