

Idaho Grain Market Report, Sept. 29, 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. 27, 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		\$3.85	\$4.52	\$6.05	\$4.70
Idaho Falls		\$8.30 -9.06	\$3.85	\$4.60	\$6.00	\$4.80
Blackfoot / Pocatello		\$6.50	\$3.85	\$4.60	\$6.00	\$4.80
Grace / Soda Springs	\$6.00		\$3.77	\$3.90	\$6.10	\$4.45
Burley / Rupert	\$5.50		\$3.85	\$3.86	\$5.90	\$4.71
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.75-5.80		\$3.75-3.90	\$4.00	\$6.10	\$4.64
Nampa / Weiser	\$5.25		\$4.10			
Nez Perce / Craigmont	\$4.61		\$4.60	\$5.09	\$6.84	
Lewiston	\$5.13		\$4.86	\$5.35	\$7.10	
Moscow / Genesee	\$4.61-4.70		\$4.63-4.78	\$5.12-5.27	\$6.87-7.08	\$5.02

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

	<b>#2 Feed 46 lbs. --</b>	<b>Malting</b>	<b>#1 SWW Ord pro - Oct \$5.36½ - 5.45</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland				\$5.79 – 6.19	\$7.59¼–7.79¼	
Los Angeles	\$9.00-9.25					
Tulare	\$9.00–9.25					
Ogden	\$6.20		\$4.16	\$4.24	\$6.32	\$4.89
Great Falls	\$4.50-5.00	\$7.00– 7.25		\$4.64-4.94(12%)	\$6.43–6.48	
Minneapolis	\$4.37			\$4.89 (12%)	\$7.29¼-7.59¼	

**Market trends this week**

**BARLEY** – Local feed and malting barley prices were mostly steady this week. USDA reported weekly barley export sales totaled 700 MT to South Korea and shipments of 700 MT to Japan and South Korea.

**Final 2017 US & Idaho Barley Production** – 2017 U.S. barley production is pegged at 142 million bu, down 29% from last year. The national average yield is 72.6 bpa, down 7% from last year. Harvested area is pegged at 1.95 million acres, down 24% from 2016. **Idaho barley harvested acres are down 12% at 510,000 and production is down 22% to 48.45 million bu.**

**Quarterly BARLEY Stocks on Sept. 1** - U.S. barley stocks totaled 180 million bu, down 22% from last year, with June to August 2017 indicated disappearance of 68.7 million bu, down 4% from the same period a year ago. Idaho barley stocks are pegged at 43.6 million bu, down 27% from a year ago.

**WHEAT** – Local wheat prices were higher this week: SWW prices ranged from 10 to 27 cents higher; HRW prices ranged from 3 to 42 cents higher; and DNS prices ranged from 20 to 35 cents higher. USDA reported weekly export sales were above trade expectations last week at 435.6 TMT, up 42% from the previous week and up 14% from the previous 4-week average. Wheat export shipments totaled 425.7 TMT, unchanged from the previous week and down 6% from the 4-week average.

**Final 2017 US & Idaho Wheat Production** – 2017 U.S. wheat production is pegged at 1.74 billion bu, down 25% from last year and SLIGHTLY ABOVE the average pre-report trade estimate of 1.72 billion bu. The national

average yield is 46.3 bpa, down 12% from last year and harvested area is pegged at 37.6 million acres, down 14%. Winter wheat crop is pegged at 1.27 billion bu, down 24% from last year and other spring wheat is pegged at 416 million bu, down 22%. **Idaho wheat harvested acres totaled 1.104 million, down 2%, and production is pegged at 90.7 million bu, down 12%.**

**Quarterly WHEAT Stocks on Sept. 1** – U.S. wheat stocks were ABOVE trade estimates at 2.25 billion bu, down 11% from last year, with June to August 2017 indicated disappearance of 668 million bu, down 10% from the same period a year ago. The average pre-report trade estimate for stocks is 2.203 billion bu. Idaho wheat stocks are pegged at 69.956 million bu, down 16% from a year ago.

**Wheat Competitor / Buyer News** – Year to date Russian wheat exports have topped 8 MMT, up 22% from a year ago. Chinese wheat imports are on the rise with cumulative imports from January through August topping 3.14 MMT, up 29% from the year before. US sales to China are reported to be 1.2 MMT, up 138% from a year ago.

**CORN** – USDA reported export sales were below trade expectatons at 320.2 TMT, down sharply from last week and the previous 3- week average. Corn export shipments were better at 727.5 TMT last week. Year to date export sales pace is lagging behind last year's robust pace and the needed pace to achieve USDA's estimate for MY 2017/18.

**Quarterly CORN Stocks on Sept. 1** – U.S. corn stocks were BELOW the pre-report trade estimates and are considered bullish at 2.29 billion bu, up 32% from a year ago, and June to August 2017 indicated disappearance is 2.93 billion bu, down 1.4% from the same period a year ago. The average pre-report trade estimate for stocks is 2.346 billion bu.

**Ethanol corn usage** – DOE's Energy Information Agency reported a sharp decline in U.S.ethanol production– down 37,000 bbls or 3.6% to 996,000 bbls per day, which is up just 0.7% from a year ago. Ethanol stocks declined by 2% to 20.74 million bbls, up 0.8% from a year ago. Weekly corn usage for ethanol has now slipped behind the pace needed to reach USDA's estimate for the new marketing year.

**Corn Competitor / Buyer News** – Chinese corn imports for the January to August period totaled 2.03 MMT compared to USDA's estimate of 3.0 MMT for the marketing year which ends next month.

#### Futures Market trends this week

**WHEAT** – Short covering propelled wheat markets higher this week. Support came from lingering dryness across key US winter wheat areas and deteriorating Australian crop conditions. Wheat finished lower on Thursday under spillover pressure from weaker soybeans and positioning ahead of Friday's final wheat production and quarterly stocks reports.

**Wheat futures contract closes on Thursday, 9/28/2017**

	<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	\$4.55	Up \$0.05½	\$4.74¼	Up \$0.04¾	\$4.87¼	Up \$0.04¼
KC HRW	\$4.53	Up \$0.02¾	\$4.70¾	Up \$0.02¾	\$4.84¼	Up \$0.03¾
MGE DNS	\$6.45	Up \$0.10¼	\$6.56¾	Up \$0.10¾	\$6.59¾	Up \$0.11

**CORN** – Corn markets were lifted slightly higher early this week in position squaring ahead of Friday's quarterly stocks report. Corn gave back these gains on Thursday under spillover pressure from weaker soybeans, disappointing export sales and reports that EPA is considering proposals to allow ethanol exports to count against the Renewable Fuels Standard which drove RIN values lower. EPA also is reportedly considering lowering the RFS in both 2018 and 2019, particularly for biodiesel. **Corn futures contract closes on Thursday, 9/28/2017 ...Dec. 2017 contract at \$3.52½, down \$0.01 for the week, Mar. 2018 contract closed at \$3.65¼, down \$0.00¾ for the week and May 2018 contract closed at \$3.73¾, down \$0.00¾ for the week.**

**CRUDE OIL** – Crude oil futures charged this higher as stockpiles declined after Gulf Coast oil refineries restarted. DOE EIA reported a surprising decline in crude oil stocks – down 1.846 million bbls, compared to an expected build of 3.4 million bbls. Distillate stocks decreased by 814,000 bbls, compared to an expected decline of 2.2 million bbls and gasoline stocks increased by 1.107 million bbls, compared to an expected decline of 921,000 bbls. **Crude oil futures (Nov) finished up \$0.90/bbl for the week to close at \$51.56/bbl.**

**U.S. Crop / Weather Conditions** – PNW and Intermountain regions saw warmer and drier conditions this week, allowing winter wheat planting to rapidly advance after recent rains boosted soil moisture. The extended outlook calls for cooler and wetter weather. The Northern Plains experienced mild weather this week while the Central and Southern Plains saw cool showery conditions. A cold front ushered in slightly cooler air across the Corn Belt but mostly dry conditions prevailed. The **6-10 day outlook** calls for late season warmth to return to the Corn Belt and wet conditions across the

northwestern Corn Belt.

**USDA Crop Progress / Condition Report, Sept. 25, 2017**

<b>Crop</b>	<b>% Progress</b>	<b>Previous Week</b>	<b>Previous Year</b>	<b>5-Year Average</b>	<b>Condition rating % good/excellent</b>	<b>Previous Week</b>	<b>Previous Year</b>
US Winter Wheat	24% planted	13%	28%	28%			
<b>ID Winter Wheat</b>	<b>38% planted</b>	<b>22%</b>	<b>36%</b>	<b>34%</b>			
Corn	51% mature 11% harvested	34% 7%	70% 14%	64% 17%	61%	61%	74%

**International**

**Black Sea region** – Winter wheat areas across western Ukraine expected to see beneficial moisture later this week. Russian winter wheat planting pace lagged earlier this month, but has accelerated this week, with a reported 11.2 million hectares planted compared to 10.6 million ha for the same period a year ago.

**South America** – Brazil continued to see mostly dry conditions but rainfall is in the forecast for this weekend. Argentine wheat areas remained too wet with more rainfall in the 11-15 day outlook.

**Australia** – Continuing dryness remains a serious problem across key winter wheat regions.