

Idaho Grain Market Report, March 12, 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 March 10, 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	6.50		5.30			5.70
Idaho Falls		8.30-9.06				
Blackfoot / Pocatello		7.62				
Grace / Soda Springs	8.00		5.13	5.42	5.92	
Burley / Rupert	8.50		5.44	5.74	6.05	5.48
Twin Falls / Buhl Jerome / Wendell	10.00		5.3-6.30			
Meridian	6.75		6.50	6.26	6.21	
Nezperce / Craigmont	6.21		6.60	6.37	6.50	
Lewiston	6.73		6.86	6.63	6.76	
Moscow / Genesee	6.24-6.93		6.63-6.75	6.40-6.66	6.53-6.66	

Prices at Selected Terminal Markets, cash FOB

Wednesday March 10, 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			7.20-7.65	7.37	7.51	
Ogden	9.75		5.28	5.82	6.37	5.82
Great Falls	5.50			5.99-6.14	6.00-6.40	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were down \$0.50 to unchanged for the week ending March 10. Idaho cash malt barley prices were unchanged for the week. Net barley sales of 1,100 MT to Canada (900 MT) and South Korea (200 MT). were reported by USDA FAS for 2020/2021 for the week of February 26– March 5. Exports of 200 MT to South Korea were reported for the week.

Barley and Beer Industry News—The Australian Department of Agriculture (ABARES) said this week that the world indicator price for barley is expected to decrease by 2% to US\$226 per tonne in 2021–22. World barley consumption is expected to fall at a faster rate compared with global production in 2021–22. Above average world barley prices are being supported by export controls imposed by the Russian Federation and Argentina, as well as by demand from China for barley sourced from countries other than Australia. Prohibitive import tariffs imposed by China on Australian barley in 2020 have reduced the pool of barley that is available to Chinese consumers from global markets. Over the medium term, ongoing strong demand by China is expected to continue to support global prices. The world indicator price is expected to remain elevated but fall from current levels to US\$211 per tonne in 2025–26, as global supply chains adjust to China's shift in demand away from Australia towards the Black Sea Region, Europe and South America. In beer news, Molson Coors, the brewer behind the Miller and Coors brands, revealed a "cybersecurity incident" at the company that has disrupted its beer-making operations. The Chicago-based company said in a regulatory filing on March 11 that the hack has taken its systems offline, delaying and disrupting parts of Molson Coors' operations, including its production and shipments. An investigation into the incident has begun, the company said, and it's "working around the clock to get its systems back up as quickly as possible." Molson Coors makes a dozens of beer, hard seltzer and non-alcoholic beverages.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mostly down for the week ending March 10. SWW prices ranged from down \$0.25 to up \$0.0 from the previous week; HRW prices were down \$0.24 to down \$0.13; DNS prices were down \$0.13 to up \$0.01; and HWW prices were down \$0.43 to down \$0.20. USDA FAS reported net export sales for 2020/2021 for the period February 26– March 4 at 329,500 MT were up 50 percent from the prior week but down 4 percent from the previous 4 week average. Increases were to Mexico (111,500 MT), Japan (56,100 MT), Thailand (53,300 MT), Vietnam (44,000 MT) and Ecuador (30,500 MT). Exports of 468,700 MT, up 15 percent from the prior week and 16 percent from the previous 4 week average, were to China (130,600 MT), South Korea (82,600 MT), Japan (71,100 MT), the Philippines (62,700 MT), and Taiwan (61,700 MT).

Wheat News—China is buying up supplies of U.S. white wheat to feed livestock and make baked goods to a 27-year high. The purchases of U.S. white wheat from China are the latest disruption in commodities, pushing price of major commodity crops to multi-year highs. China booked more U.S. winter white wheat than any other country behind the Philippines. On Tuesday, the U.S. Agriculture Department (USDA) raised its forecast for exports of U.S. white wheat to 245 million bushels, the most since 1994, due to strong demand from China and South Korea. China is on course for highest purchases of U.S. wheat in more than 6 years. While white wheat is not typically fed to animals, high corn prices, futures are hitting a 7 1/2 year high. Making white wheat a viable feeding option. “Most of the imported wheat is going to the feed sector as corn prices are high and there is profit (to import),” said Li Hongchao, a senior grains analyst with trade website Myagric.com. China signed a trade deal with the United States in January 2020. More recent trade tensions between China and Australia, which grows a slightly different hard white wheat, have also sent China seeking alternative wheat supplies. Nine months into the 2020/21 wheat marketing year begun June 1, 2020, China’s purchases of all U.S. wheat classes are at a seven-year high of 2.9 million tonnes, according to USDA’s weekly export sales data. White wheat bookings represent about a third of the total, at 947,863 tonnes as of March 4.

CORN—USDA FAS reported net export sales for 2020/2021 for period February 26– March 4 of 395,500 MT, increases were primarily to Taiwan (135,200 MT), South Korea (127,600 MT), Mexico (108,000 MT), Vietnam (63,700 MT), and Kuwait (41,100). Exports of 1,592,900 MT were to China (348,400 MT), Japan (276,300 MT), Mexico (202,100 MT), Egypt (140,800 MT), and South Korea (127,900 MT).

Ethanol Corn Usage—DOE’s Energy Information Agency (EIA) reported ethanol production for the week ending March 5 averaged 938 thousand bbls/day –up 10.48 percent from the previous week and down 10.15 percent from last year. Total ethanol production for the week was 6.566 million barrels. Ethanol stocks were 22.07 million bbls on March 5, down 1.58 percent from last week and down 9.30 percent from last year. An estimated 94.77 million bu of corn was used in last week’s production bringing this crop year’s cumulative corn usage for ethanol production at 2.49 billion bu. Corn used needs to average 96.107 million bu per week to meet USDA estimate of 4.95 millions bu for the crop year.

Futures Market News and Trends—Week Ending March 11, 2021

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, March 11, 2021:

Commodity	March 2021	Week Change	May 2021	Week Change	July 2021	Week Change	September 2021	Week Change
CHI SRW	\$6.36¼	-\$0.10¼	\$6.42½	-\$0.04	\$6.40½	-\$0.05	\$6.36¼	-\$0.04¼
KC HRW	\$5.95¾	-\$0.17½	\$6.04¼	-\$0.17½	\$6.10	-\$0.17½	\$6.16½	-\$0.16½
MGE DNS	\$6.28¾	-\$0.08¾	\$6.34	-\$0.11¼	\$6.41½	-\$0.09½	\$6.47½	-\$0.07¾
CORN	\$5.55	-\$0.10	\$5.38½	-\$0.08½	\$5.28¼	-\$0.07¾	\$5.00	-\$0.00¼

WHEAT FUTURES—Wheat futures down on rain and snow forecasts. **Wheat futures prices ranged from down \$0.12¾ to up \$0.04 ¾(per bu) over the previous week.**

CORN FUTURES—Corn futures prices down on rain and snow forecasts. **Corn futures prices ranged from down \$0.15 to down \$0.02¼ (per bu) over the previous week.**

CRUDE OIL FUTURES—Plans for the biggest overhaul in decades of how international oil prices are measured are being put on hold following objections over how to treat shipping costs.

EIA reported U.S. crude oil refinery inputs averaged 12.3 million bbls/day during the week ending March 5, 2021 which was 2.4 million bbls/day more than last week’s average. Refineries operated at 69% of capacity last week. As of March 5 there was an increase in Crude Oil stocks of 13.798 million bbls from last week to 498.403 million bbls, over the 5-year average of 470.420 million bbls. Distillate stocks decreased by 5.504 million bbls to a total of 137.492 million bbls, under the 5-year average of 143.228 million bbls; while gasoline stocks decreased by 11.869 million bbls to 231.603 million bbls, under the 246.768 million bbl 5-year average. The national average retail regular gasoline price was \$2.771 per gallon on March 8, up \$0.060 from last week’s price and \$0.396 over a year ago. The national average retail diesel fuel price was \$3.143 per gallon, up \$0.071 per gallon from last week’s level and \$0.329 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, March 11, 2021 to close at \$66.02/bbl (April contract), up \$0.97 for the week.

U.S Drought Monitor—March 9, 2021

Northeast: Drought status remained unchanged this week but there were a few areas in which abnormally dry conditions were expanded. In response to short- to mid-term dryness, abnormally dry conditions were expanded in eastern New York, southern Vermont, and western Massachusetts.

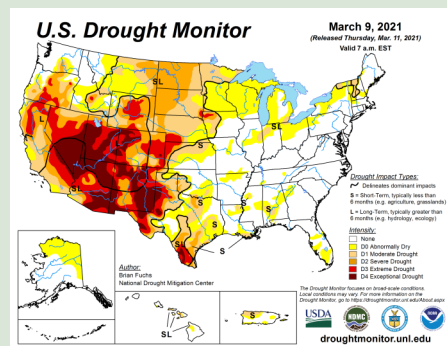
Southeast: With the dry conditions in portions of Alabama, moderate drought was expanded this week while areas of abnormally dry conditions were expanded in Georgia, Alabama, south Florida and Mississippi.

Midwest: Almost the entire region was dry this week, continuing a pattern of dryness over the last month. As the spring thaw continues, the warmth and dryness has allowed for expansion of abnormally dry conditions over northern Ohio, northern Indiana, Michigan, northeast Iowa, as well as in central and southern Missouri.

High Plains: The local National Weather Service offices have started making their fire weather products more than a month early in response to the drought conditions. So far, 33 fires have burned more than 20,000 acres in North Dakota. In Kansas, abnormally dry and moderate drought conditions were pushed to the east in response to the most recent dryness in the region and above-normal temperatures.

West: In Montana, moderate drought was improved in the southwest and south central portions of the state while severe drought was pushed farther to the west in the eastern portion of the state. Wyoming had improvements to moderate, severe, and extreme drought over the northern portions of the state.

South: Drought expanded and intensified over most of Texas and western Oklahoma where a mix of both short- and long-term issues are still embedded. A new area of exceptional drought was introduced over south Texas.



USDA U.S. Crop Weather Highlights—March 11, 2021

West—A storm is developing in the Southwest bringing widespread rain and snow, especially across Arizona. Windy conditions across the southern Rockies, Dry conditions cover the Northwest.

Plains—Heavy rainfall and thunderstorms in Kansas. Warm conditions across the southern Plains. High temperatures in the southern two-thirds of Texas could range from 80-90 degrees. Calm conditions on the northern Plains, where snow that fell on Wednesday has started to melt.

Corn Belt—Chilly conditions in the upper Great Lakes region. Rain along the Ohio River. The start of wet weather. Moderate flooding along the Ohio River at Shawneetown, Illinois, where the river is 10 feet above flood stage. Mild, dry conditions the remainder of the Midwest.

South—Warm conditions promoting spring fieldwork, pasture growth, and winter wheat development. Recently planted crops have started to emerge in the Deep South. High temperatures could reach 80 degrees in many locations from the western Gulf Coast region to the southern Atlantic Coast. Rainfall across the northern tier of the region, including parts of Kansas.

Outlook for U.S.— A spring snowstorm across central section of the Rockies and High Plains. Heavy snow by tonight and through the weekend across much of Colorado with possible 2-3 feet possible in the central Rockies. Windy conditions resulting in travel disruptions and livestock stress. The storm will provide beneficial moisture for drought stressed rangeland, pastures, and winter wheat. Heavy rainfall in portions of the central Plains into the lower Ohio Valley bringing 2-4 inches of rainfall. The NWS 6-40 day weather outlook for March 17-21 calls for below normal temperatures nearly nationwide except for warmer temperatures across the Far West.

International Crop Weather Highlights—March 9, 2021

Europe— Mild, sunny conditions in France and Germany boosted winter crop greening. Across much of Europe, wheat, barley, and rapeseed remains dormant. Rainfall was favorable for vegetative winter wheat and barley in Spain.

Middle East—Cool, dry conditions favored early season fieldwork but kept winter grains dormant in Turkey. Rain and snow favored dormant to vegetative wheat and barley in much of Iran. Drought continues in eastern Iran.

Asia—Heat in India is advancing rabi crops through maturation. Warm, rainy conditions in eastern China boosted wheat and rapeseed development. Wet conditions supported immature main-season rice and boosted soil moisture for oil palm in Indonesia.

Australia— Rainfall in southern Queensland and northern New South Wales favored immature cotton and sorghum. Pockets of dry conditions benefited drydown and harvesting of the earliest maturing crops.

South America—Dry, unseasonably warm conditions reduced moisture for later-developing corn and soybeans in high yielding farming areas of central Argentina. Scattered showers favored conditions for grains, oilseeds, and cotton in Brazil. Excessive moisture in hampering local fieldwork.

South Africa— Dryness and summer conditions boosted development of corn, sugarcane, and other summer crops that have had beneficial moisture throughout the season.

Northwestern Africa—Rainfall boosted soil moisture in Morocco for reproductive wheat and barley, yield prospects have improved significantly since last year's drought. Short term dryness to vegetative to reproductive winter grains across western and eastern Algeria and inland areas of Tunisia.

WHEAT: The supply and demand outlook for 2020/21 U.S. wheat is mostly unchanged this month but there are offsetting by-class changes to exports and imports. White wheat exports are raised on continued strong sales and shipments to China and South Korea. Conversely, Hard Red Winter exports are lowered as commitments to several Western Hemisphere markets are below a year ago. The season-average farm price is unchanged at \$5.00 per bushel.

The 2020/21 global wheat outlook is for larger supplies, increased consumption, higher exports, and reduced stocks this month. Supplies are raised 3.5 million tons to 1,077.1 million. Global production is increased to a record 776.8 million tons, mainly on higher Australia production on the latest ABARES estimate. Australia's production is raised to a record 33.0 million tons, surpassing the previous 2016/17 record of 31.8 million. World 2020/21 consumption is increased 6.6 million tons to 775.9 million, mostly on higher feed and residual use for China. Auction sales of China's old-crop wheat stocks were large in January and February as its domestic corn prices remain at a premium to wheat. This is expected to further heighten China's 2020/21 wheat feed and residual use, raised 5.0 million tons to a record 35.0 million.

Projected 2020/21 global trade is raised 2.9 million tons to a record 197.7 million, mostly on higher exports by Australia and Canada. Australia's exports are raised on greater exportable supplies while Canada's exports are increased on a continued strong pace. The largest import changes this month are for China and Pakistan, where imports are raised to 10.5 million and 3.4 million tons, respectively, on a continued robust pace. Projected 2020/21 imports for both countries are well above their 2019/20 imports. Projected 2020/21 world ending stocks are lowered 3.0 million tons to 301.2 million with most of the reduction due to increased consumption for China. However, global stocks are still slightly higher than 2019/20 with China and India holding 50 and 9 percent of the total, respectively.

COARSE GRAINS: This month's 2020/21 U.S. corn supply and use outlook is unchanged from last month. The projected season-average farm price is unchanged at \$4.30 per bushel. Global coarse grain production for 2020/21 is forecast 5.9 million tons higher to 1,444.8 million. The 2020/21 foreign coarse grain outlook is for larger production, increased trade, and greater ending stocks relative to last month. Foreign corn production is forecast higher with increases for India, South Africa, and Bangladesh that are partly offset by a decline for Mexico. India corn production is higher with increases to both area and yield. South Africa corn production is raised reflecting more favorable yield prospects. World barley production is higher with an increase for Australia.

Corn exports are raised for India, Vietnam, and South Africa. Imports are increased for Vietnam, Bangladesh, and the Philippines. Barley exports are raised for Australia, with higher imports for Saudi Arabia and Algeria. Foreign corn ending stocks for 2020/21 are higher, mostly reflecting increases for India, Vietnam, and Paraguay that are partly offset by reductions for Argentina and Mexico. Global corn ending stocks, at 287.7 million tons, are up 1.1 million from last month.

BARLEY: The March 9 WASDE report shows the outlook for 2020/21 U.S. barley supplies unchanged from February at 253 million bushels. The March report estimates a projected yield of 77.5 bushels/acre with 2.1 million acres expected to be harvested unchanged from the February report. Projected use is at an estimated 176 million bushels, and projected imports at 7 million bushels. Ending stocks for 2020/21 are projected to be 77 million bushels. The season-average farm price is at \$4.70/bu on updated NASS prices compared to \$4.70/bu in February.