

Idaho Grain Market Report, January 6, 2017

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Happy New Year!!

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, January 4, 2017. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	Barley (Cwt.) FEED	MALTING	Wheat (bu.) Milling			
	48 lbs or better	Open market malting	#1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Rexburg / Ririe	\$5.15		\$3.50	\$3.70	\$5.02	\$3.90
Idaho Falls	\$5.00	\$8.30 -8.33	\$3.45	\$3.80	\$5.05	\$3.90
Blackfoot / Pocatello		\$6.50	\$3.45	\$3.80	\$5.05	\$3.90
Grace / Soda Springs	\$5.50		\$3.49	\$3.59	\$5.11	\$3.79
Burley / Rupert	\$5.00		\$3.45	\$3.45	\$5.11	\$3.85
Hazelton						
Twin Falls / Buhl / Wendell	\$6.10		\$3.70			
Nampa – Weiser	\$5.90		\$3.52			
Nez Perce / Craigmont	\$3.75		\$3.61	\$4.22	\$5.69	
Lewiston	\$4.25		\$3.87	\$4.48	\$5.95	
Moscow / Genesee	\$3.75-4.25		\$3.64-3.81	\$4.25-4.39	\$5.72-5.91	\$4.39

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. -- unit trains barge	Malting	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			Ord pro - \$4.55- 4.63½ max 10.5% pro \$4.59 –4.68½	\$4.96½ -5.26½	\$6.49½ -6.69½	
Los Angeles	\$8.65-8.85					
Tulare	\$8.65–8.85					
Ogden	\$5.85		\$3.90	\$3.89	\$5.41	\$4.20
Great Falls	\$4.25-4.75	\$6.00		\$4.09-4.15 (12%)	\$5.36-5.49	
Minneapolis	\$4.17	NQ		\$4.71½ (12%)	\$6.69½ - 6.74½	

Market trends this week

BARLEY – Local feed and malting barley prices remained steady. Due to the New Year’s holiday, USDA reported there were no new barley export sales last week and export shipments totaled 900 MT to Japan.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 15 cents to plus 26 cents; HRW prices ranged from minus 5 cents to plus 17 cents; and DNS prices ranged from minus 13 cents to plus 10 cents. USDA reported wheat export sales were below trade expectations and a marketing year low of 183.7 TMT, down 68% from the previous week and down 61% from the previous 4-week average. Wheat export shipments were in line with trade expectations at 426.1 TMT, down 12% from the previous week and down 9% from the previous 4-week average. Cumulative wheat exports are now running at 58.5% of the USDA estimate for the year compared to a 5-year average of 57.8%.

Wheat Competitor / Buyer News – UkrAgroConsult is projecting Ukraine’s 2017 wheat crop will fall to 23.5 MMT, compared to 27 MMT in 2016. Egypt stated this week they have sufficient wheat stocks to cover their needs for the next 5 months.

CORN – USDA reported corn export sales were below trade expectations and a marketing year low last week at 429.2 TMT, down 55% from the previous week and down 67% from the previous 4-week average. Corn export shipments also were below trade expectations at 609.0 TMT, down 39% from the previous week and down 39% from the previous 4-week average. Cumulative U.S. corn export shipments have now reached 30.2% of the USDA estimate for the marketing year, compared to a 5-year average pace of 28.8%.

Ethanol corn usage – DOE's Energy Information Agency reported another uptick in U.S. ethanol production last week to 1,0343,000 bbls per day, up 1.5% from the previous week and up 4.7% from a year ago. Weekly corn usage topped 109.5 million bu, now running well above the weekly pace needed to reach USDA's projection of 5.3 billion bu for MY 2016/17.

Corn Competitor / Buyer News – Brazil exported 1.005 MMT of corn last month, up modestly from November's tally but down sharply from the previous year's December exports of 6.267 MMT. Brazil's new crop harvest begins at the end of this month across northeastern production region which is experiencing pockets of dryness. Taiwan bought 65 TMT of U.S. corn this week.

Futures Market trends this week

WHEAT – Wheat markets opened the week modestly lower on Tuesday under pressure from a strong dollar which posted a fresh 14 year high to start the week. Wheat price rebounded on Wednesday and Thursday on support from short covering triggered by a weaker dollar and winter wheat concerns as another round of arctic temperatures dip as far south as the Texas Panhandle by the end of this week. **Wheat market closes on Thursday, 1/05/2017...**

	Mar 2017	Weekly Summary	May 2017	Weekly Summary	July 2017	Weekly Summary
Chicago SRW	\$4.26¼	Up \$0.18¼	\$4.36½	Up \$0.16	\$4.49¼	Up \$0.15
HRW	\$4.34½	Up \$0.16	\$4.46	Up \$0.16	\$4.57	Up \$0.15¾
DNS	\$5.50¼	Up \$0.12¼	\$5.44¾	Up \$0.10¾	\$5.45¾	Up \$0.07¾

CORN – Corn posted modest gains all week, with short covering triggered by expectations of index fund rebalancing starting next week which could favor corn purchases and crop concerns about excessive rainfall in parts of Argentina which is causing flooding and plantings delays affecting about 25% of the crop. **Corn futures contract closes on Thursday, 1/05/17...** Mar 2017 contract at \$3.61¼, up \$0.09¼ for the week, May 2017 contract closed at \$3.67½, up \$0.10 for the week and the July 2017 contract closed at \$3.74¼, up \$0.10 for the week.

CRUDE OIL – Crude oil prices saw increased volatility this week, with pressure early in the week from a stronger dollar which posted a 14 year high offset later in the week by support from a sharp drawdown in crude oil inventories, Saudi Arabian production cut this month of 486,000 bpd. A pullback in the dollar as the week progressed also provided support. The U.S. DOE Energy Information Agency reported domestic crude oil inventories fell by 7.051 million bbls compared to an expected decrease of 2.2 million bbls. Distillate stocks increased by 10.051 million bbls, compared to an expected increase of 1.1 million bbls. Gasoline stocks also increased more than expected – up 8.307 million bbls compared to an expected increase of 1.8 million bbls. **Crude oil futures finished up \$0.04/bbl for the week to close at \$53.76, an 18 month high and up 23% since mid-November when OPEC announced their production cuts.**

Weather / Crop Conditions –

U.S. – Heavy precipitation and cold temperatures persisted across the PNW and Northern Rockies. Low temperatures were expected to overspread the Plains by this weekend, dipping as far south as the Texas Panhandle, with protective snow cover in most but not all areas. The 6-10 day outlook calls for near to above normal temperatures across much of the country except the PNW and near to above normal precipitation across much of the country.

INTERNATIONAL -

- **South America** – Argentina continued to see heavy rainfall across northern production areas, causing flooding and planting delays which have affected about 25% of the intended acreage. While southern Brazil continues to receive beneficial moisture, pockets of dryness persist across the northeastern production region.

REGISTER NOW for UI EXTENSION FARM & RANCH WORKSHOP SERIES...

Rexburg, Begins January 10th – for six consecutive Tuesdays
Blackfoot, Begins January 11th – for six consecutive Wednesdays
Preston, Begins January 12th – for six consecutive Thursdays (excl. 1/19)
 Classes are from 1:00 to 4:00 p.m.

Topics:

- Financial Management
- Goals & Planning
- Marketing Strategies
- Risk Management
- Enterprise Budgets
- Human Resources
- Cash Flow Plans
- FinPack Software

Cost: \$100 per operation

Register by January 6th, 2017. Call or email the Bear Lake County Extension Office (208) 847-0344, beborn@uidaho.edu

