

# Idaho Grain Market Report, August 20, 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 August 19, 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	6.00		4.00			4.35
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.06				
Grace / Soda Springs	6.50		4.17	4.11	4.67	3.81
Burley / Rupert						
Twin Falls / Buhl Jerome / Wendell	5.00-7.00		4.15-4.50			
Nampa / Weiser			NA			
Nezperce / Craigmont	4.71		4.55	4.90	5.34	
Lewiston	5.23		4.81	5.16	5.60	
Moscow / Genesee	4.74-4.93		4.58-4.70	4.93-5.00	5.37-5.50	

## Prices at Selected Terminal Markets, cash FOB

Wednesday August 19, 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			5.20-5.40	5.72-5.83	6.05-6.20	
Ogden	7.30		4.37	4.46	4.92	3.91
Great Falls	4.60-5.35			4.30-4.52	4.79-4.85	
Minneapolis						

## Market News and Trends This Week

**BARLEY**—Idaho cash feed barley prices were unchanged to up \$0.25 for the week ending August 19. Idaho cash malt barley prices were unchanged for the week. No net barley sales were reported by USDA FAS for the week of August 7-13. Exports of 300 MT, down 93 percent from the prior week and 77 percent from the previous 4 week average were reported to Taiwan.

**Barley and Beer Industry News**—In Mexico, it's been just over two months after the reactivation of the barley-malt-beer production chain and beer distribution in that country is now at 90 percent, while production capacity stands at 80 percent, according to Cerveceros de Mexico. The production chain, which generates around 55,000 direct jobs and 600,000 indirect jobs, was shut down for three months, because the Mexican government didn't grant it recognition as an agribusiness to be considered an essential activity for the economy during the early Covid-19 crisis. Also in Mexico, Constellation Brands brewery could use US water to produce beer. Last March, the citizens of Mexicali participated in a public vote to get direction on approving the installation of the Constellation Brands brewing plant that had been built in the Valle area of the municipality more than 3 years. The majority of the small turnout opposed the plan. Salomón Faz, Secretary for the Management and Protection of Water of Baja California (SEPROA), stated that it is very likely that the brewery is analyzing alternatives to obtain water for its production, since the president's mandate only prevents it from using water destined for the agricultural sector. Among the options, he commented that he could use water from the United States. Meanwhile, low and non-Alcohol beers are carving a niche in Mexico's beer market. It's reported that the Grupo Modelo beer group is strengthening its low alcohol content segment and therefore announced the launch of Corona Light and Victoria, both with 1.8% alcohol, in response to trends in the Mexican market that seek greater moderation. In Mexico, the total volume of non-alcoholic or low-alcohol beers consumed grew by 56.2%, from 2013 to 2018 with a constant annual growth of 9.3%, and it is expected that by 2023 it will have a growth of 43.6%, according to Euromonitor. Heineken México is also participating in both categories with its Tecate Light beer, Sol Cero, and more recently with the launch of Heineken 0.0.

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## Market News and Trends This Week—continued

**WHEAT**—Idaho cash wheat prices were mostly down for the week ending August 19. SWW prices ranged from up \$0.05 to up \$0.20 from the previous week; HRW prices were up \$0.18 to up \$0.23; DNS prices were up \$0.17 to up \$0.20; and HWW prices were up \$0.20 to up \$0.21. USDA FAS reported net export sales for 2020/2021 for the period August 7-13 at 523,000 MT, up 42 percent week but down 8 percent from the previous 4 week average. Increases were to the Philippines (182,900 MT), Brazil (90,000 MT), unknown destinations (86,000 MT), Mexico (79,500 MT), and Italy (65,800 MT). Exports of 406,900 MT, down 13 percent from the prior week and 23 percent from the previous week, were to Japan (133,000 MT), Japan (86,600 MT), Mexico (97,900 MT), Sri Lanka (65,500 MT), and South Korea (28,000 MT).

**Wheat News**—US President Donald Trump has indefinitely postponed trade talks with China that were meant to take place last week, raising concerns about the future relationship between the world's two largest economies. The talks, which were initially scheduled to take place on August 15, were intended to be a six-month review of the phase-one trade deal that the US and China struck in January. "I postponed talks with China. You know why? I don't want to deal with them now," Trump said Tuesday in Yuma, Arizona. Trump's White House Chief of Staff, Mark Meadows, told reporters onboard Air Force later that "there are no rescheduled talks... at this point". "Ambassador Lighthizer continues to have discussions with his Chinese counterparts involving purchases and fulfilling their agreements," Meadows added. Under the terms of the deal - intended to reduce the trade deficit between the two nations - China agreed to purchase an additional \$200 billion of US goods and services on top of the 2017 baseline during the two-year period, which started this calendar year.

**CORN**—USDA FAS reported net export sales for 2020/2021 for period August 7-13 of 723,300 MT, increases were primarily to unknown destinations (365,100 MT), Mexico (94,800 MT), South Korea (66,200 MT), Japan (55,500 MT), and Taiwan (41,300 MT). Exports of 1,197,000 MT were down 10 percent from the prior week but up 19 percent from the previous 4 week average, to China (382,400 MT), Mexico (297,800 MT), Japan (210,000 MT) Colombia (112,000 MT), and Guatemala (98,700 MT).

**Ethanol Corn Usage**—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending August 14 averaged 926 thousand bbls/day -up 0.87 percent from the previous week and down 9.48 percent from last year. Total ethanol production for the week was 6.482 million barrels. Ethanol stocks were 20.27 million bbls on August 14, up 2.63 percent from last week and down 13.25 percent from last year. An estimated 92.81 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 4.64 billion bu. Corn used needs to average 90.403 million bu per week to meet USDA estimate of 4.85 millions bu for the crop year.

## Futures Market News and Trends—Week Ending August, 20 2020

### FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, August 20, 2020:

Commodity	September 2020	Week Change	July 2020	Week Change	September 2020	Week Change	December 2020	Week Change
CHI SRW	\$5.19½	\$0.19½	\$5.28½	\$0.19	\$5.35	\$0.18¾	\$5.39¼	\$0.18¼
KC HRW	\$4.41½	\$0.16¼	\$4.52¾	\$0.17	\$4.62¾	\$0.17¾	\$4.70¾	\$0.18¾
MGE DNS	\$5.13¼	\$0.15¾	\$5.27½	\$0.15¼	\$5.38½	\$0.13½	\$5.47½	\$0.13
CORN	\$3.24½	\$0.00	\$3.39¼	\$0.01¼	\$3.52¼	\$0.03	\$3.60¼	\$0.03½

**WHEAT FUTURES**—Wheat futures prices soared up as exports sales rose. **Wheat futures prices ranged from up \$0.13 to up \$0.19½ (per bu) under the previous week.**

**CORN FUTURES**—Corn futures prices were slightly up for the week even with a fall in exports. **Corn futures prices ranged from unchanged to up \$0.03½(per bu) under the previous week.**

**CRUDE OIL FUTURES**— Oil plunged on Thursday morning, after an unexpected increase in weekly U.S. jobless claims added to a cautious view from the Fed about the U.S. economic recovery to weigh on prices.

EIA reported U.S. crude oil refinery inputs averaged 14.5 million bbls/day during the week ending August 14, 2020 was 17 thousand bbls/day less than last week's average. Refineries operated at 80.9% of capacity last week. As of August 14 there was a decrease in Crude Oil stocks of 1.632 million bbls from last week to 512.452 million bbls, over the 5-year average of 444.251 million bbls. Distillate stocks increased by 0.152 million bbls to a total of 177.807 million bbls, over the 5-year average of 144.094 million bbls; while gasoline stocks decreased by 3.322 million bbls to 243.762 million bbls, over the 229.086 million bbl 5-year average. The national average retail regular gasoline price was \$2.166 per gallon on August 17, \$0.010 unchanged from last week's price but \$0.432 under a year ago. The national average retail diesel fuel price was \$2.427 per gallon, down \$0.001 per gallon from last week's level and down \$0.567 from a year ago.

**NYMEX Crude Oil Futures finished the week ending Thursday, August 20, 2020 to close at \$42.58/bbl (September contract), up \$0.57 for the week.**

## USDA Crop Progress/Condition Report—August 17, 2020

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Winter Wheat Harvested	93%	90%	92%	93%	-	-	-
<b>ID Winter Wheat Harvested</b>	<b>60%</b>	<b>35%</b>	<b>53%</b>	<b>77%</b>	-	-	-
US Spring Wheat Harvested	30%	15%	14%	43%	70%	69%	70%
<b>ID Spring Wheat Harvested</b>	<b>43%</b>	<b>21%</b>	<b>24%</b>	<b>43%</b>	<b>83%</b>	<b>83%</b>	-
US Barley Harvested	34%	16%	26%	53%	79%	81%	74%
<b>ID Barley Harvested</b>	<b>45%</b>	<b>21%</b>	<b>39%</b>	<b>52%</b>	<b>89%</b>	<b>90%</b>	-
Corn Dough	76%	59%	50%	69%	69%	71%	56%
Corn Dented	23%	11%	13%	24%			

## USDA U.S. Crop Weather Highlights—August 19, 2020

**West**—Hot conditions reduce soil moisture and stress rangeland and pastures. As of August 16, nearly every Western State reported topsoil moisture rated at least one half very short to short. As of August 16, New Mexico rated 85% very short to short, Colorado rated 80%, and California 75%. Elevated wildfire threats exist from California to the northern Rockies. Gusty winds, low humidity levels, and possible lightning adding to wildfire threats.

**Plains**—Hot conditions across Montana and the Dakotas, benefiting small grain harvesting. Scattered showers in the central Plains. Dry conditions on the southern Plains. As of August 16, drought affected Colorado rated 55% very poor to poor rangeland and pastures, Texas was rated 46%.

**Corn Belt**—Cool, dry conditions. Drought is affecting parts of the Midwest. As of August 16, the majority of corn (69%) and soybeans (72%) were rated good to excellent conditions.

**South**—Widespread showers and thunderstorms from the mid-Atlantic to the eastern half of the Gulf Coast region. Dry conditions across the mid-South and western Gulf Coast region is benefiting fieldwork, including corn and rice harvesting.

**Outlook for U.S.**— Record setting heat in the West. Temperatures will briefly fall in the Pacific Northwest. Dry conditions in the West, elevating the wildfire threats. Dry conditions in the Plains and Midwest, excluding the upper Great Lakes region, Showery conditions in the Southeast. Five day rainfall totals could exceed 5 inches in the eastern Gulf Coast region. The NWS 6-10 day weather outlook for August 24-28 calls for hotter than normal conditions nationwide except below normal conditions across the nation's northern tier. Drier than normal conditions in the southern Rockies, Pacific Northwest, and central and southern Plains.

## International Crop Weather Highlights—August 18, 2020

**Europe**— Hot conditions and drought in France lowered summer crop yield prospects. Heat negatively impacted filling sunflowers and corn in Spain. Rainfall in central and eastern Europe favored reproductive to filling summer crops. Hot, dry conditions in northeastern Bulgaria and southeastern Romania.

**Middle East**— Sunny, warm conditions benefited filling summer crops in Turkey.

**Asia**— Monsoon showers brought much needed moisture in central India to rice and oilseeds. Dry conditions in southern China eased excessive wetness for summer crops. Rainfall favored reproductive corn and soybeans in northeastern China. Wet conditions favored rice and improved irrigation supplies across Thailand and environs and the Philippines.

**Australia**— Rainfall in the east maintained food winter crop conditions in New South Wales. Rainfall in the south and west favored vegetative winter grains and oilseeds.

**South America**— Wheat in southern Brazil rapidly advanced. Warm condition in Argentina benefited winter grains.

**Mexico**— Hurricane Hanna brought relief from dryness in northeastern Mexico.

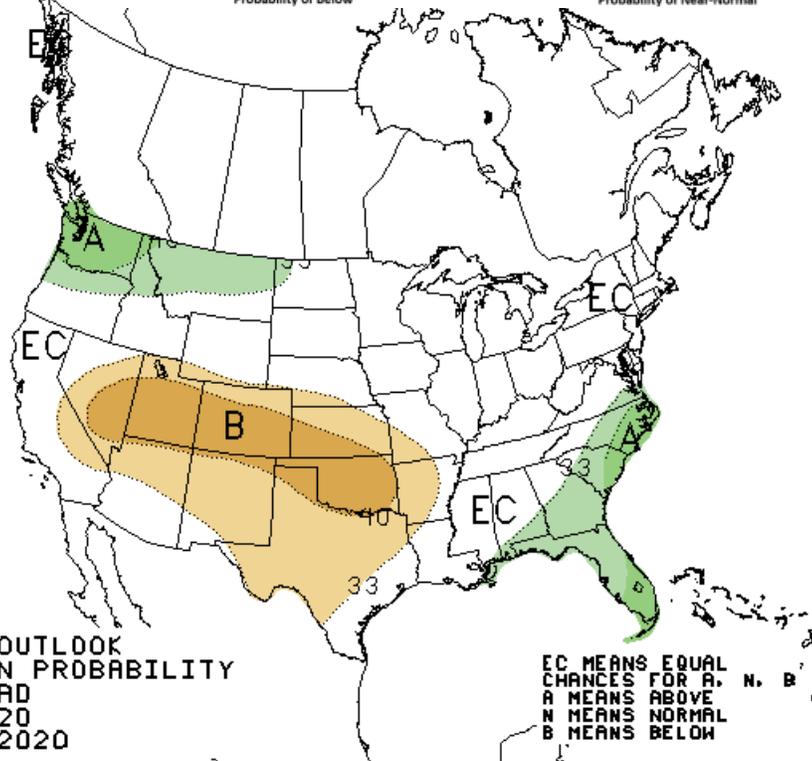
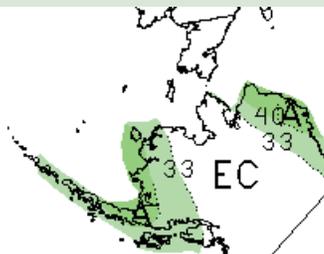
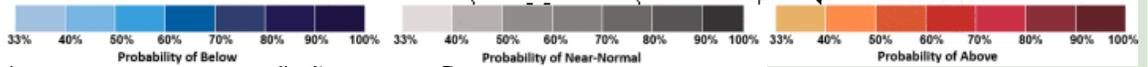
**Canada**— Rainfall in Ontario provided moisture for corn and soybeans. Rainfall in Alberta's northern farming areas renewed concerns of extreme wetness.

**FSU**— Dry conditions trimmed yield prospects for reproductive to filling corn and soybeans in central and western Ukraine. Rainfall favored reproductive to filling summer crops in western Russia. Dry conditions in southwestern Russia's key corn and sunflower areas. Hot, dry conditions are untimely for reproductive spring wheat and barley in central Russia and Kazakhstan and environs. Showers in western and eastern most crop areas provided relief. Sunny conditions in Uzbekistan and environs benefited open-boll cotton.



THREE-MONTH OUTLOOK  
TEMPERATURE PROBABILITY  
0.5 MONTH LEAD  
VALID SON 2020  
MADE 20 AUG 2020

EC MEANS EQUAL  
CHANCES FOR A, N, B  
A MEANS ABOVE  
N MEANS NORMAL  
B MEANS BELOW



THREE-MONTH OUTLOOK  
PRECIPITATION PROBABILITY  
0.5 MONTH LEAD  
VALID SON 2020  
MADE 20 AUG 2020

EC MEANS EQUAL  
CHANCES FOR A, N, B  
A MEANS ABOVE  
N MEANS NORMAL  
B MEANS BELOW

