

Idaho Grain Market Report, April 13, 2017

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, April 12, 2017. 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	\$5.75		\$3.42	\$3.95	\$5.05	\$4.12
Idaho Falls		\$8.30 -8.33	\$3.50	\$4.05	\$5.10	\$4.15
Blackfoot / Pocatello		\$6.50	\$3.50	\$4.05	\$5.10	\$4.15
Grace / Soda Springs	\$5.50		\$3.47	\$3.39	\$5.01	\$3.94
Burley / Rupert	\$5.00		\$3.55	\$3.31	\$4.94	\$3.96
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$6.30		\$3.30-3.50	\$3.45	\$4.92	\$4.00
Nampa – Weiser	\$5.50		\$3.85			
Nez Perce / Craigmont	\$4.00		\$3.91	\$4.17	\$5.71	
Lewiston	\$4.50		\$4.17	\$4.43	\$5.97	
Moscow / Genesee	\$4.00-4.75		\$3.94-4.08	\$4.20-4.34	\$5.74-5.93	\$4.34

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 - \$4.53¼ - 4.80 max 10.5% pro \$4.53¼ - 4.83¼	\$5.10 - 5.20	\$6.23¾ - 6.63¾	
Los Angeles	\$8.65-8.85					
Tulare	\$8.65-8.85					
Ogden	\$5.85		\$3.85	\$3.75	\$5.40	\$4.35
Great Falls	\$4.75	\$6.00		\$4.05-4.22 (12%)	\$5.28-5.35	
Minneapolis	\$4.27			\$4.60 (12%)	\$6.08¾	

Market trends this week

BARLEY – Local feed barley and malting barley prices remained mostly steady this week. USDA reported barley export sales last week totaled 1000 MT to South Korea and Taiwan, while barley exports totaled 1000 MT to Japan and South Korea.

BARLEY MY 2016/17 S&D Projections - USDA made only minor tweaks to the US barley S&D balance sheet: raised feed usage by 5 million bu to 60 million bu and lowered ending stocks by an equal amount to 98 million bu. The average farm-gate price was left unchanged at \$4.70-5.20/bu.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 1 cent to plus 10 cents; HRW prices ranged from 5 to 10 cents higher; and DNS prices ranged from 4 to 10 cents higher. USDA reported old crop wheat export sales were within trade expectations at 421.6 TMT (plus MY 2017/18 sales of 125.3 TMT), down 26% from the previous week and down 2% from the previous 4-week average. Wheat export shipments last week were better than expected at 634.3 TMT, up 12% from the previous week and up 9% from the prior 4-week average.

WHEAT MY 2016/17 S&D Projections - USDA's report was considered mostly bearish against expectations... lowered US imports by 5 million bu to 110 million bu, lowered feed usage by 35 million bu to 190 million bu, resulting in a **50**

million bu increase in ending stocks to 1.159 billion bu, ABOVE the average pre-report trade estimates of 1.148 billion bu. The average farm-gate price was left unchanged at \$3.80-3.90/bu. World wheat production is raised by 0.3 MMT to 751.4 MMT, while world wheat ending stocks are increased by 2.3 MMT this month to 252.3 MMT, ABOVE trade expectations of 250.4 MMT. Stocks are 4.4% above last year.

Wheat Competitor / Buyer News – Germany's 2017 wheat crop is pegged at 25.26 MMT based on mild mostly favorable growing conditions, up nearly 3% from last year. Reports this week that China's grain buying agency COFCO has imported 500 TMT of wheat from Russia. USDA Ag Attache is projecting China will import 3 MMT of wheat in MY 2017/18, down from 4 MMT this year.

CORN – USDA reported corn export sales were below trade expectations last week at 738 TMT (plus MY 2017/18 sales of 50.0 TMT), down 35% from the previous week and down 33% from the prior 4-week average. Corn export shipments last week were stronger at 1.076 MMT, down 33% from the previous week and down 27% from the prior 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported another large downtick in U.S. ethanol production last week – down 33,000 bbls last week or 3.2% to 986,000 bbls per day, which is up 5.1% from a year ago. As a result ethanol stocks declined to 22.9 million bbls, down 3.4% from the previous week but up 2.6% from the previous year. Weekly corn usage for ethanol remains strong at 103 million bu and cumulative corn use at 3.36 billion bu.

CORN MY 2016/17 S&D Projections- USDA report is considered mostly bearish against trade expectations due to larger than expected Brazilian and Argentine crop production...USDA cut domestic feed use by 50 million bu to 5.50 billion bu, raised ethanol use by 50 million bu to 5.45 billion bu, resulting in **no change to ending stocks at 2.32 billion bu.** This was BELOW pre-report trade estimates of 2.32 billion bu. The average farm-gate price of corn was tightened to \$3.25-3.55/bu. World corn production is increased by 4.5MMT to 1,053.8 MMT, up 9.4% from a year ago. World corn ending stocks are increased by 2.3 MMT this month to 223 MMT, ABOVE trade estimate of 222.2 MMT. World corn stocks are 5.3% above the previous year.

Corn Competitor / Buyer News – USDA raised their Brazilian corn crop estimate this week to 93.5 MMT, above the average pre-report trade estimate of 92.6 MMT. They also raised their Argentine corn crop to 38.5 MMT, also above the average pre-report trade estimate of 37.8 MMT. USDA Ag Attache is estimating China's 2017/18 corn crop at 217 MMT, down 2.5 MMT from 2016 and imports of 1 MMT compared to 2 MMT this year. Taiwan purchased 65 TMT of US corn this week.

Futures Market trends this week

WHEAT – Wheat markets opened the week higher on stronger than expected export shipments and spillover support from corn. Prices continued to chop higher on Tuesday with support from technical buying and short covering sparked by a weaker dollar. Wheat remained in a narrow channel on Wednesday in active corn/wheat spread trading as an extended wet period favors corn planting delays and improved winter wheat crop conditions. Wheat prices finished lower today (Thursday) under profit-taking pressures sparked by more rainfall expected over the next 10 days which is expected to improve winter wheat crop conditions. **Wheat market closes on Thursday, 4/13/2017...**

	May 2017	Weekly Summary	July 2017	Weekly Summary	Sept 2017	Weekly Summary
CHI SRW	\$4.29 ³ / ₄	Up \$0.05 ³ / ₄	\$4.42 ³ / ₄	Up \$0.03	\$4.55 ³ / ₄	Up \$0.03 ¹ / ₄
KC HRW	\$4.27 ¹ / ₄	Up \$0.00 ¹ / ₂	\$4.39 ¹ / ₄	Up \$0.00 ³ / ₄	\$4.55 ¹ / ₂	Up \$0.00 ³ / ₄
MGE DNS	\$5.30 ¹ / ₄	Up \$0.12 ¹ / ₂	\$5.38 ³ / ₄	Up \$0.13	\$5.46 ³ / ₄	Up \$0.11 ¹ / ₂

CORN – Corn posted strong gains on Monday on short covering sparked by a wet extended outlook and heavy weekend rains in Argentina. Corn was pulled modestly lower on Tuesday on USDA's release of higher than expected world corn stocks and spillover pressure from soybeans. Wednesday saw corn prices rebound on renewed concerns about a wet forecast for the next two weeks. Corn settled modestly higher again today (Thursday) on planting delays. **Corn futures contract closes on Thursday, 4/13/2017...** May 2017 contract at \$3.71, up \$0.11¹/₂ for the week, July 2017 contract closed at \$3.78, up \$0.10³/₄ for the week and the Sept. 2017 contract closed at \$3.84¹/₂, up \$0.09³/₄ for the week.

CRUDE OIL – Crude oil prices posted modest gains this week, reaching a one-month high as an unexpected drop in crude oil inventories was offset by the highest domestic production in more than a year. The U.S. DOE Energy Information Agency reported domestic oil inventories fell by 2.166 million bbls compared to an expected decline of 1.5 million bbls. Distillate stocks fell by 2.153 million bbls, while gasoline stocks fell by 2.973 million bbls. **Crude oil futures finished up \$0.94/bbl for the week to close at \$53.18.**

Weather / Crop Conditions –

EI Nino Watch – ENSO-neutral conditions continued during March, with near-average sea surface temperatures (SSTs) across the central equatorial Pacific and above-average SSTs in the eastern Pacific. ENSO-neutral conditions are favored to continue through at least the late Northern Hemisphere spring 2017, with increasing chances for El Niño development by late summer and fall.

U.S. – The PNW and Intermountain Regions saw mostly mild showery conditions this week. The Plains and Corn Belt saw mostly mild warm conditions with periodic showers from two storm systems that tracked through the Midwest. Another round of storms are expected this weekend. The 6-10 day outlook calls for above normal temperatures and above normal precipitation across much of the country, with pockets of below normal temps across the northern tier and drier than normal across the southern U.S., including the Southern Plains.

EU – Winter grains have received beneficial moisture and are in generally good condition.

Black Sea region – Ukraine should see rains over the next several days.

South America – Northern Argentine production areas continued to see heavy rainfall last weekend, causing more harvest delays and some quality issues. Corn harvest is estimated to be 15% complete compared to 18% a year ago. Conditions are expected to be drier this week. Central Brazil received light showers where soybean and first corn crop harvest has been completed.

USDA Crop Progress / Condition Report, April 10, 2017

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	9% planted	NA	17%	16%			
ID Barley	36%	17%	31%	38%			
US Spring Wheat	5%	NA	12%	11%			
ID Spring Wheat	19%	8%	26%	35%			
US Winter Wheat	9% headed	NA	4%	6%	53% g/ex	51%	56%
ID Winter Wheat	0% headed	NA	-	-	67%	67%	92%
Corn	3% planted	NA	4%	3%			