

Idaho Grain Market Report, February 10, 2022—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 February 9, 2022. 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 | | 8.30-14.59 | | | | |
| Blackfoot / Pocatello | | 11.50 | | | | |
| Grace / Soda Springs | 15.00 | | 9.08 | 8.97 | 8.91 | 8.97 |
| Burley / Rupert | 11.25 | | 9.06 | 9.55 | 9.24 | 9.55 |
| Twin Falls / Buhl Jerome / Wendell | | | | | | |
| Meridian | 12.00 | | 10.00 | 8.86 | 9.31 | |
| Nezperce / Craigmont | 10.71 | | 10.10 | 9.29 | 9.73 | |
| Lewiston | 11.23 | | 10.36 | 9.55 | 9.99 | |
| Moscow / Genesee | 10.43-10.74 | | 10.13-10.25 | 9.32-9.44 | 9.76-9.89 | |

Prices at Selected Terminal Markets, cash FOB

Wednesday February 9, 2022. 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 | | | 10.50-11.00 | 10.15-10.65 | 10.64-11.24 | |
| Ogden | | | | | | |
| Great Falls | 13.02-14.48 | 15.62-16.14 | | 9.17-9.47 | 9.44-9.64 | |
| Minneapolis | | | | | | |

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending February 9. Idaho cash malt barley prices were unchanged for the week. Net barley sales of 2,000MT to Japan were reported by USDA FAS for 2021/2022 for the week of January 28– February 3. Exports of 1,300 MT to Japan reported for the week.

Barley and Beer Industry News—The Western Australian research collaboration has made advances in new barley varieties with improved nitrogen efficiency to help reduce fertilizer and greenhouse emissions. The Western Crop Genetics Alliance, between the Department of Primary Industries and Regional Development and Murdoch University, is using gene editing technology to lift nitrogen without comprising the quality or yield. The nitrogen content of the new barley lines was up to fifty percent higher at half of the nitrogen rate, when compared to the control varieties in glasshouse trials. Grain yield increased by up to 30 percent under typical nitrogen fertilizer application rates. Alliance director, Chengdao Li said that CRISPR technology used accurately turned barley genes on or off to create a superior trait. Professor Li said the CRISPR technology is similar to that used by a surgeon during an operation. "Just as a surgeon uses scissors to remove unwanted material, CRISPR silences or cuts out undesirable genes that regulate nitrogen use," he said. The removal of these genes delay senescence, or hay-ing off, by 10-14 days for grain filling, while increasing chlorophyll production by 50-180 percent, providing a week or two for additional grain filling. "This results in increased grain protein and grain plumpness – particularly desired for malting grade barley – and grain yield, under low nitrogen supply." The technique was performed successfully on an old European barley variety, Golden Promise, as well as the popular Australian variety RGT Planet. (www.wa.gov.au)

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 up for the week ending February 9. SWS prices ranged from up \$0.25 to up \$0.36 from the previous week; HRW prices were up \$0.28 to up \$0.55; DNS prices were up \$0.36 to up \$0.49; and HWW prices were up \$0.55. USDA FAS reported net export sales for 2021/2022 for the period January 28– February 3 at 84,000 MT, up 48 percent from the prior week but down 75 percent from the previous 4-week average. Increases were to the Philippines (34,600 MT), Mexico (33,100 MT), Panama (24,300 MT), unknown destinations (11,400 MT), and Costa Rica (10,400 MT). Exports of 380,900 MT were to South Korea (97,600 MT), Japan (96,200 MT), Mexico (87,400 MT), Panama (25,300 MT), and Singapore (24,400 MT).

Wheat News—According to the Russian state agricultural watchdog, China will allow wheat and barley to be imported from all regions of Russia. The successful export of grains for Russia to China could lead to greater competition for other suppliers. This move was announced as part of agreements that were signed during President Vladimir Putin's visit to Beijing. China will no longer restrict trade of cereal grains to Russia. This raises the prospect of Russia sending large vessels of cereal grains through the Black Sea export route. Moscow has been attempting to expand cereal grains trade with China. Russia is the world's biggest wheat-exporting country and China has become a major wheat importer. "This is certainly good news for Russian wheat which could now get a bigger hold on the Chinese market, which is growing so much, a European trader said. "It looks like bad news for the EU, Australia and Canada who are now the big wheat sellers to China." China had previously restricted imports of Russian grain due to phytosanitary concerns. Russia has gained a foothold in the Algerian and Saudi markets after those countries changed their import tender terms. (Successful Farming)

CORN—USDA FAS reported net sales for 2021/2022 for period January 28– February 3 of 589,100 MT, increases were primarily to Mexico (370,600 MT), Japan (347,500 MT), Colombia (135,000 MT), Canada (168,100 MT), and the Dominican Republic (51,700 MT). Exports of 1,149,400 MT were to Japan (331,100 MT), China (208,800 MT), Canada (168,100 MT), Mexico (165,100 MT), and Colombia (149,700 MT).

Ethanol Corn Usage— DOE's Energy Information Agency (EIA) reported ethanol production for the week ending February 4 averaged 994 thousand bbls/day down 4.51 percent from the previous week and up 6.08 percent from last year. Total ethanol production for the week was 6.958 million barrels. Ethanol stocks were 24.799 million bbls on February 4, down 4.08 percent from last week and up 4.21 percent from last year. An estimated 100.91 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 2.35 billion bu. Corn used needs to average 100.079 million bu per week to meet USDA estimate of 5.325 billions bu for the crop year.

Futures Market News and Trends—Week Ending February 10, 2022

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, February 10, 2022:

| Commodity | March 2022 | Week Change | May 2022 | Week Change | July 2022 | Week Change | September 2022 | Week Change |
|-----------|------------|-------------|----------|-------------|-----------|-------------|----------------|-------------|
| CHI SRW | \$7.71½ | \$0.09¼ | \$7.78¾ | \$0.08¾ | \$7.75 | \$0.13¼ | \$7.776 | \$0.13 |
| KC HRW | \$8.01 | \$0.15¼ | \$8.03¾ | \$0.14¼ | \$8.05½ | \$0.14¾ | \$8.09 | \$0.14½ |
| MGE DNS | \$9.42¼ | \$0.29¼ | \$9.38¼ | \$0.27¾ | \$9.31¾ | \$0.29 | \$9.05¾ | \$0.24½ |
| CORN | \$6.41¾ | \$0.21¼ | \$6.40½ | \$0.18¾ | \$6.35 | \$0.16½ | \$5.97 | \$0.11 |

WHEAT FUTURES—Wheat futures are up on tight supplies. **Wheat futures prices ranged from up \$0.09¼ to up \$0.29¼ (per bu) over the previous week.**

CORN FUTURES—Corn futures prices up tightening supplies, growing ethanol demand, and strong exports. **Corn futures prices ranged from up \$0.11 to up \$0.21¼ (per bu) over the previous week.**

CRUDE OIL FUTURES—Some strategists predict that oil will hit \$120 a barrel if Russia invades Ukraine.

EIA reported U.S. crude oil refinery inputs averaged 15.6 million bbls/day during the week ending February 4, 2022 which was 328 thousand bbls/day more than last week's average. Refineries operated at 88.2% of capacity last week. As of February 4 there was a decrease in Crude Oil stocks of 4.756 million bbls from last week to 410.387 million bbls, under the 5-year average of 460.507 million bbls. Distillate stocks decreased by 0.930 million bbls to a total of 121.814 million bbls, under the 5-year average of 150.790 million bbls; while gasoline stocks decreased by 1.644 million bbls to 248.393 million bbls, under the 256.780 million bbl 5-year average. The national average retail regular gasoline price was \$3.444 per gallon on February 7, 2022, up \$0.076 from last week's price and \$0.983 over a year ago. The national average retail diesel fuel price was \$3.951 per gallon, up \$0.105 from last week's level and up \$1.150 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, February 10, 2022 to close at \$89.88/bbl (March contract), down \$2.43 for the week.

U.S Drought Monitor—February 10, 2022

Northeast: Abnormal dryness reduced in the southeast part of New York. Abnormal dryness expanded in the north.

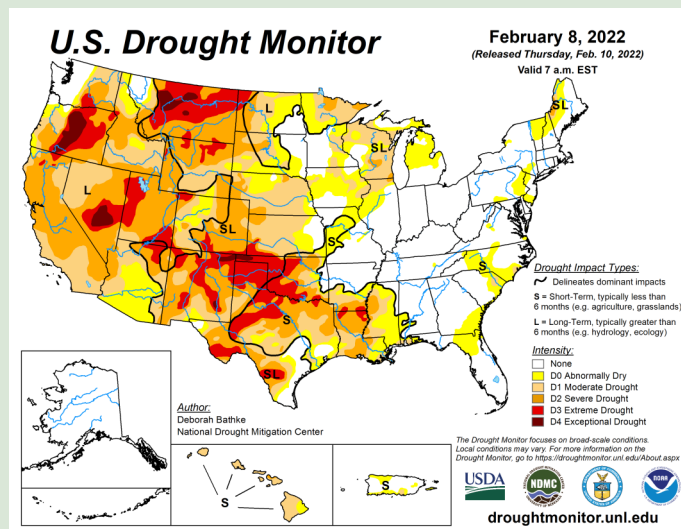
Southeast: Improvements were made from Virginia to north-east Georgia and long the Southern Coastal Plain. Abnormal dryness expanded in southeast Georgia and northern Florida.

Midwest: Moderate drought and abnormal dryness expanded across parts of Iowa, eastern Wisconsin, and southern Michigan. Improvements in southern Missouri and southern Michigan.

High Plains: Widespread improvements to eastern Colorado. Expansion of severe to extreme drought in Wyoming. Moderate drought was expanded in Nebraska and Kansas.

West: Expansion of moderate and severe drought in western Oregon. Extreme drought was expanded in Utah.

South: Improvements were made to eastern Kansas, eastern Oklahoma, southeastern Louisiana, and southern Mississippi. Expansion of drought in parts of Texas and Louisiana.



USDA U.S. Crop Weather Highlights– February 10, 2022

West: Warm, dry conditions. High temperatures could reach 85 degrees or more as far north as northern California's Sacramento Valley. Parts of coastal southern California may reach 90 degrees or more. Warm conditions in the West are causing mountain snowpack to melt earlier than usual.

Plains: Rain, freezing rain, and snow were limited to the Dakotas. Mild windy conditions across much of Montana and the Dakotas. High temperatures will exceed 60 as far north as Montana. Warm conditions throughout the Plains are depleting moisture reserves.

Corn Belt: Breezy, cool conditions cover the Great Lakes region. Mild conditions across the western Corn Belt including much of Nebraska and the Dakotas. Temperatures could reach 60 degrees as far north as central South Dakota, Midwestern. Midwestern snow cover is gradually eroding from the west and south.

South: Temperatures have returned to near or above normal, except in the southern Atlantic region. Crops in the Deep South are starting to show spring growth. For example, in Texas 7% of the winter wheat and 6% of the oats have headed.

Outlook for U.S.: A low pressure system is across the Canadian Prairies toward Lake Superior. Snow and gusty winds could cause travel disruptions, especially in the upper Great Lakes region. Sub-zero conditions should be confined to the nation's northern tier, from North Dakota to Maine. Rain and snow in the middle Atlantic States. Showery conditions in parts of the Northwest in the next five days. Dry conditions from southern California into the Southwest and across the southern Plains. The NWS 6-10 weather outlook for February 15-19 calls for above normal temperatures nationwide, especially from the northern Plains in to the mid-South. Below normal precipitation from the Pacific Coast into the northern Plains and upper Midwest. Wetter conditions from southern section of the Rockies and Plains into the South, East, and lower Midwest.

International Crop Weather Highlights—Week ending February 5, 2022

Europe: Mild, wet conditions favored wheat, barley, and rapeseed. Short term dryness intensified in Spain, causing concerns for semi-dormant to vegetative winter grains.

Middle East: Heavy rainfall and snow boosted moisture reserves for dormant wheat and barley in Turkey. Rain and snowfall from eastern Mediterranean Coast to most of Iran were beneficial.

Asia: Sunny, mild conditions in India advanced rabi crop development. Cooler weather overspread eastern and southern China. Overwintering wheat and rapeseed continued to do well. Showery conditions in Indonesia boosting moisture supplies for later-planted first-crop rice and subsequent rice crops.

Australia: Cool, showery conditions in the east, keeping fieldwork to a minimum but maintained abundant moisture supplies for cotton, sorghum, and other summer crops.

South America: Rainfall in major corn and soybeans areas of central Argentina, improving prospects of later-planted summer crops. Rainfall in northern Argentina bringing drought relief to immature grains, oilseeds, and cotton from Chaco, Argentina northeastward into Paraguay. Warm, showery in Brazil, pockets of dryness in some southern corn and soybean areas.

South Africa: Favorable conditions corn and other rain-fed summer crops.

Northwestern Africa: Drought worsened in Morocco, winter barley is entering reproduction in very bad condition in the south, wheat was still in vegetative and is also in very bad condition.

WHEAT: The outlook for 2021/22 U.S. wheat this month is for stable supplies, lower domestic use, reduced exports, and higher ending stocks. Food use is lowered 3 million bushels to 959 million with durum accounting for the entire reduction. This is primarily based on the latest NASS Flour Milling Products report. Seed use is revised downward 2 million bushels to 64 million on the incorporation of NASS seed use data for the first two quarters of the marketing year. Seed use is also revised for the previous two years with updated NASS data. Exports are lowered 15 million bushels to 810 million on slowing export sales and shipments with reductions for Hard Red Winter and White. Projected 2021/22 ending stocks are raised 20 million bushels to 648 million but are still 23 percent lower than last year. The projected season-average farm price (SAFP) is raised \$0.15 per bushel to \$7.30 on NASS prices reported to date and expectations for cash and futures prices for the remainder of 2021/22. This would be the highest SAFP since 2012/13.

The global wheat outlook for 2021/22 is for lower supplies, higher consumption, increased trade, and reduced ending stocks. Supplies are projected falling by 1.1 million tons to 1,066.3 million as reduced production more than offsets higher beginning stocks. The majority of production decreases are in the Middle East, where both Iraq and Syria are reduced due to the prolonged dry conditions. Projected 2021/22 world consumption is raised 0.6 million tons to 788.1 million on higher feed and residual use more than offsetting lower food, seed, and industrial use. The largest feed and residual use changes are for Canada and China. Canada is raised 1.7 million to 4.5 million as the Statistics Canada December 31 stocks report indicated greater August-December disappearance than previously expected. China is lowered 1.0 million tons to 35.0 million as domestic wheat prices are no longer at a discount to corn and wheat auctions have not been as active this year.

Projected 2021/22 global trade is raised 2.3 million tons to 206.7 million, primarily on higher exports by India and Argentina. India's exports are increased to 7.0 million tons, which would be a record - exceeding 2012/13 exports. India's export pace continues to be robust, and its prices are competitive in Asian markets. Argentina's exports are raised 0.5 million tons to a record 14.0 million on an early strong pace.

Projected 2021/22 world ending stocks are lowered 1.7 million tons to 278.2 million with reductions for Canada and India partially offset by increases by the United States and Ukraine. Global stocks are now projected at a 5-year low.

COARSE GRAINS: This month's 2021/22 U.S. corn supply and use is unchanged relative to last month. The season-average farm price remains at \$5.45 per bushel.

Global coarse grain production for 2021/22 is projected 2.7 million tons lower to 1,497.4 million. This month's foreign coarse grain outlook is for lower production and consumption, and smaller ending stocks relative to last month. Foreign corn production is lower, mostly reflecting declines for Brazil and Paraguay that are partially offset by an increase for the Philippines. Brazil corn production is reduced based on lower yield expectations for first crop corn. Paraguay corn production is down as extreme heat and dryness sharply reduce yield prospects. Foreign barley production is reduced reflecting declines for Iraq and Syria.

Major global coarse grain trade changes for 2021/22 include lower corn exports for Paraguay. For 2020/21, Argentina and Brazil's exports for the marketing year beginning in March 2021 are raised based on observed shipments to date. For 2021/22, corn imports are raised for Iran and Canada. Barley exports are increased for the EU, with higher imports projected for China but lowered for Saudi Arabia. Foreign corn ending stocks are down, mostly reflecting a forecast reduction for Brazil that is partly offset by an increase for Argentina. Global corn stocks, at 302.2 million tons, are down 0.9 million.

BARLEY: The February 9 WASDE report shows the outlook for 2021/2022 U.S. barley supplies stayed at 198 million bushels from the projected estimates at 118 million bushels. The February report estimates a projected yield of 60.4 bushels/acre with 1.9 million acres expected to be harvested, unchanged from the January 2021/2022 estimates report. Projected use is at an estimated 141 million bushels, and projected imports at 9 million bushels. Ending stocks for 2021/2022 are projected to be 57 million bushels. The season-average farm price is at \$5.15 bu on updated NASS prices compared to \$5.15/bu in January 2020/2021 estimates.