

Idaho Grain Market Report, October 27, 2016

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 26, 2016. 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	\$4.70-5.10		\$3.40-3.75	\$3.68	\$5.15	\$3.90-4.10
Idaho Falls	\$5.00	\$8.30 -8.33	\$3.35	\$3.75	\$5.15	\$3.95
Blackfoot / Pocatello	NQ	\$6.50	\$3.35	\$3.75	\$5.15	\$3.95
Grace / Soda Springs	\$5.50		\$3.53	\$3.62	\$5.17	\$4.02
Burley / Rupert	\$5.00		\$3.65	\$3.45	\$5.06	\$4.03
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00		\$3.75	NQ	NQ	
Nampa – Weiser	\$6.00		\$3.65			
Nez Perce / Craigmont	\$4.00		\$3.88	\$4.19	\$5.50	
Lewiston	\$4.50		\$4.14	\$4.45	\$5.76	
Moscow / Genesee	\$4.00-4.25		\$3.91-4.08	\$4.22-4.36	\$5.53-5.67	\$4.36

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 - \$4.62-4.76½ max 10.5% pro \$4.71½ – 4.81½	\$5.02 - 5.12	\$6.25½ -6.40½	
Los Angeles	\$7.90-8.20					
Tulare	\$7.90-8.20					
Ogden	\$5.85		\$3.90	\$3.95	\$5.50	\$4.45
Great Falls	\$4.25-4.75	\$7.00		\$3.68-3.84 (12%)	\$4.77-4.96	
Minneapolis	\$4.17	NQ		\$4.47 (12%)	\$6.45½ - 6.50½	

Market trends this week

BARLEY – Local feed barley prices were mostly steady to 10 cents lower in southern ID and steady in northern Idaho. Open market malting barley prices remained steady. USDA reported there were no barley export sales last week but export shipments totaled 200 MT to Taiwan.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 25 cents to plus 5 cents; HRW prices ranged from minus 12 cents to unchanged; and DNS prices ranged from 3 to 6 cents lower. USDA reported wheat export sales last week were above trade expectations at 646.1 TMT (plus 26.3 TMT in MY 2017/18), up 26% from the previous week and up 32% from the previous 4-week average. Wheat export shipments were dismal at only 264.1 TMT, down 43% from the previous week and down 56% from the previous 4-week average.

Wheat Competitor / Buyer News – Russia has reportedly exported 10.4 MMT of new crop wheat since July. IKAR pegs Russian exports at 29.5 MMT this year. China imported 436.1 TMT of wheat in September, bringing their year-to-date imports to 2.9 MMT, up 27% from the same period the year before. Egypt purchased 240 TMT of Romanian wheat and 180 TMT Russian wheat this week.

CORN – USDA reported corn export sales were on the low end of trade expectations at 799.3 TMT, down 21% from the previous week and down 29% from the previous 4-week average. Corn export shipments also were disappointing at 524.3 TMT, down 37% from the previous week and down 56% from the previous 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported a downtick in U.S. ethanol production last week to 991,000 bpd, up 7,000 bpd or -0.7% from the previous week but up 4.9% from a year ago. Stocks totaled 19.9 million bbls, up 9% from a year ago. Weekly corn usage totaled 104.06 million bu, above the weekly pace needed to reach USDA's projection of 5.275 billion bu for MY 2016/17.

Corn Competitor / Buyer News – South Korean feed buyers were active in the corn import market this week, buying 66 TMT of optional origin corn early in the week, followed by a large tender for 276 TMT. Brazil's full season corn crop is reportedly 70% planted compared to an average of 50% and is in good condition.

Futures Market trends this week

WHEAT – Wheat markets opened the week lower on selling triggered by a higher dollar and dismal export shipments. Wheat rebounded on Tuesday and Wednesday on technical support and spillover from stronger beans and a lower dollar. Wheat finished mixed to fractionally higher on Thursday, with support from better than expected wheat export sales and some concerns about heat and pockets of dryness in the hard red winter wheat belt. **Wheat market closes on Thursday, 10/27/2016...**

	Dec 2016	Weekly Summary	Mar 2017	Weekly Summary	May 2017	Weekly Summary
Chicago SRW	\$4.14½	Unchanged	\$4.33½	Down \$0.01½	\$4.48¾	Down \$0.01¾
KC HRW	\$4.17	Down \$0.04½	\$4.35	Down \$0.04¼	\$4.47	Down \$0.04
MGE DNS	\$5.25½	Down \$0.03½	\$5.31½	Down \$0.00¾	\$5.38¾	Up \$0.00¾

CORN – Corn finished lower on Monday under pressure from fund selling triggered by a higher dollar and disappointing export shipments. Corn closed higher on Tuesday and Wednesday on a combination of technical support (pressed through 20 day moving average) and spillover support from a lower dollar and stronger beans. Corn posted modest gains on Thursday on fund buying triggered by fresh technical buying (pressed above 100 day moving average). **Corn futures contract closes on Thursday, 10/27/16...** Dec 2016 contract at \$3.51, down \$0.03¼ for the week, Mar 2017 contract closed at \$3.60¾, down \$0.03 for the week and the May 2017 contract closed at \$3.67½, down \$0.02¾ for week.

CRUDE OIL – Crude oil prices chopped in a narrow trading range this week with support from a lower dollar offset by doubts about whether OPEC will succeed with its plans to cut production later this year as several major pumpers like Iran, Libya and Nigeria want exemptions. The U.S. DOE Energy Information Agency reported another surprising decline in domestic crude oil inventories – down 553,000 bbls, compared to an expected increase of 1.7 million bbls. Distillate stocks fell by 3.354 million bbls, while gasoline stocks fell by 1.956 million bbls. **Crude oil futures (Dec contract) finished down \$0.83/bbl this week to close at \$49.72, up \$0.63/bbl for the week.**

USDA Crop Progress / Condition Report, October 24, 2016

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US Winter Wheat	79% planted 60% emerged	72% 47%	81% 58%	82% 58%	59%	NA	47%
ID Winter Wheat	87% planted 76% emerged	83% 67%	93% 67%	94% 60%	71%	NA	
Corn	61% harvested	46%	70%	62%			

Weather / Crop Conditions –

U.S. –

- **PNW** – Cool showery conditions prevailed this week, with warmer and wet conditions in the extended outlook.
- **Northern Plains** – Cool conditions overspread the Northern Plains, with showers expanding across the region mid week. The 6-10 day outlook calls for mostly warmer and wet conditions.

- **Central/Southern Plains** – Lingering heat has aided winter wheat emergence and establishments, with pockets of dryness in the western plains.
- **Corn Belt** – Late season warmth overspread the Western belt with rain moving through the Upper and Eastern Midwest midweek delaying corn harvest. The 6-10 day outlook calls for above normal rainfall in the WCB and warmer than normal conditions across the entire region.

INTERNATIONAL -

- **Europe** – Recent storms have aided winter grain emergence and establishment. Conditions are expected to be dry next week, followed by showers in the extended outlook.
- **Black Sea region** – Eastern Ukraine turned drier, allowing corn harvest to advance but temperatures have turned colder, pushing winter wheat toward dormancy. Southern Russia received additional moisture to aid the winter wheat crop ahead of dormancy.
- **South America** – Rains continued to move through Southern Brazil this week, where wheat harvest is underway. Meanwhile, the Argentine wheat belt turned drier after recent heavy showers.
- **Australia** – Southeastern production region saw more showers which is heightening wheat quality concerns.