Idaho Grain Market Report, December 7, 2023—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 December 6, 2023. 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	No Bid		No Bid	No Bid	No Bid	No Bid
Idaho Falls		No Bid	No Bid	No Bid	No Bid	No Bid
Blackfoot / Pocatello	No Bid	15.50	No Bid	No Bid	No Bid	No Bid
Grace / Soda Springs	7.20		6.81	6.67	8.20	6.82
Burley / Rupert	No Bid		No Bid	No Bid	No Bid	No Bid
Twin Falls / Buhl Jerome / Wendell	9.00		6.80			
Meridian	10.00		6.00	6.07	6.95	
Nezperce / Craigmont	No Bid		6.00	6.15	7.34	
Lewiston	No Bid		6.26	6.41	7.60	
Moscow / Genesee	7.43		6.03-6.15	6.18-6.29	7.34-7.37	

Prices at Selected Terminal Markets, cash FOB

Wednesday December 6, 2023. 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			6.90-7.05	7.11-7.16	8.02-8.26	
Ogden			7.46	7.27	8.20	7.42
Great Falls	8.03			6.34-6.61	7.16-7.41	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending December 6. Idaho cash malt barley prices were unchanged for the week. Net sales for barley were 500 MT to Taiwan were reported by USDA FAS for 2022/2023 for the week of November 24-30. No exports were reported for the week.

BARLEY—Volatility in beer is being driven by a decline in consumer interest in lower-value brews and growing interest in higher-end options, Garth Hankinson, Constellation Brands' executive vice president and CFO, told Wall Street investors earlier this week, Food Dive reported. He said the buy rate of the premium alcohol category is up year-over-year indicating consumers see pricier drinks as an "affordable luxury" they are more willing to spend money on despite the run-up in inflation. As the beer category continues to struggle, alcohol giants are pivoting to higher-end offerings to meet consumer demand. Despite continued inflation and an unstable economy, Hankinson said consumers looking to cut back are not abstaining from premium booze purchases. This stands in contrast to what some industry analysts have reported recently. He cited Circana data showing the price of food is 4% to 5% higher than usual, compared to only 1% to 2% in alcohol. "Alcohol is not a big driver of their costs and probably not a place consumers are going to compromise," Hankinson said. He told investors the company has thrived despite the inflationary environment and has been gaining shelf space. Constellation expects top-line growth of 8% to 9% for its 2024 fiscal year, which ends in February, with 1% to 2% of that tied to price increases. Compared to its rivals, which have seen multi-year declines in beer consumption, Constellation is a bright spot for the category as its flagship products, led by Modelo and Corona, continue to grow. It also benefited from the sales decline at AB InBev-owned Bud Light earlier this year. Modelo dethroned Bud Light as the best-selling beer in the U.S. by dollar sales last spring. Constellation's Mexican lagers have grown steadily during the last decade, appealing to both its core Hispanic consumer base along with non-Hispanic drinkers. Shifts in the beer segment, including an oversaturation of craft brews, are driving leaders in the category to make tough decisions. Molson Coors — best known for its brews such as Miller Lite and Coors Light — is leaning heavily into premium offerings outside of beer, including through its collaboration with Coca-Cola for beverages like Topo Chico Hard Seltzer and Simply Spiked. (Food Dive)

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 December 6. SWW prices ranged from up $0.10 to up $0.44 from the previous week; HRW prices were up $0.05 to up $0.31; DNS prices were up $0.01 to up $0.70 and HWW prices were up $0.26. USDA FAS reported net sales for 2023/2024 for the period November 24-30 at 356,400 MT. Primarily to Taiwan (109,300 MT), China (65,000 MT), Bangladesh (55,000 MT), and Indonesia (52,500 MT). Exports of 198,900 MT were to the Philippines (152,700 MT), Japan (50,600 MT), Mexico (24,900 MT), Jamaica (22,000 MT), and Egypt (20,300 MT).

Wheat News—China has booked 440,000 tonnes of US wheat, its largest purchase of the grain from the United States since at least 2020 as it looks to supplement its rain-damaged domestic crop, *Reuters* reported, citing the US Department of Agriculture (USDA). The sales announced on Dec. 4 provided a boost for US wheat exports, which the USDA has projected will fall to a 52-year low of 19 million tonnes in the 2023-24 marketing year that began June 1. As of Nov. 23, US export sales were 12.7 million tonnes, 6% behind last year's pace. China's 2023 wheat crop suffered quality issues after heavy rain hit key growing areas just ahead of the harvest, analysts said, and it is importing milling wheat to blend with domestic supplies. China, the world's biggest wheat producer and consumer, also has been buying Australian and French wheat. The sales are the latest in a series of Chinese purchases of US soft red winter (SRW) wheat that began Oct. 3, when the USDA confirmed sales of 220,000 tonnes to China, followed by 181,000 tonnes announced on Oct. 13 and another 110,000 tonnes on Nov. 22.The most recent activity would bring China's total US wheat purchases for the current season to more than 1 million tonnes, the bulk of which is for SRW wheat. (World Grain) "Russian wheat exports in November are estimated at 3.4 million tons, compared to 4.3 million tons previously and 3.5 million tons on average. Exports in November showed the lowest results since the beginning of the season. Wheat sales abroad slowed due to bad weather in the Black Sea ", experts write. Weekly wheat exports amounted to 0.4 million tons, also the lowest since the start of the season. In general, experts estimate the export potential of the Russian Federation for wheat in the current season at 48.8 million tons. "Storms in the Black Sea are a seasonal phenomenon for this time of year, which is unlikely to seriously affect Russian exports this marketing year. (Tridge)

CORN—USDA FAS reported net sales for 2023/2024 for period November 24-30 were 1,288,900 MT, were to Japan (443,400 MT), China (274,500 MT), Mexico (230,000 MT), Panama (81,000 MT), and Colombia (78,200 MT). Exports of 1,086,100 MT were primarily to Mexico (307,800 MT), China (276,600 MT), Colombia (181,000 MT), Japan (114,900 MT), and Taiwan (76,600 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week December 1 was 1.076 million bbls/day up 6.4 percent from the previous week and down 0.1 percent from last year. Total ethanol production for the week was 7.532 million barrels. Ethanol stocks were 21.439 million bbls, up 0.3 percent from last week and down 7.8 percent from last year. An estimated 106.80 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 1.341 billion bu. Corn used needs to average 101.78 million bu per week to meet USDA estimate of 5.325 billions bu for the crop year.

Futures Market News and Trends—Week Ending December 7, 2023

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, December 7, 2023:

Commodity	Dec 2023	Week Change	March 2024	Week Change	May 2024	Week Change	July 2024	Week Change
CHI SRW	$6.26	$0.49	$6.42¼	$0.39½	$6.49½	$0.32½	$6.53	$0.27¾
KC HRW	$6.62¼	$0.17¼	$6.67½	$0.20¾	$6.69½	$0.18	$6.70½	$0.14½
MGE DNS	$7.12¾	$0.10¼	$7.37¼	$0.07	$7.46½	$0.06¼	$7.54¾	$0.04¼
CORN	$4.68¾	$0.03¾	$4.88	$0.03¼	$4.99½	$0.02¾	$5.08	$0.02

WHEAT FUTURES—Wheat futures are up due to China's interest in buying. **Wheat futures prices ranged up $0.05¾ to up $0.41¼ (per bu) versus the previous week.**

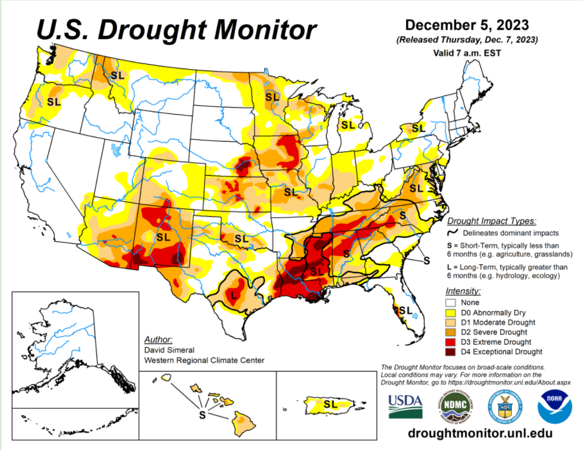
CORN FUTURES—Corn futures prices were slightly up limited by increased supplies. **Corn futures prices ranged from down $0.02 to up $0.03¾ (per bu) versus the previous week.**

CRUDE OIL FUTURES—Russia has promised oil-flow tracking companies and price reporting agencies to provide data about its production, inventories, and fuel output after OPEC+ asked Moscow for more transparency in tracking its compliance with the cuts, Reuters reported on Thursday, citing sources at OPEC+ and ship-tracking consultancies. (Oilprice.com)

EIA reported U.S. crude oil refinery inputs averaged 16.2 million bbls day during the week ending December 1 was 179 thousand bbls/day more than last week's average. Refineries operated at 90.5% of capacity last week. As of December 1 there was a decrease in Crude Oil stocks of 4.633 million bbls from last week to 445.031 million bbls, over the 5-year average of 446.062 million bbls. Distillate stocks decreased by 1.267 million bbls to a total of 112.045 million bbls, under the 5-year average of 126.727 million bbls; while gasoline stocks increased by 5.420 million bbls to 223.604 million bbls, under the 224.752 million bbl 5-year average. The national average retail regular gasoline price was $3.231/per gallon on December 4, 2023, down $0.007 from last week's price and down $0.152 from a year ago. The national average retail diesel fuel price was $4.092 per gallon, down $0.054 from last week's price and down $0.875 from last year.

NYMEX Crude Oil Futures finished the week ending Thursday, December 7, 2023 to close at $69.34/bbl (January contract), down $4.73 for the week.

USDA U.S. Drought Monitor—December 7,, 2023



Northeast: Minor improvements were made in Upstate New York, New Jersey, and Maryland. Drought expanded in southeastern Pennsylvania.

Southeast: Improvements were made in Alabama, Florida, and Georgia. Drought conditions worsened in western portions of the Carolinas.

Midwest: No significant changes were made in the region.

High Plains: Improvements were made in southeastern Kansas.

West: Improvements were made across the Southwest and Pacific Northwest including New Mexico, Oregon, Montana, Washington, and Nevada.

South: Improvements were made in Texas, the Panhandle region, and Tennessee.

USDA U.S. Crop Weather Highlights—December 7, 2023

West: Unsettled, showery weather prevails from the Pacific Northwest to the northern Rockies. Meanwhile, somewhat cooler Northwestern weather is lowering snow levels and helping to reduce runoff into still-swollen creeks and rivers. Although most Pacific Northwestern rivers have begun to fall, some residual minor flooding is occurring. A final day of warm, dry weather covers the remainder of the region, including the Southwest.

Plains: Dry weather accompanies record-setting warmth. Yesterday's high temperatures reached daily-record levels in locations such as Great Falls, Montana (64°F), Bismarck, North Dakota (66°F); Yuma, Colorado (68°F); and Russell, Kansas (72°F). Similar temperatures will occur today, except for slightly lower readings in Montana and North Dakota. The warmth favors late-season fieldwork, as well as some additional development of winter wheat prior to dormancy.

Corn Belt: A warming trend has commenced. In fact, today's high temperatures should range from 60 to 70°F in parts of the western and southern Corn Belt, from South Dakota to Missouri. As warmer air arrives in the Great Lakes States, producers are attempting to harvest any remaining corn. Nearly 2 weeks ago, on November 26, only 4% of the national corn acreage had not been cut.

South: Advisories for frost are in effect early today as far south as northern Florida. Cool, dry weather throughout the South favors late-season fieldwork, including winter wheat planting and summer crop harvesting.

Outlook for U.S: A storm system currently crossing the Northwest will traverse the nation's mid-section over the next couple of days. Rain along the storm's trailing cold front will become heavy—totaling 1 to 3 inches—during the weekend, mainly along and east of a line from the Mississippi Delta to the lower Great Lakes region. Thunderstorms in the vicinity of the front may become severe, especially on Saturday in the lower Mississippi Valley and neighboring areas. Meanwhile, snow should develop on Friday across the central Rockies and adjacent High Plains, with subsequent accumulations possible across the northern Plains and upper Midwest. Cooler weather will trail the storm system and its attendant cold front, although temperatures will not be unusually low for this time of year. Elsewhere, mostly dry weather will prevail during the next 5 days from southern California to the southern Plains, while periodic rain and snow showers will continue in the Northwest. The NWS 6- to 10-day outlook for December 12 – 16 calls for the likelihood of near- or above-normal temperatures and near- or below-normal precipitation across most of the country. Cooler-than-normal conditions will be confined to the lower Rio Grande Valley and parts of the lower Southeast, while wetter-than-normal weather should be limited to the southern Atlantic region and the south-central U.S., including Texas and portions of neighboring states.

International Crop Weather Highlights—Week ending December 2, 2023

Europe: The coldest air of the season settled over central and northern Europe, accompanied by heavy snow in Germany; winter crops have gone dormant nearly everywhere save for southern growing areas. Rainy albeit warmer weather in Spain and Italy boosted moisture supplies for winter grains.

Middle East: Moderate to heavy rain in Turkey and along the eastern Mediterranean Coast maintained soil moisture for winter grain establishment. Light showers in Iran favored winter grains in western growing areas but were too light to ease developing moisture deficits in the northeast (Khorasan).

Asia: Early week downpours in western India gave way to seasonably drier weather. The wetness was unwelcome for mature cotton but benefited vegetative rabi crops. Colder weather in eastern China eased wheat into dormancy while slowing development of rapeseed to the south. After a prolonged delay, seasonal rains became established in western and central Java, Indonesia, benefiting rice establishment.

Australia: Additional rain in the east further benefited recently sown summer crops and reportedly triggered more sorghum planting, but the wet weather disrupted winter crop harvesting in the southeast. In the west, isolated showers caused only temporary delays in winter crop harvesting.

South America: Showers continued throughout Brazil, although above-normal temperatures maintained high evaporative losses while also promoting rapid development of soybeans and other summer crops. In Argentina, rain brought much-needed relief from heat and dryness to western farming areas, benefiting emerging corn and soybeans.

USDA U.S. Crop Progress Report Highlights—November 27, 2023							
Crop	**% Progress**	**Previous Week**	**Previous Year**	**5-Year Average**	**Condition Rating % Good/ Excellent**	**Previous Week**	**Previous Year**
US Winter Wheat Emerged	91%	87%	90%	89%	50%	48%	34%
ID Winter Wheat Emerged	**100%**	**100%**	**97%**	**98%**	**82%**		
Corn Harvested	96%	93%	99%	95%			