Mr. Craig said. He also said demand for Australian feed barley from Saudi Arabia was set to jump from almost nothing last year to more than two million tonnes this year. Saudi Arabia is the second largest barley importer in the world, behind China. The demand for feed barley is also rising with sales to Saudi Arabia rising from almost nothing last year to more than two million tonnes this year. Mr. Craig said efforts to develop new markets for WA barley were proving successful.

On January 17, 35,000 tonnes of West Australian (WA) malting barley was shipped to Mexico and is possibly the first ever shipment of barley from Australia to Mexico. CBH Group, an Australian farmer-owned grain marketing business which once traded as Cooperative Bulk Handling, announced earlier today that it had shipped its first cargo of malting barley to Mexico. CBH chief marketing and trading officer Jason Craig said efforts to develop new markets for WA barley were proving successful. “While it is early days, this shipment to Mexico signals a potential new market for malting barley however this will need to be developed over time,” Mr. Craig said. He also said demand for Australian feed barley from Saudi Arabia was set to jump from almost nothing in 2019-20 to more than two million tonnes this year. “Saudi is reopening as an export destination for Australian feed barley, which has become very price competitive compared to barley from alternative origins, such as Russia and the Ukraine that have dominated exports to the country for the past few years,” Mr. Craig said. Demand for feed barley is also rising with sales to Saudi Arabia rising from almost nothing last year to more than two million tonnes this year. Saudi Arabia is the second largest barley importer in the world, behind China. “Saudi is reopening as an export destination for Australian feed barley, which has become very price competitive compared to barley from alternative origins, such as Russia and the Ukraine that have dominated exports to the country for the past few years,” Mr Craig said. Meanwhile, Australian feed barley exports to Thailand and Vietnam are forecast to double this financial year, CBH says. Mr Craig said WA barley growers had delivered a remarkable 2020-21 crop.
Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending January 20. SWW prices ranged from up $0.04 to up $0.30 from the previous week; HRW prices were down $0.14 to up $0.19; DNS prices were down $0.21 to up $0.23; and HWW prices were up $0.01 to up $0.11. USDA FAS reported net export sales for 2020/2021 for the period January 8-14 at 329,600 MT, were up 49 percent from the prior week but down 7 percent from the previous 4 week average. Increases were to Indonesia (105,900 MT), Japan (76,900 MT), unknown destinations (75,500 MT), China (65,000 MT) and Mexico (46,200 MT). Exports of 264,000 MT, down 26 percent from the prior week and 33 percent from the previous 4 week average, were to Indonesia (108,400 MT), Mexico (84,300 MT), Japan (27,400 MT), Taiwan (19,100 MT), and Peru (13,000 MT).

Wheat News—Wheat prices are stronger than they have been in a long time. Farmers who have held onto some of their grain are cashing in now. “It’s been four years since we sold wheat above our production cost,” said American Falls farmer Jim Tiede, who recently sold 50,000 bushels of hard red spring wheat that he had in storage. Another American Falls farmer, Kamren Koompin, had planned on raising some canola this spring. He now envisions planting those acres in spring wheat, hoping the market will remain strong. The wheat market has been bullish since late summer, explained Casey Chumrau, executive director of the Idaho Wheat Commission. The futures price of hard red winter wheat has risen by $2, or 47%, since June, reaching its highest point since 2014. Hard red spring wheat has risen by $1.20, or 23%, since August, reaching its highest point since early 2018. There’s no futures market for soft white wheat, but the February export f.o.b. price of the class, $7.35, is at its highest level since 2015. “We are seeing a lot of wheat move,” Chumrau said. “I think growers are definitely taking advantage of these prices. We don’t know how long it’s going to hang on.” “We keep increasing production. While consumption continues to set records every year as well, it’s not quite keeping up the pace,” Chumrau said. Idaho farmers raised a record wheat crop in 2020 at 112 million bushels, up by 16% from 2019. (Idaho State Journal)

CORN—USDA FAS reported net export sales for 2020/2021 for period January 8-14 of 1,437,600 MT, increases were primarily to Mexico (588,400 MT), Japan (420,600 MT), Colombia (126,000 MT), Nicaragua (97,900), and Morocco (81,000 MT). Exports of 886,700 MT were to Mexico (198,000 MT), Colombia (168,000 MT), Japan (152,800 MT), South Korea (72,500 MT), and China (71,400 MT).

Ethanol Corn Usage—DOE’s Energy Information Agency (EIA) reported ethanol production for the week ending January 15 averaged 945 thousand bbls/day -up .43 percent from the previous week and down 9.94 percent from last year. Total ethanol production for the week was 6.615 million barrels. Ethanol stocks were 23.628 million bbls on January 15, down 0.27 percent from last week and down 1.68 percent from last year. An estimated 95.04 million bu of corn was used in last week’s production bringing this crop year’s cumulative corn usage for ethanol production at 1.87 billion bu. Corn used needs to average 94.566 million bu per week to meet USDA estimate of 4.95 millions bu for the crop year.

WHEAT—NYMEX Crude Oil Futures finished the week ending Thursday, January 21, 2021 to close at $53.13/bbl (February contract), up $0.77 for the week.
U.S Drought Monitor—January 21, 2021

Northeast: Light to moderate precipitation fell on New England while little or none was recorded farther south. Most areas remained unchanged due to lingering long-term moisture deficits, except in southern Maine, where 1.5 to 2.0 inches of precipitation prompted removal of D0.

Southeast: Large areas of D0 were introduced in Alabama in conjunction with larger moisture deficits in adjacent parts of the South Region. Over the new areas of D0, Precipitation has totaled 2 to 5 inches below normal over the past 60 days.

South: Little or no precipitation fell region-wide, leading to a few areas of deterioration in southern and western Texas. D2 to D4 conditions have become entrenched.

Midwest: No changes for the week.

High Plains: Small areas of deterioration were noted in north-central Wyoming (to D1) and the west-central Dakotas (deteriorating to D1-D2).

West: Patches of improvement were introduced as a result, with D3 removed entirely from central Washington, and spotty reductions in the D0 to D3 coverage across Oregon and northwesternmost California. With large sections of the central and southern parts of the West Region already in D3 to D4, not much more deterioration can be introduced, but a few small areas deteriorated enough to be reflected on the map, specifically north-central Utah (to D2), interior northeastern Utah (to D4), and southeasternmost New Mexico along the Mexican border (to D4).

USDA U.S. Crop Weather Highlights—January 21, 2021

West—A storm system along the northern Pacific Coast. Highly beneficial showers in the drought-stricken Southwest, As of January 19-20, Flagstaff, Arizona, received 5.7 inches of snow, boosting its season total to 12.8 inches. Rain and snow showers spreading inland across the Northwest.

Plains—Cool, breezy conditions near the Canadian border. Cloudiness across the southern Plains. Scattered showers in parts of Texas. The Plains’ winter wheat production areas are devoid protective snow cover.

Corn Belt—Mild, dry, breezy conditions. Snow showers in the upper Great Lakes region. Widespread snow cover across the upper Midwest. As of January 21, snow depths were 7 inches in Madison, Wisconsin and 6 inches in Minneapolis—St. Paul, Minnesota, and Waterloo, Iowa.

South—Light rain in many areas. Warm, dry conditions in Florida, southern Texas, and along the Gulf Coast. Light snow in parts of the southern Appalachians.

Outlook for U.S.—Southern rain showers moving eastward. A Western storm system moving southward near the Pacific Coast and then drifting eastward into the Four Corner States. A storm system will move southward along the West Coast. Rainfall totals could reach 1-2 inches or more along and near the Pacific Coast, including parts of California and in the Southwest. Heavy rainfall across the interior South, 5-day rainfall totals could reach 1-3 inches. Snow may blanket parts of the Midwest. The NWS 6-10 weather outlook for January 26-30 calls for near or above normal temperatures in most areas from the Plains to the East Coast. Cooler than normal conditions in the West and from the mid-Atlantic into southern New England. Near or above normal rainfall across most of the country. Drier than normal conditions in southern Florida, southern and western Texas, central and eastern Montana, and lower Great Lakes region moving into the Northeast.

International Crop Weather Highlights—January 19, 2021

Europe—Widespread rainfall boosted moisture supplies for dormant to vegetative winter grains and oilseeds. Cold conditions possibly caused some burnback in northern Spain for vegetative winter grains. The first significant snow arrived across much of eastern Europe.

Middle East—Heavy rainfall eased drought and boosted moisture reserves in Turkey for wheat and barley spring growth. Heavy rainfall long the eastern Mediterranean Coast. Dry conditions in Iran.

Asia—Sunny, cool conditions sustained good wheat and rapeseed conditions in northern India. Mild conditions eased winterkill concerns for wheat in eastern China. Showers maintained good moisture supplies for oil palm and rice in across the southern Philippines, Malaysia, and Indonesia.

Australia—Scattered showers and sunshine in the east maintained food cotton and sorghum prospects. Dry condition in the south and west benefited winter crop harvesting.

South America—Heavy rainfall throughout key Argentine farming regions brough much needed relief from dryness. Scattered showers favored immature soybeans and first-crop corn throughout and southern Brazil.

South Africa—Heavy rainfall benefited corn and other rain-fed summer crop prospects.

Northwestern Africa—Rainfall in Morocco eased drought and boosted moisture supplies for wheat and barley. Rainfall benefited winter grain development in Algeria and Tunisia.