

Idaho Grain Market Report, Feb. 1, 2018

Published weekly by the Idaho Barley Commission, kolson@barley.idaho.gov, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, Jan. 31, 2018. 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	\$7.50		\$3.90	\$5.22	\$5.72	\$5.55
Idaho Falls		\$8.30 -9.06	\$3.90	\$4.80	\$5.55	\$5.05
Blackfoot / Pocatello		\$6.50	\$3.90	\$4.80	\$5.55	\$5.05
Grace / Soda Springs	\$6.50		\$3.94	\$4.77	\$5.61	\$5.22
Burley / Rupert	\$6.25		\$4.00	\$4.51	\$5.71	\$5.12
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.00-6.50		\$3.90-4.00	\$4.77	\$5.52	\$5.22
Nampa / Weiser	\$6.00		\$4.30			
Nez Perce / Craigmont	\$4.75		\$4.50	\$5.32	\$6.47	
Lewiston	\$5.25		\$4.76	\$5.58	\$6.73	
Moscow / Genesee	\$4.75-5.45		\$4.53-4.70	\$5.35-5.45	\$6.50-6.65	\$5.50

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW Ord pro -	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			\$5.30 -5.44	\$6.12¼ -6.32¼	\$7.22¼ -7.47¼	
Los Angeles	\$8.65-9.00					
Tulare	\$8.65-9.00					
Ogden	\$6.75		\$4.15	\$5.10	\$6.05	\$5.60
Great Falls	\$5.25	\$7.75- 8.00		\$5.21-5.46(12%)	\$6.17-6.30	
Minneapolis	\$5.52			\$5.37¼ (12%)	\$7.12¼ -7.27¼	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to \$1.00/Cwt. higher, while open market malting barley prices remain steady this week. USDA reported there were no barley export sales last week, but 600 MT exported to Japan.

WHEAT – Local wheat prices were mostly higher this week. SWW prices ranged from steady to 18 cents higher; HRW prices ranged from 20 to 38 cents higher; and DNS prices ranged from minus 8 cents to plus 14 cents. USDA reported wheat export sales were below trade expectations at 289.1 TMT, down 32% from the previous week but up 48% from the 4-week average. Cumulative wheat export sales have reached 76.9% of the estimated export sales for the year, compared to a 5-year average of 81%. Wheat export shipments were better at 515.1 TMT, up 37% from the previous week and up 57% from the 4-week average.

Wheat Competitor / Buyer News – Russian wheat export prices rose to the highest levels since July 2017.

CORN – USDA reported another week of very strong corn export sales at 1.851 MMT, on the high end of trade expectations, and up 93% from the 4-week average. Cumulative corn export sales have reached 66% of the estimated export sales for the year, compared to a 5-year average of 65.3%. Corn export shipments last week reached a marketing year high of 1.046 MMT, up 75% from the previous week and up 51% from the 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a downtick in weekly U.S. ethanol production – down 2.1% or 58,000 bbls/day to 1.04 million bbls/day, which is down nearly 2% from a year ago. Ethanol stocks declined to 23.045 million bbls, down 3.2% from last week but still 5% above a year ago. Weekly corn usage for ethanol remains

strong at 108.14 mbu, above the weekly pace needed to reach USDA's estimate for MY 2017/18 of 5.525 billion bu. Cumulative year-to-date corn use now totals 2.4 billion bu.

Corn Competitor/Buyer News – Argentine corn production estimates continue to shrink, with some local crop analysts lowering their forecast from 42 MMT to 36-38 MMT. Brazilian corn crop prospects also are declining as heavy rains in many key areas have delayed soybean harvest and 2nd crop corn planting which could lower their crop by as much as 9 MMT. Brazilian corn exports totaled 3.02 MMT in January, compared to 3.9 MMT in December and 1.45 MMT a year ago. Ukraine has lowered its 2017 corn production estimate to 24.1 MMT (USDA 25.0 MMT). Their exports so far this marketing year have totaled 7.7 MMT, down 15% from the same period last year. USDA announced several major single day U.S. corn sales this week – 125 TMT to unknown, 115 TMT to Egypt, 132 TMT to Spain, and 145 TMT to unknown.

Futures Market trends this week

WHEAT – Wheat prices charged higher early this week, buoyed by expanding drought and winterkill concerns in key HRW growing areas. Major areas of the Central and Southern US Plains have not seen appreciable moisture during the past 11 weeks and are not expected to receive moisture for the next 10 days. It is estimated that as much as 80% of the High Plains are currently abnormally dry to extreme drought. Weekly crop condition ratings in two of the major producing states of KS and OK confirmed these deteriorating conditions, with KS crop rated at 14% good/excellent compared to 37% in December and 51% in November. OK crop is rated at 4% good/excellent compared to 15% in December and 30% in November. Rising Russian wheat prices also provided underlying support. Wheat prices posted a bearish reversal on Wednesday under profit-taking pressures. Wheat finished mixed today (Thursday) under pressure from poor wheat export sales. **Wheat futures contract closes on Thursday, 2/01/2018...**

	Mar 2018	Week Change	May 2018	Week Change	July 2018	Week Change
CHI SRW	\$4.51	Up \$0.10	\$4.64 ¹ / ₄	Up \$0.10 ¹ / ₂	\$4.78	Up \$0.11 ¹ / ₂
KC HRW	\$4.67	Up \$0.24	\$4.81 ³ / ₄	Up \$0.24	\$4.97 ³ / ₄	Up \$0.23 ¹ / ₄
MGE DNS	\$6.11 ³ / ₄	Down \$0.01 ¹ / ₄	\$6.22 ¹ / ₂	Down \$0.01 ¹ / ₂	\$6.30 ¹ / ₂	Down \$0.01 ¹ / ₄

CORN- Corn posted modest gains on Monday and Tuesday on short covering triggered by spillover gains in wheat and soybeans and extended hot and dry conditions in Argentina during silking coupled heavy rains in Brazil which will delay or reduce 2nd crop corn planting. Corn finished fractionally lower on Wednesday, under pressure from disappointing ethanol production. Corn traded near unchanged today (Thursday) with some pressure from extended forecasts showing better chances of rain in Argentina after Feb. 10. **Mar. 2018 contract closed on Thursday, 2/01/2018 at \$3.61³/₄, up \$0.05¹/₄ for the week, May 2018 contract closed at \$3.70, up \$0.05 for the week and July 2018 contract closed at \$3.77³/₄, up \$0.04¹/₂ for the week.**

CRUDE OIL – Crude oil futures chopped in a narrow channel this week, with underlying support from a weaker dollar. The U.S. EIA reported the first weekly increase in domestic crude oil stockpiles after 10 consecutive weekly declines - raising 6.776 million bbls, well above the expected increase of 800,000 bbls. Distillate stocks decreased by 1.94 million bbls, while gasoline stockpiles increased by 3.098 million bbls, above the expected increase of 2.5 million bbls. EIA confirmed that U.S. domestic crude oil production recently topped 10 million barrels per day, the largest daily production since the early 1970s. With continued growth in domestic production, the U.S. is expected to overtake Saudi Arabia and Russia as the largest producer in the world this year. **Crude oil futures finished down \$0.34/bbl for the week to close at \$65.80/bbl (Mar contract).**

REGISTER NOW for IBC GRAIN MARKETING WORKSHOPS featuring Brian Rydlund, CHS grain analyst and trader, Minneapolis, MN on Feb. 13-14...

Feb. 13 from 9 a.m. to noon at the AmericInn in Rexburg.

Feb. 14 from 9 a.m. to noon at Red Lion Inn in Pocatello.

There is no workshop fee, but we ask that you **pre-register** by calling Kelly Olson, IBC, at 208.409.9165 or emailing kolson@barley.idaho.gov

RECORDED DEC. 14, 2017 GRAIN MARKETING WEBINAR... Five Common Mistakes in Grain Marketing featuring Ed Usset, University of Minnesota Center for Farm Financial Management. Link at <https://umn.webex.com/umn/lsr.php?RCID=ae9df66dac774406b1dd375c7f9e2a30>

RECORDED Dec. 1, 2017 WEATHER WEBINAR... Winter 2018 Weather & Water Outlook featuring Troy Lindquist, NWS Senior Hydrologist. Link at <https://vimeo.com/246010744>

RECORDED March 2017 GRAIN MARKETING WEBINAR... How to Write a Pre-Harvest Grain Marketing Plan, featuring Ed Usset, Univ. of Minnesota. Link at <https://umn.webex.com/cmp3200/webcomponents/jsp/docshow/closewind>