

Idaho Grain Market Report, December 17, 2020—NEW CROP PRICES

Published weekly by the Idaho Barley Commission
 lwilder@barley.idaho.gov 208-334-2090 www.barley.idaho.gov



Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday December 16, 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	7.00		4.98	5.44	5.59	5.44
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.06				
Grace / Soda Springs	6.75		4.71	5.32	5.28	
Burley / Rupert	7.00		4.67	5.23	5.42	5.23
Twin Falls / Buhl Jerome / Wendell	5.00-8.25		5.00-5.15			
Nampa / Weiser			NA			
Nezperce / Craigmont	4.96		5.60	6.04	5.85	
Lewiston	5.48		5.86	6.30	6.11	
Moscow / Genesee	4.99-5.43		5.63-5.70	6.07-6.19	5.88-5.95	

Prices at Selected Terminal Markets, cash FOB
 Wednesday December 16, 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			6.40	6.98-7.18	6.71	
Ogden	7.30		5.01	5.72	5.73	5.67
Great Falls	4.60-5.30			5.71-5.79	5.21-5.38	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending December 16. Idaho cash malt barley prices were unchanged for the week. Net barley sales of 12,500 MT to Japan were reported by USDA FAS for the week of December 4-10. Exports of 600 MT were to Japan for the week.

Barley and Beer Industry News—Australia is launching a formal appeal to the World Trade Organization (WTO) seeking a review of China's decision to impose hefty tariffs on imports of Australian barley, Minister for Trade Simon Birmingham said. China imposed the punitive duties totaling 80.5 percent on Australian barley in May as bilateral relations deteriorated. Acknowledging the appeal could take years to be resolved, Birmingham told reporters that Australia would also request formal consultations with China regarding dumping and other duties on Australian barley amid an increasingly bitter trade and diplomatic row between the two countries. Relations soured this year after Australia proposed an independent investigation into the origins of the coronavirus pandemic, first reported in central China last year. China responded by imposing five years of anti-dumping and anti-subsidy duties totaling 80.5 percent on Australian barley – effectively stopping a billion-dollar trade in its tracks. Australia denies the allegations it subsidizes local barley production. "Australia has an incredibly strong case to mount in relation to defending the integrity and proprietary of our grain growers and barley producers," Birmingham said. In other news, Reuters reported on December 17 that Turkey has lowered tariffs on some grain imports, including wheat, barley, and corn, to zero, down from 20 percent, through April 30, 2021. Turkey is the world's largest flour exporter and last year imported nearly 11 million tonnes of wheat. An extended drought has raised concerns about Turkey's grain crops for the 2020-21 marketing year as farmers have reported difficulty planting in the extremely dry soil. The measure requires the imported materials be used for production. However, the latest forecast from the US Department of Agriculture's Foreign Agricultural Service still projects wheat, corn and barley production to rise in 2020-21 over the previous year and for exports to decline.

Published by the Idaho Barley Commission (IBC) weekly except for weeks with major holidays. Information included is from reliable sources and every effort is made to ensure accuracy on the date of publication, but no independent review has been made and we do not guarantee completeness or accuracy. Use of this information is at your own discretion and risk. Editors: Laura Wilder, IBC Executive Director, lwilder@barley.idaho.gov and Wren Hernandez, IBC Office Manager, whernandez@barley.idaho.gov. Office Phone: 208-334-2090.

Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending December 16. SWW prices ranged from down \$0.03 to up \$0.25 from the previous week; HRW prices were down \$0.04 to up \$1.28; DNS prices were down \$0.09 to up \$0.57; and HWW prices were down \$0.04 to up \$0.19. USDA FAS reported net export sales for 2020/2021 for the period December 4-10 at 540,400 MT, were down 12 percent from the prior week but up 5 percent from the previous 4 week average. Increases were to Mexico (96,800 MT), Japan (85,200 MT), South Korea (78,100 MT), China (68,300 MT) and the Philippines (52,000 MT). Exports of 238,400 MT, down 57 percent from the prior week and 41 percent from the previous 4 week average, were to Indonesia (75,400 MT), China (68,300 MT), Mexico (50,300 MT), and Yemen (44,000 MT).

Wheat News—Russia, one of the worlds largest wheat exporters is imposing a wheat export tax of 25 euros per ton after President Vladimir Putin recently criticized the impact of excessive inflation. Russian officials made the wheat export tax announcement on Monday, followed by the country's Prime Minister signing a list of orders on Tuesday which aimed at stabilizing food prices. Allendale commodities broker Greg McBride tells the Iowa Agribusiness Radio Network the added wheat export tax will be applied to all of Russia's wheat sales from February 15th through June 30th. "What this looks like to (the U.S.) is that it puts Russia in the driver's seat from now until about that February 15th timeframe to frontload those exports," McBride said. "After which, we're hoping this means that some of that wheat export business will shift to the United States." Reports say the action from the Russian government also included a quota for overseas shipments of wheat, rye, barley, and corn – limiting exports to 17.5 million metric tons over the same period. McBride believes this could trigger Chinese purchases from the U.S. in early 2021. "China, if they are deterred from buying Russian wheat, will start to look to the United States because their situation with Australia and Canada at this point will keep them looking to the United States," McBride said. McBride adds this news from Russia comes as the country has harvested a large wheat crop this year. "Russia is in a very poor situation going on with that winter wheat," McBride said. "This is the worst that they have seen in years going into dormancy. Their concern is they will be short on next year's crop."

CORN—USDA FAS reported net export sales for 2020/2021 for period December 4-10 of 1,924,500 MT, increases were primarily to Mexico (714,900 MT), unknown destinations (402,300 MT), China (231,800 MT), Japan (176,700), and Taiwan (125,000 MT). Exports of 965,400 MT were to China (352,800 MT), Mexico (297,300 MT), Colombia (64,100 MT), Japan (59,200 MT), and Guatemala (56,300 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending December 11 averaged 957 thousand bbls/day –down 3.43 percent from the previous week and down 10.06 percent from last year. Total ethanol production for the week was 6.699 million barrels. Ethanol stocks were 22.95 million bbls on December 11, up 3.93 percent from last week and up 5.28 percent from last year. An estimated 96.69 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 1.39 billion bu. Corn used needs to average 97.365 million bu per week to meet USDA estimate of 5.05 millions bu for the crop year.

Futures Market News and Trends—Week Ending December 17, 2020

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, December 17, 2020:

Commodity	March 2021	Week Change	May 2021	Week Change	July 2021	Week Change	September 2021	Week Change
CHI SRW	\$6.08¾	\$0.00½	\$6.09¾	-\$0.04¾	\$6.04	-\$0.10	\$6.06½	-\$0.01
KC HRW	\$5.70	-\$0.11½	\$5.74	-\$0.10½	\$5.76	-\$0.08¾	\$5.80¾	-\$0.08
MGE DNS	\$5.67	-\$0.03	\$5.75¾	-\$0.02½	\$5.83½	-\$0.05¼	\$5.91	-\$0.02½
CORN	\$4.32½	\$0.09	\$4.34¾	\$0.08¼	\$4.35¼	\$0.07	\$4.18¾	\$0.04¾

WHEAT FUTURES—Wheat futures down on strong production prospects. **Wheat futures prices ranged from down \$0.11¼ to up \$0.00½ (per bu) over the previous week.**

CORN FUTURES—Corn futures prices up on a renewed hope for a new stimulus package. **Corn futures prices ranged from up \$0.04¾ to up \$0.09 (per bu) over the previous week.**

CRUDE OIL FUTURES—Crude oil markets have gone back and forth during the course of the trading week as we continue to see questions about stimulus going forward.

EIA reported U.S. crude oil refinery inputs averaged 14.2 million bbls/day during the week ending December 11, 2020 was 253 thousand bbls/day less than last week's average. Refineries operated at 79.1% of capacity last week. As of December 11 there was a decrease in Crude Oil stocks of 3.135 million bbls from last week to 500.096 million bbls, over the 5-year average of 452.541 million bbls. Distillate stocks increased by 0.167 million bbls to a total of 151.259 million bbls, over the 5-year average of 135.734 million bbls; while gasoline stocks increased by 1.020 million bbls to 238.879 million bbls, over the 228.883 million bbl 5-year average. The national average retail regular gasoline price was \$2.158 per gallon on December 14, up \$0.002 from last week's price but \$0.378 under a year ago. The national average retail diesel fuel price was \$2.559 per gallon, up \$0.033 per gallon from last week's level but down \$0.487 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, December 17, 2020 to close at \$48.36/bbl (January contract), up \$1.79 for the week.

U.S Drought Monitor—December 10, 2020

Northeast: Areas of the region—including the Adirondacks of New York and areas of southern Vermont—saw minor expansion of areas of Moderate Drought (D1) where precipitation has been below normal during the past 30-to-90-day period.

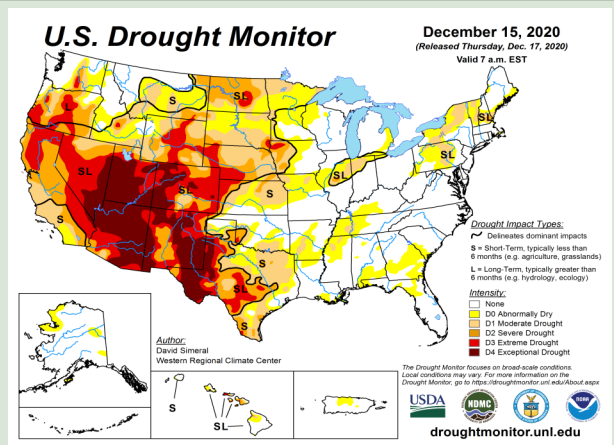
Southeast: Areas of Abnormally Dry (D0) expanded in southern Alabama and southern Georgia while new areas of D0 were introduced in the Florida Panhandle and north-central Florida where precipitation has been below normal during the past 30-to-90-day period.

South: Areas of drought intensified and expanded in the Hill Country and South Texas Plains where warm and dry conditions continued this week. In these areas, 90-day precipitation deficits ranged from 2-to-8 inches, and current soil moisture levels were below normal according to the NASA SPORT soil moisture monitoring products

Midwest: Some minor changes were made including expansion of areas of Moderate Drought (D1) in northwestern Minnesota where precipitation deficits (during the past 90-day period) ranged from 2-to-4 inches. In east-central Illinois and northern Indiana, areas of Abnormally Dry (D0) were reduced in response to light precipitation during the past week as well as overall improvement in conditions during the past 30-day period.

High Plains: areas of the region—including southwestern Kansas and northeastern Wyoming—saw modest improvements including reduction in areas of Severe Drought (D2) in Wyoming and areas of Moderate Drought (D1) in southwestern Kansas where recent snowfalls have helped to improve local conditions.

West: Severe to extreme drought across the southern part of the region. Rain and snow over the weekend.



USDA U.S. Crop Weather Highlights—December 17, 2020

West—As of December 15, three quarters of the 11-state region was covered in drought according to the U.S. Drought Monitor. Exceptional drought has been expanded to cover 22% of the West. A Pacific storm is bringing beneficial rain and snow across northern and central California, the Great Basin, and the Northwest. Rainfall is cringing high-elevation snowpack and boosting topsoil moisture for rangeland, pastures, and winter grains.

Plains—Dry conditions favoring off-season farm work. No snow cover in the northern Plains, central and southern Plains winter wheat fields are benefiting from melting snow. As of December 15, drought covered 39% of the U.S. winter wheat area.

Corn Belt—Cool, cloudy conditions. Snow showers in the lower Great Lakes region. Pleasant weather in the western Corn Belt is promoting off-season farm work.

South—Cool, dry conditions in Florida's peninsula. Minor travel disruptions in the southern Appalachians and adjacent foothills. Southeastern fields are too wet to complete harvest.

Outlook for U.S.— Heavy snowfall and high winds along the northern Atlantic Coast. A Pacific storm bringing rain and snow showers in the West as far south as central California and the Great Basin. Localized flooding in the Pacific Northwest. Much of the remainder of the country including southern California, the Desert Southwest, and large sections of the Plains, and Upper Midwest will receive little to no precipitation. The NWS 6-10 day weather outlook for December 22-26 call for near or above temperatures nearly nationwide, except cooler than normal across the lower Southeast. Below normal precipitation from the Pacific Coast to the Plains, Midwest, and mid-South. Wetter than normal conditions in the East.

International Crop Weather Highlights—December 15, 2020

Europe— Rainfall maintained good moisture supplies for dormant to vegetative winter grains and oilseeds in western and southern Europe. Dry conditions in northeastern Europe, winter crops are dormant so impacts are minimal.

Middle East—Rainfall eased drought but arrived too late to improve already dormant winter grain establishment prospects in central Turkey. Heavy rainfall and mountain snow boosted moisture reserves for winter wheat and barley but caused flooding in Iran and Iraq.

Asia—Showers maintained good soil moisture in portions of southern China for rapeseed. Cold conditions in northern section of the Yangtze Valley slowed development. Showers maintained good moisture supplies for rice and oil palm from the Philippines to Malaysia and Indonesia.

Australia— Showers and cool conditions in the east improved growing conditions for cotton and sorghum. Dry conditions benefited wheat, barley, and canola drydown and harvesting in southern and western portion of the wheat belt.

South America—Rainfall in central and northeastern Brazil favored soybeans. Dry, warm conditions promoted growth of soybeans and first crop corn farther south. Sunny, warm conditions in Argentina promoted rapid growth of soybeans, oilseeds, and cotton.

South Africa— Warm, showery conditions favoring corn, sugarcane, and other rain-fed summer crops.

Northwestern Africa—Sunny skies promoted winter wheat and barley establishment in Morocco. Heavy rainfall maintained moisture supplies for winter grain establishment in eastern Algeria and northern Tunisia.

National Weather Service Climate Prediction Center

Three Month Outlook of Temperature and Precipitation—December 17, 2020

For the Months of January, February and March

