

Idaho Grain Market Report, Mar. 1, 2018

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, Feb. 28, 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	\$7.25		\$4.10	\$5.22	\$5.73	\$5.45
Idaho Falls		\$8.30 -9.06	\$3.95	\$5.30	\$5.40	\$5.40
Blackfoot / Pocatello		\$6.50	\$3.95	\$5.30	\$5.40	\$5.40
Grace / Soda Springs	\$7.00		\$4.09	\$4.89	\$5.53	\$5.34
Burley / Rupert	\$6.25		\$4.05	\$4.66	\$5.61	\$5.42
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.50-6.50		\$4.20-4.23	\$5.12	\$5.50	\$5.40
Nampa / Weiser	\$5.75		\$4.50			
Nez Perce / Craigmont	\$5.45		\$4.82	\$5.67	\$6.56	
Lewiston	\$5.95		\$5.08	\$5.93	\$6.82	
Moscow / Genesee	\$5.45-5.95		\$4.85-5.00	\$5.70-5.90	\$6.59-6.80	\$5.90

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			\$5.40 -5.75	\$6.57¼ -6.78¼	\$7.36¾ -7.56¾	
Los Angeles	\$8.65-9.00					
Tulare	\$8.65-9.00					
Ogden	\$7.20		\$4.30	\$5.25	\$5.95	\$5.70
Great Falls	\$5.25-5.75	\$7.50- 8.00		\$5.53-5.76(12%)	\$6.21-6.31	
Minneapolis	\$5.94			\$5.87¼ (12%)	\$7.56¾	

Market trends this week

BARLEY – Local feed barley prices were steady to 20 cents higher, while open market malting barley prices remained steady this week. USDA reported there were no barley export sales last week, but exports totaled 600 MT to Japan and Taiwan.

WHEAT – Local wheat prices were sharply higher this week. SWW prices ranged from 18 to 35 cents higher; HRW prices ranged from 26 to 50 cents higher; and DNS prices ranged from steady to 17 cents higher. USDA reported wheat export sales last week were below trade expectations at 191.1 TMT (plus MY 18/19 sales of 45.2 TMT), down 42% from the 4-week average. Wheat export shipments last week totaled 330.7 TMT, down 21% from the previous week and down 30% from the 4-week average.

CORN – USDA reported U.S. corn export sales last week were above trade expectations at 1.753 MMT, up 13% from the previous week but down 2% from the 4-week average. Corn export shipments reached a marketing year high last week at 1.276 MMT, up 50% from the previous week and up 37% from the 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a downtick in weekly U.S. ethanol production – down 2.3% or 22,000 bbls/day to 1.044 million bbls/day, which is up nearly 1% from a year ago. Ethanol stocks inched up slightly to 22.98 million bbls, which is up 0.5% from a year ago. Weekly corn usage for ethanol remains strong at 108.6 mbu and ahead of 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 2.83 billion bu.

Corn Competitor/Buyer News – Some crop forecasters continue to lower their Brazilian and Argentine corn crop estimates to as low as 87 MMT and 32 MMT respectfully vs. USDA’s current peg of 95 MMT and 39 MMT. If realized, their combined crop of 119 MMT would be 15% below last year’s 139.5 MMT.

Futures Market trends this week

Grain markets rocketed higher this week on a surprisingly strong early season weather rally, which has triggered short covering and fresh buying which have flipped most futures contracts from a net short position to a more bullish net long position. There are multiple weather concerns across the world, headlined by the worst hard red winter wheat state crop ratings ever for this time of year, threat of winterkill to winter grains from an arctic blast moving through Eastern Europe, Ukraine and Western Russia, intensifying drought in key Argentine growing areas and rain-delayed 2nd corn crop plantings in Brazil.

WHEAT – Wheat prices closed moderately higher to start the week on dry forecasts for much of the Central and Southern Plains and cold temperatures spreading across Eastern Europe, Ukraine and Western Russia. Prices rocketed higher on Wednesday and today (Thursday), soaring double digits both days on intensifying U.S. winter wheat drought and potential for European winterkill. This surprisingly strong early season weather rally overcame pressure from a firming dollar and disappointing wheat export sales and shipments. **Wheat futures contract closes on Thursday, 3/01/2018...**

	Mar 2018	Week Change	May 2018	Week Change	July 2018	Week Change
CHI SRW	\$5.05½	Up \$0.53¼	\$5.15½	Up \$0.51¼	\$5.28½	Up \$0.49½
KC HRW	\$5.31	Up \$0.62	\$5.43½	Up \$0.58¾	\$5.60	Up \$0.57¼
MGE DNS	\$6.20	Up \$0.19¼	\$6.34¾	Up \$0.21½	\$6.41½	Up \$0.18½

CORN- Corn posted modest gains on Monday with continued support from a strengthening export shipment pace and prolonged dryness in Argentina and rain-delayed second crop plantings in Brazil. Corn continued to see moderate gains through the week, closing moderately higher today (Thursday) on spillover support from wheat and soybeans as corn is becoming a great value compared to soymeal, DDGs and wheat. Strong export sales provided additional support today. **Mar. 2018 contract closed on Thursday, 3/01/2018 at \$3.78¾, up \$0.12½ for the week, May 2018 contract closed at \$3.86¼, up \$0.11¾ for the week and July 2018 contract closed at \$3.93½, up \$0.11¼ for the week.**

CRUDE OIL – Crude oil futures chopped mostly lower this week, under pressure from a firmer U.S. dollar and larger than expected weekly inventory build. The U.S. EIA reported that weekly domestic oil stockpiles increased by 3.019 million bbls, above the expected increase of 2.1 million bbls. Distillate stocks declined by 960,000 bbls, compared to an expected decline of 709,000 bbls, while gasoline stockpiles increased by 2.485 million bbls, compared to an decrease of 190,000 bbls. **Crude oil futures finished down \$2.5609/bbl for the week to close at \$60.99/bbl (April contract).**

Crop Weather Watch – U.S. hard red winter wheat belt is experiencing prolonged dryness as depicted in the weekly US Drought Monitor map below. State crop ratings this week confirmed record poor conditions for this time of year (crops emerging from winter dormancy):

- KS – 12% good/excellent and 49% poor/very poor
- OK – 4% and 78%
- TX – 4% and 73%

