Idaho Grain Market Report, July 15, 2021—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 July 14, 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		8.30-10.62	6.50	6.45	8.50	6.45
Blackfoot / Pocatello		7.62	6.50	6.45	8.50	6.45
Grace / Soda Springs	8.00		6.06	5.66	7.57	5.66
Burley / Rupert	9.00		6.50	5.80	7.54	5.80
Twin Falls / Buhl Jerome / Wendell						
Meridian	12.00		7.45	6.12	8.49	
Nezperce / Craigmont	8.21		7.45	6.37	8.74	
Lewiston	8.73		7.71	60.63	9.00	
Moscow / Genesee	7.43-8.24		7.48-7.60	6.40-6.68	8.77-9.00	

Prices at Selected Terminal Markets, cash FOB

Wednesday July 14, 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			7.70-8.00	7.33-7.59	9.71-9.86	
Ogden	8.50		6.26	5.86	8.07	5.86
Great Falls	5.10			6.28-6.40	8.43-8.68	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were down $0.50 unchanged for the week ending July 14. Idaho cash malt barley prices were unchanged to up $1.04 for the week. No net barley sales were reported by USDA FAS for 2021/2022 for the week of July 2-8. No exports were reported for the week.

Barley and Beer Industry News—2021 is shaping up to potentially be the driest of all of the drought years in the last century for the U.S., and definitely one of the driest of the last millennium. In USDA NASS Reports released last week, USDA is estimating the 2021 Idaho barley crop at 460,000 acres with an average yield of 81 bu/acre – a 32 percent decrease in production from 2020 where we saw 500,000 acres harvested at record yields of 110 bu/acre. With 100 percent of the state of Idaho currently in drought conditions, the 2021 Idaho barley crop is suffering. About 80 percent of Idaho's barley crop is on irrigated acres. There has been higher water use and water management challenges for the irrigated barley acres, but where there is water, the barley is coming along fairly well overall with all things considered. Dryland crops are at risk for greatest yield and quality losses, plus in extreme circumstances, some dryland fields will not be harvested. 2021 harvest is already underway in some areas of the state and will continue through early September. We will have a much clearer picture of the 2021 situation when the September 30 USDA Small Grains Annual Report is released. In addition, the USDA Crop Quality Report as of July 11, shows 3 percent of Idaho barley in the excellent range, 32 percent as good, 44 percent as fair, 18 percent as poor and 3 percent as very poor. While the drought is hitting Idaho hard, the state is fairing better than most other major barley growing states. Total U.S. barley acres are expected to be down about 31 percent from 2020, and the overall state of U.S. barley condition is 4 percent in the excellent range, 20 percent as good, 33 percent as fair, 27 percent as poor and 16 percent as very poor. (Idaho Barley Commission)

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 July 14. SWW prices ranged from down $0.40 to up $0.36 from the previous week; HRW prices were down $0.34 to down $0.08; DNS prices were down $0.41 to up $0.71; and HWW prices were down $0.51 to up $0.02. USDA FAS reported net export sales for 2021/2022 for the period July 2-8 at 424,700 MT, up 46 percent from the prior week and 44 percent from the previous 4-week average. Increases were to unknown destinations (132,700 MT), the Philippines (80,100 MT), Japan (58,900 MT), Mexico (34,500 MT), and Ecuador (31,500 MT). Exports of 365,900 MT were Japan (71,800 MT), the Philippines (64,100 MT), Mexico (56,000 MT), Nigeria (47,400 MT), and United Arab Emirates (44,000 MT).

Wheat News—Crop condition reports on Monday July 12, 2021, show that hard-red and soft-white winter wheat conditions on the northern states have been severely affected by drought and heat that are blanketing the Northern Plains and Pacific Northwest. The July 11 USDA National Ag Statistics Service report shows 59% of the winter crop is harvested. The drought stricken states, South Dakota 16% harvested, Montana 1% harvested, Idaho is 7% harvested, Washington 10% harvested, Oregon 16% harvested, and North Dakota 5% harvested. Winter wheat in these states is still not harvested in mostly poor conditions and the quality and protein of the crop. As of July 11, the conditions are as follows: South Dakota 58% poor/very poor, 34% fair, 8% good/excellent. Montana 40% poor/very poor, 22% fair, 28% good/excellent, Idaho 43% poor/very poor, 32% fair, 25% good/excellent, Washington 40% poor/very poor, 48% fair, 12% good/excellent, Oregon 79% poor/very poor, 11% fair, 10% good/excellent, North Dakota 59% poor/very poor, 29% fair, 12% good/excellent. Drought wheat is is higher in protein, the wheat will also be light in weight and downgrade in quality. It is likely that some producers will have to file a crop insurance claims. As bad as the winter wheat crop is in trouble, it is likely that the spring wheat crop could be in far worse shape. (Progressive Farmer)

CORN—USDA FAS reported net export sales for 2021/2022 for period July 2-8 of 133,200 MT, increases were primarily to unknown destinations (76,600 MT), Mexico (32,000 MT), Japan (16,000 MT), Colombia (4,500 MT), and Taiwan (4,000 MT) . Exports of 1,061,700 MT were to China (477,600 MT), Mexico (254,700 MT), Japan (191,500 MT), Guatemala (67,600 MT), and Costa Rica (29,900 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending July 9 averaged 1.041 million bbls/day down 2.44 percent from the previous week and down 11.82 percent from last year. Total ethanol production for the week was 7.287 million barrels. Ethanol stocks were 21.134 million bbls on July 9, down 0.07 percent from last week and up 2.55 percent from last year. An estimated 105.17 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 4.31 billion bu. Corn used needs to average 97.956 million bu per week to meet USDA estimate of 5.05 billions bu for the crop year.

Futures Market News and Trends—Week Ending July 15, 2021

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, July 15, 2021:

Commodity	September 2021	Week Change	December 2021	Week Change	March 2021	Week Change	May 2022	Week Change
CHI SRW	**$6.72**	**$0.57**	**$6.78¾**	**$0.55**	**$6.85¾**	**$0.53½**	**$6.89¼**	**$0.51¾**
KC HRW	**$6.40¼**	**$0.46¼**	**$6.50¾**	**$0.45¾**	**$6.58¾**	**$0.44**	**$6.62¾**	**$0.41¼**
MGE DNS	**$8.94**	**$0.79¾**	**$8.81**	**$0.73¾**	**$8.67½**	**$0.67¼**	**$8.54**	**$0.61¼**
CORN	**$5.64¼**	**$0.34¾**	**$5.56¼**	**$0.39¼**	**$5.64**	**$0.39**	**$5.68¼**	**$0.38¼**

WHEAT FUTURES—Wheat futures are up on lowered production area and weather forecast. **Wheat futures prices ranged from up $0.41¼ to up $0.79¾ (per bu) over the previous week.**

CORN FUTURES—Corn futures prices skyrocketed due to unplanted acres and drought. **Corn futures prices ranged from up $0.34¾ to up $0.39¼ (per bu) over the previous week.**

CRUDE OIL FUTURES–Crude oil prices fall on expectations of more crude hitting the market after a compromise deal between leading OPEC producers and a surprisingly poor weekly reading on U.S. fuel demand.

EIA reported U.S. crude oil refinery inputs averaged 16.1 million bbls/day during the week ending July 9, 2021 which was 22 thousand bbls/day less than last week's average. Refineries operated at 91.8% of capacity last week. As of July 9 there was a decrease in Crude Oil stocks of 7.896 million bbls from last week to 437.58 million bbls, under the 5-year average of 475.620 million bbls. Distillate stocks increased by 3.657 million bbls to a total of 142.349 million bbls, under the 5-year average of 147.704 million bbls; while gasoline stocks increased by 1.038 million bbls to 236.535 million bbls, over the 237.866 million bbl 5-year average. The national average retail regular gasoline price was $3.133 per gallon on July 12, 2021, up $0.011 from last week's price and $0.938 over a year ago. The national average retail diesel fuel price was $3.338 per gallon, up $0.007 from last week's level and $0.900 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, July 15, 2021 to close at $71.65/bbl (August contract), down $2.91 for the week.

U.S Drought Monitor—July 13, 2021

Northeast: Improvements in northwestern Pennsylvania and much of the southeastern half of New England.

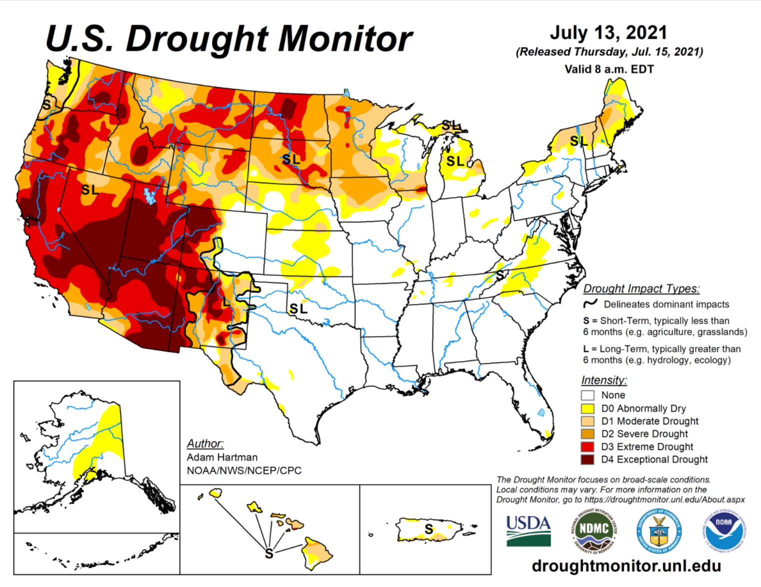
Southeast: The region is virtually drought free except for abnormal dryness expansion in upstate Carolina and from Virginia onto West Virginia.

Midwest: Improvements were made in areas of the region. Long term dryness is still present in some areas of the region.

High Plains: The western half of the region experienced above normal temperatures while the eastern half of the region experienced below normal temperatures and heavy rainfall.

West: Worsening drought and extreme heat conditions across the region.

South: Drought improvements made in the region. Drought and abnormal dryness still remains in some areas.



USDA U.S. Crop Weather Highlights—July 15, 2021

West: Rainfall bringing limited drought relief in the Four Corner States. Ongoing hot, dry conditions are worsening drought and wildfire situations in California and the Northwest. More than five dozen wildfires are actively burning from northern California to the northern Rockies. The Bootleg Fire, in southern Oregon has charred more than 2,000 acres.

Plains: Unfavorable dryness across Montana and the Dakotas, further stressing rangeland, pastures, and spring-sown crops. Intensifying heat across northern High Plains, high temperatures are reaching 100 degrees. Scattered showers and thunderstorms across the central and southern Plains favoring summer crops, including cotton and sorghum.

Corn Belt: Showers from Michigan to Missouri. Warm, dry conditions promoting a rapid crop development pace in the Ohio Valley. Dry conditions across the upper Midwest.

South: Hot, humid conditions along with abundant soil moisture reserves maintained favorable growing conditions for pastures and summer crops. As of July 11, more than one-half of the pastures were rated good to excellent in all Southern States except Virginia and North Carolina, led by Alabama (85% good to excellent).

Outlook for U.S.: A cold front stretching from the Great Lakes region to the central Plains moving southeastward reaching mid-Atlantic and mid-South by end of the week. Five day rainfall totals could reach 1-3 inches or more from Kansas to southern New England. Showers in the Great Basin and Southwest, Dry conditions in the remainder of the West, as well as the northern Plains and upper Midwest. Hot, dry conditions in the North and West severely stressing rangeland, pastures, and many dryland crops. The NWS 6-10 day weather outlook for July 20-24 calls for above normal temperatures in much of the West and across the North as far east as Michigan. Cooler temperatures in most of the southern and eastern U.S. Below normal rainfall across much of the northern half of the U.S. Wetter conditions in the Great Basin, Southwest, and from Texas to Georgia.

International Crop Weather Highlights—July 13, 2021

Europe: Moderate to heavy rainfall and thunderstorms across Europe boosted moisture supplies for vegetative to reproductive spring grains and summer crops.

Middle East: Showers across northern Turkey benefited reproductive summer crops. Drought continues in southern portions of the country demanding high irrigation.

Asia: Monsoon rainfall in eastern India favored rice. Unseasonable dryness in the west reduces soil moisture for cotton and oilseeds. Wet conditions in northeastern China and the Yangtze Valley maintained favorable moisture supplies for summer crops. Hot, dry conditions stressed late-crop rice in the far south. Wet conditions favored rice in Thailand and environs.

Australia: Rainfall maintained good to excellent winter grain and oilseed prospects in the west and northeast. Light showers across the southeast, winter crop prospects are good.

South America: Dry, warm favorable conditions promoted growth of corn and wheat throughout southern Brazil. Summer crop harvesting and winter grain planting advanced in Argentina.

Mexico: Rainfall boosted reservoirs in northwestern watersheds.

Canada: Rainfall across the southern and western Prairies. Unfavorable dryness in some locations.

Western FSU: Heavy rainfall boosted moisture supplies for vegetative to reproductive summer crops in southern growing areas but impeded winter wheat drydown harvesting. Dry conditions from northern Ukraine into west-central Russia.

USDA Crop Progress—July 12, 2021

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/ Excellent	Previous Week	Previous Year
US Winter Wheat Harvested	59%	45%	66%	65%	48%	49%	52%
ID Winter Wheat Harvested	**7%**	**1%**	**2%**	**2%**			
US Spring Wheat Headed	83%	69%	78%	81%	16%	16%	68%
ID Spring Wheat Headed	**85%**	**59%**	**78%**	**81%**	**16%**		
US Barley Headed	78%	59%	73%	78%	24%	22%	69%
ID Barley Headed	**79%**	**59%**	**70%**	**80%**	**44%**	**35%**	**-**
US Corn Silking	26%	10%	26%	30%	65%	64%	69%
US Corn Dough	3%	NA	3%	3%	65%	64%	69%

USDA WASDE- World Agriculture Supply and Demand Estimates– July 12, 2021

WHEAT: The outlook for 2021/22 U.S. wheat this month is for reduced supplies, lower domestic use and exports, and decreased ending stocks. Supplies are lowered on reduced wheat production and beginning stocks. All wheat production is lowered 152 million bushels to 1,746 million. The all wheat yield is 45.8 bushels per acre, down 4.9 bushels from last month. The NASS July Crop Production report provides survey-based production forecasts for all wheat classes for the first time in the 2021/22 crop year. The production forecasts for durum and other spring wheat indicated a significant decline compared to last year for these two classes due to the severe drought conditions affecting the Northern Plains. Partially offsetting this decrease is higher winter wheat production, both on increased harvested acreage and a higher yield. Imports are raised 20 million bushels to 145 million. Beginning stocks are reduced on the latest NASS Grain Stocks report, which indicated lower 2020/2021 ending stocks than previously estimated.

Projected exports and feed and residual usage are lowered to 875 and 170 million bushels, respectively, on the reduction in durum and other spring wheat supplies. These would be the smallest U.S. wheat exports since the 2015/16 marketing year. Projected 2021/22 ending stocks are reduced 105 million bushels to 665 million and are the lowest since 2013/14. The projected 2021/22 season-average farm price is raised $0.10 per bushel to $6.60.

COARSE GRAINS: This month's 2021/22 U.S. corn outlook is for larger supplies, greater feed and residual use, increased exports, and higher ending stocks. Corn beginning stocks are lowered 25 million bushels, based on greater feed and residual use for 2020/21 as indicated in the June 30 Grain Stocks report. Corn production for 2021/22 is forecast 175 million bushels higher based on greater WASDE-614-2 planted and harvested area from the June 30 Acreage report. The national average corn yield is unchanged at 179.5 bushels per acre. During June, harvested-area weighted precipitation for the major corn producing states was below normal but did not represent an extreme deviation from the 1988 to 2020 average. For much of the crop the critical pollination period will be during middle and late July and USDA will provide its first survey-based corn yield forecast of the season in the August 12 Crop Production report.

Total U.S. corn use for 2021/22 is forecast 75 million bushels higher with increases for feed and residual use and exports. Feed and residual use is raised reflecting a larger crop. Corn exports are raised 50 million bushels, with sharply lower exports expected for Brazil. With supply rising more than use, ending stocks are up 75 million bushels. The season-average farm price received by producers is lowered 10 cents to $5.60 per bushel.
This month's 2021/22 foreign coarse grain outlook is for lower production and use, larger trade, and smaller stocks relative to last month. Foreign corn production is higher, with a projected increase for Russia based on higher indicated area. Barley production is raised for Australia but lowered for Canada, the EU, Russia, Kazakhstan, and India. For 2020/21, foreign corn production is lowered, with reductions for Brazil and Paraguay more than offsetting an increase for Argentina. Major global trade changes for 2021/22 include larger corn exports for the United States and Russia with a reduction for Mexico. Corn imports are lowered for the EU and Iran. For 2020/21, corn exports are raised for Argentina but lowered for Brazil for the local marketing year beginning March 2021. Foreign corn ending stocks for 2021/22 are virtually unchanged from last month.

BARLEY: The July 12 WASDE report shows the outlook for 2021/2022 U.S. barley supplies down from the projected estimates at 193 million bushels. The July report estimates a projected yield of 55.9 bushels/acre with 2.0 million acres expected to be harvested, down from the June 2021/2022 estimates report. Projected use is at an estimated 136 million bushels, and projected imports at 7 million bushels. Ending stocks for 2021/2022 are projected to be 57 million bushels. The season-average farm price is at $5.95/bu on updated NASS prices compared to $5.95/bu in 2020/2021 estimates.