Idaho Grain Market Report, July 29, 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 July 28, 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	11.25		6.85-7.03	6.57	8.77	6.50-6.62
Idaho Falls		8.30-11.25				
Blackfoot / Pocatello		7.62				
Grace / Soda Springs	8.00		6.77	6.00	7.86	6.00
Burley / Rupert	10.75		6.85	6.68	8.07	6.83
Twin Falls / Buhl Jerome / Wendell	11.00-11.50		6.90-7.00			
Meridian	12.00		8.30	6.68	8.84	
Nezperce / Craigmont	8.21		8.10	6.89	9.13	
Lewiston	8.73		8.36	7.15	9.39	
Moscow / Genesee	8.24-8.43		8.13-8.30	7.02-7.15	9.16-9.27	

Prices at Selected Terminal Markets, cash FOB

Wednesday July 28, 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	7.65-7.95	10.09-10.19	
Ogden	8.50		6.97	6.20	8.36	6.20
Great Falls	5.75-6.10			6.48-6.64	8.58-8.78	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending July 28. Idaho cash malt barley prices were unchanged to up $0.63 the week. Net barley sales of 100 MT to China were reported by USDA FAS for 2021/2022 for the week of July 16-22. Exports of 400 MT to China (200 MT) and Canada (200 MT) were reported for the week.

Barley and Beer Industry News—As we head to harvest for spring malting barley, one of the most dramatic weather situations—extreme heat and drought in the northern tier regions–dominates the story, at least in North America. Growing conditions across Europe are adequate to keep the crops there on track, although recent rains may reduce crop quality in Germany and France. Australian and Argentinian crops, already harvested, are in line with recent years. Still a dangerously short global supply in soybeans and corn, just as demand is building for biodiesel will likely create price pressure on wheat and barley. Non-traditional regional zones that focus on winter barley varieties for malting such as Delaware, Maryland, and Virginia are fully harvested and the bins, with good yields and overall quality outcomes. The nail-biter that is North America's Spring Crop 2021 can best be illustrated through data provided by USDA. While there is hope for August rainfall in the northern tier US, much of the damage to yields and possibly protein levels is already done in Montana, Idaho and much of Wyoming. In Canada, there are similar drought and weather concerns. Acres planted were very similar to 2020, but dryness throughout the Prairies is causing concerns for yields and quality. There is evolving concern around malting barley in the U.S. USDA Crop estimates fell from 5 year average of 4.0 MMT to 2.4 MMT based on recent and predicted weather conditions. Approximately 80% of this year's barley production is within an area experiencing drought, in some cases under extreme heat conditions as well. While pockets of viable acres remain in both Montana and Wyoming, and much of Idaho is under irrigation, concerns are running high for potential negative impacts – both low crop yield and high protein/thin grains. In addition, despite little year on year change in planted acres for barley, drought conditions have caused USDA to estimate a loss of approximately 30% in yield/acre and overall production over last year.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mostly up for the week ending July 28. SWW prices ranged from up $0.05 to up $0.85 from the previous week; HRW prices were down $0.12 to up $0.56; DNS prices were up $0.04 to up $0.35; and HWW prices were down $0.11 to down $0.07. USDA FAS reported net export sales for 2021/2022 for the period July 16-22 at 515,200 MT, up 9 percent from the prior week and 46 percent from the previous 4-week average. Increases were to China (129,900 MT), Mexico (85,600 MT), the Philippines (59,100 MT), Taiwan (52,100 MT), and Thailand (47,000 MT). Exports of 345,000 MT were to Mexico (84,600 MT), Mexico (67,700 MT), China (65,300 MT), the Philippines (57,200 MT), Nigeria (51,000 MT), and Taiwan (44,600 MT).

Wheat News—White wheat farmers in the Northwest may see discounts in their high protein level crops. Higher proteins are good for crackers, but detrimental for most soft white products such as cookies or cakes, said Art Bettge, a Moscow, Idaho, industry consultant. The formation of the gluten from higher protein contents affect cookies and cakes flavors, colors, and possible causing stress fractures when being on the shelf. Bettge says the higher protein content creates a "more rigid mouthfeel", a sensation that is not desirable when eating cakes or cookies. "You want cakes to be delicate and fall apart in your mouth and just melt away, and you don't want to have to fight with your cookie when you're eating it," he said. "You want something that is a pleasant, non-combative situation." Some co-ops are offering premiums for lower-protein wheat. "Drought and heat stress, which are associated with higher levels of protein in wheat, are outside growers' control", said Amanda Hoey, Oregon Wheat CEO. "Northern Idaho farmers are seeing discounts starting at 10.5% protein", said Casey Chumrau. Executive director of the Idaho Wheat Commission. "If they can afford to store it until next year, they might be able to avoid the discount, but that is a roll of the dice because the starting price is high this year and we can't count on that next year," Chumrau said. "This is certainly something to keep an eye on." "This year's drought is "pretty historic" and "absolutely brutal," Bettge said. "Wheat can "generally do OK" with either lack of rain or heat, but when low rainfall and high temperature are both factors, they lead to problems", he said. (Capital Press)

CORN—USDA FAS reported net reductions for 2021/2022 for period July 16-22 of 529,300 MT, increases were primarily to Mexico (172,000 MT), unknown destinations (150,000 MT), Colombia (129,100 MT), and Japan (50,000 MT). Exports of 1,361,000 MT were to China (698,700 MT), Japan (308,500 MT), Mexico (256,900 MT), Venezuela (30,000 MT), and Jamaica (19,000 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending July 23 averaged 1.014 million bbls/day down 1.36 percent from the previous week and up 5.85 percent from last year. Total ethanol production for the week was 7.098 million barrels. Ethanol stocks were 22.733 million bbls on July 23, up 0.95 percent from last week and up 12.14 percent from last year. An estimated 102.45 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 4.51 billion bu. Corn used needs to average 96.09 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 29, 2021

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, July 29, 2021:

Commodity	September 2021	Week Change	December 2021	Week Change	March 2021	Week Change	May 2022	Week Change
CHI SRW	**$7.05**	**$0.21¼**	**$7.13¾**	**$0.20¼**	**$7.20¾**	**$0.19¾**	**$7.19¾**	**$0.17½**
KC HRW	**$6.74½**	**$0.28**	**$6.85¼**	**$0.28**	**$6.92¼**	**$0.28**	**$6.94¼**	**$0.26½**
MGE DNS	**$9.18½**	**$0.35**	**$9.03¼**	**$0.31½**	**$8.87¼**	**$0.28¼**	**$8.71¾**	**$0.24¾**
CORN	**$5.58**	**$0.10¾**	**$5.56½**	**$0.13½**	**$5.64¼**	**$0.13¼**	**$5.68¾**	**$0.13¾**

WHEAT FUTURES—Wheat futures are up as crop concerns continue. **Wheat futures prices ranged from down $0.17½ to up $0.35 (per bu) over the previous week.**

CORN FUTURES—Corn futures prices are up on sluggish exports, declining crop ratings, and forecasts. **Corn futures prices ranged from up $0.10¾ to up $0.13¾ (per bu) over the previous week.**

CRUDE OIL FUTURES–Oil prices rise as U.S. supplies tightens and the dollar weakens.

EIA reported U.S. crude oil refinery inputs averaged 15.9 million bbls/day during the week ending July 23, 2021 which was 132 thousand bbls/day less than last week's average. Refineries operated at 91.1% of capacity last week. As of July 23 there was a increase in Crude Oil stocks of 4.089 million bbls from last week to 435.598 million bbls, under the 5-year average of 469.011 million bbls. Distillate stocks decreased by 3.088 million bbls to a total of 137.912 million bbls, under the 5-year average of 148.214 million bbls; while gasoline stocks decreased by 2.253 million bbls to 234.161million bbls, under the 234.992 million bbl 5-year average. The national average retail regular gasoline price was $3.136 per gallon on July 26, 2021, down $0.017 from last week's price but $0.961 over a year ago. The national average retail diesel fuel price was $3.342 per gallon, down $0.002 from last week's level but up $0.915 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, July 29, 2021 to close at $73.62/bbl (September contract), up $1.55 for the week.

U.S Drought Monitor—July 29, 2021

Northeast: Abnormal dryness and moderate drought introduced West Virginia and portions of the neighboring states.

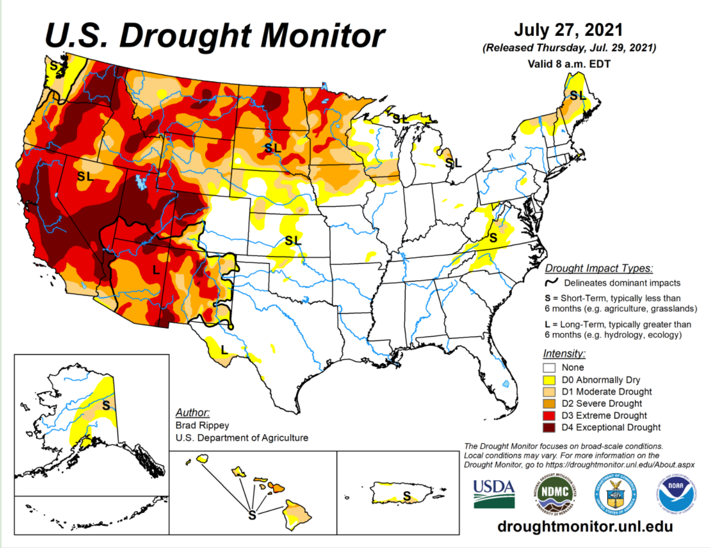
Southeast: Drought was removed form southern Florida, Alabama, and Georgia. Abnormal dryness and moderate drought was expanded across parts of western and central Virginia. Reductions was reduced in the Carolinas.

Midwest: Extreme drought in Minnesota and severe drought in Iowa was introduced.

High Plains: Limited drought across Kansas, eastern Colorado, and southern Nebraska. Worsening drought across much of Wyoming and the Dakotas.

West: Expansion of moderate to exceptional drought in parts of California and the Northwest. Slight improvements in parts Arizona, New Mexico, southwestern Colorado, and southern sections of Utah and Nevada.

South: Arkansas, Louisiana, and Mississippi is free of dryness and drought. Small areas of abnormal dryness and moderate drought in Oklahoma, Texas, and Tennessee.



USDA U.S. Crop Weather Highlights—July 29, 2021

West: Wetness brought by a monsoon across the Intermountain region. The largest amount of rainfall stretches from Arizona to Wyoming. Extremely dry conditions continue across the Pacific Coast States and the northern Rockies, where dozens of wildfires are in various stages of containment. As of July 25, Washington' s rangeland and pastures rated very poor to poor and topsoil moisture rated very short to short (99%), leading the nation.

Plains: Cooler conditions across the northern half of the region. Large sections of Montana and the Dakotas remain extremely dry. As of July 25, topsoil moisture was ra ted 97% very short to short in Montana, 87% in North Dakota, and South Dakota 82%. Hot, dry conditions across central and southern Plains, promoting a rapid pace of summer crop development but reducing topsoil moisture.

Corn Belt: Thunderstorms across the Great Lakes region, bringing wind damage Wisconsin and environs. Showers and thunderstorms across the eastern Corn Belt. Unfavorable dryness across much of the upper Midwest. Rain is needed to stabilize crop prospects.

South: Hot conditions and abundant moisture reserves continues to promote summer crop development. A few showers across the Deep South, especially in the eastern Gulf Coast region.

Outlook for U.S.: Cooler conditions across most of the country. Above normal temperatures through the weekend across the South. Hot conditions will return from the Pacific Coast to the northern Plains by early next week. Favorable cool conditions in most of the Midwest. Rainfall will be limited to the southwestern Corn Belt. Rainfall with totals 1-3 inches in parts of the southern and eastern U.S. An active monsoon will bring scattered showers across the interior sections of the West. The NWS 6-10 day weather outlook for August 3-7 calls for above normal temperatures in southern Florida and from the Pacific Coast to the northern Plains and upper Midwest. Cooler than normal temperatures in much of the southeastern half of the country. Drier than normal conditions across most of the nation.

International Crop Weather Highlights—July 27, 2021

Europe: Dry conditions in eastern France, western Germany, and Belgium promote flood recovery efforts. Showers from Italy into Hungary and the northern Balkans favored reproductive to filling summer crops. Untimely heat in the lower Danube River Valley for reproductive corn. Sunny skies over much of the western Europe favor winter crop drydown and harvesting . Dryness in northern Spain's corn areas.

Middle East: Sunny skies boosted reproductive to filling summer crops development in Turkey. Rainfall in northern and western Turkey. Drought in the south and the east.

Asia: Rainfall throughout India. Small pockets of dryness in the west supported kharif crops. Tropical cyclone showers on the eastern and southern coast of China. Favorable moisture supplies in China for summer crops. Flooding in parts of the North China Plains. Rainfall boosted moisture conditions for rice in Thailand and environs.

Australia: Rainfall boosted soil moisture for vegetative in most winter grain and oilseed areas,

South America: Dry, frosty conditions in southern Brazil raised concerns for corn, coffee, and other crops vulnerable to freeze damage.

Mexico: Heavy rainfall boosted reservoirs for winter grain production.

Canada: Unseasonable warmth promoted development of spring rain and oilseed.

FSU: Warm, showery conditions maintained good to excellent reproductive corn, sunflower, and soybean prospects. Unfavorable dry conditions in some northern crops areas. Yield productions of reproductive to filling corn trimmed in Russia due to hot conditions. Showers stabilized crop prospects and boosted soil moisture.

USDA Crop Progress—July 26, 2021							
Crop	**% Progress**	**Previous Week**	**Previous Year**	**5-Year Average**	**Condition Rating % Good/ Excellent**	**Previous Week**	**Previous Year**
US Winter Wheat Harvested	84%	73%	80%	81%			
ID Winter Wheat Harvested	**29%**	**15%**	**12%**	**12%**			
US Spring Wheat Headed	97%	92%	96%	97%	9%	11%	70%
ID Spring Wheat Headed	**99%**	**95%**	**97%**	**94%**	**27%**	**22%**	
US Barley Headed	96%	90%	95%	96%	22%	27%	80%
ID Barley Headed	**97%**	**93%**	**95%**	**93%**	**61%**	**54%**	**-**
US Barley Harvested	2%	NA	1%	2%	22%	27%	80%
ID Barley Harvested	**3%**	**NA**	**2%**	**2%**	**61%**	**54%**	
US Corn Silking	79%	56%	79%	73%	69%	65%	72%
US Corn Dough	18%	8%	20%	17%	69%	65%	72%