

Idaho Grain Market Report, Oct. 19, 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, Oct. 18, 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	\$5.00-5.50		\$3.70	\$4.40	\$5.75	\$4.60
Idaho Falls		\$8.30 -9.06	\$3.80	\$4.35	\$5.75	\$4.55
Blackfoot / Pocatello		\$6.50	\$3.80	\$4.35	\$5.75	\$4.55
Grace / Soda Springs	\$6.00		\$3.75	\$3.84	\$5.69	\$4.44
Burley / Rupert	\$5.50		\$3.80	\$3.85	\$5.52	\$4.50
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.50-6.00		\$3.75	\$3.83	\$5.70	\$4.43
Nampa / Weiser	\$5.25		\$4.15			
Nez Perce / Craigmont	\$4.61		\$4.48	\$4.78	\$6.50	
Lewiston	\$5.13		\$4.74	\$5.04	\$6.76	
Moscow / Genesee	\$4.61-4.70		\$4.51-4.66	\$4.81-5.01	\$6.53-6.68	\$4.94

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW Ord pro - Oct \$5.30 - 5.35	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland				\$5.88-5.93	\$7.40-7.45	
Los Angeles	\$9.00-9.25					
Tulare	\$9.00-9.25					
Ogden	\$6.20		\$4.00	\$4.14	\$5.94	\$4.75
Great Falls	\$5.25	\$7.25		\$4.66-4.90(12%)	\$6.04-6.12	
Minneapolis	\$4.37			\$4.58 (12%)	\$7.25-7.70	

Market trends this week

BARLEY – Local feed barley prices ranged from minus 25 cents to plus 20 cents but were mostly steady. Open market malting barley prices were steady. USDA reported there were no barley export sales last week and 700 MT exported to Japan, Taiwan and South Korea.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 4 cents to plus 17 cents; HRW prices ranged from minus 10 cents to plus 17 cents; and DNS prices ranged from steady to minus 10 cents. USDA reported weekly export sales were well above trade expectations last week at 615.4 TMT, up noticeably from the previous week and up 75% from the 4-week average. Wheat export shipments were disappointing at 315 TMT, down 3% from the previous week and down 34% from the 4-week average.

Wheat Competitor / Buyer News – Russian Ag Ministry pegged the Russian wheat crop at 83 MMT, compared to USDA's latest estimate of 82 MMT. National Australian Bank has pegged the Australian wheat crop at 18.7 MMT, down from their previous estimate of 20.1 MMT and USDA's latest estimate of 21.5 MMT.

CORN – USDA reported corn export sales were much stronger than expected at 1.255 MMT (plus 15 TMT for MY 2018/19), down 21% from the previous week but up 58% from the 4-week average. Corn export shipments last week continued to be disappointing at only 339.3 TMT, down 42% from the previous week.

Ethanol corn usage – DOE's Energy Information Agency reported a surprising upick in weekly U.S. ethanol production as processing margins narrowed to near zero – up 52,000 bbls or 5.4% to 1,019,000 bbls per day, which is 2.1% above a

year ago. Ethanol stocks continued to tighten slightly to 21.48 million bbls, up 12.8% from a year ago. Weekly corn usage for ethanol jumped to 104.75 mbu, now justly slightly behind the pace needed to reach USDA's estimate for the new marketing year of 5.475 billion bu.

Futures Market trends this week

WHEAT – Wheat opened the week lower under pressure from a sluggish export pace and technical selling. Wheat reversed higher today (Thursday) on support from stronger than expected wheat export sales. **Wheat futures contract closes on Thursday, 10/19/2017**

	<u>Dec 2017</u>	<u>Week Change</u>	<u>Mar 2018</u>	<u>Week Change</u>	<u>May 2018</u>	<u>Week Change</u>
CHI SRW	\$4.32¾	Down \$0.06¾	\$4.51¼	Down \$0.06¾	\$4.65¼	Down \$0.05¼
KC HRW	\$4.29¼	Down \$0.07	\$4.47¼	Down \$0.07¼	\$4.61¼	Down \$0.07
MGE DNS	\$6.15¾	Up \$0.00¾	\$6.29½	Up \$0.00½	\$6.36½	Up \$0.01

CORN- Corn continued to drift lower early in the week with pressure from an active harvest pace this week, improving Brazilian crop weather later this month and potential deadlock in NAFTA trade negotiations which could jeopardize future U.S. corn sales to Mexico. Mexico was the leading customer of U.S. malt, corn and wheat in the last marketing year. Corn finished modestly higher today (Thursday) on support from better than expected corn export sales and a lower dollar. **Corn futures contract closes on Thursday, 10/19/2017 ...Dec. 2017 contract at \$3.49, down \$0.03¾ for the week, Mar. 2018 contract closed at \$3.62¾, down \$0.03¾ for the week and May 2018 contract closed at \$3.71¼, down \$0.04 for the week.**

CRUDE OIL – Crude oil futures ground higher this week. The US EIA reported domestic crude oil stocks declined more than expected – down 5.731 million bbls, compared to an expected decline of 4.2 million bbls. Distillate stocks increased by .528 million bbls, while gasoline stocks increased by 0.908 million bbls, compared to an expected increase of 256,000 bbls. **Crude oil futures (Nov) finished down \$0.16/bbl for the week to close at \$51.29/bbl.**

U.S. Crop / Weather Conditions – PNW and Intermountain regions saw mostly warm conditions, with heavy precipitation across the northern belt and mostly dry elsewhere. A cold front is expected to bring cooler and wetter conditions in the extended outlook. The Corn Belt was mostly warm and sunny conditions, ideal for summer crop maturation and harvest and winter wheat planting. Another round of moisture is expected by this weekend. The **6-10 day outlook** calls for above normal temps from the West Coast to the High Plains and cooler than normal across the Mississippi and Ohio River Valleys. The Midwest is expected to be cool and mostly dry.

USDA Crop Progress / Condition Report, Oct. 16, 2017

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Winter Wheat	60% planted 37% emerged	48%	70%	71%			
ID Winter Wheat	90% planted 50% emerged	86%	81%	82%			
Corn	90% mature 28% harvested	82%	96%	94%	65%	64%	74%

International

Europe – Winter wheat crops are expected to move into dormancy in good shape with abundant soil moisture across most regions.

Black Sea region – Central Ukraine and Southwestern Russia received much needed moisture for winter wheat establishment.

South America – Central Brazil has remained unseasonably warm and dry, but rain is in the forecast for later this month. By contrast, southern growing areas have received adequate moisture favored for winter grain development. Drier weather across Central Argentina favors corn planting.

Australia – Western areas remain sunny with adequate soil moisture while rains across southeastern region have stabilized grain yields.

SAVE THESE DATES...

IBC WEBINAR SERIES...

Dec. 2 at 8:30 a.m. MST – Winter 2018 Weather & Water Outlook featuring Troy Lindquist, NWS Senior Hydrologist.

Log onto: <https://uidaho.zoom.us/j/720140886>

RECORDED GRAIN MARKETING WEBINAR...

<https://umn.webex.com/cmp3200/webcomponents/jsp/docshow/closewind>

UI EXTENSION 2018 AG OUTLOOK SEMINARS...

Dec. 5 – Idaho Falls

Dec. 6 – Burley

Dec. 7 – Caldwell

IDAHO AG TECHNOLOGY BOOTCAMP on January 4-5, 2018 sponsored by the UI Extension, Idaho Barley Commission, Idaho Wheat Commission, Anheuser Busch InBev, Great Western Malting Co. and Simplot. This event will take place at Idaho State University in Pocatello. Watch for more details.