

Idaho Grain Market Report, November 16, 2019—NEW CROP PRICES

Published weekly by the Idaho Barley Commission
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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 13, 2019. 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	6.00		4.70			4.99
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.06	4.80	4.85	5.10	4.85
Grace / Soda Springs	7.00			4.74	5.14	4.74
Burley / Rupert	6.50		4.75	4.50	4.98	4.85
Twin Falls / Buhl Jerome / Wendell	6.00		4.90			
Nampa / Weiser			NA			
Nezperce / Craigmont	5.21		5.10	5.11	6.02	
Lewiston	5.73		5.36	5.37	6.28	
Moscow / Genesee	5.18-5.24		5.13-5.27	5.14-5.28	6.05-6.18	

Prices at Selected Terminal Markets, cash FOB

Thursday November 14, 2019. 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			5.95	5.92-6.07	6.62-6.92	
Ogden	7.80		5.06	5.04	5.44	5.04
Great Falls	4.64-4.71	8.20-8.60		4.64-4.71	5.23-5.55	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were down \$0.25 to unchanged for the week ending November 13. Idaho cash malt barley prices were also unchanged for the week. For the period November 1-7, USDA FAS reported net barley sales of 100 MT to Taiwan for 2019/2020. Barley exports of 1,100 MT to Japan, down 39 percent from the previous week and 2 percent from the prior 4 week average.

Barley News— The U.S. Grains Council, arranged for four U.S. barley farmers to join the 2019 Cerveza Mexico Conference in October to connect with Mexican brewers, including Idaho grower Jeremy Stoddard of Grace. The U.S. Grains Council has participated in Cerveza México for the past five years as part of the organization's work to increase U.S. barley and malt sales to the growing brewing sector. This year's event was the 10th Cerveza México, with 160 brewers and brewing organizations present. Participants attending Cerveza México develop opportunities for additional exports of U.S. malt to Mexico and allows them to make connections with current and potential buyers. Mexican beer production is increasing, due primarily to growth in exports to the United States, the United Kingdom, Colombia and Australia, among many other destinations. Beer production has grown 6 percent, with exports growing 8.3 percent year-over-year. This growth can be seen both in the craft brewing sector and for major brands like Constellation, with whom the USGC delegation met while in Mexico City. Mexican breweries rely on U.S. barley producers to be their main suppliers for imported barley. "It was such an eye-opening experience to see how much potential there is in Mexico with the developing craft brewing industry," said Stoddard. To read to full article, go to: <https://grains.org/u-s-barley-farmers-toast-to-trade-relationship-with-mexican-brewers-during-cerveza-mexico/>

See page 4 for November WASDE and Grain: World Markets and Trade Report updates and news.

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 November 13. SWW prices ranged from down \$0.09 to up \$0.10 from the previous week; HRW prices were up \$0.03 to up \$0.04; DNS prices were down \$0.08 to down \$0.06; and HWW prices were up \$0.04. USDA FAS reported net sales for 2019/2020 for the period November 1-7 at 238,600 MT, down 34 percent from the prior week and 37 percent from the previous 4 week average. Increases were primarily to Nigeria (40,000 MT), the Philippines (36,000 MT), Chile (35,000 MT), Mexico (33,600 MT), and Brazil (30,000 MT). Exports of 453,600 MT were up 11 percent from the previous week but down 1 percent from the prior 4-week average.

Wheat News— Brazil's government has announced it intends to implement a tariff rate quota (TRQ) allowing up to 750,000 metric tons (MT) of wheat to be imported duty-free from countries outside the Mercosur trade agreement. The U.S. Wheat Associates (USW), the U.S. government, and wheat farmers have worked and negotiated for several years with Brazil's government to open the TRQ and create a more open market there for U.S. hard red winter (HRW) and soft red winter (SRW) wheat. Brazil is the fourth largest wheat importer in the world but Argentina and other countries in the Mercosur agreement have had a competitive advantage with mostly unlimited duty-free access to the market. Wheat imports from countries outside the Mercosur agreement including the United States are subject to a 10 percent tariff.

CORN— USDA FAS reported net export sales for 2019/2020 for period November 1-7 of 581,600 MT, increases were primarily to El Salvador (103,400 MT), Japan (97,600 MT), unknown destinations (86,100 MT), Colombia (71,700 MT), and Guatemala (55,000 MT). Exports of 602,200 MT were to Mexico (304,400 MT), Colombia (96,900 MT), Japan (82,100 MT), Guatemala (39,300 MT), and Panama (22,600 MT).

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending November 8 averaged 1.03 million bbls/day – up 1.58 percent from the previous week but down 3.47 percent from last year. Total ethanol production for the week came in at 7.21 million barrels. Ethanol stocks were 20.985 million bbls on November 8, down 4.06 percent from last week and down 10.76 percent from last year. An estimated 103.24 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 977.19 billion bu. Corn used needs to average 104.002 million bu per week to meet USDA estimate of 5.375 billions bu for the crop year.

See page 4 for November WASDE and Grain: World Markets and Trade Report updates and news.

Futures Market News and Trends—Week Ending November 14, 2019

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, November 14:

Commodity	Dec 2019	Week Change	Mar 2020	Week Change	May 2020	Week Change	July 2020	Week Change
CHI SRW	\$5.07 ³ / ₄	-\$0.02 ¹ / ₂	\$5.11	-\$0.03 ¹ / ₄	\$5.16	-\$0.03 ³ / ₄	\$5.19 ¹ / ₂	-\$0.04 ¹ / ₂
KC HRW	\$4.22 ¹ / ₄	\$0.00 ³ / ₄	\$4.30 ³ / ₄	\$0.00 ¹ / ₄	\$4.38	-\$0.00 ¹ / ₄	\$4.45	-\$0.00 ¹ / ₂
MGE DNS	\$5.12 ³ / ₄	-\$0.05 ¹ / ₄	\$5.27 ³ / ₄	-\$0.07 ¹ / ₄	\$5.37 ³ / ₄	-\$0.07 ¹ / ₂	\$5.47 ¹ / ₂	-\$0.02
CORN	\$3.75 ¹ / ₂	-\$0.01 ³ / ₄	\$3.84 ³ / ₄	-\$0.01 ³ / ₄	\$3.90 ³ / ₄	-\$0.02 ³ / ₄	\$3.96 ¹ / ₂	-\$0.03 ¹ / ₄

WHEAT FUTURES—Wheat futures prices were down for the market week ending November 14. **Wheat futures prices were down \$0.07¹/₂ to up \$0.00³/₄ (per bu) compared to the previous week.**

CORN FUTURES—Corn futures prices were down with lower export sales according to the export data from USDA to end the market week November 7. **Corn futures prices ranged from down \$0.03¹/₄ to down \$0.01³/₄ (per bu) over the previous week.**

CRUDE OIL FUTURES—The Washington Department of Ecology tweeted that the agency, along with the US Coast Guard, is responding to a crude oil spill in Fidalgo Bay at the Shell Puget Sound Refinery. The spill happened Friday night when a Crowley Maritime barge was transferring 5 million gallons of oil to the refinery.

EIA reported U.S. crude oil refinery inputs averaged 15.9 million bbls/day during the week ending November 8, 2019 was 154,000 bbls/day more than last week's average. Refineries operated at 87.8% of capacity last week. As of November 8, there was an increase in Crude Oil stocks of 2.219 million bbls from last week to 449.001 million bbls, over the 5-year average of 439.034 million bbls. Distillate stocks decreased by 2.477 million bbls to a total of 116.655 million bbls, under the 5-year average of 129.611 million bbls; while gasoline stocks increased by 1.861 million bbls to 219.09 million bbls, over the 215.521 million bbl 5-year average. The national average retail regular gasoline price was \$2.615 per gallon on November 11, \$0.010 higher than last week's price but \$0.071 under a year ago. The national average retail diesel fuel price was \$3.073 per gallon, up \$0.011 per gallon from last week's level but down \$0.244 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, November 14, 2019 to close at \$56.77/bbl (December contract), down \$0.47 for the week.

USDA Crop Progress / Condition Report—November 12, 2019

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Winter Wheat Planted	92%	89%	88%	92%	-	-	-
ID Winter Wheat Planted	100%	99%	100%	100%	-	-	-
US Winter Wheat Emerged	78%	71%	76%	81%	54%	57%	54%
ID Winter Wheat Emerged	92%	77%	90%	90%	62%	60%	-
US Spring Wheat Harvested					-	-	-
ID Spring Wheat Harvested					-	-	-
Corn Harvested	66%	52%	83%	85%			

USDA U.S. Crop Weather Highlights—November 14, 2019

West—Mild, dry conditions. Slow start to the wet winter season in much of California and the Great Basin.

Plains—Dry conditions benefit fieldwork, including activities and late season planting of winter wheat. Mild conditions across the northern High Plains. Cold weather farther south and east. Uneven stand of winter wheat across portions of the central High Plains due to dry conditions.

Corn Belt— Cold, dry conditions benefited corn and soybeans harvesting in areas that have been frozen or are dry enough for heavy equipment. Only 15% of North Dakota's corn acreage had been harvested as of November 10, the 5 year average is 76%.

South—Showers from southern Texas to the central Gulf Coast. Unusual cool weather in the remained of the south. Dry conditions promote harvest activities. The U.S. peanut harvest is at 89% complete , the Delta's cotton harvest ranged from 71% in Missouri to 96% complete in Louisiana as of November 10.

Outlook for U.S.— A storm system is developing near the western Gulf Coast moving eastward, bringing rain to the southern Atlantic region. Rain and snow in the Northeast. Warm conditions in the West moving eastward to cover the Plains. Light precipitation confined in the North. Heavy rain in the Pacific Northwest. The NWS 6-10 day out look for November 19-23 calls for below normal conditions from the Mississippi Valley eastward. Warmer than normal temperatures in much of the western and central U.S. Near or above normal precipitation in much if the country. Drier than normal weather in northern California, the Northwest, and most of the Southeast.

International Crop Weather Highlights—November 12, 2019

Europe—Rain in western Europe and over most growing areas, adequate to abundant moisture supplies for winter crops. Areas of drought still in ht southern Balkans and southwestern Spain.

Middle East— Sunny skies from Syria into Iran favored winter grain planting. Dry conditions in central Turkey limited soil moisture fr wheat and barley establishment on the Anatolian Plateau.

FSU— Warm conditions after cold weather keeping winter wheat semi dormant in southern growing areas and limiting crop cold hardiness in the north.

Asia— Tropical cyclone Bulbul in northwestern India and Bangladesh bringing heavy rain long the coastal areas. Mild conditions in eastern China favored wheat and rapeseed development but increased irrigation demands. Tropical cyclone Nakri bring heavy rain from the northern Philippines to southern Vietnam, delaying fieldwork. Dr conditions in southern Indonesia, delaying wet season rice sowing.

Australia—Heavy rain temporarily halted winter crop harvesting in the east, more rain needed for recently sown summer crops and to end long term drought.

South America— Widespread rain favored prospects for emerging corn and soybeans in Brazil. Beneficial rain for winter grains and summer crops in central and northern Argentina. Limited moisture in the southwestern farming areas.

South Africa— Favorable rain for summer crop planting in the eastern section of the corn belt.

WHEAT:

The **WASDE** outlook for 2019/20 U.S. wheat this month is for smaller supplies, reduced domestic use, and lower stocks. Wheat supplies are decreased 42 million bushels, based on updated production estimates for the States resurveyed following the NASS Small Grains Summary, issued September 30. Adjustments to production in these States, where significant acreage remained unharvested in early September, lowers production estimates for Hard Red Spring wheat, White wheat, and Durum with most reductions occurring in North Dakota and Montana. Estimated seed use is reduced 7 million bushels to 61 million, reflecting a projected 2020/21 all wheat planted acreage of 45.0 million. Food use is lowered 5 million bushels to 955 million, primarily based on the NASS Flour Milling Products report, issued November 1. Projected 2019/20 wheat stocks are reduced 29 million bushels to 1,014 million. The season-average farm price is reduced \$0.10 per bushel to \$4.60, based on NASS prices reported to date and expectations for cash and futures prices the remainder of the 2019/20 marketing year.

The global outlook for wheat this month is for higher supplies, increased exports, fractionally greater consumption, and higher ending stocks. Supplies are raised with increased production forecasts for the EU, Russia, and Ukraine more than offsetting reductions for Argentina and Australia. EU and Russia production forecasts are raised to 153.0 and 74.0 million tons, respectively, on updated harvest results. Australia's production is lowered to 17.2 million tons on further damage from the continent's severe drought and is now forecast lower than last year's drought-affected crop. Argentina's production is reduced to 20.0 million tons on dry conditions but remains record large. World exports are raised by 1.0 million tons to 180.7 million on increases for the EU, Russia, and Ukraine more than offsetting reductions for Argentina and Australia. Global consumption is nearly unchanged at 755.2 million tons, which is 3 percent greater than last year. With global supplies rising more than consumption, 2019/20 ending stocks are raised to a record 288.3 million tons with China comprising 51 percent of the total.

COARSE GRAINS:

Barley—The USDA's November 8 **WASDE** Report shows U.S. barley supply estimates at 264 million bushels for 2019/20, down 4 million bushels compared to the October WASDE Report. 2019/20 projected barley acres harvested is unchanged at 2.2 million acres, and the estimated average yield of 77.7 is up 0.3 percent over the October projection. 2019/20 imports are expected to come in at 8 million bushels, a drop of 2 million bushels from the October report. Projected domestic use at 168 million bushels and projected exports of 3 million bushels are unchanged from the October estimates. U.S. barley ending stocks for 2019/20 are now projected at 93 million bushels, down 4 million bushels from October. The season-average farm price is increased \$0.05 per bushel to \$4.70 on updated NASS prices.

According to the **November 2019 USDA Grain: World Markets and Trade Report**, world barley production in 2019/20 is projected to be the highest since 1994/1995. As a result, exportable supplies of barley are plentiful across the globe. USDA forecasts world exports of barley in 2019/20 at 28.0 million tons, a 9 percent increase over last year and the third-highest on record. The world's major exporters of barley (Argentina, Australia, the European Union, Russia, and Ukraine) comprise 83 percent of this trade. As supply has expanded, barley is also seeing weaker global demand in the shorter term. Barley trade to both China and Saudi Arabia – the world's top two importers – is down relative to the combined high of 18.1 million tons in 2014/15. Ample supply and flagging demand from major buyers have had a collective weakening effect on feed barley prices. In the past year, the price gap between barley and corn has narrowed from over \$80/ton in September 2018 to nearly \$20/ton by October 2019. Corn has seen its own price effects, driven by market uncertainty over U.S. crop size and weather premiums between May and August. The two grains nearly reached price parity in July but recovering market sentiments eased corn back down in the following months. In a world where exporters are seemingly fighting tooth and nail to get their corn into the hands of global customers, barley traders may continue to have difficulty finding alternative markets despite the increasing competitiveness and abundant availability of feed barley.

Corn—This month's **WASDE** 2019/20 U.S. corn outlook is for lower production, reduced use, and smaller ending stocks. Corn production is forecast at 13.661 billion bushels, down 118 million from last month on a 1.4-bushel reduction in yield to 167.0 bushels per acre. Feed and residual use is down 25 million bushels based on a smaller crop and higher expected prices. Exports are reduced reflecting the slow pace of early-season sales and shipments. Corn used for ethanol is down 25 million bushels based on September data from the Grain Crushings and Co-Products Production report and weekly ethanol production data as reported by the Energy Information Administration for the month of October. With supply falling more than use, corn ending stocks are lowered 18 million bushels from last month. The season-average corn price received by producers is raised 5 cents to \$3.85 per bushel based on observed prices to date. WASDE-594-2 Global coarse grain production for 2019/20 is forecast 1.8 million tons lower to 1,394.9 million.

This month's 2019/20 foreign coarse grain outlook is for larger production, increased trade, and lower stocks relative to last month. Foreign corn production is forecast higher as increases for several African countries, as well as Russia and Turkey, more than offset declines for Mexico, Ukraine, and the EU. For Mexico, production is lowered as area for summer season corn is expected to be the lowest on record. Yield forecasts for Russia and Ukraine are raised and lowered, respectively, based on observed harvest results to date.

Corn exports are raised for Brazil and Russia, with reductions for the United States and Mexico. For 2018/19, corn exports for Brazil are raised for the local marketing year beginning March 2019, based on shipments observed through October. For 2019/20, corn imports are raised for Vietnam, Colombia, Japan, and South Korea. Partly offsetting, are reductions for Iran, Egypt, Malaysia, and Turkey. Foreign corn ending stocks are lower relative to last month, with declines for Brazil, Iran, Mexico, China, and Argentina that are partly offset by small increases for several African countries. Global corn ending stocks, at 296.0 million tons, are down 6.6 million.