Idaho Grain Market Report, September 1, 2016
Published weekly by the Idaho Barley Commission, kolson@barley.idaho.gov, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, August 31, 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	$5.10	$7.00	$3.45	$3.44	$4.53	$3.66
Idaho Falls	$5.00	$8.33–8.35	$3.25-3.50	$3.55	$4.65-4.71	$3.75-3.76
Blackfoot / Pocatello	NQ	$7.00	$3.25	$3.55	$4.65	$3.75
Grace / Soda Springs	$5.20		$3.49	$3.48	$4.49	$3.88
Burley / Rupert Hazelton	$5.30	$8.33	$3.48	$3.35	$4.43	$3.72
Twin Falls / Buhl / Wendell	$5.50		$3.50-3.70	NQ	NQ	
Nampa – Weiser	$6.10		$3.58			
Nez Perce / Craigmont	$4.25		$3.71	$3.97	$5.01	
Lewiston	$4.75		$3.97	$4.23	$5.24	
Moscow / Genesee	$4.25-4.75		$3.74–3.93	$4.00-4.19	$5.05-5.25	$4.19

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 -** $4.63-4.69 **max 10.5% pro** $4.58¼–4.73¼	$4.72½--5.17½	$5.71½--6.01½	
Los Angeles	$8.60-8.80					
Tulare	$8.60–8.80					
Ogden	$5.90		$3.80	$3.80	$4.85	$4.24
Great Falls	$4.75-5.00	$8.00		$3.72-3.80 (12%)	$4.67-4.78	
Minneapolis	$4.06	NQ		$4.74 (12%)	$5.73¾-5.78¾	

Market trends this week

BARLEY – Local feed barley prices ranged from minus 25 cents to plus 10 cents. Open market malting barley prices remained steady. USDA reported there were no barley export sales or inspections last week.

WHEAT – Local wheat prices were lower this week: SWW prices ranged from 25 to 30 cents lower; HRW prices ranged from 18 to 43 cents lower; and DNS prices ranged from 19 to 38 cents lower. USDA reported weekly export sales were below trade expectations last week at 286.4 TMT (279.4 TMT in MY 16/17 and 7 TMT in MY 17/18), down 26% from the previous week and down 38% from the previous 4-week average. Wheat export shipments were stronger at 594.1 TMT, up 5% from the previous week and 4-week average.

Wheat Competitor / Buyer News – Russian Ag Minister announced plans to eliminate their current wheat export tariff, effective September 15. Egypt purchased 180 TMT of Russian wheat late last week and then announced they were reinstating their zero ergot spec which has been very difficult for most origins to meet. They cancelled another tender offered mid week. Japan announced they were resuming purchases of Western US white wheat after a detection earlier this summer of un-approved GM wheat in Washington state.

CORN – USDA reported weekly corn export sales last week were within trade expectations at 861.6 TMT (214.1 TMT in MY 15/16 and 647.5 TMT in MY 16/17), down 27% from the 4-week average. Corn export shipments last week totaled 1.47 MMT, up 40% from the previous week and up 22% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported another slight downtick in U.S.ethanol production last week to 1,023,000 bpd , down 0.5% from the previous week but up nearly 8% from a year ago. US. ethanol stocks also increased slightly to 20.93 million bbls, up 10% from last year's inventory. Corn used to produce ethanol remains strong at 104.7 million bu, bringing cumulative MY 2015/16 usage to 5.16 billion bu.

Corn Competitor / Buyer News – China sold 561.1 TMT of government corn stocks this week, 16% of what was offered.

Futures Market trends this week

WHEAT – Wheat markets fell sharply this week to 10 year lows under pressure from a surging U.S. dollar and ample world stocks. Wheat prices finished moderately higher on Thursday on corrective short covering amidst signs that U..S wheat were becoming more price competitive on world markets. **Wheat market closes on Thursday, 9/01/2016…**

	Sept 2016	Weekly Summary	Dec 2016	Weekly Summary	Mar 2017	Weekly Summary
Chicago SRW	**$3.68¼**	**Down $0.15¼**	**$3.94¾**	**Down $0.12¾**	**$4.16¾**	**Down $0.15¼**
KC HRW	**$3.79¾**	**Down $0.20**	**$4.06½**	**Down $0.10¼**	**$4.23¼**	**Down $0.09½**
MGE DNS	**$4.90½**	**Down $0.02**	**$4.86**	**Down $0.06¾**	**$4.96½**	**Down $0.08½**

CORN – A stronger dollar and technical selling pushed corn prices to a 7-year lows this week. Corn prices rebounded moderately higher on Thursday on short covering sparked by a weaker dollar. **Corn futures contract closes on Thursday, 9/01/16… Sept 2016 contract at $3.11, down $0.05¼ for the week, Dec 2016 contract closed at $3.23¾, down $0.01¼ for the week and the Mar 2017 contract closed at $3.34¼, down $0.00¼ for week.**

CRUDE OIL – Crude oil traded sharply lower this week under pressure from a continuing surge in crude oil supplies and speculation that chances are fizzling for an OPEC production freeze. The U.S. DOE Energy Information Agency reported an another weekly build in domestic crude oil inventories – rising 2.276 million bbls compared to an expected increase of 1.3 million bbls. Distillates increased by 1.496 million bbls, while gasoline stocks decreased by 691,000 bbls, compared to an expected decline of 1.2 million bbls. **Crude oil futures (Oct contract) finished down $4.48/bbl this week to close at $43.16/bbl.**

USDA Crop Progress / Condition Report, August 29, 2016

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Barley	86% harvested	70%	91%	67%			
ID Barley	**85% harvested**	**64%**	**87%**	**68%**			
US Spring Wheat	81% harvested	65%	84%	62%			
ID Spring Wheat	**75% harvested**	**60%**	**90%**	**65%**			
ID Winter Wheat	**89% harvested**	**75%**	**98%**	**88%**			
Corn	92% dough 60% dented 9% mature	85% 40% NA	90% 54% 8%	87% 52% 11%	75%	75%	68%

Weather / Crop Conditions –

U.S. –

- **PNW** –Dry and warm conditions persist, aiding winter and spring grain maturation and harvest to rapidly advance. The extended outlook calls for cooler and wetter conditions.
- **Northern Plains** – Mostly warm and locally heavy thunderstorms causing final spring grain harvest delays.
- **Central/Southern Plains** – Locally heavy showers have boosted soil moisture ahead of winter wheat planting. The 6-10 day outlook calls for warm and mostly wet conditions.

- **<u>Corn Belt</u>** – A wide band of showers moved through the Midwest, pushing eastward into the Middle Mississippi and Ohio River Valleys. Temperatues were cooler, but the extended outlook calls for warm and wet conditions.

INTERNATIONAL -

- **Canada** – Mostly warm and dry, except for northern program regions which continued to see heavy precipitation and harvest delays.
- **Europe** – Conditions were mostly favorable for winter and spring grain harvest and summer crop maturation. Pockets of drought persist in the Balkans and Southeastern Europe.
- **Black Sea region –** Conditions turned drier across Ukraine and Southern Russia after favorable moisture last week.
- **South America –** Southern Argentine production regions received beneficial moisture this week, while northeastern areas remained mostly dry.
- **Australia –** Conditions remain very favorable for winter grain development. Eastern areas continue to receive beneficial moisture,