

Idaho Grain Market Report, February 8, 2024—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday February 7, 2024. 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		No Bid	No Bid	No Bid	No Bid
Grace / Soda Springs			6.09	6.14	7.01	6.14
Burley / Rupert	No Bid		No Bid	No Bid	No Bid	No Bid
Twin Falls / Buhl Jerome / Wendell	8.25		6.18			
Meridian	10.00		5.45	5.62	6.53	
Nezperce / Craigmont	7.21		5.50	5.80	6.82	
Lewiston	7.73		5.76	6.06	7.08	
Moscow / Genesee	7.24-7.43		5.53-5.65	5.83-5.96	6.85-7.02	

Prices at Selected Terminal Markets, cash FOB

Wednesday February 7, 2024 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			6.40-6.65	6.78-6.86	7.81-7.86	
Ogden						
Great Falls	7.40			6.20-6.29	7.00-7.16	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending February 7. Idaho cash malt barley prices were unchanged for the week. No net sales for barley were reported by USDA FAS for 2022/2023 for the week of January 26– February 1. No net exports of were reported for the week.

Barley News—Canada, one of the world's leading barley exporters, has faced a significant setback in the first half of the 2022-23 crop year. As the Canadian Grain Commission (CGC) reports, by week 26, the export volume had plunged to a mere 918,700 metric tons, marking the lowest level in six years. This figure represents a precipitous decline of 45.8 percent from the previous year and is 40 percent below the five-year average of 1.53 million metric tons for the same period. The severity of this decline underscores the challenges that Canada's barley sector is currently grappling with. The downturn in Canadian barley exports can be traced back to increased competition from Australia. In August, China, a major importer of Canadian barley, opened its market to Australian barley imports. This development has significantly reshaped the barley trade dynamics, leading to a clear dip in Canada's export volumes. By December, CGC data showed that a staggering 91% of Canadian barley exports were destined for China. However, even this volume had dwindled by 656,300 metric tons, or 45.4 percent, compared to the same period in the previous crop year. The shift in market dynamics, driven by China's decision to accept Australian barley, has had a profound impact on Canada's barley export volumes, reflecting the country's struggle to maintain its foothold in the global barley market. In other news, Turkey and Russia will weigh in on a new mechanism to allow Ukrainian grain exports through the Black Sea when their two leaders meet in the coming days, Foreign Minister Hakan Fidan said on February 4. Russian President Vladimir Putin is expected to visit Turkey on Feb. 12 to meet President Recep Tayyip Erdoğan, a Turkish official previously said, in what will be the Russian leader's first trip to a NATO ally since Moscow's invasion of Ukraine in February 2022. Ankara has sought to persuade Russia to return to the Black Sea Grain Initiative, which Moscow pulled out of in July 2023, a year after it was implemented. The accord was brokered by the United Nations and Türkiye to provide safe passage to exports from Ukrainian ports.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mostly down for the week ending February 7. SSW prices ranged from down \$0.13 to unchanged from the previous week; HRW prices were down \$0.13 to down \$0.09; DNS prices were down \$0.12 to unchanged and HWW prices were \$0.24. USDA FAS reported net sales for 2023/2024 for the period January 26– February 1 at 378,400 MT. Primarily to South Korea (87,900 MT), the Philippines (84,000 MT), Mexico (74,000 MT), China (65,000 MT), and Vietnam (54,300 MT). Exports of 314,700 MT were to Indonesia (53,000 MT), Canada (42,500 MT), Nigeria (39,600 MT), Venezuela (33,000 MT), and the Philippines (33,000 MT).

Wheat News— Wheat farmers and cattle ranchers may see higher prices in 2024 compared to last year, but other Washington commodities might not fare as well, an agricultural economist says. Randy Fortenbery, the Thomas B. Mick Endowed Chair in Small Grains Economics at Washington State University, expects "better" wheat markets, especially if farmers have decent yields. Cattle prices are "quite strong" compared to a year ago. But every other livestock sector was down significantly, particularly dairy, said Fortenbery. Last year, U.S. net farm income decreased by an inflation-adjusted 20%, following record income in 2022, said Fortenbery. "It varied a lot, based on where you were and what commodity or agricultural production systems you were involved with," he said. "We're going to see a larger divergence between who does well in 2024 than we even saw in 2023." Softening prices drove the income decrease, Fortenbery said. This year, wheat prices could range from about \$5.50 per bushel to below \$7.50 per bushel, Fortenbery said. "It's a pretty wide range, because we're still a long way from knowing what this winter wheat crop is going to look like as we approach the summer," he said. "If you get \$7, you should probably think about taking it because pretty soon, if you start approaching \$8, the market's saying there's a 75% chance we can't hold that as we go into the summer months." Fortenbery presented his annual economic outlook Feb. 7 at the Spokane Ag Show. (Capital Press)

CORN—USDA FAS reported net sales for 2023/2024 for period January 26–February 1 were 1,219,300 MT, were to unknown destinations (341,200 MT), Japan (274,700 MT), Mexico (163,100 MT), Colombia (138,700 MT), and South Korea (133,600 MT). Exports of 782,800 MT were primarily to Mexico (384,800 MT), Colombia (105,500 MT), Japan (79,100 MT), Guatemala (73,300 MT), and South Korea (69,900 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week February 2 was 1.033 million bbls/day up 4.2 percent from the previous week and up 3.3 percent from last year. Total ethanol production for the week was 7.231 million barrels. Ethanol stocks were 24.779 million bbls, up 2.1 percent from last week and up 1.5 percent from last year. An estimated 102.53 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 2.260 billion bu. Corn used needs to average 103.34 million bu per week to meet USDA estimate of 5.375 billions bu for the crop year.

Futures Market News and Trends—Week Ending February 8, 2024

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, February 8, 2024:

Commodity	March 2024	Week Change	May 2024	Week Change	July 2024	Week Change	Sept 2024	Week Change
CHI SRW	\$5.88½	-\$0.11¼	\$5.94	-\$0.14	\$5.97¼	-\$0.15¾	\$6.06½	-\$0.17½
KC HRW	\$6.01	-\$0.24	\$5.99½	-\$0.23¼	\$5.93½	-\$0.23	\$6.04	-\$0.22¾
MGE DNS	\$6.83¾	-\$0.16	\$6.83¾	-\$0.18	\$6.88	-\$0.18¾	\$6.94	-\$0.20¾
CORN	\$4.33¼	-\$0.09½	\$4.45	-\$0.08½	\$4.54	-\$0.08½	\$4.61¾	-\$0.06¾

WHEAT FUTURES—Wheat futures were down due to tougher export competition. **Wheat futures prices ranged down \$0.24 to down \$0.11¼ (per bu) versus the previous week.**

CORN FUTURES—Corn futures prices down due to improved drought in US growing areas and steady 2023/24 projections. **Corn futures prices ranged from down \$0.01½ to down \$0.06¾ (per bu) versus the previous week.**

CRUDE OIL FUTURES—Oil prices gained more than 3% on Thursday on concerns of a broadening conflict in the Middle East after Israel rejected a ceasefire offer from Hamas. (Reuters)

EIA reported U.S. crude oil refinery inputs averaged 14.8 million bbls day during the week ending February 2 was 9 thousand bbls/day less than last week's average. Refineries operated at 82.4% of capacity last week. As of February 2 there was an increase in Crude Oil stocks of 5.520 million bbls from last week to 427.432 million bbls, under the 5-year average of 444.675 million bbls. Distillate stocks decreased by 3.221 million bbls to a total of 127.574 million bbls, under the 5-year average of 137.484 million bbls; while gasoline stocks decreased by 3.146 million bbls to 250.988 million bbls, under the 251.838 million bbl 5-year average. The national average retail regular gasoline price was \$3.136/per gallon on February 5, 2024, up \$0.041 from last week's price and down \$0.308 from a year ago. The national average retail diesel fuel price was \$3.899 per gallon, up \$0.032 from last week's price and down \$0.64 from last year.

NYMEX Crude Oil Futures finished the week ending Thursday, February 8, 2024 to close at \$76.22/bbl (March contract), down \$3.94 for the week.

USDA U.S. Drought Monitor—February 8, 2024

Northeast: Removal of drought form Martha's Vineyard.

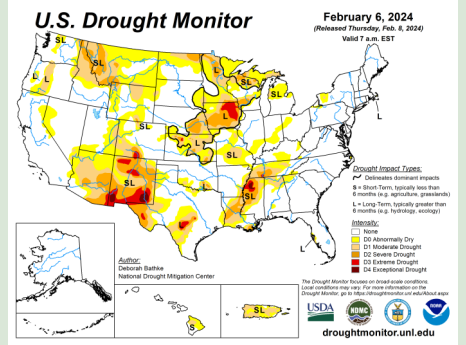
Southeast: Widespread improvements in the region.

Midwest: Abnormal dryness expanded in northeast Minnesota. Improvements were made in southwest Minnesota, Ohio, and Indiana.

High Plains: Improvements were made in eastern South Dakota, south-central Nebraska, and central Kansas.

West: Improvements were made in California, Idaho, western Montana, central Arizona, the Four Corners region, and Colorado. Abnormal expanded in eastern Montana and western North Dakota.

South: Widespread improvements were in the region.



USDA U.S. Crop Weather Highlights—February 8, 2024

West: Storm recovery continues in areas of southern California hit hard by the recent barrage of storms, which sparked flash flooding and debris flows. Early today, a final round of showers is sweeping across southern California. Unsettled weather prevails in other areas of the West, including the southern Great Basin, the northern and central Rockies, and parts of the Southwest. Snow continues to fall in Flagstaff, Arizona, where 23.7 inches accumulated on February 6-7.

Plains: Lingering warmth across the southeastern half of the region should result in today's high temperatures reaching 70°F or higher in parts of Oklahoma and Texas. By February 4 in Texas, 17% of the winter wheat crop had already headed—mainly in the southern part of the state—well ahead of the 5-year average of 7%. Meanwhile, snow lingers near the Canadian border; official, calendar-day snowfall totals for February 7 in Montana included 9.5 inches in Helena and 3.6 inches in Great Falls, with benefit to winter wheat due to improved moisture and insulation.

Corn Belt: Unusual warmth will push today's high temperatures to 50°F or higher, except across the far upper Midwest. In fact, temperatures should approach 70°F in parts of Missouri. Aside from lingering muddy conditions in some areas, producers continue to take advantage of spring-like weather to perform farm maintenance activities.

South: Cool weather lingers in the southern Atlantic region, where frost was reported early today as far south as southern Georgia. Farther west, however, above-normal temperatures favor early-season fieldwork in areas that have sufficiently dried out, mainly in southern Texas. According to USDA/NASS, some producers in the lower Rio Grande Valley were planting corn by early February.

Outlook for U.S: Snow will end today across the north-central U.S., as a storm system moves into Canada. Meanwhile, any Western precipitation should end by Saturday, except for lingering snow in the central and southern Rockies. Farther east, late-week and weekend rain across the South, East, and lower Midwest could total 1 to 2 inches or more, primarily from eastern Texas to the middle Atlantic Coast. Precipitation may end as snow early next week from portions of the central and southern Plains into the lower Midwest. Elsewhere, an extended run of warm weather in the central U.S. will gradually end, starting with cooler conditions across the northern Plains and upper Midwest. The NWS 6- to 10-day outlook for February 13 – 17 calls for the likelihood of near- or below-normal temperatures and precipitation across much of the country. Warmer-than-normal weather will be confined to the upper Midwest, northern Maine, and portions of the Pacific Coast States, while wetter-than-normal conditions should be limited to the northern High Plains, California, and the nation's southern tier from the Desert Southwest to Florida's peninsula.

International Crop Weather Highlights—Week ending February 3, 2024

Europe: Dry and unseasonably warm weather eased winter crops out of dormancy more than a month ahead of normal over England and France and accelerated wheat and barley growth in Spain and Italy. Mostly sunny skies favored fieldwork, though locally heavy rain was noted in western portions of northern England and Scandinavia.

Middle East: Moderate to heavy rain and high-elevation snow from the Mediterranean Coast into Iran boosted moisture supplies for winter grains and alleviated short-term dryness in southern and eastern Iran. Cold weather nearly everywhere — save for lingering warmth in southeastern Iran — slowed or halted the recent unseasonably early winter crop development but boosted mountain snowpacks for irrigation.

Asia: Stormy weather moved through northern Pakistan and India but likely didn't cause any damage to rabi crops. Unusually heavy showers moved through southern China, boosting moisture reserves for overwintering rapeseed and specialty crops. Increased snow cover on the North China Plain provided wheat protection from bitter cold. Showery weather along the southern tier of the region further benefited rice and oil palm.

Australia: Widespread, locally heavy showers aided cotton and sorghum development in southern Queensland and northern New South Wales. Sunny, seasonably warm weather in southern New South Wales benefited irrigated summer crops.

South America: Mostly dry, stressfully hot weather (highs reaching 40°C) was recorded in central Argentina, where corn, soybeans, and other summer crops were near or entering reproduction.

WHEAT: The outlook for 2023/24 U.S. wheat is for stable supplies, lower domestic use, unchanged exports, and higher ending stocks. Food use is reduced 10 million bushels to 960 million, on lower wheat flour grind as indicated in the NASS Flour Milling Products report released on February 1. The reduction is the result of the October-December quarter, which was the lowest flour grind on record for this quarter as reported in Flour Milling Products. Wheat exports are unchanged at 725 million bushels with offsetting by class changes for Hard Red Spring and Hard Red Winter. Projected ending stocks are raised 10 million bushels to 658 million. The 2023/24 season-average farm price forecast is unchanged at \$7.20 per bushel.

The global wheat outlook for 2023/24 is for increased supplies, consumption, and trade but lower ending stocks. Supplies are raised 0.5 million tons to 1,057.0 million, primarily on higher production for Iraq and Argentina. Global consumption is raised 1.1 million tons to 797.5 million, mainly on larger Food, Seed, and Industrial (FSI) use in India, where the government is continuing to sell reserves to address price inflation. World trade is raised 1.2 million tons to 210.7 million with higher exports by Ukraine, Argentina, Australia, and Turkey that more than offset reduced exports from the United Kingdom and Brazil. Projected 2023/24 ending stocks are lowered 0.7 million tons to 259.4 million, the lowest level since 2015/16, on decreases for India, China, and Ukraine.

COARSE GRAINS: This month's 2023/24 U.S. corn outlook is for lower food, seed, and industrial use and larger ending stocks. Corn used for glucose and dextrose is reduced 10 million bushels based on indicated usage to date. With no other use changes, U.S. corn ending stocks are up 10 million bushels from last month. The season-average corn price received by producers is unchanged at \$4.80 per bushel.

Global coarse grain production for 2023/24 is forecast 3.8 million tons lower to 1,510.1 million. This month's foreign coarse grain outlook is for reduced production, virtually unchanged consumption, and lower ending stocks relative to last month. Foreign corn production is down, with reductions for Brazil, Mexico, and Serbia partially offset by increases for India and Turkey. For Brazil, production is cut based on lower expected area.

BARLEY: The February WASDE report shows the outlook for 2023/2024 U.S. barley supplies were up at 265 million bushels from the projected estimates at 265 million bushels. The February report estimates a projected yield of 72.4 bushels/acre with 2.6 million acres expected to be harvested, unchanged from the January 2023/2024 estimates report. Projected use is at an estimated 188 million bushels, and projected imports at 14 million bushels. Ending stocks for 2023/2024 are projected to be 77 million bushels. The season-average farm price is up at \$7.50 bu on updated NASS prices compared to \$7.50/bu in January 2023/2024 estimates.