

Idaho Grain Market Report, Oct. 26, 2017

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New CROP prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, Oct. 25, 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	\$5.75		\$3.80	\$4.58	\$5.91	\$4.65
Idaho Falls		\$8.30 -9.06	\$3.90	\$4.40	\$5.85	\$4.60
Blackfoot / Pocatello		\$6.50	\$3.90	\$4.40	\$5.85	\$4.60
Grace / Soda Springs	\$6.00		\$3.86	\$3.93	\$5.83	\$4.53
Burley / Rupert	\$5.50		\$3.90	\$4.01	\$5.63	\$4.73
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.50-6.00		\$3.86	\$3.93	\$5.82	\$4.53
Nampa / Weiser	NB		NB			
Nez Perce / Craigmont	\$4.61		\$4.52	\$4.83	\$6.61	
Lewiston	\$5.13		\$4.78	\$5.09	\$6.87	
Moscow / Genesee	\$4.61-4.70		\$4.55-4.68	\$4.86-5.06	\$6.64-6.79	\$5.01

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW Ord pro - Oct \$5.30-5.40 Nov \$5.30-5.43	#1 HRW 11.5% Protein Nov \$5.73½ – 5.98½	#1 DNS 14% Protein Nov \$7.36½ – 7.56½	#1 HWW
Portland						
Los Angeles	\$9.00-9.25					
Tulare	\$9.00-9.25					
Ogden	\$6.20		\$4.10	\$4.22	\$6.10	\$4.85
Great Falls	\$5.25	\$7.50- 7.75		\$4.71-4.93(12%)	\$6.16-6.23	
Minneapolis	\$4.37			\$4.63½ (12%)	\$7.56½ - 7.71½	

Market trends this week

BARLEY – Local feed barley prices ranged from steady to 25 cents higher, but were mostly steady. Open market malting barley prices were steady. USDA reported there were no barley export sales last week for MY 2017/18 and sales of 7.1 TMT to Japan in MY 2018/19. Barley exports totaled 600 MT to Japan and Taiwan.

WHEAT – Local wheat prices were higher this week: SWW prices ranged from 2 to 11 cents higher; HRW prices ranged from 5 to 18 cents higher; and DNS prices ranged from 11 to 16 cents higher. USDA reported weekly export sales were on the low end of trade expectations last week at 360.6 TMT (plus 30 TMT for MY 2018/19), down 41% from the previous week and down 16% from the 4-week average. Wheat export shipments were very disappointing at 119.7 TMT, down 62% from the previous week and down 73% from the 4-week average.

Wheat Competitor / Buyer News – So far this marketing year Russian wheat exports have totaled 11.2 MMT, up 16% from the same period a year ago. Iraq filled their latest wheat tender for hard wheat from the U.S. Morocco tendered for 30 TMT of US soft wheat and 327 TMT of durum wheat. Chinese winter wheat plantings are lagging behind the average pace at 40% completed due to excess rains across the eastern growing region. China imported 440 TMT of wheat in September with 290 TMT of that supplied by the U.S. Jordan purchased 50 TMT of Black Sea wheat this week. CONAB reduced their Brazilian wheat production estimate this week by 340 TMT to a 5-year low of 4.88 MMT due to excessive rains at maturity. About 70% of the crop remains in the fields unharvested. They are seeking approval for as much as 750 TMT of duty free wheat imports to fill gaps in meeting local demand.

CORN – USDA reported corn export sales were on the high end of trade expectations last week at 1.288 MMT (plus 96.8 TMT for MY 2018/19), up 3% from the previous week and up 32% from the 4-week average. Corn export shipments last week improved to 604.4 TMT, which is up 78% from the previous week. However, the current marketing year corn shipment pace is slipping behind at only 9.6% compared to the 5-year average of 12.4% of USDA's total estimate for the year.

Ethanol corn usage – DOE's Energy Information Agency reported another strong upick in weekly U.S. ethanol production – up 20,000 bbls or 2% to 1,039,000 bbls per day, which is nearly 5% above a year ago. Ethanol stocks continued to tighten slightly to 21.03 million bbls, up 5.6% from a year ago. Weekly corn usage for ethanol improved to 106.85 mbu, now above the pace needed to reach USDA's estimate for the new marketing year of 5.475 billion bu.

Corn Competitor/Buyer News - Well known Brazilian corn scout has pegged Brazil's corn crop at 88 MMT, compared to USDA's latest estimate of 95 MMT and 98 MMT last year. China imported 250 TMT of corn in September, representing a 1200% increase from the same period a year ago. Ukraine corn harvest reached the halfway mark this week, after recent heavy rains slowed harvest progress. Corn yields are averaging 69.5 bpa, which are down from last year due to late season drought stress.

Futures Market trends this week

WHEAT – Wheat opened the week sharply higher, boosted by short covering triggered by ideas that 2018 winter wheat plantings may decline in several major Northern Hemisphere countries, including the Black Sea, US and China and positive export news of Iraqi and Morocco purchases of U.S. wheat. Wheat posted a negative reversal lower on Wednesday and again today (Thursday) under profit-taking pressures and lackluster export sales. **Wheat futures contract closes on Thursday, 10/26/2017**

	Dec 2017	Week Change	Mar 2018	Week Change	May 2018	Week Change
CHI SRW	\$4.31¾	Up \$0.05¾	\$4.50¼	Up \$0.05¾	\$4.64¼	Up \$0.05½
KC HRW	\$4.28¼	Up \$0.05½	\$4.46	Up \$0.05¼	\$4.60¼	Up \$0.05¼
MGE DNS	\$6.20½	Up \$0.09¼	\$6.32½	Up \$0.08¼	\$6.39¼	Up \$0.07½

CORN- After trading at fresh contract lows on Friday, corn ground higher to start this week on technical buying and short covering triggered by a sluggish harvest pace (38% completed vs. 5-year average of 59% and 10-year average of 55%) and stronger than expected exports. Corn finished fractionally lower today (Thursday) under mostly spillover pressure with underlying support from strengthening technicals and improving export shipment pace. **Dec. 2017 contract closed at \$3.50½, up \$0.06 for the week, Mar. 2018 contract closed at \$3.64½, up \$0.06 for the week and May 2018 contract closed at \$3.73¼, up \$0.06 for the week.**

CRUDE OIL – Crude oil futures chopped in a narrow range this week amidst a lack of fresh supportive news and technical weakness. The US EIA reported domestic crude oil stocks increased by 856,000 bbls, compared to an expected decline of 425,000 bbls. Distillate stocks decreased by 5.246 million bbls, compared to an expected decline of 2.05 million bbls. Gasoline stocks decreased by 5.465 million bbls, compared to an expected decrease of 2.3 million bbls. **Crude oil futures (Dec) finished up \$0.80/bbl for the week to close at \$52.64/bbl.**

U.S. Crop / Weather Conditions – PNW and Intermountain regions saw mostly cooler and dry conditions this week. After a rainy weekend which continued to slow corn harvest, conditions turned mostly drier across the Corn Belt this week, with favorable harvest weather across much of the WCB. A cold front is moving through the region today, bringing high winds and snow across the Upper Midwest, which could damage unharvested crops. The **6-10 day outlook** calls for cooler than normal temps and below normal precipitation across the Plains and Midwest, except the northern tier which is expected to see wetter than normal conditions which will help recharge soil moisture heading into the winter

USDA Crop Progress / Condition Report, Oct. 23, 2017

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Winter Wheat	75% planted 52% emerged	60%	78%	80%			
ID Winter Wheat	96% planted 58% emerged	90%	86%	91%			
Corn	96% mature 38% harvested	90%	99%	97%	66%	65%	74%

International

South America – Central Brazil remains unseasonably warm and dry, while southern wheat growing regions are

experiencing heavy rains which may damage wheat quality. About 70% of the wheat remains in the fields unharvested. Drier weather across Central Argentina favors corn planting, which has been lagging behind at 27% done compared to 35% last year.

Australia – Western areas remain sunny with adequate soil moisture while rains across southeastern region have stabilized grain yields. Soaking rains across northeastern production areas have slowed winter grain maturation.

SAVE THESE DATES...

NEW 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>

Dec. 14 at 8:30 a.m. MST – Five Common Mistakes in Grain Marketing featuring Ed Usset, University of Minnesota Center for Farm Financial Management – URL link to be announced

RECORDED 2017 GRAIN MARKETING WEBINAR...How to Write a Pre-Harvest Grain Marketing Plan, featuring Ed Usset, Univ. of Minnesota. Link at <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.