Idaho Grain Market Report, February 4, 2021—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 3, 2021. 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						
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.62				
Grace / Soda Springs	8.00		4.94	5.51	5.86	
Burley / Rupert	8.00		5.15	5.53	6.15	5.63
Twin Falls / Buhl Jerome / Wendell	6.00-10.00		5.25-6.30			
Meridian	6.75		6.35	6.39	6.10	
Nezperce / Craigmont	5.21		6.45	6.69	6.43	
Lewiston	5.73		6.71	6.95	6.69	
Moscow / Genesee	5.24-6.43		6.48-6.60	6.72-6.79	6.46-6.59	

Prices at Selected Terminal Markets, cash FOB

Wednesday February 3, 2021. 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			7.10-7.20	7.369-7.54	7.23-7.28	
Ogden			5.19	5.91	6.21	5.91
Great Falls	5.50-7.00			6.19-6.20	6.00-6.15	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were down $0.25 to up $1.25 for the week ending February 3. Idaho cash malt barley prices were unchanged to up $0.56 for the week. Net barley sales of 2,000MT were reported to Japan by USDA FAS for 2021/2022 for the week of January 22-28. Exports of 1,500MT to Japan (1,300MT) and Taiwan (200MT) were reported for the week.

Barley and Beer Industry News—China has been buying huge amounts of French and Canadian barley in the 2021/2022 crop, due to its major feed grain needs and a prohibitive tariff on Australian barley, traders and analysts say. China has been buying foreign crops to help feed a pig herd rebuilt after a disease epidemic. A large amount of Canada’s 2021 barley crop has already been booked by Chinese buyers, traders said, with one citing at least one million tonnes. That would be in line with at least one million tonnes of new-crop European barley thought to have been sold so far, traders said. Barley from Europe and Canada next summer will contribute to feed supply as China awaits its next corn harvest and maintains a steep tariff on Australian barley, Helene Duflot, analyst at Strategie Grains, said. “The fact there have already been new-crop purchases from France and Ukraine, probably, shows that China is not about to change its mind on Australia,” she said. The tariff has slashed Australian barley shipments to China, handing opportunities to other further-away suppliers. For the European Union, collectively the world’s top barley exporter, that has meant France, as the only EU country fully accepted to supply barley to China. Booming Chinese feed grain use and high domestic prices could bring record barley imports this season like in other grains, Duflot said, projecting they will top 10 million tonnes for the first time. French barley shipments to China in the 2020/21 marketing year to June have already reached 1.8 million tonnes after a busy January of loadings, surpassing a total 1.5 million tonnes in 2019/20.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mostly down for the week ending February 3. SWW prices ranged from down $0.29 to up $0.10 from the previous week; HRW prices were down $0.48 to down $0.11; DNS prices were down $0.22 to down $0.02; and HWW prices were down $0.28 to down $0.05. USDA FAS reported net export sales for 2020/2021 for the period January 22-28 at 643,100 MT, were up 69 percent from the prior week and up noticeably from the previous 4 week average. Increases were to China (134,000 MT), Nigeria (129,600 MT), Mexico (77,100 MT), Indonesia (72,000 MT) and the Philippines (68,600 MT). Exports of 498,100 MT, down 2 percent from the prior week but up 29 percent from the previous 4 week average, were to Nigeria (99,600 MT), South Korea (77,300 MT), Mexico (69,700 MT), Japan (60,600 MT), and the Philippines (58,300 MT).

Wheat News—Russian wheat export prices fell for the second consecutive week last week due to more active supply from farmers concerned about upcoming higher wheat export taxes later in the marketing season, analysts said on Monday. Moscow is attempting to reduce wheat exports to help curb rising domestic food prices. It imposed the tax of 25 euros ($30) per tonne for Feb. 15 to 28, rising to 50 euros/tonne from March 1. It also plans to switch to a more complicated formula-based regime in summer. Sovecon, another Moscow consultancy, said wheat prices fell by $2 to $295, while barley rose by $9 to $247 a tonne due to strong export demand. Prospects for March wheat exports from Russia are unclear so far, IKAR agriculture consultancy added. Russian wheat producing regions saw some good rains and snow last week, but the weather remains unusually warm in some of them, which means there is still a risk of plant damage in case of cold snap later in February, Sovecon said.

CORN—USDA FAS reported net export sales for 2020/2021 for period January 22-28 of 7,436,500 MT, increases were primarily to China (5,860,400 MT), Japan (502,900 MT), Mexico (403,700 MT), unknown destinations (402,900), and South Korea (66,000 MT). Exports of 995,500 MT were to Japan (253,600 MT), China (209,500 MT), Mexico (190,900 MT), Colombia (108,800 MT), and Chile (45,300 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending January 29 averaged 936 thousand bbls/day –up 0.32 percent from the previous week and down 13.41 percent from last year. Total ethanol production for the week was 6.552 million barrels. Ethanol stocks were 24.316 million bbls on January 29, up 3.03 percent from last week and up 3.59 percent from last year. An estimated 94.56 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 2.06 billion bu. Corn used needs to average 94.576 million bu per week to meet USDA estimate of 4.95 millions bu for the crop year.

Futures Market News and Trends—Week Ending February 4, 2021

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, February 4, 2021:

Commodity	March 2021	Week Change	May 2021	Week Change	July 2021	Week Change	September 2021	Week Change
CHI SRW	**$6.37½**	**-$0.25½**	**$6.41¼**	**-$0.21¼**	**$6.28**	**-$0.15**	**$6.27¾**	**-$0.13¾**
KC HRW	**$6.18¾**	**-$0.19¼**	**$6.23**	**-$0.18½**	**$6.23½**	**-$0.15¼**	**$6.26¾**	**-$0.12¼**
MGE DNS	**$6.21¾**	**-$0.11¾**	**$6.32¼**	**-$0.10½**	**$6.39¾**	**-$0.07¾**	**$6.45¼**	**-$0.06**
CORN	**$5.50**	**$0.03**	**$5.47½**	**$0.00**	**$5.36¾**	**$0.00¼**	**$4.77¾**	**$0.07½**

WHEAT FUTURES—Wheat futures down on strong production prospects. **Wheat futures prices ranged from down $0.25½ to down $0.06 (per bu) over the previous week.**

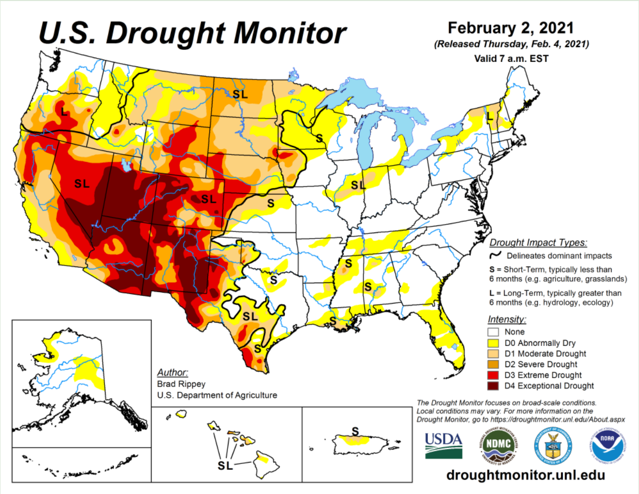
CORN FUTURES—Corn futures prices up on higher global demand and higher exports. **Corn futures prices ranged from unchanged to up $0.07½ (per bu) over the previous week.**

CRUDE OIL FUTURES–China, the world's top oil importer, boosted its crude oil imports, helping to support the global oil demand and boosting futures.

EIA reported U.S. crude oil refinery inputs averaged 14.6 million bbls/day during the week ending January 29, 2021 which was 80 thousand bbls/day less than last week's average. Refineries operated at 82.3% of capacity last week. As of January 29 there was a decrease in Crude Oil stocks of 0.994 million bbls from last week to 475.659 million bbls, over the 5-year average of 456.348 million bbls. Distillate stocks decreased by 0.009 million bbls to a total of 162.838 million bbls, over the 5-year average of 151.159 million bbls; while gasoline stocks increased by 4.467 million bbls to 252.153 million bbls, under the 255.277 million bbl 5-year average. The national average retail regular gasoline price was $2.409 per gallon on February 1, up $0.017 from last week's price but $0.046 under a year ago. The national average retail diesel fuel price was $2.738 per gallon, up $0.022 per gallon from last week's level but down $0.218 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, January 28, 2021 to close at $56.23/bbl (March contract), up $4.03 for the week.

U.S Drought Monitor—February 4, 2021



Northeast: As of February 2, wintry precipitation had just begun to push into Northeastern areas of dryness (D0) and moderate drought (D1). An exception was central and eastern Pennsylvania, where heavy snow had already fallen, resulting in the removal of D0.

Southeast:Patches of abnormal dryness (D0) and moderate drought (D1) generally expanded, with a few exceptions.

South: Mostly dry weather prevailed, leading to some general expansion of dryness and drought. The region's most significant drought persisted across western Texas, where modest increases in coverage of moderate to exceptional drought (D1 to D4) occurred.

Midwest: Late January rain reduced abnormal dryness (D0) and moderate to severe drought (D1 to D2). D2 was eliminated from central Illinois, where Springfield received a daily-record precipitation total (1.13 inches) on January 30. In the upper Midwest, however, where little or no precipitation fell, a large area of D0 and moderate to extreme drought (D0 to D3) remained intact.

High Plains: Last week's storm system reduced coverage of dryness (DO) and moderate drought (D1) across the region.

West: Rainfall and gusty winds accompanied a slow moving storm primarily impacted California. Drought improvements were focused on California, but drought coverage was also reduced—in part based on further analysis of other January storms—in the Pacific Northwest and the Southwest. Meanwhile, dry weather deepened its grip across parts of the interior Northwest, where there were some increases in coverage of dryness (D0) and moderate to extreme drought (D1 to D3).

USDA U.S. Crop Weather Highlights—February 4, 2021

West—Dry conditions return across California and parts of the Southwest. During the previous storms, the Sierra Nevada snowpack more than doubled form 6.0 to 12.5 inches (from about 40 to 70% of normal for the date).

Plains—Cold, gusty windy conditions. Morning low temperatures plummeted to 0 degrees or below in northeastern Montana and areas of the Dakotas. A band of snow across the central Plains. Areas of eastern Nebraska are being affected by snow. Mild conditions across the southeastern Plains.

Corn Belt—Sharp, windy weather and snow showers from eastern Nebraska into the upper Mississippi Valley, causing possible travel disruptions and livestock stress. Blizzard conditions develop in parts of Iowa and environs.

South—Morning frost as far south and Interior southern Florida. Although temperatures have been in the upper 20s and lower 30s have not generally cold enough to significantly damage citrus, sugarcane, or strawberries, some vegetable growers have taken protective measures to guard against freeze damage.

Outlook for U.S.—A storm bringing possible dangerous weather conditions, including gusty winds, blowing snow, and falling temperatures across the nation's mid-section, especially from the upper Midwest into the Great Lakes region. Possible sub-zero temperatures could engulf the northern Plains and upper Midwest. Next week's temperatures could be below –30 could occur in areas of North Dakota and northern Minnesota. Much of the country will experience several days of below normal temperatures. Mild temperatures in the Desert Southwest and across the Deep South. The NWS 6-10 day weather outlook for February 9-13 calls for colder than normal across most of the nation, except for above normal temperatures across the southern tip of Florida and parts of the Southwest.

International Crop Weather Highlights—February 2, 2021

Europe— Rainfall and snow maintained ample moisture supplies for dormant to vegetative winter grains and oilseeds. Warmer conditions minimized the risk of winterkill and kept the region snow free. A small snowpack remained from eastern Germany into northeastern Europe.

Middle East–Rainfall boosted moisture supplied in Turkey for wheat and barley spring growth. Heavy rainfall from the eastern Mediterranean Coast into northwestern Iran.

Asia–Rainfall in Algeria and Tunisia maintained good moisture supplies for wheat and barley. Sunny, cooler conditions maintained good wheat and rapeseed conditions in northern India. A freeze was recorded in northern most areas. Drier conditions provided relief from excess wetness in the northern Philippines. Rainfall in Malaysia and Indonesia boosted moisture supplies for oil palm and rice.

Australia– Sunny, warmer conditions in southern Queensland and northern New South Wales promoted summer crops development and maintained foo to excellent yield prospects.

South America–Heavy rainfall boosted moisture for summer grains, oilseeds, and cotton in primary production areas of central and northeastern Argentina. Heavy rainfall in from Mato Grosso to Rio Grande d Sul in Brazil, favored immature first crop corn and soybeans.

South Africa– Rainfall in the corn belt and rain-fed sugarcane plantations in southern KwaZulu-Natal.

Northwestern Africa-Rainfall boosted moisture reserves for wheat and barley in Algeria and Tunisia.