

Idaho Grain Market Report, March 31, 2017

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, March 29, 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	\$5.00- 5.75		\$3.35	\$3.85	\$5.20	\$4.05
Idaho Falls		\$8.30 -8.33	\$3.35	\$3.95	\$5.20	\$4.05
Blackfoot / Pocatello		\$6.50	\$3.35	\$3.95	\$5.20	\$4.05
Grace / Soda Springs	\$5.50		\$3.41	\$3.35	\$5.01	\$3.85
Burley / Rupert	\$5.00		\$3.39	\$3.20	\$5.09	\$3.90
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$6.30		\$3.30-3.40	\$3.35	\$5.00	\$3.89
Nampa – Weiser	\$5.75		\$3.72			
Nez Perce / Craigmont	\$4.00		\$3.89	\$4.09	\$5.83	
Lewiston	\$4.50		\$4.15	\$4.35	\$6.09	
Moscow / Genesee	\$4.00-4.50		\$3.92-4.08	\$4.12-4.26	\$5.86-6.05	\$4.26

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 - \$4.45½ - 4.70½ max 10.5% pro \$4.45½ - 4.75½	\$5.03½ - 5.28½	\$6.43¼ - 6.78¼	
Los Angeles	\$8.65-8.85					
Tulare	\$8.65-8.85					
Ogden	\$5.90		\$3.80	\$3.85	\$5.50	\$4.30
Great Falls	\$4.75	\$6.00		\$3.93-4.09 (12%)	\$5.38-5.50	
Minneapolis	\$4.27			\$4.53½ (12%)	\$6.08¼ - 6.23¼	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to minus 25 cents, but were mostly unchanged. Open market malting barley prices were steady this week. USDA reported no barley export sales last week while barley exports totaled 200 MT to Taiwan.

2017 BARLEY Plantings and March 1 quarterly stocks – 2017 U.S. barley plantings are estimated at 2.55 million acres, down 17% from last year. Idaho barley plantings are pegged at 630,000, up 5%. U.S. barley stocks on March 1 are estimated at 147 million bu, up 7% from the previous year. Indicated disappearance for the period December 2016 through February 2017 is pegged at 45.7 million bu, up 7%. Idaho barley stocks on March 1 are pegged at 36.55 million bu, up 23% from the same period a year ago.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 8 cents to plus 10 cents; HRW prices ranged from 3 to 10 cents lower; and DNS prices ranged from minus 12 cents to plus 6 cents. USDA reported old crop wheat export sales were within trade expectations at 464.1 TMT (plus MY 2017/18 sales of 163.5 TMT), up 11% from the previous week and up 33% from the previous 4-week average. Wheat export shipments last week slipped lower and are trending below the needed weekly pace to reach USDA's projected exports at 495.4 TMT, down 24% from the previous week and down 11% from the prior 4-week average.

2017 WHEAT Plantings and March 1 quarterly stocks – 2017 wheat plantings are estimated at 46.1 million acres, down 8% from last year, and in line with pre-report trade estimates of 46.1 million and the lowest acreage since records began in 1919. Winter wheat acres are pegged at 32.7 million, down 9% (HRW 23.8 million, SRW 5.5 million and white 3.38 million). Other spring wheat acres are estimated at 11.3 million, down 3%. **Idaho wheat plantings are pegged at 1.175 million, unchanged (winter 730,000 and spring 430,000).** U.S. wheat stocks on March 1 are estimated at 1.66 billion bu, up 21% from the previous year and ABOVE the average pre-report trade estimate of 1.627 billion bu. Indicated disappearance for the period December 2016 through February 2017 is pegged at 422 million bu, up 13%. Idaho wheat stocks on March 1 are pegged at 55.39 million bu, up 52% from the same period a year ago.

Wheat Competitor / Buyer News – Russian wheat export prices have slipped to a 6 week low after losing sales to Turkey in a dispute between the two countries. Indian government imposed a 10% import tax on wheat this week, effective immediately, in anticipation of a large domestic wheat harvest. Several international tenders are pending...Iraq is seeking 50 TMT, Jordan 50 TMT and Libya extended its deadline for bids for 100 TMT of optional origin wheat.

CORN – USDA reported corn export sales were well below trade expectations last week at 716.9 TMT (plus MY 2017/18 sales of 125 TMT), down 47% from the previous week and down 28% from the prior 4-week average. Corn export shipments last week remained strong at 1.403 MMT, up 2% from the previous week but down 4% from the prior 4-week average.

2017 CORN Plantings and March 1 quarterly stocks – 2017 corn plantings are estimated at 90.0 million acres, down 4% or 4 million acres from last year, and BELOW pre-report trade estimates of 90.9 million. U.S. corn stocks on March 1 are estimated at 8.62 billion bu, up 10% from the previous year and the highest mid-year stocks in nearly three decades. The USDA estimate is ABOVE the average pre-report trade estimate of 8.543 billion bu. Indicated disappearance for the period December 2016 through February 2017 is pegged at 3.77 billion bu, up 10% from the same period a year ago.

Ethanol corn usage – DOE's Energy Information Agency reported an impressive uptick in U.S. ethanol production on improving margins – up 10,000 bbls last week or 0.96% to 1,054,000 bbls per day, which is up more than 6% from a year ago. Ethanol stocks surged to the highest level in a year at 23.26 million bbls last week, up 2.9% from the previous week and up 1.0% from the previous year. Weekly corn usage for ethanol remained very strong at 110.7 million bu and cumulative corn use at 3.15 billion bu.

Futures Market trends this week

WHEAT – Wheat markets opened the week lower, closing at 12 week lows on pressure from beneficial moisture expected to ease drought conditions across the HRW belt over the next two weeks. Prices favored the upside on Tuesday on short covering and positioning ahead of Friday's acreage report which is expected to show a significant decline in US wheat acres as projected returns favor an expansion of soybean acres across the Northern Plains. Wheat prices traded narrowly mixed on Wednesday and Thursday on pressure from a firmer dollar and lower spring wheat acres in Friday's planting intentions report. **Wheat market closes on Thursday, 3/30/2017...**

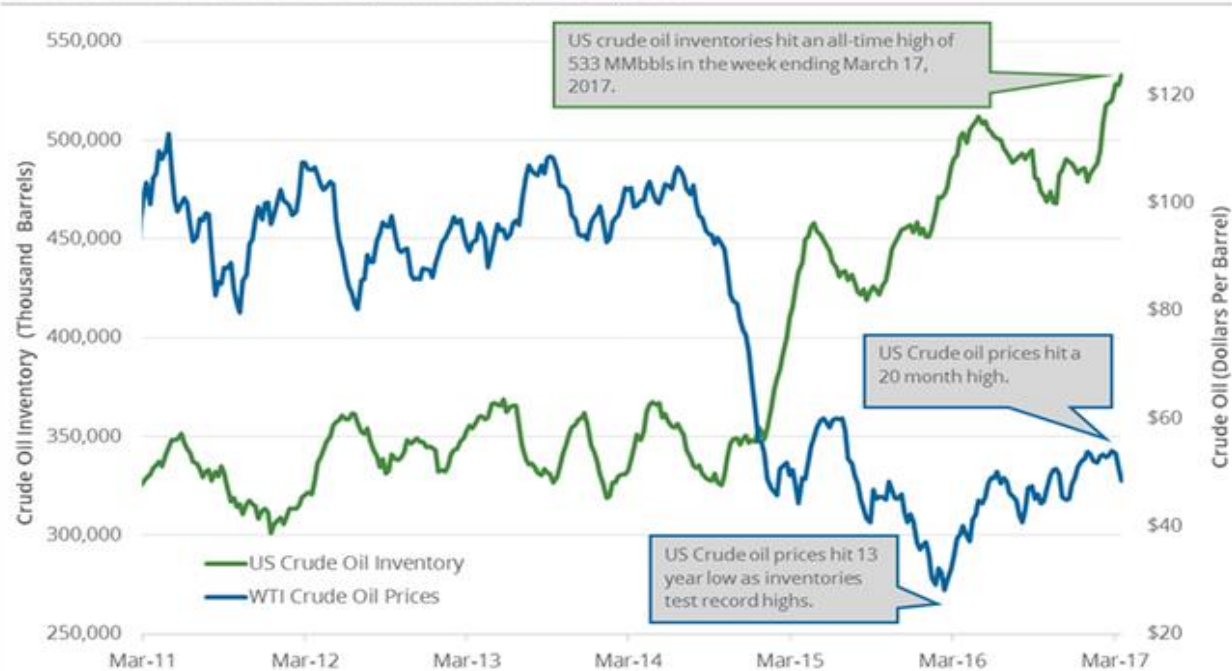
	May 2017	Weekly Summary	July 2017	Weekly Summary	Sept 2017	Weekly Summary
CHI SRW	\$4.21	Down \$0.03 ³ / ₄	\$4.34	Down \$0.05 ¹ / ₂	\$4.49 ¹ / ₄	Down \$0.05 ¹ / ₄
KC HRW	\$4.17 ¹ / ₄	Down \$0.10 ³ / ₄	\$4.30 ¹ / ₄	Down \$0.09 ³ / ₄	\$4.45 ¹ / ₂	Down \$0.10 ¹ / ₂
MGE DNS	\$5.43 ¹ / ₂	Up \$0.07 ³ / ₄	\$5.49 ¹ / ₂	Up \$0.07	\$5.54 ³ / ₄	Up \$0.06

CORN – Corn posted fractional losses on Monday as short covering pared losses into the session close. Prices rebounded modestly higher on Tuesday and Wednesday in corrective short covering triggered by positioning ahead of Friday's key planting intentions and quarterly stock reports. Corn settled narrowly lower on Thursday under pressure from disappointing corn export sales and a firmer dollar. **Corn futures contract closes on Thursday, 3/30/2017... May 2017 contract at \$3.57¹/₂, up \$0.01¹/₄ for the week, July 2017 contract closed at \$3.65, up \$0.01¹/₄ for the week and the Sept. 2017 contract closed at \$3.72¹/₄, up \$0.00³/₄ for the week.**

CRUDE OIL – Crude oil prices bounced higher from a 4 month low this week on a smaller than expected increase in crude oil stocks and bigger than expected declines in gasoline and distillate stocks. Disruptions in Libyan oil supplies and speculation that OPEC members will extend their production cuts beyond their initial 6-month pledge also provided underlying support. The U.S. DOE Energy Information Agency reported a smaller than expected build in domestic oil inventories – up 867,000 bbls compared to an expected build of 2.0 million bbls. Distillate stocks fell by 2.483 million bbls and are down more than 5% year-on-year. Gasoline stocks fell by 3.747 million bbls, down 1.2% year-on-year, compared to an expected decline of 2.0 million bbls. **Crude oil futures finished up \$2.38/bbl for the week to close at \$50.35.**

Impact of US Crude Oil Inventories on Crude Oil Prices

US crude oil inventories and crude oil prices are usually inversely related



Source: EIA, NYMEX

Weather / Crop Conditions –

U.S. – A series of slow moving storms brought cool showery conditions to the PNW and Intermountain region this week, with more rain in the extended outlook. A wide band of severe storms brought drought-easing rain to the North-central and Eastern Plains this week with the 7-day forecast showing as much as 3 to 5 inches of beneficial moisture in parts of KS, OK and TX. The Northern Plains and Upper Midwest saw mostly mild dry conditions. The 6-10 day outlook calls for warmer and wetter than normal conditions across much of the country, except the south-central region which is expected to remain dry.

South America – Most Brazilian and Argentine production areas are forecast to be dry this week, but Argentine forecasts are being watched closely as 3-6 inches of rain are in the extended outlook which could delay corn harvest.

RECORDED webinars...

“How to write a pre-harvest marketing plan” presented by Ed Usset, Univ. of Minnesota grain marketing economist on Feb. 28, 2017. Link at

<https://umn.webex.com/umn/lsr.php?RCID=ec31c25ee120468a8041bb476f66afc4>

“Grain Break-Even Price and Tough Decisions” presented by UI Extension Ag Economist Ben Eborn. Link at...<https://vimeo.com/204575195>