

**Idaho Grain Market Report, July 19, 2018 NEW CROP PRICES**

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, July 18, 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	\$6.00		\$4.20	\$4.91	\$5.00	\$5.11
Idaho Falls		\$8.30-8.33	\$4.30	\$4.60	\$4.75	\$5.00
Blackfoot / Pocatello		\$6.50	\$4.30	\$4.60	\$4.75	\$5.00
Grace / Soda Springs	\$7.20		\$4.30	\$4.40	\$4.92	\$4.95
Burley/Rupert	\$5.75-6.50		\$4.15-4.34	\$4.29	\$4.79-4.85	\$4.94-5.05
Twin Falls / Buhl / Jerome / Wendell	\$5.50-6.25		\$4.20-4.25	\$4.37	\$4.88	\$4.80
Nampa / Weiser			\$4.85			
Nez Perce / Craigmont	\$5.71		\$5.05	\$5.27	\$5.43	
Lewiston	\$6.23		\$5.31	\$5.53	\$5.69	
Moscow / Genesee	\$5.74-5.95		\$5.08-5.23	\$5.30-5.46	\$5.46-5.66	\$5.46

**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			\$5.80-5.90	\$6.07 <sup>3</sup> / <sub>4</sub> -6.17 <sup>3</sup> / <sub>4</sub>	\$6.23 - 6.28	
Ogden	\$7.50		\$4.55	\$4.75	\$5.30	\$5.25
Great Falls	\$6.50-6.75	\$8.25		\$4.86-5.01 (12%)	\$5.15-5.25	
Minneapolis	\$5.94			\$5.40 <sup>3</sup> / <sub>4</sub> (12%)	\$6.53 <sup>1</sup> / <sub>4</sub> -6.58 <sup>1</sup> / <sub>4</sub>	

**Market trends this week**

**BARLEY** – New crop feed and open market malting barley prices were steady this week. USDA reported there were no barley export sales last week, while exports totaled 1,300 MT to Japan.

**WHEAT** – New crop local wheat prices were higher this week: SWW prices ranged from steady to 30 cents higher; HRW prices ranged from 9 to 30 cents higher; and DNS prices ranged from minus 15 cents to plus 15 cents. USDA reported wheat exports sales were within trade expectations last week at 300.03 TMT, up noticeably from the previous week but down 25% from the previous 4-week average. New crop sales have been trending under the five year average sale for this time of year for the past three weeks. Wheat export shipments were stronger at 434.7 TMT – a marketing year high – up 52% from the previous week and up 19% from the previous 4-week average.

**Wheat Competitor/Buyer News** – Russian Ag Ministry now pegs the Russian wheat crop at 64.4 MMT, compared to USDA's latest estimate of 67 MMT. Due to their declining prospects, Russian wheat prices have been on the rise in recent weeks, climbing to a 4-week high. Russia exported 40 MMT of wheat in MY 2017/18 compared to 27.8 MMT the year before. The drought-stricken German wheat crop is projected to be down 12% from the five year average. ABARE warned this week that Eastern Australia's grain growing region is much drier than normal this year and expects dryness trend to worsen in August. Saudi Arabia purchased 625 TMT of optional origin hard wheat, with ideas that the U.S. may have won some of this business due to rising Black Sea prices.

**CORN** – USDA reported corn export sales were within trade expectations last week at 641 TMT old crop and 774.5 TMT new crop (MY 18/19), up 59% from the previous week and up 38% from the previous 4-week average. Corn export shipments last week remained solid at 1.293 MMT, down 7% from the previous week and down 16% from the previous 4-week average.

**Ethanol corn usage** – DOE's Energy Information Agency reported an uptick in weekly U.S. ethanol production last week - up 3.0% to 1,064,000 bbls/day – up 3.7% from last year. Ethanol stocks declined by 2.9% to 21.77 million bbls, down

nearly 2% from a year ago. Weekly corn usage for ethanol remains robust at 1010.96 mbu. Cumulative corn usage for ethanol now totals 5.01 billion bu and is on pace to exceed USDA's projection for MY 2017/18 at 5.6 billion bu. USDA lowered their MY 2018/19 ethanol corn usage last week to 5.625 billion.

**Corn Competitor/Buyer News** – Brazil's MY 2018/19 corn crop which has not yet been planted is projected at 93 MMT on planting intentions, compared to 80.7 MMT this year. South Korean feed millers bought 66 TMT of optional origin corn this week.

<b>Futures Market trends this week</b>
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**WHEAT** – Wheat prices continued to drift lower on Monday on unwinding of short spring/long winter wheat positions and rain across the spring wheat belt which has boosted yield prospects this year. A short-covering bounce drove prices higher on Tuesday with support from an improved export pace and a slight drop in spring wheat crop ratings. Wheat prices reversed lower on Wednesday as fresh buying fizzled in the face of a rising dollar. Wheat prices closed solidly higher today (Thursday) on short covering and technical buying sparked by solid export sales and lingering concerns about the EU and Russian crops. **Wheat futures contract closes on Thursday, 7/19/2018...**

	<b>Sept 2018</b>	<b>Week Change</b>	<b>Dec 2018</b>	<b>Week Change</b>	<b>Mar 2019</b>	<b>Week Change</b>
CHI SRW	\$5.04 <sup>1</sup> / <sub>4</sub>	Up \$0.07 <sup>1</sup> / <sub>4</sub>	\$5.20 <sup>1</sup> / <sub>2</sub>	Up \$0.08	\$5.36	Up \$0.08 <sup>1</sup> / <sub>2</sub>
KC HRW	\$4.96 <sup>1</sup> / <sub>2</sub>	Up \$0.04 <sup>3</sup> / <sub>4</sub>	\$5.21 <sup>1</sup> / <sub>2</sub>	Up \$0.05 <sup>1</sup> / <sub>4</sub>	\$5.39 <sup>3</sup> / <sub>4</sub>	Up \$0.05
MGE DNS	\$5.36 <sup>3</sup> / <sub>4</sub>	Up \$0.05	\$5.54 <sup>3</sup> / <sub>4</sub>	Up \$0.05 <sup>1</sup> / <sub>2</sub>	\$5.72	Up \$0.07 <sup>1</sup> / <sub>4</sub>

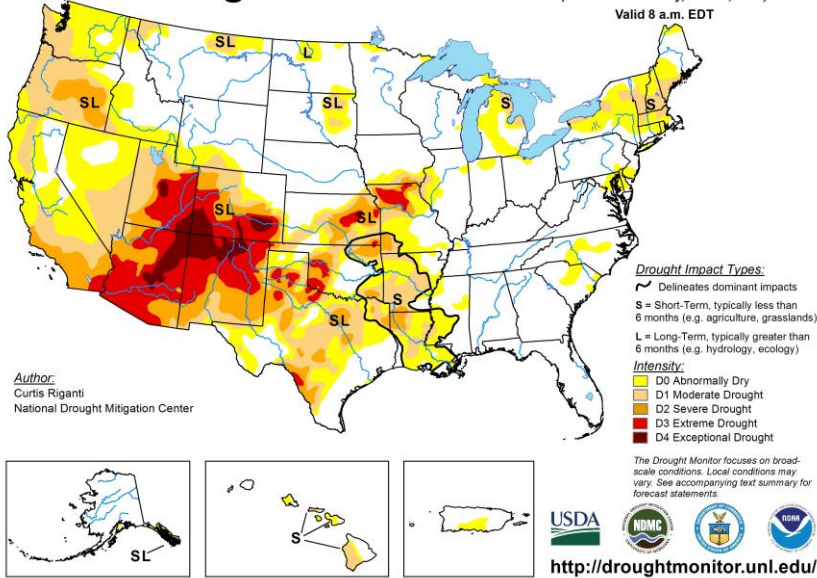
**CORN**- Corn prices finished fractionally higher to start the week on support from technical trading offset by continuing pressure from mostly favorable crop conditions and cooler Midwestern temperatures forecast through the end of the month. Corn prices were lifted higher on Tuesday and Wednesday on short-covering triggered by a weaker than expected crop rating (72% good/excellent that is still above the 10-year average of 66%) and concerns about hot night time temperatures which are leading to increased tipping. Corn posted moderate gains today (Thursday), boosted by solid export and ethanol demand. **Sept 2018 contract closed on Thursday, 7/19/2018 at \$3.51<sup>1</sup>/<sub>4</sub>, up \$0.21 for the week, Dec. 2018 contract closed at \$3.65, up \$0.23<sup>3</sup>/<sub>4</sub> for the week and Mar. 2019 contract closed at \$3.76<sup>1</sup>/<sub>2</sub>, up \$0.21<sup>3</sup>/<sub>4</sub> for week.**

**CRUDE OIL** – Crude oil futures began the week sharply lower on easing concerns about global supplies, as Saudi Arabia and Russia are posed to increase pumping before the end of the year. Meanwhile, U.S. oil production has reached a new all-time high of 11.0 million barrels per day. The U.S. EIA reported weekly domestic oil stockpiles increased by 5.863 million bbls last week, compared to an expected decline of 3.0 million bbls. Distillate stocks declined by 371,000 bbls, compared to an expected decline of 45,000 bbls. Gasoline stocks fell by 3.165 million bbls, compared to an expected decline of 1.0 million bbls. **Crude oil futures finished down \$1.55/bbl for the week to close at \$69.46/bbl (Aug contract).**

**U.S. Crop Weather/ Crop Conditions** – The PNW was hot and dry this week, with a pick-up in wild-fire activity. The Plains saw scattered thunder showers extending as far south as Oklahoma. Hot and dry conditions prevailed across Texas where cotton and sorghum crops are stressed. By contrast, the Corn Belt experienced cool and mostly dry conditions this week with a few showers across MO, working eastward through the ECB by the weekend. Conditions remain generally favorable for pollinating corn but pockets of dryness are emerging and hot night time temperatures are accelerating crop development (63% silking vs. 37% average) and leading to increased tipping. NOAA's Normalized Difference Vegetation Index reflects record high vegetation density for all major growing areas, which suggests average yields of 180 bpa are possible if the current ratings hold through the summer. **The 6-10 day outlook** calls for below normal temperatures for the North and Central Plains and Midwest, with warmer than normal temps to persist across the Western U.S. Below normal precipitation is forecast for the West and Midwest, with wetter than normal conditions across parts of the Central Rockies and High Plains.

# U.S. Drought Monitor

July 17, 2018  
(Released Thursday, Jul. 19, 2018)  
Valid 8 a.m. EDT



## USDA Crop Progress / Condition Report, July 16, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	90% headed	78%	87%	88%	85% g/ex	853	57%
ID Barley	89% headed	85%	85%	89%	90% g/ex	88%	
US Spring Wheat	93% headed	81%	89%	85%	80% g/ex	80%	34%
ID Spring Wheat	88% headed	81%	77%	88%	79% g/ex	80%	
US Winter Wheat	74% harvested	63%	74%	71%			
ID Winter Wheat	5% harvested	1%	5%	5%	82% g/ex	83%	
Corn	63% silking	37%	37%	37%	72% g/ex	75%	64%

### International Crop/Weather –

**Canada** – Warm dry conditions are accelerating spring grain development with some crops beginning to show stress.

**Europe** – Recent rains eased drought conditions across northeastern Germany and northwestern Poland, but came too late to benefit maturing winter grains. Southeastern England remains excessively dry while southern Europe has been enjoying widespread showers, benefitting summer crops.

**Black Sea** – Heat and dryness has been replaced by cooler temps and much needed rain across Eastern Ukraine and Western Russia, benefitting summer crops.

**China** – Widespread showers are boosting corn yield prospects, while localized flooding is a concern in the Yangtze River Valley.

**Australia** – Dryness has returned to northeastern region, intensifying drought conditions for winter grains. The southeastern region was mostly dry, with some areas beginning to show stress while the key western growing region continues to enjoy widespread showers which are sustaining excellent yield prospects.

**South America** – Dry weather returned to winter wheat areas, promoting rapid winter grain crop development.