

Idaho Grain Market Report, Sept. 21, 2017

Published weekly by the Idaho Barley Commission, [kolson@barley.idaho.gov](mailto: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, Sept. 20, 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	\$5.50		\$3.58	\$4.37	\$5.85	\$4.57
Idaho Falls		\$8.30 -9.06	\$3.65	\$4.45	\$5.65	\$4.55
Blackfoot / Pocatello		\$6.50	\$3.65	\$4.45	\$5.65	\$4.55
Grace / Soda Springs	\$6.00		\$3.74	\$3.87	\$5.85	\$4.42
Burley / Rupert	\$5.50		\$3.75	\$3.75	\$5.63	\$4.45
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.75		\$3.65-3.72	\$3.86	\$5.82	\$4.51
Nampa / Weiser	\$5.25		\$4.00			
Nez Perce / Craigmont	\$4.74		\$4.45	\$4.67	\$6.58	
Lewiston	\$5.23		\$4.71	\$4.93	\$6.84	
Moscow / Genesee	\$4.70-4.74		\$4.48-4.64	\$4.70-4.90	\$6.61-6.81	\$4.90

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

	<b>#2 Feed 46 lbs. --</b>	<b>Malting</b>	<b>#1 SWW Ord pro - Sept \$5.10 - 5.33</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland				\$5.47¼ - 5.77¼	\$7.13¼ -7.33¼	
Los Angeles	\$9.00-9.25					
Tulare	\$9.00-9.25					
Ogden	\$6.20		\$4.05	\$4.15	\$6.09	\$4.80
Great Falls	\$4.50-5.00	\$7.00- 7.25		\$4.38-4.51(12%)	\$6.16-6.17	
Minneapolis	\$4.37			\$4.78 (12%)	\$7.06½	

**Market trends this week**

**BARLEY** – Local feed and malting barley prices were mostly steady this week. USDA reported there were no weekly barley export sales and shipments of 700 MT last week.

**WHEAT** – Local wheat prices were mixed this week: SWW prices ranged from minus 3 cents to plus 15 cents; HRW prices ranged from 1 to 8 cents higher; and DNS prices ranged from steady to minus 23 cents. USDA reported weekly export sales were on the low end of trade expectations last week at 307.2 TMT, down 3% from the previous week and down 24% from the previous 4-week average. Wheat export shipments totaled 427.7 TMT, down 3% from the previous week and down 9% from the 4-week average.

**Wheat Competitor / Buyer News** – Stats Canada revised their 2017 Canadian wheat production estimate higher this week to 27.1 MMT, but down from last year's 31.7 MMT. Ukrainian Farm Ministry is estimating their wheat crop at 25.7 MMT compared to USDA's latest estimate of 26.5 MMT. Egypt purchased 175 TMT of Russian wheat this week.

**CORN** – USDA reported export sales were below trade expectatons last week at 526.9 TMT, down sharply from last week. Corn export shipments also off to a slow start, totaling 703 TMT last week. **Informa is projecting 2018 US corn acreage at 91.8 million, up 1.2 million from 2017.**

**Ethanol corn usage** – DOE's Energy Information Agency reported a third consecutive weekly downtick in U.S. ethanol production– down 14,000 bbls or 1.3% to 1,033,000 bbls per day, which is up 5.3% from a year ago. Ethanol stocks

increased slightly to 21.138 million bbls, up 5.6% from a year ago. Weekly corn usage for ethanol remains strong at 106.22 million bu.

**Corn Competitor / Buyer News** – China’s domestic corn prices are expected to rise due to robust demand from both the livestock and ethanol sectors and expectations of a smaller 2017 crop. The government is expected to expand their domestic ethanol subsidies, which some analysts believe could boost corn imports to 20 MMT over the next several years, compared to 3 MMT imports projected this year.

**Futures Market trends this week**

**WHEAT** – Wheat markets pushed modestly lower this week under pressure from a higher dollar and lackluster export shipments. Wheat finished modestly higher today (Thursday) on support from adverse Australian weather and dry winter wheat planting conditions across Ukraine and Western Russia. **Wheat futures contract closes on Thursday, 9/21/2017**

	<b>Dec 2017</b>	<b>Week Change</b>	<b>Mar 2018</b>	<b>Week Change</b>	<b>May 2018</b>	<b>Week Change</b>
CHI SRW	\$4.52½	Up \$0.03½	\$4.72	Up \$0.04	\$4.85	Up \$0.04
KC HRW	\$4.49½	Up \$0.03½	\$4.67½	Up \$0.03¾	\$4.80¼	Up \$0.03½
MGE DNS	\$6.24¼	Up \$0.02¾	\$6.36	Up \$0.01¼	\$6.40½	Up \$0.00¾

**CORN** – Corn markets remained trapped in a narrow trading price range this week, under pressure from increasing old crop sales, early harvest hedging and technical resistance. Corn markets finished fractionally higher today (Thursday), overcoming early weakness from disappointing export sales and a stronger dollar which was boosted by the Federal Reserve signalling they expect to raise interest rates by a full percentage point in 2018 and begin unwinding their \$4.5 billion stimulus. **Corn futures contract closes on Thursday, 9/21/2017 ...Dec. 2017 contract at \$3.50¼, down \$0.04½ for the week, Mar. 2018 contract closed at \$3.63, down \$0.04¼ for the week and May 2018 contract closed at \$3.71¼, down \$0.04 ½ for the week.**

**CRUDE OIL** – Crude oil futures chopped lower in a narrow trading band this week as domestic crude oil stockpiles continue to build in the face of reduced demand from refinery capacity that remains offline after Hurricane Harvey. DOE EIA reported another weekly build in crude oil stocks – up 4.591 million bbls, compared to an expected build of 3.9 million bbls. Distillate stocks decreased by 5.693 million bbls, while gasoline stocks decreased by 8.971 million bbls. **Crude oil futures (Nov) finished up \$0.11/bbl for the week to close at \$50.55/bbl.**

**U.S. Crop / Weather Conditions** – PNW and Intermountain regions saw cooler and wet conditions this week, improving winter wheat planting conditions. Warmer temps prevailed across the High Plains and a wide swath of the central belt received beneficial moisture this week, boosting soil moisture for winter wheat planting. The Corn Belt saw mostly warm conditions, with a band of showers tracking northeastward from the High Plains into the Great Lakes. The **6-10 day outlook** calls for warming temps in the PNW but cooler temps are expected to persist across the Intermountain West, Northern Rockies and Plains. The Corn Belt is expected to see cooler and drier conditions.

**USDA Crop Progress / Condition Report, Sept. 18, 2017**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Winter Wheat	13% planted	5%	15%	15%			
ID Winter Wheat	<b>22%</b>	<b>6%</b>	<b>20%</b>	<b>19%</b>			
Corn	86% dented 34% mature 7% harvested	75% 21% 5%	92% 50% 8%	90% 47% 11%	61%	61%	74%

**LaNina Watch** - Equatorial sea surface temperatures are currently trending near-to-below average across central and east-central Pacific Ocean, but remain in an ENSO-neutral zone. A majority of models at Nino-3.4 region predict ENSO-neutral conditions will persist through Northern Hemisphere 2017-18 winter. However, the North American Multi-Model Ensemble indicates formation of La Nina as soon as Northern Hemisphere fall 2017. The US Climate Prediction Center forecasters call for increasing chance (55-60%) for La Nina formation in winter 2017-18.

**International**

**Black Sea region** – Winter wheat planting pace is lagging across Ukraine and Western Russia due to prolonged dryness. Meanwhile, showers have slowed spring grain harvest in some areas of Central Russia.

**South America** –Northern Argentina winter grain areas also are seeing unseasonable warmth which is promoting grain development, while southern wheat areas remain waterlogged. Corn planting is underway but has been slowed by excessive moisture.

**Australia** – Continuing dryness has reduced yield potential across New South Wales, which experienced light frost last weekend during grain heading stage.