

Idaho Grain Market Report, April 12, 2018

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, April 11, 2018. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open market malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Rexburg / Ririe	\$7.25		\$4.05	\$5.17	\$5.85	\$5.40
Idaho Falls	\$6.25	\$8.30-9.06	\$3.90	\$5.10	\$5.70	\$5.30
Blackfoot / Pocatello	\$6.25	\$6.50	\$3.90	\$5.10	\$5.70	\$5.30
Grace / Soda Springs	\$7.20		\$4.05	\$4.66	\$5.62	\$5.36
Burley / Rupert	\$6.75		\$4.07	\$4.66	\$5.78	\$5.41
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$6.10-6.50		\$4.12	\$4.72	\$5.65	\$5.22
Nampa / Weiser			\$4.90			
Nez Perce / Craigmont	\$5.81		\$5.10	\$5.78	\$6.80	
Lewiston	\$6.33		\$5.36	\$6.04	\$7.06	
Moscow / Genesee	\$5.81-5.95		\$5.13-5.28	\$5.81-5.96	\$6.83-6.93	\$5.96

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW Ord pro - \$5.75 -5.90	#1 HRW 11.5% Protein \$6.62¼ -6.77¼	#1 DNS 14% Protein \$7.61-7.71	#1 HWW
Portland						
Ogden	\$7.45		\$4.30	\$5.00	\$5.97	\$5.60
Great Falls	\$6.00-6.25	\$8.00- 8.30		\$5.30-5.40 (12%)	\$5.96-6.04	
Minneapolis	\$5.94			\$5.86¾ (12%)	\$7.56½ - 7.71½	

Market trends this week

BARLEY – Local feed barley prices were steady to 10 cents higher this week. Open market malting barley prices remained steady. USDA reported barley export sales last week totaled 500 MT, all to South Korea, while barley exports totaled 1200 MT, all to Japan.

BARLEY Monthly S&D Projections – April 10 - USDA made only minor changes to their monthly barley S&D balance sheet by cutting imports by 5 million bu and cutting feed usage by 10 million bu to 25 million bu, resulting in a **5 million bu increase in ending stocks to 65 million bu.** USDA tightened the average barley farm-gate price to \$4.30-4.70/bu.

WHEAT – Local wheat prices are higher this week: SWW prices ranged from 9 to 37 cents higher; HRW prices ranged from 25 to 32 cents higher; and DNS prices ranged from 48 to 73 cents higher. USDA reported another week of disappointing wheat export sales at 120.7 TMT (plus MY 2018/19 sales of 68 TMT), up 11% from the previous week but down 46% from the previous 4-week average. Wheat export shipments were better at 436.4 TMT, up 2% from the previous week and up 12% from the previous 4-week average.

WHEAT Monthly S&D Projections – April 10 – Slightly bearish against trade expectations... USDA cut U.S. wheat feed usage by 30 million bu to 70 million bu, **increasing ending stocks to increase by an equal amount to 1.064 billion bu, which was ABOVE the average pre-report trade estimate of 1.039 billion bu.** The average farm-gate price range was left unchanged at \$4.60-4.70/bu. **World wheat production was increased this month by 1 MMT to a record 759.8 MMT, up 1.2% from the previous year. World wheat ending stocks were increased by nearly 2.3 MMT this month to 271.2 MMT, up 654% from last year and ABOVE the average pre-report trade estimate of 268.4 MMT.**

Wheat Competitor/Buyer News – USDA raised their Russian wheat export estimate by 1 MMT to 38.5 MMT.

CORN – USDA reported corn export sales were below trade expectations at 839.9 TMT (plus MY 2018/19 sales of 56 TMT), down 7% from the previous week and down 46% from the previous 4-week average. Wheat export shipments reached a marketing year high last week at 1.912 MMT, up 51% from the previous week and up 41% from the previous 4-week average.

Ethanol corn usage – DOE’s Energy Information Agency reported another downtick in weekly U.S. ethanol production last week – down 0.4% or 4,000 bbls/day to 1.034 million bbls/day, which is up 4.9% from a year ago. Ethanol stocks continued to contract by 2.6% to 21.85 million bbls, down 4.6% from a year ago. Weekly corn usage for ethanol remained strong at 107.8 mbu, ahead of the weekly pace needed to reach USDA’s estimate for MY 2017/18 of 5.575 billion bu. Cumulative year-to-date corn use now totals 3.49 billion bu.

CORN Monthly S&D Projections- April 10 – Mostly neutral against trade expectations...USDA cut feed usage by 50 million bu to 5.5 billion bu, cut food and industrial use by 5 million bu to 7.04 billion bu, resulting in **55 million bu increase in ending stocks to 2.182 billion bu. This was BELOW the the average pre-report trade estimate of 2.197 billion bu.** The average farm-gate price of corn was tightened to \$3.20-3.50/bu. **World corn production was cut by 5.7 MMT to 1,036.1 MMT, down 4% from a year ago. World corn ending stocks were cut by nearly 1.4 MMT this month to 197.8 MMT, down 14% from a year ago but slightly ABOVE the average trade estimate of 197.1 MMT.**

Corn Competitor/Buyer News – USDA cut their Brazilian corn production estimate this month by 2.5 MMT to 92 MMT (CONAB has pegged their crop at 88.6 MMT) and the Argentine crop estimate was cut by 3 MMT to 33 MMT. USDA FAS is estimating China’s 2018 corn production at 223 MMT compared to 216 MMT, with corn imports rising from 9.9 MMT this year to 10.3 MMT to feed their fast growing ethanol industry. China successfully sold 3.3 MMT of state corn reserves in an auction on Thursday (93% of their total offering), with another similar sized auction scheduled on Friday and 7 MMT expected to be auctioned next week. These corn stocks will likely be used in ethanol production in northeastern China. EU corn imports this marketing year are running 47% ahead of last year’s pace.

Futures Market trends this week

WHEAT – Wheat prices surged higher on Monday on weather concerns with both fresh buying and short covering in winter and spring wheat futures. Wheat futures closed mixed on Tuesday, with CHI trading higher in follow-through short covering. Winter wheat contracts closed modestly lower on Wednesday and spring wheat modestly higher in the face of rising HRW carryover and extended forecasts showing improving chances of beneficial moisture across the High Plains. Spring wheat futures remain well supported by spring grain planting delays and ideas that some acreage in the Dakotas and Minnesota may shift from spring wheat to soybeans due to planting delays through the end of April. Wheat futures slipped lower today (Thursday) under pressure from another disappointing weekly export sales report and updated forecasts showing good rain potential for wide sections of the Central Plains in the extended outlook. **Wheat futures contract closes on Thursday, 4/12/2018...**

	May 2018	Week Change	July 2018	Week Change	Sept 2018	Week Change
CHI SRW	\$4.81	Up \$0.08¾	\$4.98¾	Up \$0.09¾	\$5.16¾	Up \$0.11¾
KC HRW	\$5.07½	Up \$0.00¾	\$5.26	Up \$0.00½	\$5.45¾	Up \$0.01½
MGE DNS	\$6.23	Up \$0.15¾	\$6.32½	Up \$0.15½	\$6.37	Up \$0.13½

CORN- Corn prices edged higher on Monday on concerns with planting delays from cold wet weather across the Upper Midwest and Central U.S. But corn reversed lower on Tuesday, posting minor losses in choppy trading. Corn continued to decline on Wednesday on technical selling. Corn futures were bolstered by strong export shipments and planting delay concerns to finish modestly higher today (Thursday). **May 2018 contract closed on Thursday, 4/12/2018 at \$3.88¾, up \$0.00¾ for the week, July 2018 contract closed at \$3.97¾, up \$0.00¾ for the week and Sept. 2018 contract closed at \$4.04¾, up \$0.00¾ for the week.**

CRUDE OIL – Crude oil futures surged higher this week, posting the best prices since December 2016 on escalating Middle East tensions, a higher dollar, and growing optimism that the U.S. and China will resolve their trade conflicts without damaging the global economy. The U.S. EIA reported weekly domestic oil stockpiles increased by 3.3 million bbls, compared to an expected decrease of 200,000 bbls. Distillate stocks fell by 1.044 million bbls, while gasoline stocks increased by 458,000 bbls, compared to an expected decline of 2.0 million bbls. **Crude oil futures finished up \$5.01/bbl for the week to close at \$67.07/bbl.**

U.S. Crop Weather/ Crop Conditions – A series of storm systems moved through the PNW into the Northern Rockies this week, bringing a mix of rain and snow and delaying spring grain planting across parts of the region, including most of northern Idaho. Weekend freezing temperatures across the Central and Southern Plains likely resulted in HRW wheat winterkill in some areas. The Midwest was expected to see a nice warm up late this week before returning to a mostly

cool and wet pattern into the weekend which is expected to persist for the next couple weeks. Meanwhile, wintery weather continued across the Northern Plains and Upper Midwest, extending the spring wheat and corn planting delays. **The 6-10 day outlook** calls for near to below normal temps nationwide, except for warmer than normal temps across the Southern Plains. Near to above normal precipitation is expected to prevail across the Western and Eastern Plains and a wide swath of the Central Plains, including CO, NE, KS and OK now expected to see beneficial moisture. The extended 11-15 day outlook also shows the possibility of moisture across the drought-stricken High Plains. Recent moisture has reduced the drought areas to 46.5% of the U.S. (see drought monitor map below).

USDA Crop Progress / Condition Report, April 9, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	4% planted	NA	8%	12%			
ID Barley	14% planted	6%	33%	38%			
US Spring Wheat	2% planted	NA	4%	6%			
ID Spring Wheat	11% planted	7%	17%	32%			
US Winter Wheat	3% headed	NA	8%	4%	30% g/ex	32%	53%
ID Winter Wheat	-	-	-	-	51% g/ex	63%	67%
Corn	2% planted	NA	3%	2%			

