

Idaho Grain Market Report, February 16, 2017

Published weekly by the Idaho Barley Commission, [kolson@barley.idaho.gov](mailto:kolson@barley.idaho.gov), 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, February 15, 2017. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED 48 lbs or better</b>	<b>MALTING Open market malting</b>	<b>Wheat (bu.) Milling #1 SWW</b>	<b>#1 HRW 11.5% pro</b>	<b>#1 DNS 14% pro</b>	<b>#1 HWW</b>
Rexburg / Ririe	\$5.25- 5.50		\$3.50-3.65	\$4.20	\$5.30	\$4.16
Idaho Falls		\$8.30 -8.32	\$3.85	\$4.45	\$5.25	\$4.55
Blackfoot / Pocatello		\$6.50	\$3.85	\$4.45	\$5.25	\$4.55
Grace / Soda Springs	\$5.50		\$3.63	\$3.82	\$5.24	\$4.19
Burley / Rupert	\$5.00		\$3.68	\$3.69	\$5.35	\$4.44
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$6.50		\$3.40-3.71	\$3.85	\$5.25	\$4.40
Nampa – Weiser	\$6.00		\$3.70			
Nez Perce / Craigmont	\$3.75		\$3.91	\$4.65	\$6.10	
Lewiston	\$4.25		\$4.17	\$4.91	\$6.36	
Moscow / Genesee	\$3.75-4.25		\$3.94-4.13	\$4.68-4.82	\$6.13-6.32	\$4.82

**Prices at Selected Terminal Markets, cash prices FOB**

	<b>#2 Feed 46 lbs. -- unit trains barge</b>	<b>Malting</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			<b>Ord pro - \$4.85 - 4.94% max 10.5% pro \$4.99%</b>	\$5.49¼ -5.84¼	\$6.83 -7.05	
Los Angeles	\$8.65-8.85					
Tulare	\$8.65-8.85					
Ogden	\$6.50		\$4.00	\$4.20	\$5.60	\$4.70
Great Falls	\$4.50-4.75	\$6.00		\$4.34-4.57 (12%)	\$5.53	
Minneapolis	\$4.17	NQ		\$5.14¼ (12%)	\$6.55 – 6.80	

**Market trends this week**

**BARLEY** – Local feed and malting barley prices were steady to 25 cents higher. USDA reported there were no barley export sales or shipments last week.

**WHEAT** – Local wheat prices were higher this week: SWW prices ranged from 10 to 20 cents higher; HRW prices ranged from 10 to 25 cents higher; and DNS prices ranged from 7 to 12 cents higher. USDA reported wheat export sales were robust last week and above trade expectations at 569.1 TMT (plus MY 2017/18 sales of 19.5 TMT), up 8% from the previous week and up 10% from the previous 4-week average. By contrast, they reported wheat exports were below expectations at 389.1 TMT, down 36% from the previous week and down 4% from the prior 4-week average.

**Wheat Competitor / Buyer News** – Russian wheat export prices have risen to 8 month highs. ABARE released an updated Australian wheat production estimate this week, pegging their wheat crop at a record high 35.1 MMT, up 2.5 MMT from an earlier estimate and up 10.9 MMT from the previous year. They exported a record amount of wheat in January at 4.0-4.3 MMT. India is expecting a record total grain harvest this year after receiving strong monsoonal rains this season, with a wheat crop now pegged at 96.6 MMT, up 5% from the previous year.

**CORN** – USDA reported corn export sales were below trade expectations at 783.5 TMT (plus MY 2017/18 sales of 285.2 TMT), down 19% from the previous week and down 35% from the prior 4-week average. Corn export shipments were stronger at 1.252 MMT, up 11% from the previous week and up 32% from the prior 4-week average.

**Ethanol corn usage** – DOE's Energy Information Agency reported another downtick in U.S. ethanol production last week despite improving margins to 1,0455,000 bbls per day, down 15,000 bbls or -1.4% but up 7% from a year ago. Ethanol stocks continue to rise, reaching 22.5 million bbls last week, up 1.9% from the previous week but down 3.1% from the previous year. Weekly corn usage totaled more than 109.2 million bu last week and is above the weekly pace needed to reach USDA's projected usage of 5.35 billion bu. Cumulative corn use is estimated at 2.49 billion bu.

**Corn Competitor / Buyer News** – A major private crop analyst has pegged the Brazilian corn crop at 86 MMT, unchanged from previous estimates, but raised their Argentine crop peg by 2 MMT to 36 MMT. Together these two countries are expected to see a 26 MMT year-over-year increase in corn production which will soon start flowing into export channels and compete with US corn exports through the end of the current marketing year. USDA announced some major daily corn purchases this week, starting off the week with an announced sale of 101.6 TMT to an unknown destination and quickly followed by 229 TMT sold to Japanese buyer for delivery in MY 2017/18. Japanese buyers report current difficulties with receiving corn shipments off of the PNW due to logistical problems resulting from the harsh winter weather across the PNW region.

#### Futures Market trends this week

**WHEAT** – Wheat markets opened the week mixed to moderately higher in winter wheat contracts on follow-through fund buying after Friday's strong technical action triggered buy stops. Wheat chopped modestly lower on Tuesday under pressure from a stronger dollar and spillover weakness in soybeans and corn. Winter wheat contracts led a reversal higher on Wednesday – posting fresh 5 month highs - after holding off overnight profit-taking. Another round of profit-taking drove wheat prices sharply lower today (Thursday) despite a lower dollar and stronger than expected export sales. under pressure from **Wheat market closes on Thursday, 2/16/2017...**

	<b>Mar 2017</b>	<b>Weekly Summary</b>	<b>May 2017</b>	<b>Weekly Summary</b>	<b>July 2017</b>	<b>Weekly Summary</b>
CHI SRW	\$4.47¾	Down \$0.01¼	\$4.61¼	Down \$0.01¾	\$4.73¾	Up \$0.01
KC HRW	\$4.58	Down \$0.02½	\$4.71	Down \$0.02¼	\$4.82¾	Down \$0.01¾
MGE DNS	\$5.50¼	Down \$0.22¼	\$5.56	Down \$0.14¼	\$5.61	Down \$0.09½

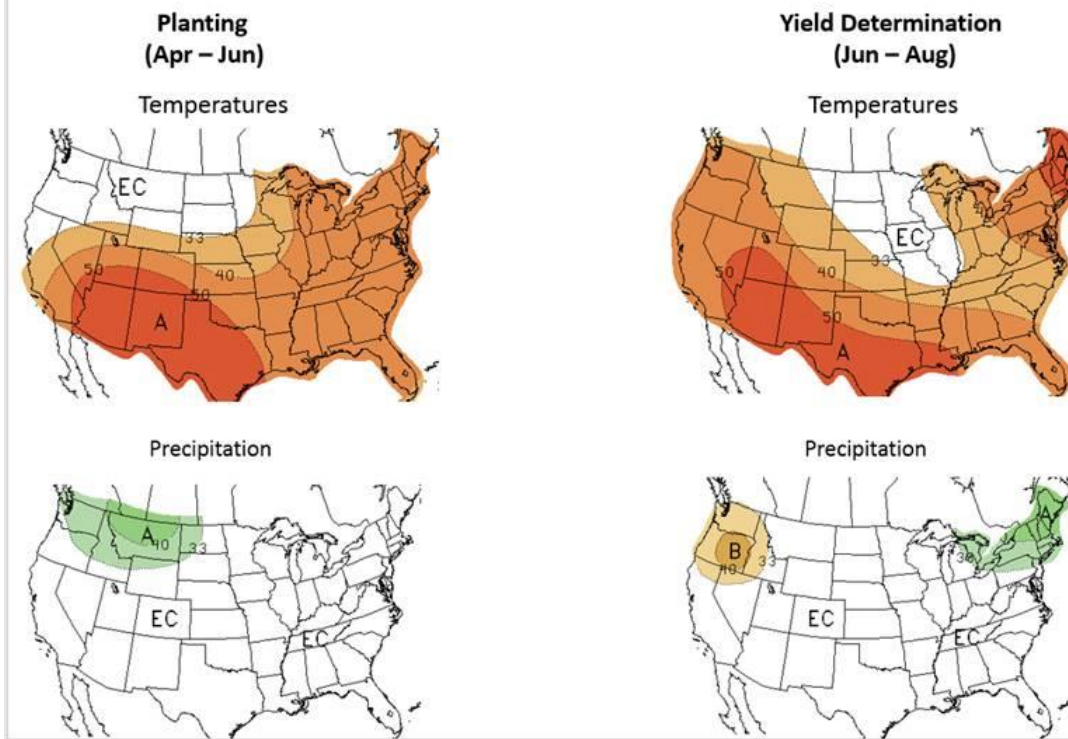
**CORN** – Corn traded in a narrow range on Monday, finishing fractionally higher on support from a stronger than expected export shipment pace. Corn ground moderately lower on Tuesday in two sided action under pressure from soybean weakness and a firm dollar. Corn posted gains on Wednesday to reach 7½ month highs, boosted by bargain buying and strong spillover support from soybeans as both crops batte for 2017 acreage. But gains were short lived as corn reversed directions again to finish moderately lower today (Thursday) under profit-taking pressures triggered by disappointing export sales and a lack of fresh supportive news. **Corn futures contract closes on Thursday, 2/16/17... Mar 2017 contract at \$3.73½, down \$0.01 for the week, May 2017 contract closed at \$3.81, down \$0.01 for the week and the July 2017 contract closed at \$3.87¾, down \$0.01 for the week.**

**CRUDE OIL** – Crude oil prices opened the week lower but then remained range bound for the remainder of the week as optimism about the high compliance rate in OPEC oil production cuts is offset by rising US oil rig counts and record domestic oil inventories. The U.S. DOE Energy Information Agency reported domestic crude oil inventories increased by 9.527 million bbls compared to an expected build of 3.5 million bbls to reach a recorders high 518.1 million bbls. Distillate stocks decreased by 689,000, while gasoline stocks increased by 2.846 million bbls. **Crude oil futures finished down \$0.50/bbl for the week to close at \$53.36.**

#### **Weather / Crop Conditions –**

**U.S.** – Multiple storm systems are sweeping through N. CA and the PNW region this week, accompanied by mostly warmer air which is causing rapid low elevation snow melt and increasing flooding risks in many areas. There are also pockets of freezing rain and fresh snow accumulation in higher elevations. By contrast the Midwest and Northern Plains are mostly mild and dry this week and the Central and Southern Plains are experiencing unusually warm weather that has rapidly melted protective snow cover and caused winter wheat to lose winter hardiness. The 6-10 day outlook calls for warm and wet conditions across much of the country, except for cooler than normal temperatures along the northern Pacific Coast and interior PNW.

## NOAA's Long Term Weather Forecast



### INTERNATIONAL -

**South America** – Showers continue continue Central Brazil, slowing soybean and corn harvest in some areas but more favorable harvest weather was expected by later this week and into next week. Despite periodic interruptions, second crop (safrina) corn planting pace is reported to be ahead of normal at 47%. Light showers continued to blanket many growing regions across Brazil, slowing second crop corn planting. Central Argentine growing areas received moisture this week.

### JOIN US FOR THESE UPCOMING WEBINARS

- **Friday, Feb. 17 at 10 a.m. MST** - **What's Your Break-Even Price? UI tools to calculate your cost of production** – presented by UI Extension Ag Economist Ben Eborn. **Participation link** <https://uidaho.zoom.us/j/720140886>.
- **Feb. 28 at 7 p.m. MST** - **How to Write a Pre-Harvest Grain Marketing Plan** - presented by Ed Usset, Univ. of Minnesota Center for Farm Financial Management. **Participation link** <https://umn.webex.com/umn/j.php?MTID=m0826bf268d041cfe4dee9433ecbd9532>  
**Meeting number: 748 167 356**