

Idaho Grain Market Report, May 31, 2018

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, May 30, 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		\$4.27	\$5.54	\$5.80	\$5.70
Idaho Falls	\$6.25	\$8.30-9.06	\$4.15	\$5.30	\$5.60	\$5.60
Blackfoot / Pocatello	\$6.25	\$6.50	\$4.15	\$5.30	\$5.60	\$5.60
Grace / Soda Springs	\$7.20		\$4.25	\$4.73	\$5.52	\$5.48
Burley / Rupert	\$6.00-7.00		\$4.37	\$4.65	\$5.51	\$5.40
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$6.00-6.40		\$4.35	\$4.77	\$5.55	\$5.42
Nampa / Weiser			\$4.90			
Nez Perce / Craigmont	\$5.96		\$5.10	\$5.80	\$6.66	
Lewiston	\$6.48		\$5.36	\$6.06	\$6.92	
Moscow / Genesee	\$5.95-5.99		\$5.13-5.28	\$5.83-5.99	\$6.69-6.89	\$5.99

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			\$5.80-5.95	\$6.65 ³ / ₄ -6.90 ³ / ₄	\$7.56 ¹ / ₂ - 7.61 ¹ / ₂	
Ogden	\$7.45		\$4.52	\$5.07	\$5.85	\$5.82
Great Falls	\$6.00-6.25	\$8.00- 8.40		\$5.74-5.82 (12%)	\$6.31 - 6.42	
Minneapolis	\$5.94			\$5.95 ³ / ₄ (12%)	\$7.36 ¹ / ₂ - 7.51 ¹ / ₂	

Market trends this week

BARLEY – Local feed and malting barley prices remained steady this week. USDA will report weekly export sales tomorrow, due to the Memorial Day holiday.

WHEAT – Local wheat prices are lower higher this week: SWW prices ranged from 1 to 13 cents lower; HRW prices ranged from 3 to 13 cents lower; and DNS prices ranged from 20 to 33 cents lower. USDA will report weekly export sales tomorrow, due to the Memorial Day holiday. Wheat export shipments last week were within trade expectations at 431.2 TMT, with cumulative shipments pegged at 94.9% of the USDA forecast for the year which ends May 31, compared to a 5-year average of 96.2%.

Wheat Competitor/Buyer News – Russian wheat exports have reportedly reached 38 MMT so far this year, up 49% year-on-year, while Ukrainian wheat exports have fallen by 3% to 16.2 MMT.

CORN – USDA will report weekly export sales tomorrow, due to the Memorial Day holiday. Corn export shipments last week were on the high end of trade expectations at 1.705 MMT, with cumulative shipments pegged at 67.3% of the USDA forecast for the year which ends Aug. 31, compared to a 5-year average of 66.9%.

Ethanol corn usage – DOE's Energy Information Agency reported a surprising downtick in weekly U.S. ethanol production last week – up 1.26% or 13,000 bbls/day to 1,041,000 bbls/day and up 2.1% from last year. Ethanol stocks fell by nearly 4% to 21.26 million bbls, which are down nearly 7% from a year ago. Weekly corn usage for ethanol remains strong at 108.5 mbu.

Corn Competitor/Buyer News – A noted South American crop forecaster lowered his Brazilian corn crop estimate this week by 1 MMT to 82 MMT. USDA pegged the Brazilian crop at 87 MMT earlier this month. Ukrainian corn exports so far this year are reported to total 16 MMT, down 14% from the previous year. Russian corn exports are pegged at 5.2 MMT,

up 10% from a year ago. China sold 1.24 MMT of corn reserves this week out of 3.99 MMT offered. They have sold nearly 36 MMT from their state-owned reserves since mid-April.

Futures Market trends this week

WHEAT – Wheat prices closed lower on Tuesday under pressure from a sharply higher dollar and spillover weakness from corn and soybeans. Wednesday saw prices continue to slump as warm weather accelerated spring planting and emergence and winter wheat crop rating improved. Wheat prices rebounded slightly today (Thursday) on bargain buying and a weaker dollar. **Wheat futures contract closes on Thursday, 5/31/2018...**

	<u>July 2018</u>	<u>Week Change</u>	<u>Sept 2018</u>	<u>Week Change</u>	<u>Dec 2018</u>	<u>Week Change</u>
CHI SRW	\$5.26¼	Down \$0.16¾	\$5.43	Down \$0.16¾	\$5.62¾	Down \$0.15¾
KC HRW	\$5.42½	Down \$0.21½	\$5.60¾	Down \$0.21¾	\$5.84½	Down \$0.21¾
MGE DNS	\$6.12	Down \$0.32¼	\$6.19¾	Down \$0.29	\$6.29½	Down \$0.25½

CORN- Corn closed lower on Tuesday under pressure from renewed trade tensions and tariff threats between the U.S. and China. Rapid planting progress and a very strong crop condition rating to start the season pushed prices lower again on Wednesday. Corn edged fractionally higher today (Thursday) by technical buying sparked by a weaker dollar. **July 2018 contract closed on Thursday, 5/31/2018 at \$3.94, down \$0.12 for the week, Sept. 2018 contract closed at \$4.03¼, down \$0.11¾ for the week and Dec. 2018 contract closed at \$4.13¾, down \$0.11¼ for week.**

CRUDE OIL – Crude oil futures chopped in both directions this week. Pressure came from a sharply higher dollar and support from lingering geopolitical worries and signals from OPEC leader Saudi Arabia and Russia that they are likely to keep current production cutbacks in place through the end of the year, rather than raising production to replace lost exports from Iran and Venezuela. The U.S. EIA reported weekly domestic oil stockpiles fell by 3.62 million bbls last week, compared to an expected decline of 525,000 bbls. Distillate stocks increased by 634,000 bbls, while gasoline stocks increased by 534,000 bbls. **Crude oil futures finished down \$0.84/bbl for the week to close at \$67.04/bbl (July contract).**

U.S. Crop Weather/ Crop Conditions – The PNW experienced mostly favorable conditions this week, with widely scattered showers helping to recharge soil moisture. The Plains saw record hot temperatures last weekend which continued for most of this week before an expected cool down late this week. A major storm system moved through the Central U.S. early in the week, remnants of Tropical Depression Alberto, bringing locally heavy rains to the Eastern Corn Belt. A second storm is moving through the Northern Rockies into the Upper Midwest late this week. **The 6-10 day outlook** calls for above normal temperatures stretching from the West to the middle and lower Mississippi River Valley, but cooler than normal along the northern tier. Near to below normal rainfall is expected for much of the country, except the Northern Plains which are expected to be wetter than normal. NOAA is predicting that ENSO-neutral conditions will remain present through fall 2018, with El Nino more likely to return in winter 2019.

USDA Crop Progress / Condition Report, May 29, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	93% planted 68% emerged	81%	93%	91%	69%	NA	70%
ID Barley	96% planted 91% emerged	95%	91%	98%	83%	NA	
US Spring Wheat	91% planted 63% emerged	79%	95%	89%			
ID Spring Wheat	96% planted 89% emerged	94%	86%	97%			
US Winter Wheat	73% headed	61%	79%	75%	38% g/ex	36%	50%

ID Winter Wheat	31% headed	13%	7%	18%	79% g/ex	80%	
Corn	92% planted 72% emerged	81% 50%	90% 70%	90% 69%	79%	NA	65%

International Crop/Weather –

Canada – Warm sunny conditions favored spring grain emergence and growth.

Europe – Recent widespread showers have boosted grain yield potential across much of Europe. Rain is hampering winter grain maturation and drydown on the Iberian Peninsula.

Black Sea – Ukraine and Western Russia have experienced a dry spring but recent beneficial showers have improved soil moisture for vegetative to reproductive winter grains in some areas. Pockets of dryness persist in Russia, lowering yield potential. Further, unseasonably cold and wet conditions in Russia's Siberia District have impeded spring grain planting and emergence.

Middle East – Locally heavy showers across Turkey and northwestern Iran have slowed winter grain maturation and drydown but maintained abundant soil moisture for summer crop establishment.

China – Continued moderate to heavy showers have slowed wheat maturation across Eastern China.

Australia – Much needed rain overspread Western Australia, promoting winter grain planting and emergence. Dry weather across the southern and eastern regions slowed winter grain emergence.

South America – Much of the region saw dry weather which is aiding summer crop harvesting and winter grain planting.