

Idaho Grain Market Report, Dec. 7, 2017

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New CROP prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, Dec. 6, 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	\$6.00		\$3.70	\$4.53	\$5.90	\$4.88
Idaho Falls		\$8.30 -9.06 nc \$10.62	\$3.65	\$4.55	\$5.75	\$4.75
Blackfoot / Pocatello		\$6.50	\$3.65	\$4.55	\$5.75	\$4.75
Grace / Soda Springs	\$6.00		\$3.67	\$4.20	\$5.72	\$4.65
Burley / Rupert	\$5.50		\$3.60	\$4.02	\$5.43	\$4.72
Hazelton						
Twin Falls / Buhl / Jerome / Wendell	\$5.40-6.25		\$3.60 – 3.62	\$4.31	\$5.70	\$4.62
Nampa / Weiser	\$5.40		\$3.60			
Nez Perce / Craigmont	\$4.61		\$4.32	\$4.65	\$6.53	
Lewiston	\$5.13		\$4.58	\$4.91	\$6.79	
Moscow / Genesee	\$4.61-4.70		\$4.35-4.45	\$4.69-4.88	\$6.56-6.77	\$4.88

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. --	Malting	#1 SWW Ord pro -	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			\$5.07¼ -5.30	\$5.68¼ –5.85¼	\$7.20¾ –7.42¾	
Los Angeles	\$8.65-9.00					
Tulare	\$8.65–9.00					
Ogden	\$6.50		\$3.85	\$4.50	\$6.10	\$5.00
Great Falls	\$5.25	\$7.50- 8.00		\$4.78-4.95(12%)	\$6.29–6.38	
Minneapolis	\$5.00			\$4.93½ (12%)	\$7.13¾ - 7.58¾	

Market trends this week

BARLEY – Local feed barley and open market malting barley prices were steady this week. USDA reported there were no barley export sales last week and export shipments of 400 MT to Japan and South Korea.

Barley Competitor / Buyer News – Stats Canada pegged Canadian barley production this week at 7.9 MMT, down 10.2% from last year. They reported harvested area declined 5% to 5.2 million acres while yields declined 5.4% to an average 69.4 bpa.

WHEAT – Local wheat prices were mixed this week. SWW prices ranged from minus 13 cents to plus 30 cents; HRW prices ranged from minus 9 cents to plus 35 cents; and DNS prices ranged from minus 9 cents to plus 10 cents. USDA reported weekly export sales were within trade expectations last week at 371.4 TMT (plus 1.6 TMT for MY 2018/19), up 74% from the previous week but down 22% from the 4-week average. Wheat export shipments totaled 396.4 TMT, up 17% from the previous week and up 41% from the 4- week average.

Wheat Competitor / Buyer News – IKAR raised their Russian wheat export projection this week by 1.3 MMT to 35.3 MMT, noting that mild November weather allowed a robust shipment pace to continue through Black Sea ports. Australian crop estimates are declining after a challenging growing season, with ABARE now projecting their wheat crop at 20.3 MMT, down 40% from last year's record crop, compared to USDA's mid November estimate of 21.6 MMT. Stats Canada pegged Canadian wheat production this week at 29.98 MMT, down 5.5% from last year but above the average trade estimate of 27.3 MMT. Saudi Arabia purchased 495 TMT of hard wheat this week to be sourced from multiple origins.

CORN – USDA reported corn export sales were below trade expectations last week at 876.4 TMT, up 46% from the previous week but down 30% from the 4-week average. Corn export shipments last week totaled 592.3 TMT, down 9% from the previous week.

Ethanol corn usage – DOE’s Energy Information Agency reported a surprisingly strong uptick in weekly U.S. ethanol production– up 42,000 bbls or 3.9% to 1,108,000 bbls per day - which is 8.3% above a year ago. Ethanol stocks increased as well to 22.54 million bbls, up nearly 22% from a year ago. Weekly corn usage for ethanol last week remained very strong at 115.35 mbu, well above the pace needed to reach USDA’s estimate for MY 2017/18 of 5.475 billion bu, suggesting that USDA could raise their ethanol usage projection in next week’s monthly S&D estimates.

Corn Competitor/Buyer News – Informa has pegged the Brazilian corn crop at 89 MMT compared to USDA’s mid November estimate of 95 MMT. The average trade estimate ahead of next week’s USDA Dec 12 S&D is 93.2 MMT. Brazil reportedly exported 3.52 MMT of corn in November, down from the previous month’s 5 MMT pace but up sharply from a year ago’s 961 TMT.

Futures Market trends this week

WHEAT – Wheat started the week lower under pressure from technical weakness and continued concerns about large global stocks. Losses were trimmed by slightly better than expected weekly export inspections. Tuesday saw continued weakness on ideas that Russian wheat exports will exceed current projections, with their export pace thus far up about 25% compared to the same period a year ago. Prices continued to grind lower on Wednesday under pressure from a higher than expected final production estimate for Canada, with Stats Canada pegging their crop at 29.98 MMT, compared to an average trade estimate of 27.3 MMT. Wheat finished lower today (Thursday) under pressure from lackluster export sales and a stronger dollar. **Wheat futures contract closes on Thursday, 12/07/2017...**

	Mar 2018	Week Change	May 2018	Week Change	July 2018	Week Change
CHI SRW	\$4.21½	Down \$0.17	\$4.35	Down \$0.16	\$4.49	Down \$0.15¼
KC HRW	\$4.20¾	Down \$0.16¾	\$4.33¾	Down \$0.16	\$4.50	Down \$0.16½
MGE DNS	\$6.11	Down \$0.20½	\$6.19½	Down \$0.½	\$6.23¾	Down \$0.16

CORN- Corn posted moderate losses to start the week under pressure from disappointing export shipments and technical weakness as corn markets failed to penetrate 50 day resistance. Prices posted fractional gains on Tuesday on estimates of a much lower than expected Brazilian corn crop, but gains were short-lived as prices reversed lower on Wednesday on pressure from a higher than expected corn production estimate from the International Grains Council. Corn finished modestly lower today (Thursday) on lackluster export sales. **Mar. 2018 contract closed on 12/07/2017 at \$3.51½, down \$0.07¼ for the week, May 2018 contract closed at \$3.60, down \$0.06½ for the week and July 2018 contract closed at \$3.68½, down \$0.06 for the week.**

CRUDE OIL – Crude oil futures posted two-week lows this week on news that the U.S. continues to expand production rigs while OPEC and its allies agreed to extend their 1.8 million gallon production cuts to the end of 2018. The U.S. EIA reported domestic crude oil stocks fell 5.61 million bbls last week, compared to an expected decline of 3.5 million bbls. Distillate stocks increased by 1.667 million bbls, compared to an expected increase of 548,000 bbls. Gasoline stocks increased by 6.78 million bbls, compared to an expected increase of 1.145 million bbls. **Crude oil futures (Dec) finished down \$1.67/bbl for the week to close at \$56.69/bbl.**

International Crop / Weather Conditions – Argentine growing areas are experiencing a significant drying trend, consistent with a LaNina weather pattern. Updated forecasts show some moisture in the second week outlook. Australian winter grain harvest is well underway, with heavy rains slowing harvest and raising quality concerns in Victoria.

IBC WEBINAR SERIES...

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 – Web Ex Meeting number 745 150 408. ink at https://umn.webex.com/mw3200/mywebex/default.do?service=1&siteurl=umn&nomenu=true&main_url=%2Fmc3200%2Fe.do%3Fsiteurl%3Dumn%26AT%3DMI%26EventID%3D632578157%26UID%3D0%26Host%3DQUhTSwAAAARSEFj_Zt9Ab5W63VF70FGbU_sZSqtB3nRTXZv_c9OYyqcMdjuWzWkJoxdN7cTVPFgSNcALbCr0MaFtwxulQ60s0%26FrameSet%3D2%26MTID%3Dmafd49775561d00a898517794c44729f9

RECORDED Dec. 1, 2017 WEBINAR...Winter 2018 Weather & Water Outlook featuring Troy Lindquist, NWS Senior

Hydrologist. Link at <https://vimeo.com/246010744>

RECORDED March 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>

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., Simplot, Idaho Farm Bureau Federation and Northwest Farm Credit. This event will take place at Idaho State University in Pocatello. **Pre-registration is requested: \$45 fee for one day or \$65 for both days. Register on-line at www.cetrain.isu.edu/aqtech**