Idaho Grain Market Report, March 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 March 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	6.50		5.55			5.90
Idaho Falls		8.30-9.06				
Blackfoot / Pocatello		7.62				
Grace / Soda Springs	8.00		5.23	5.55	5.93	
Burley / Rupert	9.00		5.63	5.81	6.05	5.91
Twin Falls / Buhl Jerome / Wendell	7.00-10.00		5.30-5.55			
Meridian	6.75		6.60	6.34	6.20	
Nezperce / Craigmont	6.21		6.75	6.61	6.63	
Lewiston	6.73		7.01	6.87	6.89	
Moscow / Genesee	6.24-6.93		6.78-6.85	6.64-6.74	6.64-6.66	

Prices at Selected Terminal Markets, cash FOB

Wednesday March 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			7.20-7.50	7.46-7.57	7.41-7.50	
Ogden	8.50		5.38	5.95	6.38	5.95
Great Falls	5.50-7.00	7.25		5.92-6.33	5.97-6.30	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged to up $1.25 for the week ending March 3. Idaho cash malt barley prices were unchanged for the week. No net barley sales were reported by USDA FAS for 2020/2021 for the week of February 19-25. Exports of 400 MT to Japan (300 MT) and Canada (100 MT) were reported for the week.

Barley and Beer Industry News—Constellation Brands has two years time to dismantle its almost finished 10 million hectoliter (hl) brewery in Mexicali, Mexico, the Mexican Ministry of Environment and Natural Resources (Semarnat) said February 26. Federal, state, and municipal authorities met with representatives of the brewing company to discuss the way how to execute the outcome of the public vote in March 2020, when 76.1 percent of the participants voted against the planned brewery of Constellation Brands in Mexicali. The 1.5 billion (USD) project was announced in 2016 and had already been completed to 65 percent at that time. The decision to build a new brewery in this region had been very long controversial because it was feared that the brewery would deprive the people of the dry region in the state of Baja California of urgently needed water. Mexico's President López Obrador has been a clear opponent of the brewery in Mexicali. During several occasions he reiterated that the vote of the people has to be followed besides the fact that that the vote was not binding as not sufficient people participated in the survey. He favors a new location of the brewery in the south of the country because this region has sufficient water. However, as the new brewery is destined for the delivery of the US market, Constellation Brands opposes such a location because of logistics reasons. (inside.beer)

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending March 3. SWW prices ranged from down $0.34 to up $0.30 from the previous week; HRW prices were down $0.34 to down $0.09; DNS prices were down $0.18 to up $0.10; and HWW prices were down $0.34 to down $0.08. USDA FAS reported net export sales for 2020/2021 for the period February 19-25 at 219,200 MT were up 31 percent from the prior week but down 51 percent from the previous 4 week average. Increases were to Mexico (69,300 MT), China (65,900 MT), Nigeria (56,000 MT), Canada (31,600 MT) and Japan (30,600 MT). Exports of 407,500 MT, up 4 percent from the prior week but down 5 percent from the previous 4 week average, were to Mexico (147,800 MT), Indonesia (74,500 MT), Thailand (57,900 MT), Honduras (36,800 MT), and Nigeria (29,000 MT).

Wheat News—According to an industry expert, Northwest wheat farmers could benefit from a combination of global factors that have boosted price and demand simultaneously. U.S. sales wheat to China surged last year, and he expects that will carry over in 2021 under the first phase of a trade deal struck by the Trump administration, said Steven Wirsching, vice president and West Coast office director for U.S. Wheat Associates in Portland. Russia, the world's largest wheat shipper, implemented an export tax for wheat as the country struggles with internal food inflation. The tax is driving grain prices to multi year highs. Russia is looking to make the tax permanent. Between Aug. 28 and Feb. 19, the price for soft white wheat increased by approximately $71 per metric ton, from $222.30 to $292.94, Wirsching told the Oregon Wheat Commission during the group's virtual business meeting on Tuesday. "You can thank strong world demand, you can thank China for meeting its commitments under the Worth Trade Organization and phase one trade agreement, and I think you can thank Russia for limiting some of their exports into the world market," Wirsching said. (Capital Press)

CORN—USDA FAS reported net export sales for 2020/2021 for period February 19-25 of 115,900 MT, increases were primarily to China (1,054,700 MT), Mexico (181,900 MT), Saudi Arabia (129,300 MT), Japan (108,600 MT), and South Korea (107,800). Exports of 2,010,200 MT were to Japan (351,600 MT), China (346,700 MT), Mexico (261,100 MT), South Korea (173,700 MT), and Saudi Arabia (129,300 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending February 26 averaged 849 thousand bbls/day –up 29.03 percent from the previous week and down 21.32 percent from last year. Total ethanol production for the week was 5.943 million barrels. Ethanol stocks were 22.425 million bbls on February 26, down 1.58 percent from last week and down 10.17 percent from last year. An estimated 85.78 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 2.4 billion bu. Corn used needs to average 96.057 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 4, 2021

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

Commodity	March 2021	Week Change	May 2021	Week Change	July 2021	Week Change	September 2021	Week Change
CHI SRW	$6.49¾	-$0.05¼	$6.51	-$0.09¼	$6.41	-$0.09	$6.39¾	-$0.06½
KC HRW	$6.12¾	-$0.12	$6.21	-$0.12¾	$6.26¼	-$0.11½	$6.31¾	-$0.09¾
MGE DNS	$6.35½	$0.04½	$6.43½	$0.04¾	$6.49¾	$0.03	$6.54½	$0.00¾
CORN	$5.46¼	-$0.09¼	$5.32½	-$0.15	$5.22½	-$0.12½	$4.91¾	$0.02¼

WHEAT FUTURES—Wheat futures mostly down on low USDA export sales numbers. **Wheat futures prices ranged from down $0.12¾ to up $0.04 ¾(per bu) over the previous week.**

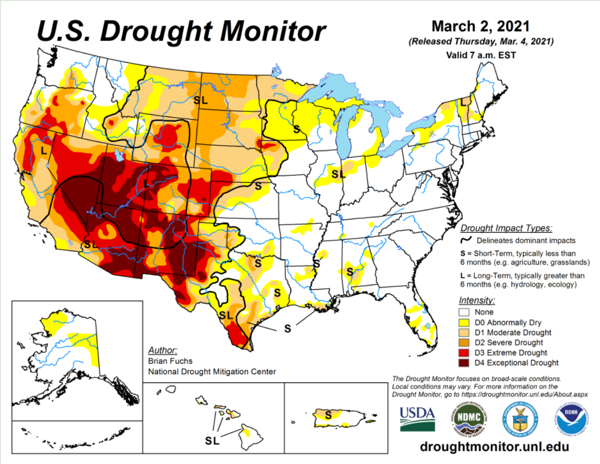
CORN FUTURES—Corn futures prices down on low USDA export sales numbers. **Corn futures prices ranged from down $0.15 to down $0.02¼ (per bu) over the previous week.**

CRUDE OIL FUTURES–Oil prices jump as OPEC+ keeps production largely steady, Saudi Arabia continues voluntary cut.

EIA reported U.S. crude oil refinery inputs averaged 9.9 million bbls/day during the week ending February 26, 2021 which was 2.3 million bbls/day less than last week's average. Refineries operated at 56% of capacity last week. As of February 26 there was an increase in Crude Oil stocks of 21.563 million bbls from last week to 484.605 million bbls, over the 5-year average of 468.439 million bbls. Distillate stocks decreased by 9.719 million bbls to a total of 142.996 million bbls, under the 5-year average of 146.377 million bbls; while gasoline stocks decreased by 13.624 million bbls to 243.472 million bbls, under the 250.718 million bbl 5-year average. The national average retail regular gasoline price was $2.711 per gallon on March 1, up $0.078 from last week's price and $0.288 over a year ago. The national average retail diesel fuel price was $3.072 per gallon, up $0.099 per gallon from last week's level and $0.221 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, March 4, 2021 to close at $63.83/bbl (April contract), up $2.33 for the week.

U.S Drought Monitor—March 2, 2021



Northeast: Above-normal precipitation was recorded through much of the southern extent of the region, where 200% of normal precipitation was widespread. No changes to the drought status were made this week.

Southeast: Drier than normal conditions dominated much of the region, with only a few areas of southern Alabama, southern Georgia and northern Florida recording near normal or slightly above normal precipitation for the week. In southern Alabama, abnormally dry and moderate drought conditions were expanded this week and abnormally dry conditions were expanded in northern Alabama and into Georgia.

Midwest: Moderate drought was expanded over northern Minnesota this week. Areas of abnormally dry and moderate drought conditions were improved from central Illinois east into Indiana and Ohio.

High Plains: Improvements were made in north central Wyoming, where areas of extreme and severe drought were showing a good snow season to allow for a reduction in drought intensity. Severe drought was expanded in far northeast North Dakota and into far northwest Minnesota.

West: Improvements were made to the moderate drought over northeast Texas and southeast Oklahoma this week. A reassessment was done over southwest Oklahoma, removing the lingering extreme drought there. Exceptional drought was removed over far west Texas as the El Paso area had recorded enough precipitation recently to allow for improvement in intensity.

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

West—Rain and snow showers in the Four Corner States. Dry conditions across southern California. Below average snowpack is ensuring that drought will persist through spring and summer across much of California, the Great Basin, and the Southwest,

Plains—Mild, dry conditions. Freeze and drought-cured grasses along with warm, windy conditions elevating wildfire threats across the southern High Plains. Winter wheat in the region is exposed to potential spring weather extremes because of lack of snow cover.

Corn Belt—Chilly conditions in the Great Lakes region. Warm condition farther to the south and west. High temperatures ranging from 32 degrees in the vicinity of the Great Lakes to 70 degrees in the lower Missouri Valley. Snow cover is limited to Michigan, Minnesota, and Wisconsin, as well as northeastern, Iowa and the northern tier of Illinois.

South—Cool, dry conditions. Lowland flooding in many areas from northeastern Texas into the Ohio Valley, including Kentucky. Major flooding along the Kentucky River.

Outlook for U.S.— A storm system may bring 1 inch or more of rainfall to parts of Florida, Kansas, and Oklahoma. A storm may bring 2-4 inches of rainfall to the northern Pacific Coast, extending into northwestern California. Light precipitation across the remainder of the Northwest. Precipitation may spread across the remainder of California and into the Great Basin. Dry conditions for the next 5 days across the northern Plains, Midwest, mid-Atlantic, and interior Southeast. The NWS 6-10 day weather outlook for March 9-13 calls for above normal conditions from the central and southern Plains to the Atlantic Coast. Cooler than normal conditions across the High Plains and the West. Above normal precipitation across most of the country. Drier than normal conditions along the southern Atlantic Coast.

International Crop Weather Highlights—March 2, 2021

Europe— Warmer conditions in France and Germany moved winter crops out of dormancy, the very early green up has increased the risk for burnback from potential late-season hard freezes. Showers favorable for vegetative winter wheat and barley in Spain. Dry conditions elsewhere in Europe boosted early season fieldwork.

Middle East–Dry, cool conditions benefited early season fieldwork in Turkey and northwestern Iran, but kept winter grains dormant. Dry conditions are draining moisture reserves for spring growth in eastern Iran.

Asia–Hot conditions in India boosted rapid maturation of rabi crops. Rainfall and warm conditions promoted spring vegetative development of wheat and rapeseed in eastern China. Rainfall boosted moisture conditions for rice and other crops in the eastern Philippines and southern Indonesia. Dry conditions in oil palm areas of Malaysia and Indonesia reduced soil moisture.

Australia– Rainfall favored immature cotton and sorghum in southern Queensland and northern New South Wales.

South America–Dry, warm conditions in Argentina's main production areas reduced moisture for summer grains, oilseeds, and cotton. Unfavorable dry conditions in Brazil's northern corn, soybeans, and sugarcane areas. Rainfall favored Brazil's more northerly corn and cotton areas.

South Africa– Favorable conditions for corn, sugarcane, and other summer crops though critical stages of development.

Northwestern Africa-Rainfall in Morocco boosted soil moisture for reproductive wheat and barley, yield prospects have improved. Short term dryness reduced soil moisture for vegetative to reproductive winter grains in much of Algeria and Tunisia.