Iadaho Grain Market Report, Aug. 24, 2017

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

New CROP prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, Aug. 23, 2017. Barley prices in $/Cwt. and wheat prices in $/bu.

	Barley (Cwt.) FEED	MALTING	Wheat (bu.) Milling			
	48 lbs or better	Open market malting	#1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Rexburg / Ririe	$5.00-5.25		$3.10-3.25	$3.73	$6.15	3.94-4.10
Idaho Falls		$8.30 -9.06	$3.40	$3.70	$5.95	$4.10
Blackfoot / Pocatello		$6.50	$3.40	$3.70	$5.95	$4.10
Grace / Soda Springs	$6.00		$3.48	$3.35	$6.10	$4.15
Burley / Rupert Hazelton	$5.50		$3.40	$3.40	$5.99	$4.05
Twin Falls / Buhl / Jerome / Wendell	$5.85-6.00		$3.17-3.53	$3.35	$6.10	$4.50
Nampa / Weiser	$5.80		$3.40			
Nez Perce / Craigmont	$4.50		$4.16	$4.21	$7.04	
Lewiston	$5.00		$4.42	$4.47	$7.30	
Moscow / Genesee	$4.75		$4.19-4.33	$4.24-4.44	$6.86-7.00	$4.44

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			Ord pro - Aug $4.78¼ – 5.25 Sept $4.83¼ - 5.25	Aug $4.62¾ – 4.97¾ Sept $4.82¾ - 5.02¾	Aug $7.19¼ – 7.49½ Sept $7.29¼ - 7.49¼	
Los Angeles	$9.00-9.25					
Tulare	$9.00–9.25					
Ogden	$6.20		$3.60	$3.63	$6.50	$4.55
Great Falls	$4.50-5.00	$7.00-7.25		$3.76-4.12 (12%)	$6.36–6.45	
Minneapolis	$4.37			$4.27¾ (12%)	$7.19¼ - 7.34¼	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to 15 cents lower. Open market barley prices remained steady this week. USDA reported there were no barley export sales last week, while exports totaled 900 MT to Japan.

WHEAT – Local wheat prices were lower this week: SWW prices ranged from 5 to 70 cents lower; HRW prices ranged from minus 21 cents to plus 1 cent; and DNS prices ranged from 21 to 31 cents lower. USDA reported export sales were on the low end of trade expectations at 386.4 TMT, down 39% from last week and down 11% from the previous 4-week average. Wheat export shipments totaled 499 TMT, down 9% from the previous week and down 8% from the previous 4-week average.

Wheat Competitor / Buyer News – German Farmers Association is projecting the German wheat crop at 23.35 MMT, down 1.16 MMT from an earlier projection due to damaging rains at harvest which have affected yields and quality. SovEcon increased their projection of Russian wheat production to 78.9 MMT and exports to 32 MMT, while the TASS news agency is pegging their crop at 81 MMT. Ag Canada is pegging the Canadian wheat crop at 27.3 MMT, down from an earlier estimate of 28.4 MMT. Rabobank has lowered their Australian wheat crop estimate to 22 MMT from their previous 23.5 MMT. Saudi Arabia purchased 490 TMT of optional origin wheat, with some likely supplied by the U.S. China's wheat imports in July totaled 242.2 TNT, down 22% from the previous month.

CORN – USDA reported corn export sales last week were within trade expectations - old crop export sales improved to 102.4 TMT, up 64% from the previous week and up 68% from the previous 4-week average. New crop sales fell to 423.3

TMT. As the marketing year 2016/17 winds down, the corn export shipment pace picked up slightly to 725 TMT, up 4% from the previous week but down 21% from the 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a modest downtick in U.S.ethanol production last week – down 7,000 bbls or 0.7% to 1,052,000 bbls per day, which is up 2.3% from a year ago. Ethanol stocks eased back 1.5% last week to 21.51 million bbls, up 3.3% above a year ago. Weekly corn usage for ethanol remains strong at 110.46 million bu and cumulative use at 5.38 billion bu.

Corn Competitor / Buyer News – Celeres is estimating Brazilian corn area in MY 2017/18 will fall 1.3% to 17.5 million ha. Chinese corn import pace picked up in July, increasing to 913.7 TMT, six times greater than a year ago. China offered 1.5 MMT of reserve corn for auction this week. The EU raised their corn yield estimate this week after recent beneficial rains have stabilized yield potential.

Futures Market trends this week

WHEAT – Wheat markets settled lower on Monday through Wednesday, posting fresh contract lows in both Chicago and Kansas City as planting moisture improves across the winter wheat belt and the market focuses on the record Russian wheat crop and burdensome world wheat stocks. Wheat finished higher today (Thursday) on short covering, with underlying support from a frost warning for parts of key Australian grain regions. **Wheat futures contract closes on Thursday, 8/24/2017 …**

	Sept 2017	Weekly Summary	Dec 2017	Weekly Summary	Mar 2018	Weekly Summary
CHI SRW	**$4.09**	**Down $0.07**	**$4.34½**	**Down $0.08**	**$4.57¼**	**Down $0.08**
KC HRW	**$4.05½**	**Down $0.09**	**$4.33¼**	**Down $0.09**	**$4.51¾**	**Down $0.09**
MGE DNS	**$6.50½**	**Down $0.18¼**	**$6.68¾**	**Down $0.13¾**	**$6.73**	**Down $0.09¼**

CORN – Corn posted modest losses on Monday through Wednesday to the lowest prices in nearly a year in the face of lackluster exports and nonthreatening crop weather. Rains across dry areas of Iowa and Illinois have helped stabilize crop conditions. Corn finished with fractional gains today (Thursday) with little fresh news and average export sales as large South American crops start moving onto world markets. **Corn futures contract closes on Thursday, 8/24/2017 …Sept. 2017 contract at $3.42, down $0.10 for the week, Dec. 2017 contract closed at $3.56¼, down $0.09½ for the week and Mar. 2018 contract closed at $3.68¾, down $0.09 for the week.**

CRUDE OIL – Crude oil futures chopped lower again this week under pressure from increased domestic oil pumping which has outweighed underlying support from OPEC production cutbacks. DOE EIA reported the 8th consecutive weekly draw down in weekly U.S. crude inventory decline - down 3.327 million bbls, compared to an expected drop of 3.45 million bbls. Distillate stocks increased by 28,000 bbls, while gasoline stocks fell by 1.223 million bbls. **Crude oil futures finished down $1.08/bbl for the week to close at $47.43/bbl.**

Crop / Weather Conditions –
U.S. – PNW and Intermountain West regions saw warming temps and widely scattered showers which are allowing harvest to rapidly advance. The extended outlook shows warm and dry conditions. The Northern Plains remained hot, dry and windy, exacerbating drought conditions. By contrast, the Central and Southern Plains have received favorable moisture ahead of fall planting. The Corn Belt was cooler and mostly drier, with a narrow band of showers extending from Nebraska to Wisconsin. Key dry areas in the central belt received beneficial moisture which is helping stabilize yield potential. The 6-10 day outlook calls cool and mostly dry conditions conducive to a mostly favorable corn grain fill period.

USDA Crop Progress / Condition Report, Aug. 21, 2017

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	70% harvested	52%	68%	58%			
ID Barley	**63% harvested**	**47%**	**63%**	**56%**	**82%**	**80%**	
US Spring Wheat	58% harvested	40%	63%	51%	34%	33%	66%
ID Spring Wheat	**49% harvested**	**33%**	**60%**	**53%**	**56%**	**56%**	
ID Winter Wheat	**91% harvested**	**84%**	**75%**	**80%**	**59%**	**60%**	
Corn	76% dough 29% dented	61% 16%	83% 37%	77% 35%	62%	62%	75%

International

Canada – Unseasonable warmth and dryness hasten spring grain maturity.

EU – Lingering heat across the southeastern region continues to stress filling summer crops, while recent rains across the northern and central regions have slowed winter grain harvest but are benefitting spring and summer crops.

Black Sea region – Hot weather is rapidly advancing small grain crop maturity across Russia but crop conditions remain favorable.

China – Corn crop yields have been stabilized by recent rains, but traders expect a smaller corn crop.

South America – Southern Brazil wheat areas received beneficial moisture while most of Argentina is dry, allowing wheat planting to advance.

Australia – Conditions remain dry in northern production areas but soil moisture is adequate across western and southeastern regions. A frost warning has been issued for parts of New South Wales and Victoria.