

Idaho Grain Market Report, June 30, 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, June 28, 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	\$5.00-5.75		\$3.60-3.75 nc \$3.70-3.80	\$4.35 nc \$4.38	\$7.05 nc \$6.86	\$4.70 nc 4.75-4.80
Idaho Falls		\$8.30 -8.33	\$3.95 nc 4.00	\$4.65 nc 4.70	\$7.45 nc 7.25	\$4.85 nc 4.90
Blackfoot / Pocatello		\$6.50	\$3.95 nc 4.00	\$4.65 nc 4.70	\$7.45 nc 7.25	\$4.85 nc 4.90
Grace / Soda Springs	\$6.15		\$3.92 nc 4.00	\$3.95 nc 4.03	\$6.87 nc 6.87	\$4.65 nc 4.73
Burley / Rupert	\$5.25		nc \$3.85	nc \$3.97	nc \$6.70	nc \$4.72
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.90-6.25		nc \$3.95-4.08	NQ	NQ	NQ
Nampa – Weiser	\$5.25		\$3.95			
Nez Perce / Craigmont	\$4.50		\$4.19	\$4.66	\$6.73	
Lewiston	\$5.00		\$4.45	\$4.92	\$6.99	
Moscow / Genesee	\$4.50-4.85		\$4.22-4.36	\$4.69-4.88	\$6.76-6.95	\$4.88

**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> \$4.82¼ – 5.10 <b>Aug new crop</b> \$5.50¼ - 5.60¼ \$5.03 – 5.10	\$5.36½ - 5.51½ <b>Aug new crop</b> \$5.50¼ - 5.60¼	\$8.14¾ - 8.19¾ <b>Aug new crop</b> \$8.08 – 8.23	
Los Angeles	\$8.70-9.00					
Tulare	\$8.70-9.00					
Ogden	\$6.40		\$4.15 nc 4.25	\$4.18 nc 4.26	\$7.15 nc 7.15	\$5.05 nc 5.15
Great Falls	\$4.60-4.75	\$6.75		\$4.50-4.69 (12%)	\$6.99-7.11	
Minneapolis	\$4.27			\$5.10¼ (12%)	\$8.08-8.43	

**Market trends this week**

**BARLEY** – Local feed barley prices ranged from steady to 25 cents higher while open market malting barley prices were steady this week. USDA reported no barley export sales last week, while barley exports totaled 1.7 TMT to Japan and Taiwan.

**2017 Barley Acreage Estimate** – USDA pegged U.S. barley acreage at 2.376 million, down 28% from last year. Idaho barley planted acreage is pegged at 500,000, down 17% from the previous year.

**Barley Quarterly Stocks** – USDA pegged U.S. barley stocks on June 1 at 108 million bu, up 6% from a year ago. The March-May 2017 indicated disappearance is 27.1 million bu, down 2% from the same period a year ago. **Idaho barley stocks on June 1 are pegged at 25.8 million bu, up 14% from a year ago.**

**Barley Competitor / Buyer News** – Stats Canada is now projecting 2017 Canadian barley areas at 5.8 million, down nearly 10% from last year.

**WHEAT** – Local wheat prices were mixed but mostly higher this week: SWS prices ranged from minus 13 cents to plus 14 cents; HRW prices ranged from 5-9 cents lower; and DNS prices ranged from 50 to 75 cents higher. USDA reported export sales were on the high end of trade expectations at 492.1 TMT, down 9% from the previous week. Wheat export shipments last week remained strong at 750.8 TMT, up 5% from the previous week.

**2017 Wheat Acreage Estimate** – Bullish against trade expectations, especially for spring wheat...USDA pegs total U.S. wheat acreage at 45.66 million, down 9% from 2016 and the lowest planted wheat acres since records began in 1919. Winter wheat acreage is estimated at 32.8 million, down 9% from last year but up less than 1% from the previous estimate. Of this total, HRW acres are pegged at 23.8 million, SRW at 5.61 million and Soft White at 3.42 million. Other spring wheat acreage is estimated at 10.9 million, down 6% from 2016. **The total wheat acreage estimate is BELOW the average pre-report trade estimate of 46.0 million acres and spring wheat acres are BELOW the trade estimate of 11.2 million.** USDA pegged Idaho wheat acres at 1.178 million, down slightly from last year.

**Wheat Quarterly Stocks** – Bearish against trade expectations... USDA pegged U.S. wheat stocks on June 1 at 1.18 billion bu, up 21% from a year ago. This was **ABOVE the average pre-report trade estimate of 1.136 billion bu.** The March-May 2017 indicated disappearance is 472 million bu, up 19% from the same period a year ago. **Idaho wheat stocks on June 1 are pegged at 34.87 million bu, up 58% from a year ago.**

**Wheat Competitor / Buyer News** – Strategie Grains cut their French wheat production estimate this week by 1.6 MMT to 35.6 MMT. Ukraine's wheat crop estimate also was lowered this week to 23.2 MMT from an earlier estimate of 24.5 MMT due to lower planted acreage and heat and drought stress. Russia reports their wheat exports were 9.3% higher at 26.6 MMT for MY 2016/17, which ends June 30. Stats Canada is projecting Canada's wheat acres at 22.4 million, down 3.7%, lower than their April estimate of 23.18 million and an average pre-report estimate of 22.7 million acra. Durum wheat plantings are down 15.9%, while spring wheat acres are up 2.5% to 15.8 million.

**CORN** – USDA reported corn export sales last week were below trade expectations at 316.2 TMT (plus MY 2017/18 sales of 68.4 TMT), down 40% from the previous week and down 33% from the 4-week average. Corn export shipments last week were stronger at 1.021 MMT, down 16% from the previous week and down 14% from the 4-week average.

**Ethanol corn usage** – DOE's Energy Information Agency reported a recovery in U.S. ethanol production last week – up 25,000 bbls or 2.5% to 1,015,000 bbls per day, which is up 1.2% from a year ago. Ethanol stocks fell by 2% last week to 21.84 million bbls, the lowest inventory since January 20, but still 3% above a year ago. Weekly corn usage for ethanol remains strong at 106.58 million bu and above the pace needed to reach the USDA estimate usage for MY 2016/17. Cumulative corn use for ethanol currently totals 4.52 billion bu.

**2017 Corn Acreage Estimate** – Bearish against trade expectations...USDA pegged U.S. corn acreage at 90.9 million, down 3% from last year. This is **ABOVE the average pre-report trade estimate of 89.78 million acres.**

**Corn Quarterly Stocks** – Bearish against trade expectations...USDA pegged U.S. corn stocks on June 1 at 5.23 billion bu, up 11% from a year ago. This is **ABOVE the average pre-report trade estimate of 5.125 billion bu.** The March-May 2017 indicated disappearance is 3.40 billion bu, up 9% from the same period a year ago.

**Corn Competitor / Buyer News** – Brazil's second crop of corn was reported to be 9.3% harvested, which is below the previous year's pace but above the 4-year average. After buying more than 625 TMT of optional origin corn, South Korean feed groups were back in the market this week for another 60 TMT.

**Futures Market trends this week**

**WHEAT** – Wheat markets opened the week sharply lower on profit-taking, except for the Minneapolis spring wheat contract which continues to roar higher on worries about drought stress across the Northern Plains and Canadian prairies. Analysts are starting to trim their U.S. spring wheat production prospects even more, from an already factored in 100 million bu loss to 150-200 million bu in lower yields and abandoned acres. Winter wheat contracts rebounded on Tuesday and Wednesday, posting modest gains on support from a lower dollar and spillover from strong double digit gains in spring wheat. Wheat finished sharply higher across the board on Thursday on a combination of a weaker dollar, strong export sales pace and shrinking production prospects in several major exporting countries. **Wheat futures contract closes on Thursday, 6/29/2017...**

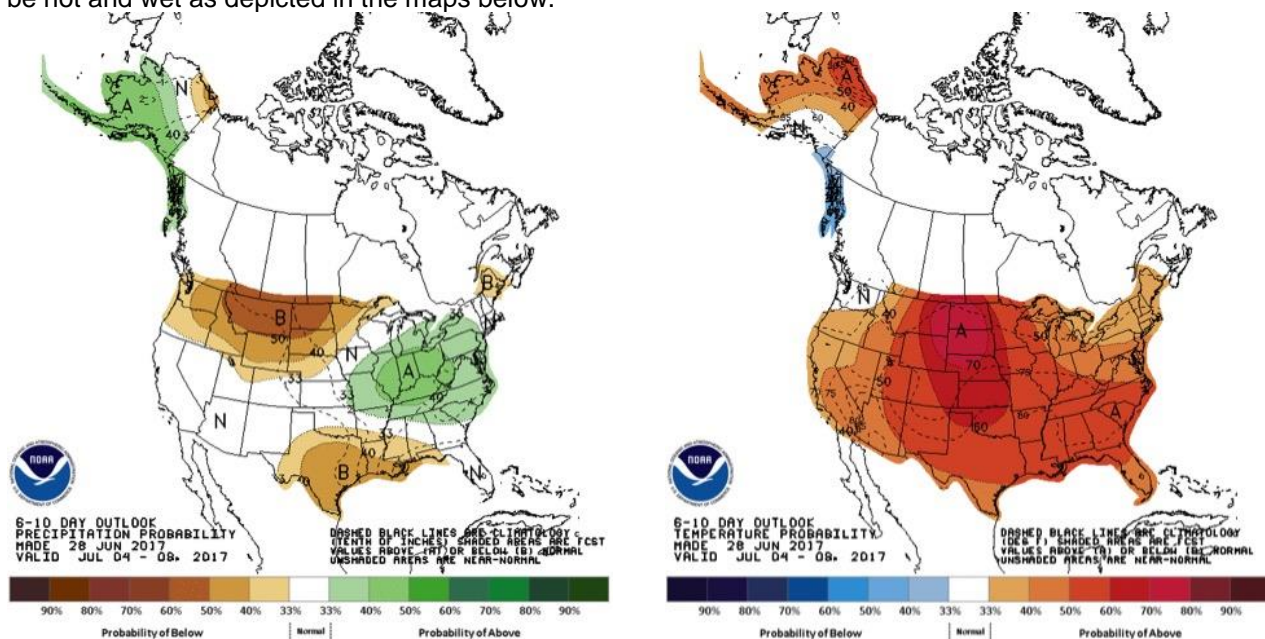
	<b>July 2017</b>	<b>Weekly Summary</b>	<b>Sept 2017</b>	<b>Weekly Summary</b>	<b>Dec 2017</b>	<b>Weekly Summary</b>
CHI SRW	\$4.80¼	Up \$0.20½	\$4.96	Up \$0.25½	\$5.15½	Up \$0.10¼
KC HRW	\$4.80½	Up \$0.16¼	\$4.99½	Up \$0.17	\$5.24¾	Up \$0.17
MGE DNS	\$7.41¼	Up \$0.80	\$7.39½	Up \$0.73¼	\$7.31¼	Up \$0.67

**CORN** –Despite no major weather concerns on the horizon, corn prices rebounded modestly on Monday, after last week’s largest weekly price decline in about a year. Late selling erased most of Tuesday’s gains on support from crop conditions that did not show improvement as expected and ideas that much of the corn crop will be pollinating during later July heat. Wednesday saw prices ease lower as nearby cooler temps and wet growing conditions will be followed by favorably warm conditions which favor strong yield potential. Corn prices settled higher again on Thursday **Corn futures contract closes on Thursday, 6/29/2017 ...July 2017 contract at \$3.59¼, up \$0.02 for the week, Sept. 2017 contract closed at \$3.69½, up \$0.04 for the week and the Dec. 2017 contract closed at \$3.80, up \$0.04¼ for the week.**

**CRUDE OIL** – Crude oil futures chopped higher this week, despite the highest US oil rig count in 2 years, on support from the weakest dollar in 10 months. The DOE EIA reported weekly U.S. crude stockpiles increased by 118,000 bbls, compared to an expected decline of 2.6 million bbls. Distillate stocks fell by 223,000 bbls and gasoline stocks decreased by 894,000 bbls. **Crude oil futures finished up \$1.92/bbl for the week to close at \$44.93/bbl.**

**Weather / Crop Conditions –**

**U.S.** – Extreme heat subsided across the PNW and Intermountain regions this week but temperatures remained seasonably warm to above normal with isolated showers and hail in the Intermountain West growing region. With another high pressure ridge moving inland from the Pacific, temperatures are expected to heat up this weekend and remain warm in the extended outlook. Much of the Northern Plains experienced cooler temperatures this week but mostly missed out on beneficial showers moving through the Northwestern Corn Belt. Conditions are expected to be warm and dry in the extended outlook, which is fueling strong gains in the spring wheat futures. The Corn Belt was unseasonably cool and dry last weekend but temperatures warmed this week and a major storm system fired up mid week, bringing heavy rainfall and tornadoes to a wide band of the Central Belt. Heaviest rainfall was expected across eastern IA into northern IL, IN, WI and MO. The 7-day map shows another storm bringing more beneficial moisture to the Midwest. The **6-10 and 11-15 day outlooks** favor above normal temperatures and mostly dry conditions, except the Eastern Corn Belt which is expected to be hot and wet as depicted in the maps below.



**USDA Crop Progress / Condition Report, June 26, 2017**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	27% headed	10%	50%	38%	60%	64%	75%
<b>ID Barley</b>	<b>52% headed</b>	<b>30%</b>	<b>50%</b>	<b>50%</b>	<b>79%</b>	<b>81%</b>	<b>75%</b>
US Spring Wheat	36% headed	15%	52%	35%	40%	41%	72%
<b>ID Spring Wheat</b>	<b>28% headed</b>	<b>23%</b>	<b>60%</b>	<b>48%</b>	<b>53%</b>	<b>62%</b>	<b>76%</b>
US Winter Wheat	41% harvested	28%	42%	39%	49% g/ex	48%	62%
<b>ID Winter Wheat</b>	<b>75% headed</b>	<b>66%</b>	<b>95%</b>	<b>88%</b>	<b>78%</b>	<b>69%</b>	<b>79%</b>
Corn	4% silking	NA	5%	5%	67%	67%	75%

## **International**

**Canada** – Mostly dry conditions have limited soil moisture needed for early grain crop development.

**EU** – Heat is moderating across Western Europe this week but small grain crop damage is likely already done. The French wheat crop condition rating dropped 6% this week to 68% good/excellent.

**Black Sea region** – Drought and heat stress persists across Central and Eastern Ukraine, while conditions remain more favorable across western and southern Russia. Recent rains have delayed winter wheat harvest in some of these areas of Russia.

**China** – Showers across Eastern China improved soil moisture but crops remain stressed in the northeastern region.

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

**Australia** – Southeastern and southwestern growing areas saw more moderate temperatures this week, but only southwestern areas received light showers. Other growing regions need moisture for favorable winter grain crop development.