

Idaho Grain Market Report, May 25, 2017

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, May 24, 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	\$5.75		\$3.50	\$4.00	\$5.50	\$4.15
Idaho Falls		\$8.30 -8.33	\$3.75	\$4.05	\$5.55	\$4.25
Blackfoot / Pocatello		\$6.50	\$3.75	\$4.05	\$5.55	\$4.25
Grace / Soda Springs	\$5.50		\$3.51	\$3.39	\$5.28	\$3.94
Burley / Rupert	\$5.00		\$3.37	\$3.30	\$5.20	\$3.90
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.90-6.25		\$3.45-3.50	\$3.38	\$5.30	\$3.90
Nampa – Weiser	\$5.25		\$3.80			
Nez Perce / Craigmont	\$4.25		\$4.01	\$4.13	\$5.97	
Lewiston	\$4.75		\$4.27	\$4.39	\$6.23	
Moscow / Genesee	\$4.25-4.75		\$4.04-4.20	\$4.16-4.41	\$6.00-6.14	\$4.31

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 - \$4.77½ - 4.89 Aug new crop \$4.81- 4.85	\$5.07¾ - 5.22¾ Aug new crop \$5.15½ - 5.20½	\$6.61 - 6.86 Aug new crop \$6.56¾ - 6.86¾	
Los Angeles	\$8.50-8.80					
Tulare	\$8.50-8.80					
Ogden	\$6.20		\$3.70	\$3.75	\$5.65	\$4.30
Great Falls	\$4.60-4.75	\$6.75		\$4.02-4.19 (12%)	\$5.51-5.71	
Minneapolis	\$4.27			\$4.67¾ (12%)	\$6.56 - 6.61	

Market trends this week

BARLEY – Local feed barley prices were steady in southern Idaho and steady to 25 cents higher in Northern Idaho. Open market malting barley prices were steady this week. USDA reported there were no U.S. barley export sales or export shipments last week.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 5 cents to plus 10 cents; HRW prices ranged from minus 5 cents to plus 15 cents; and DNS prices were 15 to 20 cents higher. USDA reported old crop wheat export sales were on the low end of trade expectations but new crop sales were solid at 201.9 TMT and 343.9 TMT, down 19% from the previous week but up 49% from the 4-week average. This marketing year ends May 31. Wheat export shipments last week were robust at 733.6 TMT, up 9% from the previous week and up 17% from the prior 4-week average.

Wheat Competitor / Buyer News – Ag Canada is pegging the Canadian wheat crop at 29.5 MMT, down 7% from last year and ending stocks at 6.6 MMT, down 4%. New crop Russian wheat exports are pegged at 29.2 MMT compared to 27.6 MMT in MY 2016/17. Turkey has placed new restrictions on Russian wheat imports and negotiations have resumed between the two countries in an effort to iron out their differences.

CORN – USDA reported corn export sales were well below trade expectations at 457.2 TMT (plus MY 2017/18 sales of only 500 MT), down 35% from the previous week and down 33% from the prior 4-week average. Corn export shipments last week totaled 1.052 MMT, down 32% from the previous week and down 14% from the prior 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a downtick in U.S. ethanol production last week due to poor processing margins – down 26,000 bbls or 1.7% to 1,001,000 bbls per day, which is up nearly 7% from a year ago. Ethanol stocks also declined by 3% to 22.68 million bbls, up 9% from the previous year. Weekly corn usage for ethanol remains strong at 106.1 million bu and above the pace needed to reach the USDA estimate usage for MY 2016/17. Cumulative corn use for ethanol currently totals 3.99 billion bu.

Corn Competitor / Buyer News – China was expected to offer 7.2 MMT of reserve corn for auction this week.

Futures Market trends this week

WHEAT – Wheat markets opened the week mixed to lower on fund selling, with spring wheat closing higher on more rain anticipated across the Northern U.S. and Canadian prairies. A minor improvement in U.S. winter wheat crop rating pushed wheat prices lower on Tuesday, despite quality concerns. Wheat prices rebounded higher on Wednesday in light pre-holiday trading on concerns about an extended wet forecast for parts of Central and Eastern Plains. Wheat prices finished mixed today (Thursday) with pressure from lackluster export sales and a higher dollar, but spring wheat finished fractionally higher on planting concerns in Canada. **Wheat market closes on Thursday, 5/25/2017 ...**

	July 2017	Weekly Summary	Sept 2017	Weekly Summary	Dec 2017	Weekly Summary
CHI SRW	\$4.30 ³ / ₄	Down \$0.04 ¹ / ₂	\$4.44 ¹ / ₄	Down \$0.04 ¹ / ₄	\$4.66 ¹ / ₂	Down \$0.03 ³ / ₄
KC HRW	\$4.31 ¹ / ₄	Down \$0.06 ³ / ₄	\$4.49	Down \$0.06	\$4.74 ¹ / ₄	Down \$0.06
MGE DNS	\$5.62 ¹ / ₄	Up \$0.06 ¹ / ₂	\$5.67 ³ / ₄	Up \$0.05 ¹ / ₄	\$5.73 ³ / ₄	Up \$0.03 ³ / ₄

CORN – Corn finished modestly higher on Monday in mostly consolidation trading as planting advances rapidly despite unsettled weather across the Central U.S. Tuesday saw prices retreat under pressure from a large South American crop and large carryover U.S. stocks. Corn prices settled modestly higher on Wednesday on concerns about an extended cool and wet forecast for the Midwest. Corn trading remains locked in a narrow range as managed funds remain heavily short (moved from a short position of 81,691 contracts on March 21 to more than 203,000 contracts this week). Corn was pulled lower today (Thursday) on weaker soybeans, disappointing export sales and a higher dollar. **Corn futures contract closes on Thursday, 5/25/2017 ... July 2017 contract at \$3.69¹/₄, down \$0.03¹/₄ for the week, Sept. 2017 contract closed at \$3.77, down \$0.02³/₄ for the week and the Dec. 2017 contract closed at \$3.87¹/₂, down \$0.02³/₄ for the week.**

CRUDE OIL – Crude oil futures traded in a narrow range this week. At their highly anticipated meeting on Thursday, OPEC ministers agreed to extend their current 1.8 million bpd production cuts through March 2018 (another 9 months) but the supportive news was mostly already factored into the market. Meanwhile, U.S. crude oil stocks continued their seventh straight weekly decline - down 4.432 million bbls compared to an expected decline of 2.4 million bbls. Distillate stocks decreased by 485,000 bbls, while gasoline stocks decreased by 787,000 bbls, compared to an expected decline of 1.2 million bbls. **Crude oil futures finished down \$1.43/bbl for the week to close at \$48.90.**

Weather / Crop Conditions –

U.S. – Pacific Northwest and Intermountain regions were mostly warm and dry early in the week, allowing spring fieldwork to advance rapidly, followed by cooler and wetter conditions mid week before another warm-up this weekend. The extended outlook calls for mostly warm and dry conditions. The Northern and Central Plains were cool and showery this week, while the Southern Plains were warmer and drier. Parts of KS and NE are expected to see more rain which is heightening quality concerns as winter wheat needs warmer and drier conditions to finish. The Cornbelt experienced a very soggy weekend followed by two more rounds of thunderstorms stretching from the lower Mississippi River Valley into the Ohio River Valley, with more severe storms and rain into the holiday weekend, elevating concerns about poor crop establishment and replanting. The **6-10 day outlook** calls for warm and dry conditions across the PNW, dry and cool across the Northern Plains and wet and cool across the Central and Southern Plains and Southern Cornbelt.

USDA Crop Progress / Condition Report, May 22, 2017

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	88% planted 59% emerged	78%	93%	87%			
ID Barley	85% planted 67% emerged	78%	96%	98%			

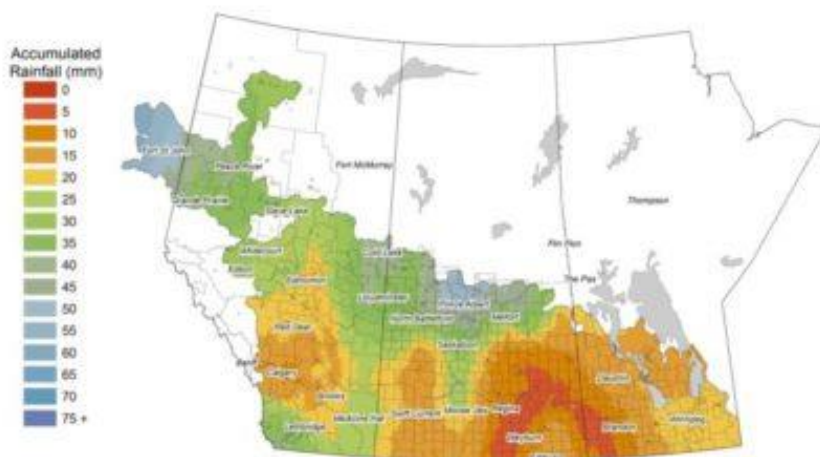
US Spring Wheat	90% planted 62% emerged	78% 40%	94% 75%	84% 59%			
ID Spring Wheat	78% planted 58% emerged	71% 42%	99% 89%	100% 86%			
US Winter Wheat	72% headed	63%	74%	67%	52% g/ex	51%	62%
ID Winter Wheat	4% headed	3%	18%	11%	71%	74%	87%
Corn	84% planted 54% emerged	71% 31%	84% 58%	85% 55%			

International

Canada – Heavy rain was forecast for the soggiest parts of the Prairies this week, further delay seeding in many areas. Dry weather is in the extended outlook. Alberta was reportedly 31% planted as of May 16, less than half of the five-year average pace, while the pace was closer to normal in Saskatchewan and nearly 90% completed in Manitoba.

Prairie Region

Accumulated Rainfall: May 1-22, 2017



EU – Key growing regions across Western Europe continued to receive beneficial moisture this week, but the extended outlook looks warmer and drier.

Black Sea region – Conditions are turning warmer and drier across southeastern Ukraine and central and southern Russia which may cause some crop stress.

China – Recent showers have been beneficial across the North China Plains but the extended outlook looks hot and dry.

Australia – Mostly dry conditions across south-eastern and south-western growing areas have aided winter grain planting.