

Idaho Grain Market Report, May 24, 2018

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, May 23, 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		\$4.40	\$5.50	\$6.13	\$5.85
Idaho Falls	\$6.25	\$8.30-9.06	\$4.20	\$5.40	\$5.80	\$5.70
Blackfoot / Pocatello	\$6.25	\$6.50	\$4.20	\$5.40	\$5.80	\$5.70
Grace / Soda Springs	\$7.20		\$4.26	\$4.76	\$5.72	\$5.46
Burley / Rupert	\$6.00-7.00		\$4.30-4.45	\$4.78	\$5.83	\$5.50-5.53
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$6.00-6.40		\$4.40	\$4.85	\$5.83	\$5.50
Nampa / Weiser			\$4.95			
Nez Perce / Craigmont	\$5.96		\$5.12	\$5.91	\$6.98	
Lewiston	\$6.48		\$5.38	\$6.17	\$7.24	
Moscow / Genesee	\$5.95-5.99		\$5.15-5.33	\$5.94-6.10	\$7.01-7.20	\$6.15

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			\$5.80-5.97½	\$6.69¼ -6.94¼	\$7.86½ - 8.01½	
Ogden	\$7.75		\$4.60	\$5.15	\$6.13	\$5.80
Great Falls	\$6.00-6.25	\$8.00- 8.30		\$5.81-6.01 (12%)	\$6.62 – 6.73	
Minneapolis	\$5.94			\$5.95½ (12%)	\$7.88	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to \$1.50 higher this week, but were mostly steady. Open market malting barley prices remained steady. USDA reported no new barley export sales, but export shipments totaled 900 MT to Japan and Taiwan.

WHEAT – Local wheat prices are sharply higher this week: SWW prices ranged from 20 to 50 cents higher; HRW prices ranged from 15 to 39 cents higher; and DNS prices ranged from 20 to 53 cents higher. USDA reported export sales were above trade expectations at 112.3 TMT old crop (plus 340 TMT new crop), up 78% from the previous week but down 29% from the previous 4-week average. Wheat export shipments totaled 362.2 TMT, down 12% from the previous week and down 12% from the previous 4-week average.

Wheat Competitor/Buyer News – Argentine Ag Ministry expects Argentina's 2018 wheat plantings at 15.2 million acres, up from 14.6 million last year. Iraq purchased 100 TMT of hard wheat this week, half from the U.S. and half from Australia. India raised their wheat import tariff from 20% to 30%.

CORN – USDA reported corn export sales were within trade expectations last week at 854.3 TMT (plus MY 2018/19 sales of 273.4 TMT), down 13% from the previous week but up 3% from the previous 4-week average. Corn export shipments totaled 1.469 MMT, down 6% from the previous week and down 9% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a surprising downtick in weekly U.S. ethanol production last week – down 2.84% or 30,000 bbls/day to 1,028,000 bbls/day but up 1.8% from last year. Ethanol stocks continued to build at 22.13 million bbls, up nearly 3% from the previous week but down 2.5% from a year ago. Weekly corn usage for ethanol remains strong at 107.11 mbu and cumulative year-to-date corn use now totals 4.13 billion bu.

Corn Competitor/Buyer News – There were updated forecasts of the Brazilian crop (current MY 2017/18) this week from ProFarmer consultant at 83 MMT and Safras & Mercado at 79 MMT. USDA pegged the Brazilian crop at 87 MMT earlier this month. Ukrainian corn exports so far this year are reported to total 15.7 MMT, down 12.2% from the previous year. China imported 380 TMT of corn in April, with year-to-date imports pegged at 940 TMT, up 202% from a year ago.

Futures Market trends this week

WHEAT – Wheat prices moved lower on Monday in profit-taking action triggered by widespread weekend showers across the dry HRW plains and disappointing weekly export shipments. Wheat futures surged higher on Tuesday and Wednesday to multi-month highs, spurred by renewed crop concerns from dry weather in the Southern Plains and parts of Canada, Ukraine, Russia and Australia. Wheat prices finished lower today (Thursday) under profit-taking pressure.

Wheat futures contract closes on Thursday, 5/24/2018...

	July 2018	Week Change	Sept 2018	Week Change	Dec 2018	Week Change
CHI SRW	\$5.30¼	Up \$0.12	\$5.47	Up \$0.13	\$5.66½	Up \$0.11¾
KC HRW	\$5.49	Up \$0.10¼	\$5.67½	Up \$0.10	\$5.91¾	Up \$0.09
MGE DNS	\$6.34¾	Up \$0.05¾	\$6.39¾	Up \$0.06½	\$6.46	Up \$0.04¼

CORN- Corn closed fractionally higher to start the week with pressure from continued rapid planting which caught up with the 5-year average but offset by easing China-US trade frictions which are expected to boost soybean, corn, ethanol and sorghum exports. Ideas of sharply reduced world corn stocks also is providing underlying support. Some analysts are dialing in the lowest world corn stocks since 1973-74, based on the shrinking South American crop and weather concerns in NE China. Spillover support continued to pull corn prices higher on Tuesday and Wednesday, but gains were limited by heavy producer selling and a lack of fresh weather concerns in the U.S. Corn edged lower today (Thursday) in technical selling and profit-taking. **July 2018 contract closed on Thursday, 5/24/2018 at \$4.04¼, up \$0.01¾ for the week, Sept. 2018 contract closed at \$4.13, up \$0.02 for the week and Dec. 2018 contract closed at \$4.22½, up \$0.02¼ for week.**

CRUDE OIL – Crude oil futures chopped in both directions this week, supported by lingering geopolitical worries but pressured by a rising dollar and increasing U.S. oil inventories and production which hit an all time high of 10.7 million bpd last week. The U.S. also saw a surprising decline in U.S. oil exports last week. OPEC signaled that members would discuss the possibility of increasing production at their upcoming June meeting to fill the void created by lower Iranian and Venezuelan exports. Together these two OPEC members account for 14% of OPEC oil exports. The U.S. EIA reported weekly domestic oil stockpiles increased by 5.778 million bbls last week, compared to an expected decline of 2.0 million bbls. Distillate stocks decreased by 951,000 bbls, while gasoline stocks increased by 1.883 million bbls. **Crude oil futures finished down \$0.66/bbl for the week to close at \$70.71/bbl (July contract).**

U.S. Crop Weather/ Crop Conditions – The PNW is mostly warm and dry this week, with widely scattered showers moving across southern and eastern ID. The Northern Rockies have received excessive moisture, triggering flooding in many areas. The Plains are warm, with a wide north to south belt of showers slowly moving eastward. Much of the Central and Eastern Corn Belt is warm and dry, aiding a final planting push. The 1-5 day outlook calls for above normal temperatures across the Central U.S. **The 6-10 day outlook** calls for above normal temperatures for much of the country and near to above normal rainfall for much of the country, except the PNW and Texas.

USDA Crop Progress / Condition Report, May 21, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	81% planted 45% emerged	62%	87%	84%			
ID Barley	95% planted 81% emerged	90%	84%	95%			
US Spring Wheat	79% planted 37% emerged	58%	88%	80%			
ID Spring Wheat	94% planted 72% emerged	88%	77%	95%			

US Winter Wheat	61% headed	45%	71%	64%	36% g/ex	36%	52%
ID Winter Wheat	13% headed	9%	4%	10%	80% g/ex	71%	
Corn	81% planted 50% emerged	62% 28%	82% 51%	81% 47%			

International Crop/Weather –

Europe – Widespread rains across Central and Eastern Europe have eased lingering dryness concerns, but conditions were adversely dry in April which may have reduced yield potential. Overall, most crop conditions remain favorable across Europe.

Black Sea – Ukraine and Western Russia continued to receive beneficial showers, although pockets of dryness are emerging. The Rostov growing region which accounted for 13% of the grain crop last year is reportedly to be experiencing the worst growing conditions in the past five years. Some areas of Eastern Russia remain chilly and wet, impeding spring planting and emergence.

Middle East – Sunny conditions promoted winter grain maturation and drydown.

China – Showery conditions in eastern China have slowed winter crop harvesting but boosted summer crop conditions. Dryness concerns are emerging in key corn growing areas in Northeast sChina.

Australia – Southeast has enjoyed favorable moisture for winter grain planting and emergence, but dry weather persists across the key northeastern and western growing areas, delaying winter grain planting and emergence.

South America – Much needed rain benefited late maturing second crop corn in parts of southern Brazil, although moisture arrived too late to improve yields significantly, and some areas received crop damaging winds and cold temps. Conditions are expected to be very dry for the next two weeks. Drier weather across Argentina is helping to alleviate excessive wetness and aid corn harvesting.