

Idaho Grain Market Report, July 27, 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, July 26, 2017. Barley prices in \$/Cwt. and wheat prices in \$/bu. **THESE ARE NEW CROP 2017 BIDS.**

	<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		\$3.48-3.65	\$4.21	\$6.85	\$4.60-4.85
Idaho Falls		\$8.30 -9.06	\$3.70	\$4.35	\$6.80	\$4.70
Blackfoot / Pocatello		\$6.50	\$3.70	\$4.35	\$6.80	\$4.70
Grace / Soda Springs	\$6.15		\$3.83	\$4.13	\$6.76	\$4.88
Burley / Rupert	\$5.75		\$3.75	\$4.02	\$6.82	\$4.67
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.90-6.25		\$3.77-3.85	\$4.10	\$6.70	\$4.88
Nampa / Weiser	\$5.25		\$4.25			
Nez Perce / Craigmont	\$4.50		\$4.36	\$4.86	\$7.61	
Lewiston	\$5.00		\$4.62	\$5.12	\$7.87	
Moscow / Genesee	\$4.75		\$4.39-4.53	\$4.89-5.15	\$7.64-7.78	\$4.93

**Prices at Selected Terminal Markets, cash prices FOB**

	<b>#2 Feed 46 lbs. --</b>	<b>Malting</b>	<b>#1 SWW Ord pro - Aug new crop</b>	<b>#1 HRW 11.5% Protein Aug new crop</b>	<b>#1 DNS 14% Protein Aug new crop</b>	<b>#1 HWW</b>
Portland			\$5.12¾ – 5.30	\$5.45½ – 5.70½	\$8.30 – 8.50	
Los Angeles	\$9.00-9.25					
Tulare	\$9.00-9.25					
Ogden	\$6.75		\$4.02	\$4.35	\$7.00	\$5.30
Great Falls	\$4.50-4.60	\$7.25		\$4.50-4.79 (12%)	\$7.15-7.42	
Minneapolis	\$4.27			\$3.18½ (12%)	\$7.85 -8.45	

**Market trends this week**

**BARLEY** – Local feed barley prices ranged from steady to 5 cents lower this week, while open market malting barley prices were steady this week. USDA reported barley export sales totaled 100 MT to Japan last week, while barley exports totaled 100 MT to Taiwan.

**WHEAT** – Local wheat prices were sharply lower this week: SWW prices ranged from 5 to 55 cents lower; HRW prices ranged from 2 to 49 cents lower; and DNS prices ranged from 35 to 75 cents lower. USDA reported export sales were on the high end of trade expectations at 498.0 TMT, down 26% from the previous week but up 5% from the previous 4-week average. Wheat export shipments totaled 476.6 TMT, down 13% from the previous week and down 18% from the previous 4-week average. Cumulative wheat exports now tally 16.1% of USDA's estimated wheat exports in MY 17/18, compared to 5-year average of 15.1%.

**Wheat Competitor / Buyer News** – Egypt bought 420 TMT of wheat this week – 300 TMT supplied by Russia, 60 TMT Romania and 60 TMT Ukraine. Bangladesh purchased 50 TMT of wheat this week, believed to be supplied by Russia. Algeria reportedly bought 500 TMT, likely supplied from France.

**CORN** – USDA reported corn export sales last week were within trade expectations - old crop export sales hit a marketing year low of 92 TMT but new crop sales surged to 486.6 TMT - down 80% from the previous week and down 66% from 4-week average. Corn export shipments were 894.3 MMT, down 14% from the previous week and down 12% from the 4-

week average. Cumulative corn exports now tally 91.7% of USDA's estimated corn exports in MY 16/17, compared to 5-year average of 85.6%.

**Ethanol corn usage** – DOE's Energy Information Agency reported a downtick in U.S. ethanol production last week – down 14,000 bbls or 1.4% to 1,012,000 bbls per day, which is up 1.4% from a year ago. Ethanol stocks fell 2.8% last week to 21.53 million bbls, 5.6% above a year ago. Weekly corn usage for ethanol remains strong at 106.26 million bu and above the pace needed to reach the USDA estimate usage for MY 2016/17. Cumulative corn use for ethanol currently totals 4.94 billion bu.

**Corn Competitor / Buyer News** – Safra's is projecting Brazil's MY 2017/18 corn crop will be lower than this year's bumper crop due to lower expected acreage as soybeans are more profitable. China's June corn imports totaled 380 TMT, up significantly from the previous month's imports of 42.2 TMT.

**Futures Market trends this week**

**WHEAT** – Wheat markets opened the week sharply lower with long liquidation sparked by expectations of rains across the Northern Plains and advancement of harvest hedge pressure. Wheat markets continued to grind lower on Tuesday in weak technical action. The spring wheat quality tour began their annual assessment of the northern spring wheat crop on Tuesday. Wednesday saw wheat prices rebound higher as the spring wheat crop tour confirms poor crop conditions across the Dakotas. On Thursday the spring wheat quality tour projected spring wheat yield of 38.1 bpa compared to 45.4 bpa in 2016, pulling prices higher. **Wheat futures contract closes on Thursday, 7/27/2017 ...**

	<b>Sept 2017</b>	<b>Weekly Summary</b>	<b>Dec 2017</b>	<b>Weekly Summary</b>	<b>Mar 2018</b>	<b>Weekly Summary</b>
CHI SRW	4.79 <sup>3</sup> / <sub>4</sub>	Down \$0.19 <sup>1</sup> / <sub>2</sub>	\$5.04 <sup>3</sup> / <sub>4</sub>	Down \$0.17 <sup>3</sup> / <sub>4</sub>	\$5.25 <sup>1</sup> / <sub>4</sub>	Down \$0.17 <sup>3</sup> / <sub>4</sub>
KC HRW	\$4.81	Down \$0.15	\$5.08	Down \$0.14 <sup>3</sup> / <sub>4</sub>	\$5.25 <sup>3</sup> / <sub>4</sub>	Down \$0.14 <sup>3</sup> / <sub>4</sub>
MGE DNS	\$7.36 <sup>1</sup> / <sub>2</sub>	Down \$0.19 <sup>1</sup> / <sub>4</sub>	\$7.46 <sup>1</sup> / <sub>2</sub>	Down \$0.27	\$7.44 <sup>1</sup> / <sub>4</sub>	Down \$0.25 <sup>1</sup> / <sub>2</sub>

**CORN** – Corn finished modestly lower on Monday, dropping below key technical moving averages, under pressure from better than expected weekend rains along the northern and eastern belts. Prices remained under pressure on Tuesday as mild weather conditions are expected to ease crop deterioration. Corn prices bounced higher on Wednesday on bargain buying. Despite disappointing old crop export sales, corn finished modestly higher today (Thursday) on spillover support from wheat and a weaker dollar which is trading at a 13 month low. **Corn futures contract closes on Thursday, 7/27/2017 ... Sept. 2017 contract at \$3.74<sup>1</sup>/<sub>4</sub>, down \$0.05<sup>1</sup>/<sub>2</sub> for the week, Dec. 2017 contract closed at \$3.87<sup>3</sup>/<sub>4</sub>, down \$0.05<sup>3</sup>/<sub>4</sub> for the week and Mar. 2018 contract closed at \$3.99<sup>1</sup>/<sub>4</sub>, down \$0.05<sup>1</sup>/<sub>4</sub> for the week.**

**CRUDE OIL** – Crude oil futures ground higher this week on continued support from domestic inventory drawdowns, a lower trending dollar and reaffirmation from OPEC and non-OPEC members they will abide by their agreement to limit crude oil exports to 6.6 million bbls in August, down 1 million bbls from a year ago. The DOE EIA reported weekly U.S. crude stockpiles fell by 7.208 million bbls, compared to an expected decline of 2.6 million bbls. Distillate stocks fell by 1.852 million bbls, while gasoline stocks decreased by 1.015 million bbls. **Crude oil futures finished up \$3.27/bbl for the week to close at \$49.04/bbl.**

**Weather / Crop Conditions –**

**U.S.** – Hot and dry conditions prevailed across the PNW, with scattered showers across the Intermountain West and Southern Rockies. Warm and dry conditions are expected in the extended outlook as spring grain harvest begins. The Northern Plains saw cooler air to start the week but a return of heat later in the week, with only limited relief from widely scattered showers. After better than expected weekend rains, another active storm system tracked through Central Cornbelt helping to ease crop stress to late pollinating corn. Analysts are starting to debate corn yield prospects with expectations that USDA will lower yields in coming months after excessive heat last week when about 30% of the corn crop was reported to be silking. The **6-10 day outlook** favors above normal temperatures and dry conditions across the Northern Plains and Northern Corn Belt, with cooler and dry conditions across much of the Central and Southern Midwest.

**USDA Crop Progress / Condition Report, July 24, 2017**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	97% headed	89%	97%	97%	51%	53%	73%
<b>ID Barley</b>	<b>93% headed</b>	<b>86%</b>	<b>91%</b>	<b>97%</b>	<b>80%</b>	<b>84%</b>	<b>79%</b>
US Spring Wheat	96% headed	91%	99%	94%	33%	34%	68%

<b>ID Spring Wheat</b>	<b>87% headed</b>	<b>78%</b>	<b>99%</b>	<b>97%</b>	<b>63%</b>	<b>70%</b>	<b>77%</b>
US Winter Wheat	84% harvested	75%	82%	80%			
<b>ID Winter Wheat</b>	<b>11% harvested</b>	<b>6%</b>	<b>9%</b>	<b>11%</b>	<b>69%</b>	<b>69%</b>	<b>78%</b>
Corn	67% silking 8% dough	40% NA	76% 12%	69% 13%	62%	64%	76%

**International**

**Canada** – Spring grains remain under stress from warm and mostly dry conditions across southern prairies.

**EU** – Recent widespread rains and cooler temperatures stretching across northern European into Eastern European have boosted spring grain potential. Southern European crop areas remained stressed from heat and drought.

**Black Sea region** – Sunny conditions across Ukraine have promoted corn crop development. Timely showers, meanwhile, have helped maintain favorable spring and summer grain yield potential across Russia.

**China** – Recent rainfall has boosted corn crop yield potential, but pockets of dryness persist in key growing areas in Heilongjiang and Inner Mongolia.

**South America** – Untimely frost damaged winter wheat in the Parana region, while cool and dry conditions support winter grain planting across Argentina.

**Australia** – Recent showers have helped stabilize yield potential, particularly in the southeast, but more rain is needed. Northern regions are trending adversely dry.