

Idaho Grain Market Report, June 1, 2017

Published weekly by the Idaho Barley Commission, [kolson@barley.idaho.gov](mailto: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 31, 2017. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED</b>	<b>MALTING</b>	<b>Wheat (bu.) Milling</b>			
	<b>48 lbs or better</b>	<b>Open market malting</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% pro</b>	<b>#1 DNS 14% pro</b>	<b>#1 HWW</b>
Rexburg / Ririe	\$5.75		\$3.50	\$4.00	\$5.70	\$4.25
Idaho Falls		\$8.30 -8.33	\$3.70	\$4.00	\$5.65	\$4.20
Blackfoot / Pocatello		\$6.50	\$3.70	\$4.00	\$5.65	\$4.20
Grace / Soda Springs	\$5.50		\$3.62	\$3.51	\$5.41	\$4.01
Burley / Rupert	\$5.00		\$3.50	\$3.48	\$5.29	\$3.85
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.50-6.25		\$3.40-3.60	\$3.47	\$5.42	\$4.00
Nampa – Weiser	\$5.25		\$3.65			
Nez Perce / Craigmont	\$4.25		\$4.01	\$4.17	\$6.08	
Lewiston	\$4.75		\$4.27	\$4.43	\$6.34	
Moscow / Genesee	\$4.25-4.85		\$4.04-4.20	\$4.20-4.40	\$6.11-6.25	\$4.40

Prices at Selected Terminal Markets, cash prices FOB

	<b>#2 Feed 46 lbs. -- unit trains barge</b>	<b>Malting</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			<b>Ord pro -</b> \$4.74½ - 4.85 <b>Aug new crop</b> \$4.78¾ - 4.85	\$5.06¾ - 5.21¾ <b>Aug new crop</b> \$5.15 - 5.20	\$6.72 - 6.97 <b>Aug new crop</b> \$6.66½ - 6.96½	
Los Angeles	\$8.50-8.80					
Tulare	\$8.50-8.80					
Ogden	\$6.20		\$3.90	\$3.86	\$5.76	\$4.40
Great Falls	\$4.60-4.75	\$6.75		\$4.03-4.27 (12%)	\$5.58-5.78	
Minneapolis	\$4.27			\$4.66¾ (12%)	\$6.57 - 6.67	

Market trends this week

**BARLEY** – Local feed barley prices were steady in southern Idaho and steady to 10 cents higher in Northern Idaho. Open market malting barley prices remained steady this week. USDA will report export sales on Friday due to the Monday holiday.

**WHEAT** – Local wheat prices were mixed this week: SWW prices ranged from minus 15 cents to plus 13 cents; HRW prices ranged from minus 5 cents to plus 18 cents; and DNS prices were 9 to 13 cents higher. USDA will report export sales on Friday due to the Monday holiday. Wheat export shipments last week totaled 602.9 TMT, down 11% from the previous week. Cumulative wheat export shipments have reached 96% of the USDA projection for MY 2016/17, which ended May 31, compared to a 5-year average of 96.9%.

**Wheat Competitor / Buyer News** – Cocal is projecting the EU's MY 2017/18 wheat crop at 142 MMT, down from their March estimate of 144.8 MMT due to yield losses from dry conditions this spring. The Argentine ag minister is projecting Argentina's MY 2017/18 wheat crop will reach a new record - topping 20 MMT – compared to an earlier estimate of 17.5 MMT and USDA's current estimate of 17.0 MMT. Egypt purchased 180 TMT of wheat from Russia and Romania this week. Jordan bought 50 TMT of optional origin hard wheat this week.

**CORN** – USDA will report corn export sales on Friday. Corn export shipments last week totaled 1.194 MMT, up 2% from the previous week. Cumulative corn export shipments have reached 76.3% of the USDA estimate for the marketing year compared to a 5-year average of 69.6%.

**Ethanol corn usage** – DOE's Energy Information Agency reported an uptick in U.S. ethanol production last week as margins improved on stonger ethanol prices – up 19,000 bbls or 1% to 1,020,000 bbls per day, which is up 6.25% from a year ago. Ethanol stocks also posted a modest increase of 0.4% to 22.76 million bbls, up 9.6% from the previous year. Weekly corn usage for ethanol remains very strong at 107.1 million bu and above the pace needed to reach the USDA estimate usage for MY 2016/17, leading many analysts to predict USDA will increase their usage in the June supply and demand estimates. Cumulative corn use for ethanol currently totals 4.1 billion bu.

**Corn Competitor / Buyer News** – Brazil's AgroConsult is now projecting Brazil's current year corn crop at 99.7 MMT, up from their earlier estimate of 90 MMT and USDA's most recent estimate of 96 MMT. Coceral lowered their EU corn production estimate this week to 60 MMT from 61 MMT projected in March. South Korean feed makers were active buyers this week, buying 140 TMT and 66 TMT of optional origin corn. Malaysian end users purchased 60 TMT of Black Sea corn this week. China sold 5.5 MMT out of 7.2 MMT of government-owned corn stocks offered at auction last Thursday and Friday.

#### Futures Market trends this week

**WHEAT** – Wheat markets opened the week lower on drier weather early this week across the Plains which should aid winter wheat maturity and harvest. Wheat finished mixed on Wednesday with spring wheat gaining on winter grain contracts in spread trading sparked by quality concerns in the HRW crop due to unfavorably wet conditions this late in the growing season. Wheat prices finished mixed again today (Thursday) with spring wheat posting the highest close since January. Support came from protein concerns in the HRW crop and dry weather across the Northern Plains where almost all of North Dakota is now covered by drought compared to 46% a week ago. **Wheat market closes on Thursday, 6/01/2017 ...**

	<b>July 2017</b>	<b>Weekly Summary</b>	<b>Sept 2017</b>	<b>Weekly Summary</b>	<b>Dec 2017</b>	<b>Weekly Summary</b>
CHI SRW	\$4.29	Down \$0.09 <sup>1</sup> / <sub>4</sub>	\$4.43 <sup>1</sup> / <sub>2</sub>	Down \$0.07 <sup>3</sup> / <sub>4</sub>	\$4.66	Down \$0.07 <sup>1</sup> / <sub>2</sub>
KC HRW	\$4.30 <sup>3</sup> / <sub>4</sub>	Down \$0.06 <sup>3</sup> / <sub>4</sub>	\$4.49 <sup>1</sup> / <sub>4</sub>	Down \$0.06	\$4.74 <sup>1</sup> / <sub>2</sub>	Down \$0.05 <sup>1</sup> / <sub>2</sub>
MGE DNS	\$5.78 <sup>3</sup> / <sub>4</sub>	Up \$0.10	\$5.82 <sup>1</sup> / <sub>2</sub>	Up \$0.09 <sup>1</sup> / <sub>4</sub>	\$5.85 <sup>3</sup> / <sub>4</sub>	Up \$0.08

**CORN** – Corn opened the week lower on Tuesday under pressure from dry weather over the three-day weekend which was expected to allow planting to accelerate rapidly. Corn posted an impressive turn-around on Wednesday to close higher on support from a lower than expected initial crop condition rating which suggests that the 2017 corn crop is not getting off to a good start. Many analysts are starting to think that corn will struggle to reach an national average yield of 170.7 bpa projected by USDA last month. Corn finished modestly lower today (Thursday) on pressure from improving near-term weather outlook and a higher dollar. **Corn futures contract closes on Thursday, 6/01/2017 ... July 2017 contract at \$3.70<sup>1</sup>/<sub>2</sub>, down \$0.03<sup>3</sup>/<sub>4</sub> for the week, Sept. 2017 contract closed at \$3.78<sup>1</sup>/<sub>2</sub>, down \$0.03<sup>1</sup>/<sub>4</sub> for the week and the Dec. 2017 contract closed at \$3.89<sup>1</sup>/<sub>4</sub>, down \$0.03<sup>1</sup>/<sub>4</sub> for the week.**

**CRUDE OIL** – Crude oil futures were under pressure this week on ideas that OPEC output is actually on the rise despite high compliance with their production cut agreement due to rising production in both Libya and Nigeria which are exempt from the cartel's production cuts. Libyan production has risen to 827,000 bpd, above their three year peak production. U.S. crude oil stocks continued to decline - down 6.428 million bbls compared to an expected decline of 2.8 million bbls. Distillate stocks increased by 394,000 bbls, while gasoline stocks decreased by 2.858 million bbls. **Crude oil futures finished down \$1.44/bbl for the week to close at \$48.36/bbl.**

#### Weather / Crop Conditions –

**U.S.** – Pacific Northwest saw cool rainy conditions – along the coast and warmer and drier conditions across the Intermountain West and Northern Rockies. Cooler showery conditions moved into this interior region on Thursday before another expected warm up this weekend. The Northern Plains were cool and mostly dry, with frost advisory for parts of North Dakota mid week. Nearly all of North Dakota is now considered in drought, up from 46% last week. The Central and Southern Plains were warm, with showers mid week into the weekend. The Midwest experienced mostly cool and widely scattered showers which is benefitting emerging crops. The next 5 days should bring a wide band of showers from Texas through Wisconsin, with heaviest amounts in the Ohio River Valley, which could benefit from drier conditions. The **6-10 day outlook** calls for warm and dry conditions across the PNW and Northern Midwest and cool and wet across much of the Central and Southern Plains where dry conditions are needed to aid winter wheat maturity and harvest. The ECB is expected to be colder than normal.

**USDA Crop Progress / Condition Report, May 30, 2017**

<b>Crop</b>	<b>% Progress</b>	<b>Previous Week</b>	<b>Previous Year</b>	<b>5-Year Average</b>	<b>Condition rating % good/excellent</b>	<b>Previous Week</b>	<b>Previous Year</b>
US Barley	94% planted 76% emerged	88% 59%	97% 87%	93% 77%	70%	NA	77%
<b>ID Barley</b>	<b>92% planted</b> <b>82% emerged</b>	<b>85%</b> <b>67%</b>	<b>100%</b> <b>87%</b>	<b>100%</b> <b>91%</b>	<b>70%</b>	<b>NA</b>	<b>81%</b>
US Spring Wheat	96% planted 79% emerged	90% 62%	98% 87%	91% 74%	62%	NA	79%
<b>ID Spring Wheat</b>	<b>87% planted</b> <b>74% emerged</b>	<b>78%</b> <b>58%</b>	<b>100%</b> <b>92%</b>	<b>100%</b> <b>94%</b>	<b>76%</b>	<b>NA</b>	<b>76%</b>
US Winter Wheat	80% headed	72%	83%	77%	50% g/ex	52%	63%
<b>ID Winter Wheat</b>	<b>7% headed</b>	<b>4%</b>	<b>28%</b>	<b>20%</b>	<b>80%</b>	<b>71%</b>	<b>85%</b>
Corn	91% planted 73% emerged	84% 54%	93% 75%	93% 75%	65%	NA	72%

**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.

**EU** – Warmer and drier conditions are accelerating winter grain reproduction.

**Black Sea region** – Showers across Ukraine and western Russia are helping maintain mostly favorable crop conditions. Spring grain planting is accelerating across Central Russia and Kazakhstan.

**China** – Recent showers have been beneficial across the North China Plains but the Northeast region remains unfavorably dry.

**South America** – Mostly dry and warm conditions are favorable for corn harvest in Argentina and second crop development in Brazil.

**Australia** – Dry trend is continuing which is allowing rapid winter grain planting, but moisture is needed for good crop establishment.