

## Idaho Grain Market Report, July 1, 2010

Published by the Idaho Barley Commission, [kolson@idahobarley.org](mailto:kolson@idahobarley.org), 208-334-2090

**Check out our NEW IDAHO GRAIN MARKET ALERT** – this is a new companion grain market service being sponsored by the Idaho Barley Commission and provided by Craig Corbett, grain producer and market analyst from Grace, ID. We want to hear from readers with your questions and comments – please contact us at [kolson@idahobarley.org](mailto:kolson@idahobarley.org).

**Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, June 30, 2010. Barley prices in \$/Cwt. and wheat prices in \$/bu.**

Selected Locations	Barley (Cwt.)		Wheat (bu.)		
	#2 Feed, 48 lbs or better	Open market malting	#1 SWW	#1 HRW 11.5% protein	#1 DNS 14% protein
Ashton	NQ	(2-R) \$6.50 (6-R) NQ	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	\$6.00	(2-R) NQ (6-R) NQ	\$3.85	\$3.69	\$4.94
Idaho Falls	\$6.00	(2-R)\$6.50-\$6.85 (6-R)\$6.50	\$4.00	\$3.61	\$4.88
Blackfoot / Pocatello	\$5.62	(2-R) \$6.50 (6-R) NQ	\$3.75	\$3.46	\$4.80
Grace / Soda Springs	\$5.97	(2-R) NQ (6-R) NQ	\$3.95	\$3.68	\$4.89
Burley / Rupert Hazelton	\$5.25-\$5.50	(2-R) \$6.50 (6-R) \$6.50	\$3.70-\$3.80	\$3.58	\$4.74
Twin Falls / Eden / Buhl	\$5.90	(2-R) NQ (6-R) NQ	\$3.40	NQ	NQ
Weiser	\$5.70	(2-R) NQ (6-R) NQ	\$3.59	NQ	NQ
Nez Perce / Craigmont	\$4.85	(2-R) \$4.85 (6-R) \$4.85	\$3.99	\$4.35	\$5.66
Lewiston	\$5.10	(2-R) \$5.10 (6-R) \$5.10	\$4.18	\$4.54	\$5.85
Moscow / Genesee	\$4.90-\$6.00	(2-R) \$4.90 (6-R) \$4.90	\$3.95-\$4.65	\$4.31-\$5.10	\$5.62-\$6.25

**Trading Prices at Selected Terminal Markets, cash prices FOB**

	Barley (Cwt.)		Malting	Wheat (bu.)		
	#2 Feed 46 lbs. -- unit trains barge	Single rail cars- domestic		#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein
Portland	NQ	NQ	NQ	July \$4.60-\$4.65 Aug NC \$4.60-\$4.65	July \$5.05-\$5.08 Aug NC \$5.07-\$5.20	July \$6.17-\$6.40 Aug NC \$6.22-\$6.39
Los Angeles	\$8.10	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$8.10	NQ	NQ	NQ	NQ	NQ
Ogden	\$6.10	NQ	NQ	\$4.05	\$3.67	\$5.05
Great Falls	\$4.50-\$4.70	NQ	\$6.00	NQ	\$3.13-\$3.49	\$5.32-\$5.56
Minneapolis	\$4.27	NQ	NQ	NQ	\$4.54 ½ (12%)	\$6.16 ½ - \$6.46 ½

**Market trends this week**

**BARLEY** – Local barley prices were mixed this week ranging from steady to 31 cents lower in southern Idaho and steady to 25 cents lower in northern Idaho. USDA reported that there were no barley export sales or shipments last week.

**USDA Acreage Estimate for Barley (June 30)** – USDA pegged U.S. barley acreage at 2.9 million and harvested acreage at 2.5million, 17% lower. Idaho barley harvested acreage is pegged at .48, down 6% from 2009.

**USDA Quarterly Stocks Report (June 30)** – USDA pegged U.S. barley stocks on June 1 at 115 million bu, up 30% from a year ago. The March-May 2010 indicated disappearance is 42.2 million bu, up 5% from the same period a year ago. Idaho barley stocks on June 1 are pegged at 19.3 million bu, up 4% from a year ago.

**WHEAT** – Local wheat prices were also mixed this week: SWW ranged from 31 cents lower to 15 cents higher; HRW ranged from 4 to 16 cents lower; and DNS ranged from 20 to 42 cents lower. U.S. wheat export sales last week were in line with trade expectations at 418.4 TMT, while export shipments last week totaled 548.6 TMT.

**USDA Acreage Estimate for Wheat (June 30)** – USDA pegged U.S. wheat acreage at 54.3 million and harvested acreage at 48.3 million, down 3% from last year. Idaho wheat harvested acreage is pegged at 1.3 million, up 4% from 2009.

**USDA Quarterly Stocks Report (June 30)** – USDA pegged U.S. wheat stocks on June 1 at 973 million bu, up 48% from a year ago. This was 30 million bu more than the average pre-report trade estimate. The March-May 2010 indicated disappearance is 383 million bu, down slightly from the same period a year ago.

**Wheat Competitor/Buyer News** – Egypt purchased 120 TMT Russian wheat.

**CORN** – U.S. corn export sales were below expectations at 649.7 TMT for Marketing Year 2009/10 and 76.5 TMT for Marketing Year 2010/11. Corn export shipments last week totaled 952.4 TMT, up 16% from the previous week; however it was down 6% from the prior 4-week average.

**USDA Acreage Estimate for Corn (June 30)** – USDA pegged U.S. corn acreage at 87.9 million and harvested acreage at 81 million, up 2% from 2009.

**USDA Quarterly Stocks Report (June 30)** – USDA pegged U.S. corn stocks on June 1 at 4.31 billion bu, up 1% from a year ago. This was .288 billion bu lower than an average pre-report trade estimate of 4.598 billion bu. The March-May 2010 indicated disappearance is 3.38 billion bu, compared with 2.69 billion bu from the same period a year ago.

**Futures market activity this week**

**WHEAT** – Wheat prices began the week lower under pressure from a warm and dry weather forecast which should help accelerate winter wheat harvest and a higher dollar. Wheat prices continued to grind lower on Tuesday under pressure from a higher dollar and a broad sell-off in commodities and equities. Wednesday saw prices higher due to outside market pressure, mainly from corn along with favorable harvest weather. Wheat prices continued the upward trend and finished higher today (Thursday) on short covering and weakness with the U.S. dollar. **Wheat market closes on Thursday, 7/01/10...**

	<b>July 2010</b>	<b>Weekly Summary</b>	<b>Sept 2010</b>	<b>Weekly Summary</b>
Chicago	\$4.84	Up \$.27 <sup>3</sup> / <sub>4</sub>	\$4.99 <sup>3</sup> / <sub>4</sub>	Up \$.28 <sup>3</sup> / <sub>4</sub>
Kansas City	\$5.01	Up \$.17 <sup>1</sup> / <sub>4</sub>	\$5.10	Up \$.15 <sup>1</sup> / <sub>4</sub>
Minneapolis DNS	\$5.15 <sup>1</sup> / <sub>4</sub>	Up \$.03	\$5.26 <sup>1</sup> / <sub>2</sub>	Up \$.02 <sup>3</sup> / <sub>4</sub>

**CORN** – Corn began the week sharply lower with long liquidations sparked by a mild dry weather outlook which is likely to raise the quality rating on the U.S. corn crop into next week. Corn was the price leader to downside again on Tuesday, closing lower for a seventh straight session and a 9-month low on ideas that USDA's June 30 acreage and stocks reports will be bearish for corn – the trade expects at least 400,000 to 500,000 more corn acres. Wednesday brought prices higher following surprisingly low acreage and stocks numbers from the USDA. Corn settled higher again today (Thursday) on follow through buying and also from a lower U.S. dollar. **July 2010 corn contract closed Thursday, 7/01/10, at \$3.65 <sup>1</sup>/<sub>2</sub>, up \$.25 for the week and the Sept 2010 contact closed at \$3.73 <sup>1</sup>/<sub>4</sub>, up \$.23 <sup>3</sup>/<sub>4</sub> for the week.**

**OTHER MAJOR FACTORS TO WATCH -**

- **Crude Oil** – Crude oil began the week modestly lower under pressure from a higher dollar. Prices continued to plunge on Tuesday in the face of fears of a global economic slowdown, reinforced by a readjustment of China's monthly growth rate to 0.3% from an earlier reported 1.7%. Crude oil is moving lower under pressure from a bullish crude oil stocks report, which showed weekly crude oil inventory decreasing 2.007 million bbls, compared to an expected decline of 1 million bbls; distillates showed an increase of 2.457 million bbls increase, compared to an expected build of 950,000 bbls; and gasoline stocks built 537,000 bbls, compared to an expected draw of 400,000 bbls.
- **U.S. weather / crop watch** – Rains moved out of the ECB on Monday, after bringing moisture to a wide stretch from Iowa to Ohio over the weekend. Mostly drier and milder weather was forecast for much of this week, but by Tuesday this forecast was showing warmer than normal temps in the northern and eastern Corn Belt. The official 6-10 day outlook looks dry.
- **International weather / crop watch** –
  - **Canada – Prairies remained unfavorably wet.**
  - **Europe** – Northern areas continued to see dry conditions, reducing soil moisture needed for reproductive to filling small grains. Meanwhile locally heavy showers were prevalent across southeastern Europe, boosting soil moisture but interrupting field work and causing localized flooding.

- **Former Soviet Union** – Sunny hot weather intensifies the drought from eastern Ukraine into Central Kazakhstan and Urals District of Russia, increasing grain crop stress. Locally heavy showers, however, provided some relief to grain crops in far eastern Kazakhstan and Siberia.
- **Middle East** – Showers continued to hamper harvest activity in Turkey.
- **China** – Northeastern corn region remained mostly hot and dry, reducing soil moisture. North China Plains saw dry weather allowing for winter wheat harvest to advance.
- **Argentina / Brazil** – Argentine received light rains over the weekend, but mostly dry weather has allowed for final wheat planting. Some western areas will be in need of more rain to help establish a good crop. Meanwhile southern Brazil's wheat region received beneficial moisture.
- **Australia** – Most of the grain belt has received beneficial moisture.

**USDA Crop Progress / Condition Report, June 28, 2010**

<b>Crop</b>	<b>Stage</b>	<b>Previous Week</b>	<b>Previous Year</b>	<b>5-Year Average</b>	<b>Condition rating % good/excellent</b>	<b>Previous Week</b>	<b>Previous Year</b>
US barley	headed 17%	5%	11%	30%	85%	86%	82%
<b>ID barley</b>	<b>headed 19%</b>	<b>4%</b>	<b>20%</b>	<b>27%</b>	<b>96%</b>	<b>90%</b>	
US spring wheat	headed 29%	14%	15%	34%	84%	84%	76%
<b>ID spring Wheat</b>	<b>headed 12%</b>	<b>2%</b>	<b>22%</b>	<b>28%</b>	<b>93%</b>	<b>92%</b>	
US winter wheat	headed 96% harvested 38%	91%	98%	98%	64%	65%	45%
<b>ID winter wheat</b>	<b>headed 70%</b>	<b>29%</b>	<b>77%</b>	<b>84%</b>	<b>90%</b>	<b>86%</b>	
US Corn	silking 7%	NA	4%	5%	73%	75%	72%