

Idaho Grain Market Report, May 17, 2018

Published weekly by the Idaho Barley Commission, kolson@barley.idaho.gov, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, May 16, 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	\$7.00		\$4.00	\$5.11	\$5.60	\$5.31
Idaho Falls	\$6.25	\$8.30-9.06	\$4.00	\$5.25	\$5.60	\$5.50
Blackfoot / Pocatello	\$6.25	\$6.50	\$4.00	\$5.25	\$5.60	\$5.50
Grace / Soda Springs	\$7.20		\$4.00	\$4.48	\$5.45	\$5.18
Burley / Rupert	\$5.50		\$4.09	\$4.40	\$5.52	\$5.15
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$6.00-6.40		\$4.00-4.15	\$4.55	\$5.45	\$5.00
Nampa / Weiser			\$4.45			
Nez Perce / Craigmont	\$5.96		\$5.00	\$5.54	\$6.66	
Lewiston	\$6.48		\$5.26	\$5.80	\$6.92	
Moscow / Genesee	\$5.95-5.99		\$5.03-5.18	\$5.57-5.77	\$6.69-6.89	\$5.77

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			\$5.75-5.90	\$6.39-6.59	\$7.61¼ - 7.76¼	
Ogden	\$7.45		\$4.25	\$4.78	\$5.80	\$5.43
Great Falls	\$6.00-6.25	\$8.00- 8.30		\$5.45-5.59 (12%)	\$6.31-6.42	
Minneapolis	\$5.94			\$5.69 (12%)	\$7.46¼ - 7.61¼	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to 15 cents lower this week, but were mostly steady. Open market malting barley prices remained steady. USDA reported net export sales reduction of 7000 MT last week as 7,100 in sales to Japan were shifted to the new MY 2018/19. There was 100 MT sales to South Korea. Barley export shipments totaled 500 MT to South Korea and Taiwan.

WHEAT – Local wheat prices are mostly lower this week: SWW prices ranged from minus 45 cents to plus 5 cents; HRW prices ranged from minus 18 cents to plus 5 cents; and DNS prices ranged from minus 10 cents to plus 10 cents. USDA reported export sales were on the low end of trade expectations last week at 63.1 TMT old crop and 131.7 TMT new crop, up 79% from the previous week but down 50% from the previous 4-week average. Wheat export shipments totaled 409.9 TMT, up 27% from the previous week and unchanged from the previous 4-week average.

Wheat Competitor/Buyer News – Egypt bought 60 TMT of Ukrainian wheat this week, their first wheat imports since March 29 when they bought 475 TMT from Russia and Romania. Their year-to-date wheat imports total more than 6.6 MMT, up 14% from the same period a year ago, with 78% of their imports supplied by Russia this year, 15% by Romania and 5% by Ukraine.

CORN – USDA reported corn export sales were on the high end of trade expectations last week at 985.7 TMT (plus MY 2018/19 sales of 129.2 TMT), up 42% from the previous week and up 15% from the previous 4-week average. Corn export shipments remained robust at 1.564 MMT, down 12% from the previous week and down 4% from the previous 4-week average.

Ethanol corn usage – DOE’s Energy Information Agency reported another uptick in weekly U.S. ethanol production last week – up 1.73% or 18,000 bbls/day to 1,058,000 bbls/day and up 3.0% from last year. Ethanol stocks continued to decline to 21.51 million bbls, down 8.2% from a year ago. Weekly corn usage for ethanol remained strong at 110.26 mbu and cumulative year-to-date corn use now totals 4.02 billion bu. If this usage pace continues during the summer travel season, many analysts are projecting that USDA will likely raise their ethanol demand estimate by another 25 million bu before the end of MY 2017/18 (Aug. 31).

Corn Competitor/Buyer News – A prominent Brazilian crop analyst lowered their Brazilian corn crop estimate by 3 MMT this week due to poor growing conditions in key second crop areas in southern Brazil to 78-81 MMT, from their earlier estimate of 81-84 MMT. This compares with the USDA’s latest peg of 87 MMT. EU corn imports are up 44% year-over-year.

Futures Market trends this week

WHEAT – Follow through selling pulled wheat prices lower on Monday, with additional showers expected across parts of the winter wheat belt. Wheat posted a bullish reversal higher on Tuesday and Wednesday on fresh short covering and technical buying triggered by ideas that despite a recent uptick in the USDA weekly winter wheat crop condition rating, vegetative health maps continue to show crop deterioration. Wheat prices finished higher in a choppy trading session today (Thursday) in follow-through buying after the sharp price down trend during the two previous weeks. **Wheat futures contract closes on Thursday, 5/17/2018...**

	July 2018	Week Change	Sept 2018	Week Change	Dec 2018	Week Change
CHI SRW	\$4.97½	Down \$0.01¼	\$5.13½	Down \$0.02¼	\$5.34¾	Down \$0.02½
KC HRW	\$5.19	Up \$0.01	\$5.37¾	Up \$0.01¼	\$5.63½	Up \$0.01½
MGE DNS	\$6.14¾	Up \$0.09¾	\$6.20½	Up \$0.08¾	\$6.29½	Up \$0.06

CORN- Corn closed fractionally lower to start the week on rapid planting progress, but prices rebounded on Tuesday, lifted by forecasts calling for more rain across a wide band stretching from the northwestern belt into the Great Lakes, idling planters. Corn posted a bearish reversal lower on Wednesday on mostly spillover pressure from steep losses in soybeans, which have been under pressure from the ongoing tit-for-tat trade dispute with China. Corn edged lower today (Thursday) in technical selling. **July 2018 contract closed on Thursday, 5/17/2018 at \$3.95¼, down \$0.01¼ for the week, Sept. 2018 contract closed at \$4.03½, down \$0.01½ for the week and Dec. 2018 contract closed at \$4.13, down \$0.01½ for the week.**

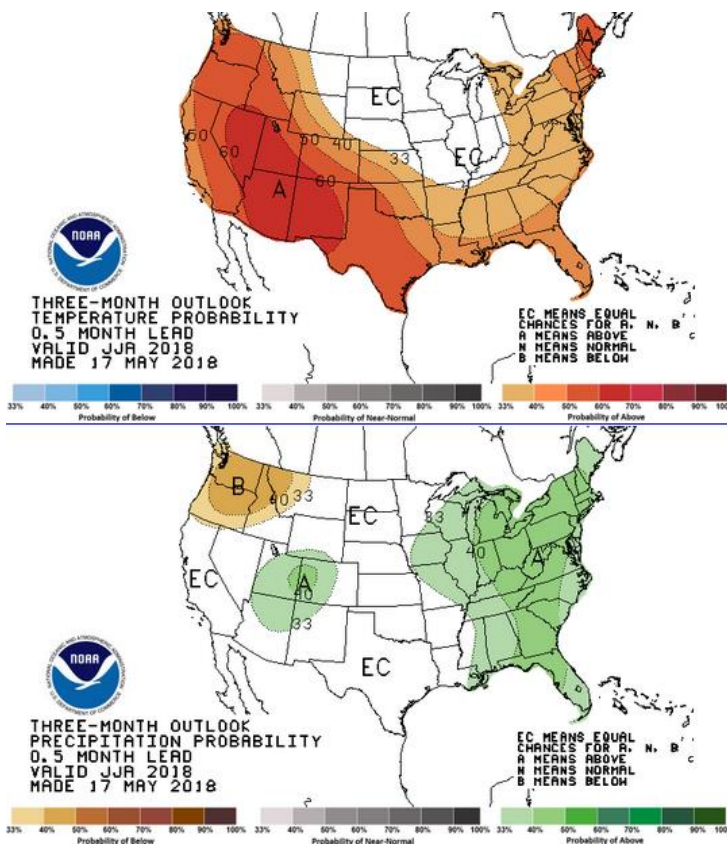
CRUDE OIL – Crude oil futures chopped higher in a narrow trading range this week, supported by lower domestic stocks and continuing geopolitical uncertainties about future Iranian and Venezuelan oil exports. Since sanctions were dropped in 2015, Iran has become the world’s 5th largest oil exporter. OPEC members report their 16-month campaign to curb pumping has helped eliminate the global oil supply glut and they assert they can pick up any supply slack created by the U.S withdrawal from the Iranian nuclear deal and re-imposition of sanctions on Iran. Gains are limited by a rising dollar and lower global oil demand estimate from the International Energy Agency (IEA) this week suggesting that the highest oil prices in more than three years are creating a drag on demand growth. The U.S. EIA reported weekly domestic oil stockpiles fell by 1.404 million bbls last week, compared to an expected decline of 2.0 million bbls. Distillate stocks decreased by 92,000 bbls, while gasoline stocks fell by 3.79 million bbls. **Crude oil futures finished up \$0.79/bbl for the week to close at \$71.36/bbl.**

U.S. Crop Weather/ Crop Conditions – The PNW started the week warm and mostly dry, but gave way to showery conditions mid week. The Northern Plains are warm and dry, accelerating spring planting and crop emergence. The Central and Southern Plains received widely scattered showers, but more than half of the HRW crop remains in poor to very poor condition, with OK rated at 65% P/VP, Texas at 59% and Kansas at 51%. Despite a modest uptick in USDA’s weekly crop condition rating on Monday (see below), vegetative health index maps confirm further crop deterioration. Two storm systems tracked through the northwestern Corn Belt through the Upper Midwest this week, idling corn planters. **The 6-10 day outlook** calls for near to above normal temperatures and near to above normal rainfall for much of the country.

USDA Crop Progress / Condition Report, May 14, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	62% planted 21% emerged	42%	74%	74%			
ID Barley	90% planted	86%	77%	90%			

	60% emerged	51%	57%	67%			
US Spring Wheat	58% planted 14% emerged	30% 4%	75% 37%	67% 36%			
ID Spring Wheat	88% planted 58% emerged	82% 36%	69% 41%	91% 68%			
US Winter Wheat	45% headed	33%	61%	53%	36% g/ex	34%	51%
ID Winter Wheat	9% headed	4%	3%	5%	71% g/ex	72%	
Corn	62% planted 28% emerged	39% 8%	68% 29%	63% 27%			



International Crop/Weather –

Europe – Beneficial showers across Central and Eastern Europe have improved soil moisture for summer crop planting and winter grain development.

Black Sea – Beneficial showers have boosted soil moisture and improved crop conditions along the Black Sea coast. Meanwhile, cool showery conditions have slowed spring grain planting in Central Russia and Northern Kazakhstan.

North Africa – Winter grains are maturing in good condition from Morocco into Tunisia.

Middle East – Heavy rains from Turkey into western Iran are boosting yield prospects for reproductive to filling winter grains.

China – Showers maintained favorable winter wheat prospects across Eastern China.

Australia – Dryness in New South Wales and Western Australia has discouraged widespread winter grain planting, while favorable showers across the southeastern region is promoting planting.

South America – Showers brought localized drought relief to parts of southern Brazil, including second crop corn areas. Unseasonable rain across parts of Argentina has disrupted fieldwork, including corn harvest.