Idaho Grain Market Report, June 22, 2017

Published weekly by the Idaho Barley Commission, kolson@barley.idaho.gov, 208-334-2090

Next week we will publish this weekly report on Friday, June 30, in order to feature USDA's June 30 acreage and quarterly stocks reports.

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, June 21, 2017. Barley prices in $/Cwt. and wheat prices in $/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open market malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Rexburg / Ririe	$5.00-5.75		$3.73-3.75 nc $3.80-3.82	$4.44 nc $4.48	$6.56 nc $6.25	$4.65-4.80 nc 4.78-4.90
Idaho Falls		$8.30 -8.33	$4.00 nc 4.05	$4.55 nc 4.60	$6.55 nc 6.30	$4.75 nc 4.80
Blackfoot / Pocatello		$6.50	$4.00 nc 4.05	$4.55 nc 4.60	$6.55 nc 6.30	$4.75 nc 4.80
Grace / Soda Springs	$6.15		$3.89 nc 3.97	$4.03 nc 4.11	$6.37 nc 6.37	$4.73 nc 4.84
Burley / Rupert Hazelton	$5.25		nc $3.91	nc $4.02	nc $5.95	nc $4.77
Twin Falls / Buhl / Jerome / Wendell	$5.90-6.25 nc 5.90-6.15		$3.90 nc $4.00	$3.95 nc $4.00	$6.33 nc $6.33	$4.75 nc $4.82
Nampa – Weiser	$5.50		$3.95 nc $4.05			
Nez Perce / Craigmont	$4.25		$4.19	$4.66	$6.73	
Lewiston	$4.75		$4.45	$4.92	$6.99	
Moscow / Genesee	$4.25-4.85		$4.22-4.36	$4.69-4.88	$6.76-6.95	$4.88

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 -** $4.85 – 5.09½ **Aug new crop** $4.83 – 5.14½	$5.42¾ - 5.62¾ **Aug new crop** $5.55½ - 5.65½	$7.48¾ - 7.63¾ **Aug new crop** $7.42½ – 7.67½	
Los Angeles	$8.70-9.00					
Tulare	$8.70–9.00					
Ogden	$6.50		$4.15 nc 4.25	$4.23 nc 4.31	$6.62 nc 6.62	$5.15 nc 5.25
Great Falls	$4.60-4.75	$6.75		$4.62-4.68 (12%)	$6.49–6.63	
Minneapolis	$4.27			$5.02¾ (12%)	$7.68¾ -7.93¾	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to 65 cents higher while open market malting barley prices were steady this week. USDA reported barley export sales totaled 800 MT last week to Taiwan and South Korea and exports totaled 700 MT to Japan and South Korea.

WHEAT – Local wheat prices were higher this week: SWW prices ranged from 9 to 25 cents higher; HRW prices ranged from 10 to 34 cents higher; and DNS prices ranged from 16 to 26 cents higher. USDA reported export sales were within trade expectations at 542.9 TMT, up 45% from the previous week. Wheat export shipments last week also were solid at 717.8 TMT, up 15% from the previous week.

Wheat Competitor / Buyer News – IKAR raised their Russian wheat production estimate from 64-69 MMT to 65-70 MMT this week after recent favorable rains. Egypt bought 175 TMT of Romaniana and Ukrainian wheat this week.

CORN – USDA reported corn export sales last week were on the low end of trade expectations at 528.8 TMT (plus MY 2017/18 sales of 124 TMT), down 12% from the previous week but up 16% from the 4-week average. Corn export shipments last week were stronger at 1.213 MMT, up 22% from the previous week and up 6% from the 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a downtick in U.S.ethanol production last week to the lowest level in almost two months – down 12,000 bbls or 1.2% to 990,000 bbls per day, which is up 3% from a year ago. Ethanol stocks fell by 1.2% last week to 22.3 million bbls, which is still nearly 6% above a year ago. Weekly corn usage for ethanol remains strong at 103.95 million bu and above the pace needed to reach the USDA estimate usage for MY 2016/17. Cumulative corn use for ethanol currently totals 4.41 billion bu.

Corn Competitor / Buyer News – China sold only 120.9 TMT out of 1.3 MMT of reserve corn offered for auction this week.

Futures Market trends this week

WHEAT – Wheat markets opened the week mixed to lower as beneficial rains eased dryness in some spring wheat areas, however continuing weather concerns across several growing areas, including Europe and Ukraine, propelled prices higher on Tuesday. Profit-taking pushed prices lower on Wednesday. Wheat finished mixed today (Thursday), with winter wheat contracts lower on profit-taking and spillover pressure from corn and soybeans and spring wheat higher on stronger than expected export sales and continuing crop concerns across the US and Canadian spring wheat belts. **Wheat futures contract closes on Thursday, 6/22/2017 …**

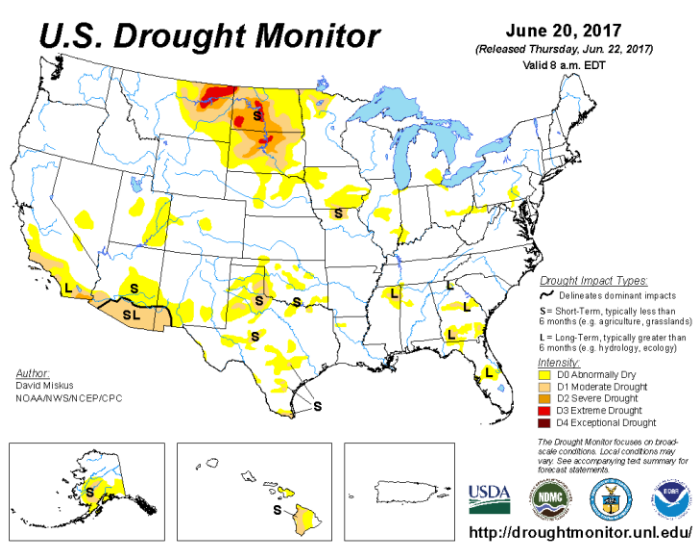
	July 2017	**Weekly Summary**	**Sept 2017**	**Weekly Summary**	**Dec 2017**	**Weekly Summary**
CHI SRW	**$4.61¼**	**Down $0.04**	**$4.75¼**	**Down $0.06¼**	**$4.97½**	**Down $0.05¼**
KC HRW	**$4.67¾**	**Down $0.05¾**	**$4.85¾**	**Down $0.05¾**	**$5.10¾**	**Down $0.06¼**
MGE DNS	**$6.56¼**	**Up $0.13½**	**$6.61¼**	**Up $0.14¼**	**$6.60¼**	**Up $0.16**

CORN – Corn prices were under pressure this week as good weekend rains and cooler temperatures have improved crop conditions and stabilized yields across the Midwest. Some analysts see more limited moisture in key areas in NE, IA and the Dakotas pushing the average corn yield downward to 165-167 bpa, which could lower MY 2017/18 ending stocks. USDA will release an upated acreage estimate on June 30. Prices continued to grind lower today (Thursday) to a three-week low under pressure from favorable cool and wet weather in the extended outlook and weak South American currencies which will likely boost their corn export competitiveness. **Corn futures contract closes on Thursday, 6/22/2017 …July 2017 contract at $3.62¾, down $0.21¼ for the week, Sept. 2017 contract closed at $3.70¾, down $0.21¼ for the week and the Dec. 2017 contract closed at $3.80¾, down $0.21¼ for the week.**

CRUDE OIL – Crude oil futures continued to grind lower this week on rising U.S. oil production which reached 9.35 million bpd this week, up 20,000 bpd from the previous week. After an unexpected rise last week, weekly U.S. crude stockpiles fell by 2.5 million bbls compared to an expected decline of 2.1 million bbls. Distillate stocks increased by 1.1 million bbls, compared to an expected build of 465,000 bbls; and gasoline stocks fell by 578,000 bbls, compared to an expected increase of 443,000 bbls. **Crude oil futures finished down $2.00/bbl for the week to close at $42.74/bbl.**

Weather / Crop Conditions –

U.S. – A heat wave persisted across the PNW and Intermountain regions this week, with only a minor cool down before conditions turn hot this weekend. The Northern Plains saw light showers this week which are helping to stabilize crops, but only limited precip in the extended outlook. ND spring wheat is rated 42% good/average and barley 51% good/average. MT wheat is rated only 19% good/excellent while their barley crop is rated 61% good/excellent. A strong cold front is spinning a band of showers and thunderstorms from the Central Plains, up through the central Corn Belt to the Great Lakes this week. Some key areas in Nebraska, western Iowa and the Dakotas continue to miss out on any significant precipitation. The **7 day and 6-10 day outlooks** favor widespread beneficial rainfall for the Midwest and cooler temperatures. The PNW and Intermountain regions are expected to stay warm and dry, while the Northern Plains are expected to see seasonal temperatures and mostly dry conditions.



USDA Crop Progress / Condition Report, June 19, 2017

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	10% headed	NA	20%	19%	64%	72%	77%
ID Barley	**30% headed**	**16%**	**25%**	**29%**	**81%**	**88%**	**74%**
US Spring Wheat	15% headed	NA	25%	17%	41%	45%	76%
ID Spring Wheat	**23% headed**	**4%**	**40%**	**28%**	**62%**	**73%**	**76%**
US Winter Wheat	97% headed 28% harvested	92% 17%	99% 23%	95% 25%	49% g/ex	50%	61%
ID Winter Wheat	**66% headed**	**28%**	**91%**	**76%**	**69%**	**72%**	**80%**
Corn	98% emerged	94%	99%	98%	67%	67%	75%

International

Canada – After spring planting delays, conditions have turned unfavorably warm and dry in many areas, with the extended forecast showing hot and dry conditions are likely to persist through the growing season.

EU – Continued hot and dry conditions are stressing grain crops across France and Spain, while German crops are believed to be in better shape. Heat stress has accelerated grain crop maturation and drydown from England to the Northern Balkans.

Black Sea region – Drought persists across Central Ukraine, reducing grain yield potential. By contrast, periodic showers have maintained excellent grain crop conditions across western and southern Russia. Suny warm conditions have also favored spring grains across Central Russia and Kazakhstan.

China – Dry and warm conditions persist across northeastern China but heavy rainfall is in the forecast.

South America – Mostly dry and warm conditions favor summer crop harvest in Argentina, while southern Brazil saw favorable conditions for wheat planting.

Australia – Unfavorably dry conditions persist across southeast and western growing regions.