

Idaho Grain Market Report, June 21, 2018

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, June 20, 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	\$6.00-6.75		nc -\$3.90-4.16	\$4.60	\$5.23-5.30	\$4.90-5.00
Idaho Falls	\$6.25	\$8.33	\$4.00	\$4.55	\$5.00	\$4.81
Blackfoot / Pocatello	\$6.25	\$6.50	\$4.00	\$4.55	\$5.00	\$4.81
Grace / Soda Springs	\$7.20		\$3.94	\$4.18	\$4.90	\$4.93
Burley/Rupert – ** new crop prices	\$5.25		nc- \$4.14	\$4.27	\$4.99	\$4.87
Twin Falls / Buhl / Jerome / Wendell	\$6.00-6.40		\$4.00-4.10	\$4.22	\$4.91	\$4.98
Nampa / Weiser			\$4.75			
Nez Perce / Craigmont	\$5.96		\$5.05	\$5.23	\$6.07	
Lewiston	\$6.48		\$5.31	\$5.49	\$6.33	
Moscow / Genesee	\$5.95-5.99		\$5.08-5.28	\$5.26-5.41	\$6.10-6.20	\$6.02

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			\$5.85-5.90	\$6.13 ³ / ₄ -6.38 ³ / ₄	\$6.87 ³ / ₄ - 7.02 ³ / ₄	
Ogden	\$7.45		\$4.24	\$4.48	\$5.25	\$5.23
Great Falls	\$6.50-6.75	\$8.25- 8.40		\$5.19-5.33 (12%)	\$5.57-5.83	
Minneapolis	\$5.94			\$5.43 ³ / ₄ (12%)	\$6.87 ³ / ₄ -7.12 ³ / ₄	

Market trends this week

BARLEY – Local feed prices were steady to 10 cents lower, while open market malting barley prices were mostly steady this week. USDA reported net export sales last week totaled 400 MT, while export shipments totaled 100 MT to Taiwan.

WHEAT – Local wheat prices were lower this week: SWW prices ranged from 20 to 32 cents lower; HRW prices ranged from 50 to 61 cents lower; and DNS prices were 31 to 39 cents lower. USDA reported wheat export sales last week were on the high end of trade expectations at 461.6 TMT. Wheat export shipments last week totaled 426.9 TMT.

Wheat Competitor/Buyer News – SovEcon said this week that reports of drought yield losses have been overblown, estimating the Russian wheat crop at 73.1 MMT and exports at 37 MMT. They project Russia will increase wheat exports to Mexico from 800 TMT this year to more than 5 MMT in MY 2018/19. UkrAgroConsult lowered their Ukrainian crop estimate to 25.5 MMT. European wheat exports are trending 18% below a year ago's pace. Reports this week from local sources that suggest China's wheat crop could be 20% smaller than a year ago due to a combination of early drought and late season rains. Japan and South Korea suspended wheat imports from Canada this week after confirmation of GMO wheat in a wheat field. Egypt purchased 240 TMT of Romanian wheat this week.

CORN – USDA reported net export sales were well below trade expectations last week at only 165.9 TMT old crop and 339.7 TMT new crop (MY 18/19), down 82% from the previous week and down 82% from the previous 4-week average. By contrast, corn export shipments last week remained robust at 1.763 MMT, up 25% from the previous week and up 13% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported weekly U.S. ethanol production saw another steady uptick last week – up 11,000 or 1.04% at 1,064,000 bbls/day – up 7.5% from last year. Ethanol stocks inched down last week at 21.65 million bbls, down 2.4% from the previous week and down 2.8% from last year. Weekly corn usage for ethanol remains strong at 110.8 mbu. Cumulative corn usage for ethanol now totals 4.56 billion bu. This strong

production pace continues to point to a likely upward adjustment in ethanol use in USDA's monthly supply and demand balance sheet by the end of MY 2017/18 on August 31.

Corn Competitor/Buyer News – China sold 1.41 MMT of corn reserves this week, bringing their sales of state owned corn reserves since April to a whopping 46.9 MMT.

Futures Market trends this week

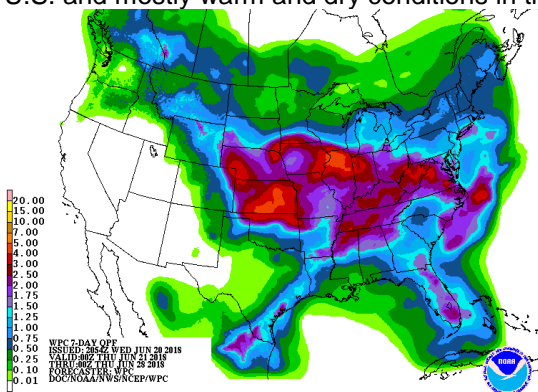
WHEAT – Wheat prices started the week in a sharp slump, swamped by weakness in outside markets, harvest hedge pressures and technical selling. Prices continued in a free fall on Tuesday, pressure from better than expected spring wheat crop ratings and spillover from negative outside markets. Wheat prices rebounded higher on Wednesday on support from hot and dry forecasts for Black Sea and European wheat growing areas and too much rain in U.S. hard red winter wheat areas where the wheat crop is maturing and harvest is underway. Prices continued to be buoyed on Thursday by a declining Russian crop and U.S. winter wheat quality concerns. **Wheat futures contract closes on Thursday, 6/21/2018...**

	July 2018	Week Change	Sept 2018	Week Change	Dec 2018	Week Change
CHI SRW	\$4.95 ³ / ₄	Down \$0.04 ¹ / ₄	\$5.06 ³ / ₄	Down \$0.06 ³ / ₄	\$5.23	Down \$0.11 ¹ / ₄
KC HRW	\$4.93 ³ / ₄	Down \$0.26 ¹ / ₂	\$5.10	Down \$0.24 ¹ / ₄	\$5.32 ¹ / ₂	Down \$0.25 ¹ / ₂
MGE DNS	\$5.52 ³ / ₄	Down \$0.18	\$5.64 ³ / ₄	Down \$0.16 ¹ / ₄	\$5.79 ¹ / ₄	Down \$0.15 ³ / ₄

CORN- Corn prices posted fresh contract lows on Monday under long liquidation pressures sparked by trade tensions with China and favorable U.S. crop weather. Prices continued to ease modestly lower on Tuesday under pressure from some of the highest early season crop condition ratings ever. Short covering pulled corn prices fractionally higher on Wednesday, with gains limited by a lack of immediate weather concerns. Corn posted modest gains on Thursday in choppy trading on reports of flooding in parts of the Corn Belt. Disappointing corn export sales limited the upside momentum. **July 2018 contract closed on Thursday, 6/21/2018 at \$3.57, down \$0.04¹/₄ for the week, Sept. 2018 contract closed at \$3.66¹/₂, down \$0.04¹/₄ for the week and Dec. 2018 contract closed at \$3.78¹/₄, down \$0.04¹/₂ for week.**

CRUDE OIL – Crude oil futures chopped in both directions this week, under pressure from expectations that OPEC oil ministers would agree to boost production at their meeting on June 22-23 in Vienna and supported by continuing decline in U.S. stockpiles. The U.S. EIA reported weekly domestic oil stockpiles fell by 5.914 million bbls last week, compared to an expected decline of 2.1 million bbls. Distillate stocks increased by 2.715 million bbls, compared to an expected decline of 164,000 bbls. Gasoline stocks increased by 3.277 million bbls, compared to an expected increase of 188,000 bbls. **Crude oil futures finished up \$0.69/bbl for the week to close at \$65.54/bbl (Aug contract).**

U.S. Crop Weather/ Crop Conditions – Cool showery conditions lingered across the Northern Rockies but was motly dry elsewhere. Hot weather is overspreading the PNW in the near-term outlook. Heavy storm systems moved west to east this week, bringing substantial rain to the Central U.S. as shown in the 7-day precip map below. Rains across HRW region, particularly NE and KS, have slowed winter wheat harvest and rased risk of quality deterioration. Reports of flooding in parts of Iowa and Minnesota. **The 6-10 day outlook** calls for warm and wet conditions to persist in the Central U.S. and mostly warm and dry conditions in thePNW.



USDA Crop Progress / Condition Report, June 18, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	96% emerged 8% headed	92% NA	96% 9%	95% 15%	84% g/ex	83%	64%
ID Barley	98% emerged 25% headed	96% 7%	100% 28%	99% 28%	84% g/ex	92%	
US Spring Wheat	97% emerged 9% headed	94% NA	98% 14%	95% 25%	70% g/ex	70%	41%
ID Spring Wheat	96% emerged 13% headed	94% 4%	87% 20%	97% 25%	70% g/ex	72%	
US Winter Wheat	95% headed 27% harvested	91% 14%	96% 26%	95% 19%	39% g/ex	38%	49%
ID Winter Wheat	86% Headed 0% harvested	71%	61%	77%	77% g/ex	81%	
Corn	98% emerged	94%	97%	97%	78% g/ex	77%	67%

International Crop/Weather –

Canada – Recent rains have helped maintain overall favorable spring grain growing conditions.

Europe – Dry conditions have intensified in recent weeks, cutting corn yield prospects. Above normal temperatures are accelerating winter grain filling and maturing, with yield prospects declining in Germany, Baltics and Scandanavian countries.

Black Sea – Warm and dry through the end of June. Winter grains are rapidly maturing in less than ideal conditions across Ukraine and Western Russia.

China – Hot dry weather is accelerating winter wheat drydown and harvest.

Australia – Another round of showers across the southeastern and western growing areas is maintaining good yield potential, but conditions remain dry in New South Wales.

South America – Rains have benefitted newly planted winter grains in key growing areas.