Idaho Grain Market Report, May 21, 2015

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, May 20, 2015. 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/ Roberts	$4.80 - 4.85		$5.30-5.85	$4.75	$6.10	$5.00-5.50
Idaho Falls	$5.00	$12.25-12.50	$5.83 - 5.93	$5.59-5.70	$6.02-6.58	$5.59-5.75
Blackfoot / Pocatello	NQ	$10.00	$5.83	$5.70	$6.58	$5.75
Grace / Soda Springs	$5.00	NQ	$5.82	$5.27	$6.38	$5.27
Burley / Rupert Hazelton	$4.75 – 5.25	$12.50	$5.68-5.80	$4.75	$6.08	$5.25
Twin Falls / Buhl / Wendell	$5.80– 6.25		**Feed wheat** $3.50-3.60	NQ	NQ	
Nampa – Weiser	New crop $5.62	NQ	new crop $5.44	NQ	NQ	
Nez Perce / Craigmont	$5.55		$5.35	$5.50	$6.42	
Lewiston	$6.05		$5.60	$5.75	$6.67	
Moscow / Genesee	$5.55 – 6.10		$5.37 -5.51	$5.52-5.75	$6.44-6.79	$5.75

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 protein May - NQ new crop $5.85-6.20 **max 10.5% pro** May - NQ new crop $6.10 6.25	$6.30-6.40 new crop $6.30-6.45	$7.43¼ – 7.88¼ new crop $6.88¾ -7.28¾	
Los Angeles	$8.50–8.70			$7.95 (13%)		
Tulare	$8.50– 8.70					
Ogden	$5.60		$6.15	$5.35	$6.69	$5.55
Great Falls	$5.00	$12.00		$5.30-5.45 (12%)	$5.54 – 6.18	
Minneapolis	$5.83	NQ		$5.85	$7.28¼ – 7.78¼	

Market trends this week

BARLEY - Local feed barley prices ranged from minus 25 cents to plus 15 cents, but were mostly steady. Open market malting barley prices closed steady. USDA reported barley there were 200 MT of new crop export sales last week and 200 MT of barley export shipments to South Korea.

WHEAT – Wheat prices were higher this week: local SWW prices ranged from 5 to 35 cents higher; HRW prices ranged from 5 to 49 cents higher; and DNS prices ranged from 16 to 48 cents higher. USDA reported net wheat export sales last week were on the low end of trade expectations at 202.6 TMT (74.4 TMT old cop + 128.2 TMT new crop), down 36% from last week and down noticeably from the previous 4-week average. Wheat export shipments totaled 370.0 TMT, up 24% from the prior week but down 15% from the previous 4-week average.

Wheat competitor / buyer news –Russian government officially lifted their wheat export tax this week, ahead of the scheduled July 1 date. As a result, analysts are projecting another 1 MMT of old crop Russian wheat will be exported in coming weeks. Ukrainian AgroConsulting raised their 2015 wheat production estimate this week to 22 MMT based on plentiful spring rains, compared to 24.1 MMT a year ago. Thailand purchased 45 TMT of U.S. spring and white wheat this week.

CORN – Corn export sales last week were on the high end of trade expectations at 893.3 TTM (812.6 TMT old crop sales plus 80.7 TMT new crop sales), up noticeably from the previous week and up 12% from the prior 4-week average. Corn export inspections last week remained strong at 1.08 MMT, down 3% from the prior week and 5% from the prior 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported weekly ethanol production last week rebounded to 958,000 bbls per day – up 46,000 bbls or 5% last week and 3.6% above a year ago. Corn used in ethanol production improved to 100.6 million bu, which is still below the pace of 101 million bu needed to reach the USDA projection of 5.2 billion bu for the marketing year. U.S. ethanol inventories totaled 20.4 million bbls, up slightly from the previous week and 20% above a year ago.

Corn competitor / buyer news – Taiwan purchased 130 TMT of Brazilian corn and South Korean bought 55 TMT of optional origin corn this week**.**

Futures Market trends this week

WHEAT – Wheat futures posted double digit gains to start the week, boosted by short covering triggered by concerns about the quality impacts from excessive moisture across the hard red winter wheat region and freeze warnings across the northern tier spring wheat region. Wheat prices retreated on Tuesday – erasing most of Monday's gains – under profit-taking pressure. Wheat prices rebounded on both Wednesday and today (Thursday) on active short covering tied to mounting weather concerns across hard red winter region. **Wheat market closes on Thursday, 5/21/15...**

	July 2015	Weekly Summary	Sept 2015	Weekly Summary	Dec 2015	Weekly Summary
Chicago SRW	**\$5.22**	**Up \$0.11**	**\$5.29½**	**Up \$0.12**	**\$5.42½**	**Up \$0.10½**
KC HRW	**\$5.57¾**	**Up \$0.16**	**\$5.67¾**	**Up \$0.16½**	**\$5.83¾**	**Up \$0.16**
MGE DNS	**\$5.78¼**	**Up \$0.17**	**\$5.89¼**	**Up \$0.16½**	**\$6.02½**	**Up \$0.15¼**

CORN – Corn prices posted modest gains on Monday, pulled higher by wheat.. Prices finished lower on Tuesday as traders continue to focus on the rapid planting progress and favorably warm and wet crop conditions which will allow the 2015 crop to get off to a very strong start. Corn continued to post modest losses on Wednesday in two-sided trading undera combination of technical pressure and ideas that the current moisture will create very favorable growing conditions which more than offsets concerns that some acres won't get planted across the southern belt. Corn finished modestly higher today (Thursday), with spillover support from wheat and a lower US dollar. **Corn futures contract closes on Thursday, 5/21/15… July 2015 contract at \$3.65, down \$0.00½ for the week, Sept. 2015 contract closed at \$3.71½, down \$0.01 and the Dec. 2015 contract closed at \$3.82¼, down \$0.00½ for the week.**

CRUDE OIL – Crude oil futures saw very choppy see-saw trading this week. DOE continued to report lower domestic crude inventories on Wednesday – down another 2.674 million bbls, compared to an expected decrease of 1.75 million bbls. Distillates decreased by 546,000 bbls compared to expected increase of 400,000 bbls and gasoline stocks decreased by 2.774 million bbls, compared to an expected gain of 650,000 bbls. **Crude oil finished higher today (Thursday)- up \$1.74 to close at \$60.72/bbl, up \$1.03 for the week.**

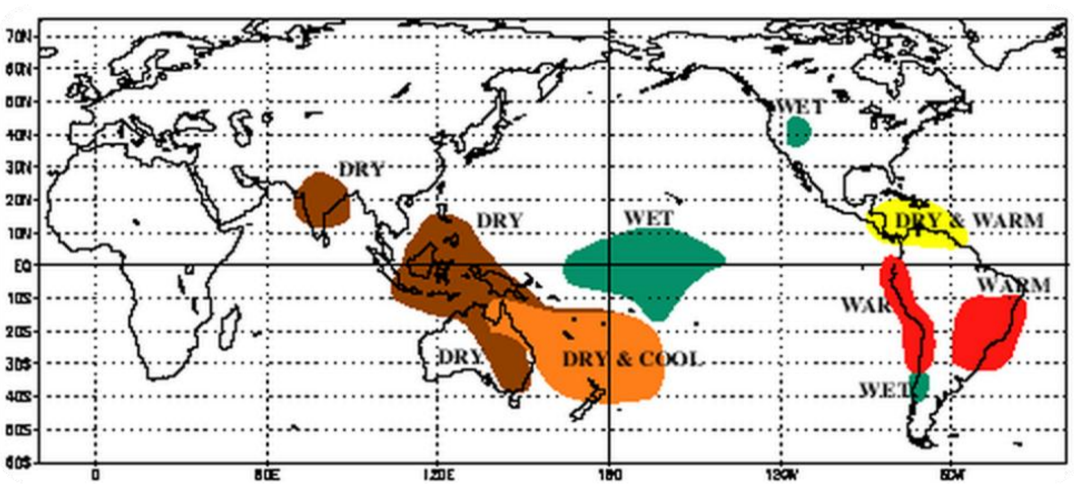
USDA Crop Progress / Condition Report, May 18, 2015

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	95% planted 72% emerged	88% 59%	66% 36%	70% 40%	64% g/ex	NA	NA
ID barley	**97% planted** **82% emerged**	**94%** **71%**	**95%** **69%**	**92%** **60%**	**71% g/ex**	**NA**	
US spring wheat	94% Planted 67% emerged	87% 54%	47% 22%	65% 38%	65% g/ex	NA	NA

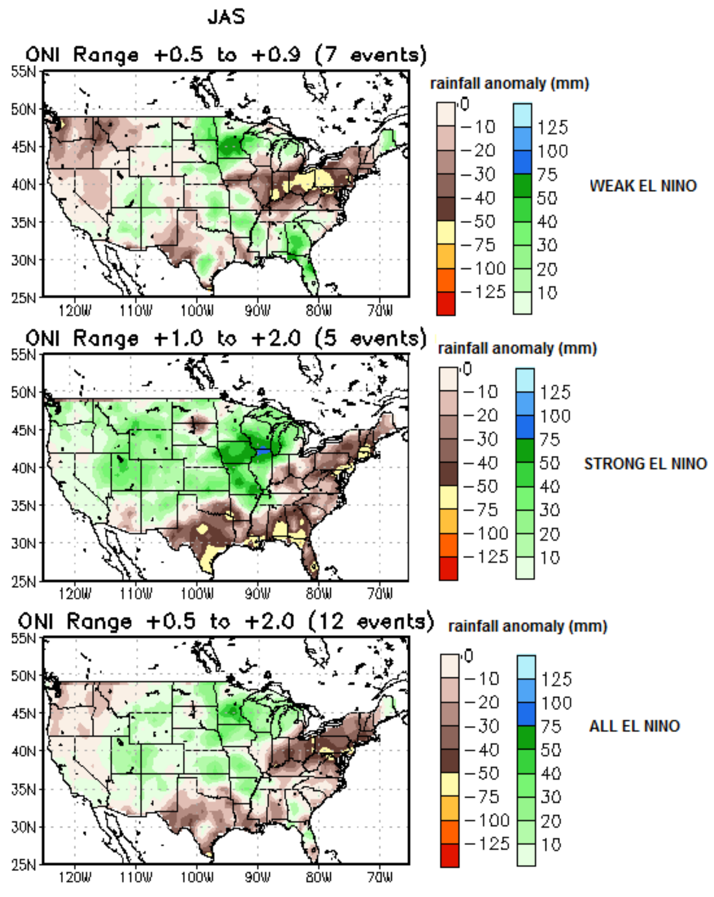
ID spring wheat	**100% planted 92% emerged**	**96% 74%**	**100% 81%**	**94% 67%**	**58% g/ex**	**NA**	
US winter wheat	68% headed	56%	55%	56%	45% g/ex	44%	29%
ID winter wheat	**21% headed**	**10%**	**0%**	**0%**	**62%**	**58%**	
Corn	85% planted 56% emerged	75% 29%	71% 32%	75% 40%			
US topsoil moisture					82% adequate/surplus	78%	64%
Idaho topsoil moisture					**74%**	**61%**	
US subsoil moisture					78% adequate/surplus	73%	61%
Idaho subsoil moisture					**65%**	64%	

Weather/Crop Outlook –

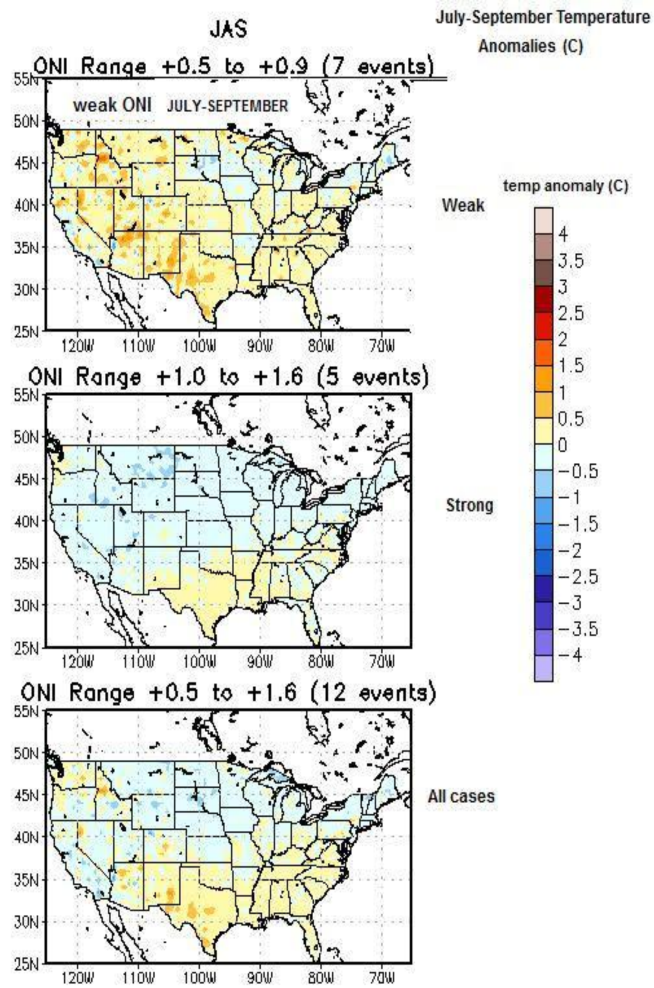
El Nino Signal Strengthens – Sea surface temperatures last week continued unusually warm in the equatorial Pacific Sea indicating a **strong El Nino signal.** The U.S. Climate Prediction Center now predicts an 80% chance of a full-fledged El Nino in the summer months. Very heavy Midwest rainfall is associated with the El Nino in summer. The Pacific Northwest and Intermountain Region could see mixed conditions this summer, depending on whether this episode is weak, moderate or strong. See graphs below for predicted temperature and moisture scenarios under a summer El Nino. **Converging with El Nino is a positive Pacific Decadel Occilation which correlates with warmer than normal temperatures along the North American coastline**, which may contribute to warmer, drier conditions in this region.



July-August-September Rainfall with El Nino



Data source US Climate Prediction Center NOAA



- **U.S. –** Weather remained unsettled across the western half of the country, with heavy rainfall covering most of the Southern Great Plains. The PNW and Northern Plains received beneficial moisture, while temperatures turned colder than normal with frost advisories across the Northern Plains which posed a threat to recently emerged small grains and corn. Meanwhile there are rising concerns that wheat quality may be deteriorating in some areas of the Central and Southern Plains due to excessive moisture.. An extremely active weather pattern is expected to persist through the long holiday weekend, with more heavy showers expected in portions of the Central and Southern Plains. **The 6-10 and 8-14 day outlook** calls for a wet pattern to persist for much of the country with above normal temperatures across the Northwest and cooler than normal temps for much of the Central and Southern Plains.
- **Canada** – Spring grain planting rapidly advanced, with a drier pattern developing across the Western prairies.
- **Europe –** After an exceptionally dry April, Western Europe has received beneficial moisture in the past 2-3 weeks, boosting grain yield prospects. The outlook shows warmer and drier conditions ahead.
- **Black Sea region –** Conditions were mostly dry this are week but showers are in the forecast for next week.
- **China –** A bumper winter wheat crop is expected to be harvested on the North China Plains after generous spring rainfall. Conditions have turned drier, aiding crop maturation.
- **Northern Africa –**Heat continues to stress late developing winter grains in Algeria and Tunisia.
- **Middle East –** Growing conditions remain mostly favorable for reproductive winter grains across Turkey, Iraq and Iran.
- **South America –** Conditions remain favorable for second crop corn in Brazil and drier conditions are accelerating corn harvest in Argentina.
- **Australia –** Winter grain planting continues to advance. Western Australia has received generous rainfall aiding good crop establishment, while the East is trending dry.

RECORDED WEBINAR on SUMMER 2015 WEATHER & WATER OUTLOOK - presented by National Weather Service Senior Hydrologist Troy Lindquist on May 8, 2015. Link can be found at http://connect.cals.uidaho.edu/p4fif67ckgr/