Idaho Grain Market Report, June 23, 2016

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, June 22, 2016. 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	$5.75		$3.95	$4.05	$5.03	$4.31
Idaho Falls	$6.00	$8.90 - $9.38	$3.90	$4.00	$5.00	$4.35
Blackfoot / Pocatello	NQ	$8.15	$3,90	$4.00	$5.00	$4.35
Grace / Soda Springs	$6.60		$4.03	$3.82	$5.00	$4.37
Burley / Rupert	$6.00	$9.38	$3.97	$3.52	$4.89	$4.33
Hazelton						
Twin Falls / Buhl / Wendell	$6.35-6.60 $7.00 new crop		$4.25 new crop	NQ	NQ	
Nampa – Weiser	$6.95		$4.22			
Nez Perce / Craigmont	$5.25		$4.37	$4.30	$5.37	
Lewiston	$5.75		$4.63	$4.56	$5.63	
Moscow / Genesee	$5.25-5.75		$4.40–4.55	$4.33-4.50	$5.40-5.58	$4.50

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 -** $5.03¾ -5.33 **max 10.5% pro** $5.03¾ –5.25	$5.13	$6.15¼ - 6.35¼	
Los Angeles	$8.90-9.10					
Tulare	$8.90–9.10					
Ogden	$7.00		$4.35	$4.02	$5.35	$4.77
Great Falls	$5.00-5.25	$9.00		$3.86-4.11 (12%)	$4.80-5.09	
Minneapolis	$4.90	NQ		$4.73 (12%)	$6.05¼ - 6.15¼	

Market trends this week

BARLEY – Local feed barley and malting barley prices were mostly steady this week. USDA reported there were no barley export sales last week but export shipments totaled 500 MT to Taiwan and Japan.

WHEAT – Local wheat prices were lower this week: SWW prices ranged from 9 to 22 cents lower; HRW prices ranged from 20 to 25 cents lower; and DNS prices ranged from plus 1 cents to minus 10 cents. USDA reported wheat export sales were on the low end of trade expectations at 462.7 TMT last week, down 39% from the previous week. Cumulative wheat export sales in the MY 2016/17 are 28.5% of the USDA projection for the year, compared to a 5-year average of 27.1%. Wheat export shipments totaled 579.3 TMT.

Wheat Competitor / Buyer News – The EU granted export licenses for 555 TMT of wheat this week, pushing total wheat exports in MY 2015/16 to 30.7 MMT. An ag consultant raised their Ukrainian wheat production estimate by 1.3 MMT to 23.3 MMT. The Russian wheat crop is now pegged at 64.5 MMT, up from and earlier forecast of 61 MMT. There was more talk in the market this week that India may need to import as much as 5 MMT of wheat this year,

CORN – USDA reported better than expected new crop corn export sales but average combined old and new crop sales - 870.7 TMT old crop, down 32% from the previous week plus 550.3 TMT new crop. Cumulative corn export sales for MY 2015/16 have now reached 100.1% of the USDA projection for the year, compared to a 5-year average of 96.9%. Corn export shipments last week remained strong at 1.208 MMT, down 20% from the previous week but up 6% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a decline in U.S.ethanol production last week, to 962,000 bpd – down 5.0% from the previous week and down 3.2% from the previous year. U.S. ethanol stocks declined slightly to 21.11 million bbls, down .34% from the previous week but up 6.4% from a year ago. Corn used to produce ethanol totaled 10.01 million bu, still well above the weekly pace needed to achieve USDA's projection of 5.25 billion bu for MY 2015/16. Cumulative corn use for ethanol production not totals 4.23 billion bu.

Corn Competitor / Buyer News – A cargo of 54 TMT of Brazilian corn is reportedly headed to North Carolina despite tight supplies and rising prices.The Buenos Aires Grain Exchange raised their Argentine corn crop estimate by 3 MMT this month to 28 MMT. Chinese corn imports in May topped 2.84 MMT, up 60% from the previous year. China sold 1.14 MMT of corn in their weekly auction this week. South Korean feed groups bought 463 TMT and 126 TMT of optional origin corn this week. India projects they may need to import 500 TMT of corn this year.

Futures Market trends this week

WHEAT – Wheat markets closed lower to start the week under the weight of ongoing harvest hedge and spillover pressure. Prices continued to erode through the week, finished mixed to lower on Thursday on talk of burdensome world stocks, but losses were trimmed by short covering triggered by a sharply lower dollar. **Wheat market closes on Thursday, 6/23/16...**

	July 2016	Weekly Summary	Sept 2016	Weekly Summary	Dec 2016	Weekly Summary
Chicago SRW	**$4.54¼**	**Down $0.37**	**$4.65¾**	**Down $0.29**	**$4.86¼**	**Down $0.26¾**
KC HRW	**$4.27¾**	**Down $0.33**	**$4.45½**	**Down $0.33**	**$4.70¾**	**Down $0.32**
MGE DNS	**$5.28**	**Down $0.11¾**	**$5.38**	**Down $0.10¾**	**$5.52¼**	**Down $0.09½**

CORN – Corn was under heavy long liquidation pressure this week, triggered by bearish weather trends (cooler temperatures with adequate soil moisture across most regions) and stable crop conditions. Corn extended losses on Thursday - hitting 4 week lows – as traders continued to ring the June weather premium out of new crop contracts. **Corn futures contract closes on Thursday, 6/23/16… July 2016 contract at $3.87¼, down $0.50½ for the week, Sept 2016 contract closed at $3.92½, down $0.50¼ for the week and the Dec 2016 contract closed at $3.97¾, down $0.51 for week.**

CRUDE OIL – Crude oil chopped around this week as investor sentiment turned cautious ahead of the Brexit vote in the U.K. on Thursday. The U.S. DOE Energy Information Agency reported domestic crude oil stocks last week fell less than expected – down 917,000 bbls - compared to an expected decline of 1.7 million bbls. Distillates increased by 151,000 bbls, compared to an expected increase of 257,000 bbls while gasoline stocks increased by 625,000 bbls, compared to an expected decline of 326,000 bbls. **Crude oil futures (June contract) finished up $2.13/bbl for the week at $46.21/bbl.**

USDA Crop Progress / Condition Report, June 20, 2016

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	23% headed	NA	31%	17%	77%	78%	76%
ID Barley	**25% headed**	**NA**	**43%**	**27%**	**74%**	**80%**	**91%**
US Spring Wheat	28%	NA	19%	14%	76%	79%	71%
ID Spring Wheat	**45%**	**8%**	**32%**	**22%**	**76%**	**76%**	**82%**
US Winter Wheat	25% harvested	11%	17%	28%	61% g/ex	61%	41%
ID Winter Wheat					**80% g/ex**	**86%**	**63%**

Corn					75%	75%	71%

Weather / Crop Conditions –

U.S. –

- **PNW** – Record setting heat across the Intermountain West was expected to give way to cooler air overspreading the PNW. The extended outlook calls for hot and dry conditions, favoring winter grain maturation.
- **Northern Plains** – Sever thunderstorms moved across North Dakota, raising concerns about potential crop damage.
- **Central/Southern Plains** – Mostly dry and hot conditions continued to accelerate harvest which is moving northward through the Central Plains. The 7-day map puts moisture into parts of Central KS and NE, which could slow harvest. The extended outlook calls for above normal precipitation across the Southern Plains.
- **Corn Belt** – Showers and thunderstorms moved through the Central and Eastern Corn Belt into the Lower Ohio River Valley, easing dryness across the eastern region. The extended outlook calls for mostly cooler and dry conditions with adequate soil moisture.

INTERNATIONAL -

- **Canada –** Growing conditions remain mostly favorable.
- **Europe –** After a brief respite, modertate to heavy rains have returned to parts of France and Germany, renewing quality concerns.
- **Black Sea region –**Southern Russia was mostly this week Mostly dry conditions are in the extended outlook, favoring grain maturation.
- **Middle East –** Drier conditions prevailed across Turkey into northern Iran, promoting winter grain maturation and harvest.
- **China –** Wet across portions of northeastern China is beneficial to developing corn crops while the eastern areas of the North China Plains turned favorably dry, aiding maturing winter wheat.
- **South America –** Frost concerns for parts of Southern Brazil are raising concerns about damage to filling second crop corn. Argentina remains mostly dry and cool, allowing corn harvest to advance.
- **Australia –** Most of the grainbelt continues to receive favorable moisture, prompting ABARE to raise their wheat output forecast from 24.5 MMT to 25.4 MMT.