

Idaho Grain Market Report, June 7, 2018

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, June 6, 2018. 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	\$6.85		\$4.20	\$5.40	\$5.58	\$5.70
Idaho Falls	\$6.25	\$8.30-9.06	\$4.10	\$5.30	\$5.35	\$5.10
Blackfoot / Pocatello	\$6.25	\$6.50	\$4.10	\$5.30	\$5.35	\$5.10
Grace / Soda Springs	\$7.20		\$4.37	\$4.80	\$5.40	\$5.55
Burley/Rupert – ** new crop prices	\$5.25 - 6.50		\$4.30-4.33	\$4.85	\$5.34-5.40	\$5.40-5.45
Twin Falls / Buhl / Jerome / Wendell	\$6.00-6.40		\$4.30-4.40	\$4.75	\$5.35	\$5.40
Nampa / Weiser			\$4.95			
Nez Perce / Craigmont	\$5.96		\$5.20	\$5.79	\$6.53	
Lewiston	\$6.48		\$5.46	\$6.05	\$6.79	
Moscow / Genesee	\$5.95-5.99		\$5.23-5.38	\$5.82-5.98	\$6.56-6.76	\$5.98

Prices at Selected Terminal Markets, cash prices FOB

	<b>#2 Feed 46 lbs. --</b>	<b>Malting</b>	<b>#1 SWW Ord pro -</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			\$5.90-6.00	\$6.64¾ - 6.89¾	\$7.33¾ - 7.48¾	
Ogden	\$7.45		\$4.70	\$5.10	\$5.75	\$5.85
Great Falls	\$6.00-6.25	\$8.00- 8.40		\$5.79-5.86 (12%)	\$6.18-6.29	
Minneapolis	\$5.94			\$5.94¾ (12%)	\$7.38¾	

Market trends this week

**BARLEY** – Local feed barley prices are steady to 15 cents lower and open market malting barley prices are steady this week. USDA reported there were no new export sales or export shipments last week. A total of 1200 MT of MY 2017/18 sales were carried over into the new MY 2018/19, which began June 1. Accumulated barley export sales in MY 2017/18 totaled 31.3 TMT, up 23% from the previous year.

**WHEAT** – Local wheat prices are mixed this week: SWW prices ranged from minus 5 cents to plus 12 cents; HRW prices ranged from minus 14 cents to plus 7 cents; and DNS prices ranged from 12 to 25 cents lower. USDA reported a net export sales reduction of 19.4 TMT in the final week of MY 17/18 and MY 2018/19 sales were within trade expectations at 250.9 TMT. Wheat export shipments last week were on the low end of trade expectations at 231 TMT, down 48% from the previous week and down 40% from the previous 4-week average. A total of 1.305 MMT of sales were carried over into the new MY 2018/19, which began June 1.

**Wheat Competitor/Buyer News** – EU lowered their 2018 soft wheat production estimate by 1.25 MMT to 140.25 MMT and pegged their wheat exports at 27 MMT, up 6 MMT from this year. The EU's year-to-date old crop wheat exports have fallen 18% from the previous year. Rabobank lowered their Russian wheat crop estimate this week to 75 MMT, compared to 85 MMT last year. Others have pegged the Russian wheat crop in the range of 69-71 MMT due to drought conditions across western and southern growing areas. Ukrainian Grain Association is pegging the Ukraine wheat crop at 25.8 MMT, down from previous estimate of 27.0 MMT. The National Australian Bank is pegging the Australian wheat crop at 21.3 MMT compared to USDA's estimate last month of 24 MMT. CNGOIC is projecting that China will harvest the smallest wheat crop in 4 years due to weather damage this growing season, pegged at 126.7 TMT, which will likely spark increased imports.

**CORN** – USDA reported export sales on the high end of trade expectations last week at 838.6 TMT old crop and 448.3 TMT new crop (MY 18/19). Corn export shipments last week totaled 1.449 MMT, down 24% from the previous week and down 14% from the previous 4-week average.

**Ethanol corn usage** – DOE's Energy Information Agency reported weekly U.S. ethanol production remained steady last week – unchanged at 1,041,000 bbls/day but up 4.2% from last year. Ethanol stocks increased by nearly 3% to 21.89 million bbls, but were down slightly from a year ago. Weekly corn usage for ethanol remains strong at 108.44 mbu. Cumulative corn usage for ethanol now totals 4.34 billion bu. Farm state senators have reportedly prevailed in their battle with the oil industry over the future of the Renewable Futures Standard (RFS). An announcement had been anticipated from EPA this week on changes to RINs, the program that affectively implements the blending mandate that would lower costs for oil refineries in exchange for allowing the sale of E-15 blends year round. However the announcement was indefinitely suspended after reports that President Trump had sided with Corn State senators who argued that changes are not needed to the RFS.

**Corn Competitor/Buyer News** – FC Stone lowered their Brazilian corn crop estimate to 78.4 MMT this week, down from an earlier estimate of 83.9 MMT. Brazil's corn exports in May fell to only 57 TMT, compared to 115 TMT the month before and 310 TMT last year. The Ukraine Grain Association is pegging their corn crop at 25-26 MMT, down from an earlier estimate of 27 MMT and their exports at 19.5 MMT, down from 21 MMT. South Korean feed buyers purchased a total of 330 TMT of optional origin US or Brazilian corn this week, with U.S. prices likely the cheapest. Taiwan purchased 65 TMT of optional origin corn this week.

**Futures Market trends this week**

**WHEAT** – Wheat prices started the week sharply lower under technical pressure and selling triggered by storms moving the winter wheat belt this week. Corrective buying and short covering pushed wheat prices higher on Tuesday and Wednesday. Wheat posted additional gains today (Thursday) on ideas that world stocks are tightening due to production problems in several parts of the world, including the Black Sea and Australia. **Wheat futures contract closes on Thursday, 6/07/2018...**

	<b>July 2018</b>	<b>Week Change</b>	<b>Sept 2018</b>	<b>Week Change</b>	<b>Dec 2018</b>	<b>Week Change</b>
CHI SRW	\$5.26¾	Up \$0.03½	\$5.44¼	Up \$0.03½	\$5.65¼	Up \$0.03½
KC HRW	\$5.44½	Up \$0.03¾	\$5.63	Up \$0.04	\$5.86¾	Up \$0.03½
MGE DNS	\$5.97½	Down \$0.06½	\$6.07½	Down \$0.05¼	\$6.20¼	Down \$0.03¼

**CORN-** Corn closed sharply lower on Monday under long liquidation pressures sparked by technical weakness and benign growing conditions. Corn prices rebounded modestly higher on Tuesday on active overnight buying and reports of progress in resolving the US-China trade dispute which might result in increased sales of US commodities to China. Gains could not be sustained, however, as corn prices finished lower on Wednesday and again today (Thursday) on spillover weakness from soybeans and bearly ideal wet and hot growing conditions. **July 2018 contract closed on Thursday, 6/07/2018 at \$3.76¼, down \$0.15¼ for the week, Sept. 2018 contract closed at \$3.85¼, down \$0.15¼ for the week and Dec. 2018 contract closed at \$3.96¾, down \$0.15 for week.**

**CRUDE OIL** – Crude oil futures remained choppy this week, with lingering geopolitical issues and uncertainties about OPEC's possible relaxation of their pumping curtailments. The U.S. EIA reported weekly domestic oil stockpiles increased by 2.072 million bbls last week, compared to an expected decline of 2.0 million bbls. Distillate stocks increased by 2.165 million bbls, compared to an expected increase of 784,000 bbls. Gasoline stocks increased by 4.603 million bbls, compared to an expected increase of 587,000 bbls. **Crude oil futures finished down \$0.14/bbl for the week to close at \$65.95/bbl (July contract).**

**U.S. Crop Weather/ Crop Conditions** – Warm and dry weather persisted across the PNW, maintaining mostly favorable grain crop conditions. Above normal temps and scattered showers and thunderstorms moved across the Plains, with only localized drought relief in the Southern region, where winter wheat crop conditions remain poor. TX and OK crops are rated at 49% and 63% poor/very poor. A cold front moved through the Upper Midwest and Southern Canada this week, bringing cooler temps and locally heavy showers. Storms will track eastward through major corn growing states later this week, easing soil moisture stress. **The 6-10 day outlook** calls for above normal temperatures to continue across much of the country, except the Northern Rockies and High Plains, which will be cooler than normal. The Northern US is expected to be drier than normal, with normal precipitation across rest of the country.

**USDA Crop Progress / Condition Report, June 4, 2018**

<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	97% planted 82% emerged	93% 68%	98% 83%	95% 83%	79% g/ex	69%	69%
<b>ID Barley</b>	<b>97% planted 94% emerged</b>	<b>96% 91%</b>	<b>96% 87%</b>	<b>99% 94%</b>	<b>93% g/ex</b>	<b>83%</b>	
US Spring Wheat	97% planted 81% emerged	91% 63%	99% 88%	94% 82%	70% g/ex	NA	55%
<b>ID Spring Wheat</b>	<b>97% planted 91% emerged</b>	<b>96% 89%</b>	<b>90% 79%</b>	<b>98% 93%</b>	<b>71% g/ex</b>	<b>NA</b>	
US Winter Wheat	83% headed	73%	86%	83%	37% g/ex	38%	49%
<b>ID Winter Wheat</b>	<b>46% headed</b>	<b>31%</b>	<b>22%</b>	<b>35%</b>	<b>74% g/ex</b>	<b>79%</b>	
Corn	97% planted 86% emerged	92% 72%	95% 84%	95% 83%	78% g/ex	79%	68%

**International Crop/Weather –**

**Canada** – Recent showers have improved soil moisture and boosted early grain crop development.

**Europe** – Widespread showers and above normal temps are accelerating development for reproductive to filling winter grains and boosted soil moisture for summer crop growth.

**Black Sea** – Warm sunny conditions persist across Ukraine and Western Russia, accelerating winter grain development and drying out soils. Spring grain planting and development remains delayed across Russia’s Siberia District.

**Middle East** – Showers across Turkey and northwestern Iran continue to slow winter grain drydown and harvest.

**China** – Rainfall across northeastern region has boosted soil moisture and improved corn growing conditions.

**Australia** – The northeast remained adversely dry, but favorable rains have spread across parts of the southeastern and western grain regions. More consistent rains are needed to maintain early season yield prospects.

**South America** – Southern Brazil received beneficial rains for winter wheat but moisture came too late to boost second crop corn yields. Argentina also saw a return of heavy rainfall, boosting winter grain development but interrupting final corn harvest.