

Idaho Grain Market Report, April 10, 2014

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, April 9, 2014. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley (Cwt.)</u> <u>FEED</u>	<u>MALTING</u>	<u>Wheat (bu.)</u>		
	#2 Feed, 48 lbs or better	Open market malting	#1 SWW	#1 HRW 11.5% protein	#1 DNS 14% protein
Ashton	NQ	(2-R) \$10.00 (6-R) \$10.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	\$8.25	(2-R) \$11.98-\$12.00 (6-R) \$11.98	\$6.25	\$6.75	\$7.12
Blackfoot / Pocatello	NQ	(2-R) \$10.00 (6-R) \$10.00	\$6.30	\$7.60	\$7.63
Grace / Soda Springs	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Burley / Rupert Hazelton	\$7.50-\$8.00	(2-R) \$11.98 (6-R) \$11.98	\$6.05-\$6.10	\$6.83	\$6.77
Twin Falls / Eden / Buhl	\$10.00	(2-R) NQ (6-R) NQ	\$6.00	NQ	NQ
Weiser	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Nez Perce / Craigmont	\$7.00	(2-R) \$7.00 (6-R) \$7.00	\$6.46	\$7.39	\$7.50
Lewiston	\$7.80	(2-R) \$7.80 (6-R) \$7.80	\$6.77	\$7.70	\$7.81
Moscow / Genesee	\$6.60-\$6.95	(2-R) \$6.95 (6-R) \$6.95	\$6.22-\$6.54	\$7.25-\$7.47	\$7.32-\$7.58

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. -- unit trains barge	Single rail cars- domestic	Malting	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein
Portland	NQ	NQ	NQ	Apr \$7.39-\$7.64 Aug NC \$7.27-\$7.39	Apr \$8.53 ¼-\$8.63 ¼ Aug NC \$8.03 ¾ - \$8.28 ¾	Apr \$8.62 ¾-\$8.82 ¾ Aug NC \$8.05¾-\$8.25¾
Los Angeles	\$12.90	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$12.90	NQ	NQ	NQ	NQ	NQ
Ogden	\$8.90	NQ	NQ	\$6.30	\$6.81	\$7.32
Great Falls	\$6.25-\$6.50	NQ	\$9.50	NQ	\$6.36-\$6.73	\$6.57-\$6.71
Minneapolis	\$8.23	NQ	\$12.50	NQ	\$7.78 ¼ (12%)	\$8.42 ¾-\$8.62 ¾

Market trends this week

BARLEY – Local barley prices were steady again this week with southern Idaho locations reporting no change and northern Idaho reporting no change to 25 cents higher. USDA reported that barley export sales totaled 1 TMT for South Korea, however there were no export shipments reported last week.

USDA's BARLEY S&D Projections for MY 2013/14 – April 9 – USDA lowered U.S. barley import estimate this month by 5 million bu to 15 million bu, due to the slow shipping pace so far this year and raised U.S. barley exports by 2 million bu to 12 million bu. This resulted in a 7 million bu cut in barley ending stocks to 83 million bu. The average farm gate price projection for U.S. barley was tightened to \$6.00-\$6.20. **World barley production was cut by 0.4 MMT this month to 145.2 MMT, up 12% from last year, while world ending stocks were increased by 0.5 MMT this month to 23.6 MMT,**

up 15% from last year.

WHEAT – Local wheat prices were mostly lower this week: SWW ranged from 35 cents higher to 20 cents lower; HRW ranged from 6 to 24 cents lower; and DNS ranged from 12 to 30 cents lower. USDA reported wheat export sales last week were on the low end of trade expectations at 390.9 TMT (41.8 TMT for MY 2013/14 and 349.1 TMT for MY 2014/15), down 88% from the previous week and 90% from the prior 4 week average. Wheat export shipments last week came in at 553.6 TMT, up 6% from the previous week and 14% from the prior 4 week average.

USDA's WHEAT S&D Projections for MY 2013/14 – April 9 - USDA cut wheat imports by 5 million bu to 165 million bu, cut domestic feed usage by 30 million bu to 220 million bu, resulting in a 25 million bu increase in wheat ending stocks to 583 million bu. The average farm gate price for U.S. wheat was left unchanged at \$6.75-\$6.95/bu. **World wheat production was cut by .2 MMT to 712.5 MMT (up 9% from last year), while world ending stocks were increased by 2.9 MMT to 186.68 MMT, up 6% from last year.**

CORN – Corn export sales were within trade expectations last week at 716.7 TMT (658.7 TMT for MY 2013/14 and 58 TMT for MY 2014/15) which was down 31% from the previous week and 30% from the prior 4 week average. Corn export shipments totaled 1.2 MMT last week, down 15% from the previous week however it was up 10% from the prior 4 week average.

USDA's CORN S&D Projections for MY 2013/14 – April 9 – USDA made no changes to the domestic corn balance sheet. The average farm gate price for U.S. corn was increased to \$4.40-\$4.80/bu. **World corn production was raised by 6 MMT this month to 973.9 MMT, up 12% from last year. World corn ending stocks were cut slightly to 158 MMT, up 18% from last year.**

Ethanol corn usage – DOE's Energy Information Agency reported a decline in weekly U.S. ethanol production – down 26,000 bbls to 896,000 bbls per day – but still 5% above last year. Weekly corn usage was 94 mbu, still lagging the weekly pace of 98 million bu needed to meet the USDA projection of 5.0 billion bu for the marketing year.

Corn Competitor/Buyer News – USDA increased their corn production estimate for Brazil this month by 2 MMT to 72 MMT and for South Africa by 1 MMT to 14 MMT.

Futures Market trends this week

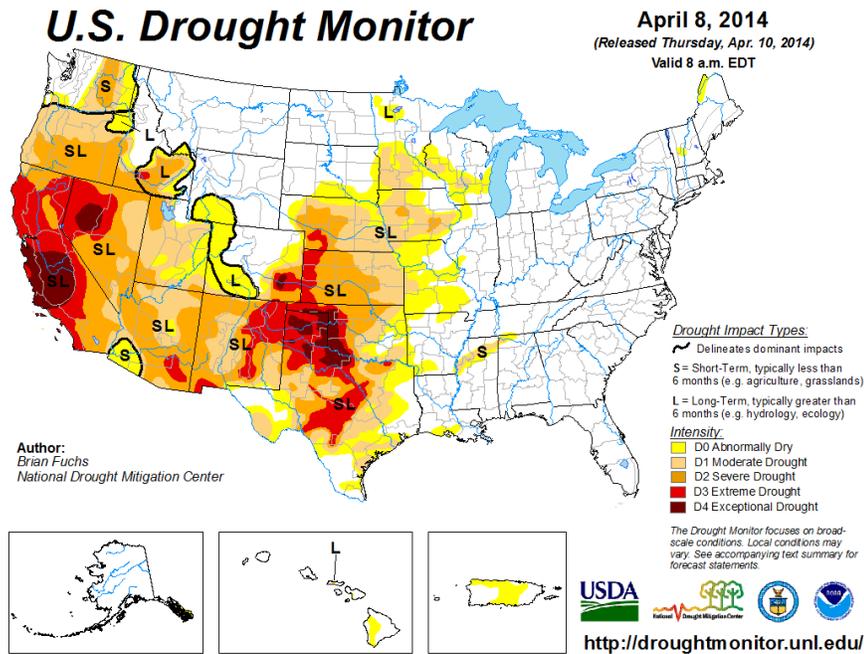
WHEAT – Wheat was the price leader to the upside on Monday, on concerns that weekend rains missed much of the key winter wheat growing areas in the Western Plains as well as renewed tensions in the Black Sea region. Wheat prices continued to grind modestly higher on Tuesday in positioning ahead of Wednesday's S&D report and support from an oversold technical condition. Wheat reversed lower on Wednesday, closing down double digits on pressure from a bigger than expected global wheat stocks estimate from USDA. Wheat finished lower again today (Thursday) on pressure from sluggish old crop export sales and ideas that crop conditions are improving. **Wheat market closes on Thursday, 4/10/14 ...**

	May 2014	Weekly Summary	July 2014	Weekly Summary	Dec. 2014	Weekly Summary
Chicago SRW	\$6.62 ¼	Down \$0.07 ½	\$6.70	Down \$0.06 ½	\$6.93 ¾	Down \$0.05 ½
KC HRW	\$7.22 ½	Down \$0.11 ¼	\$7.29	Down \$0.09 ½	\$7.48 ¾	Down \$0.06 ¼
MGE DNS	\$7.01	Down \$0.20 ½	\$7.07 ¾	Down \$0.13 ¾	\$7.26	Down \$0.10 ¼

CORN – Corn posted modest losses to start the week, but closed well above mid-session lows, under pressure from updated weather forecasts calling for warmer and drier this week which should improve planting prospects, although extended forecasts show potential for more precipitation and cooler temperatures. Corn rebounded on Tuesday on active fund buying sparked by the slow 2014 planting pace and ideas that USDA would lower ending stocks in their monthly S&D report. Corn posted a bearish reversal lower on Wednesday, despite a bullish ending stocks estimate from USDA. Pressure came from an overbought technical condition and seasonal futures trading trend for corn to carve out a top in early April. Corn finished fractionally lower today (Thursday) on mostly spillover pressure from lower wheat and beans and weak outside markets. **Corn futures contract closes on Thursday, 4/10/2014... May 2014 contract at \$5.01¼, down \$0.00 ½ for the week, July 2014 contract closed at \$5.07¼, down \$0.00 ¼ and the Dec. 2014 contract closed at \$5.05, down \$0.01 ¾ for the week.**

US WEATHER / CROP OUTLOOK – West – Warmer and drier conditions prevailed this week, after last week's beneficial moisture, allowing spring planting to rapidly advance. **Plains** – Weekend showers missed key parts of the Western

Plains, leaving drought conditions firmly entrenched in this region which is reflected in the weekly Drought Monitor Map. Winter wheat crop conditions continued to deteriorate in the past week, with the national crop rated at 35% good/excellent, compared to 36% a year ago. Kansas wheat crop is now rated at only 29% good/excellent, Oklahoma at only 15% g/e and Texas at only 13% g/e. Extended forecast shows mostly dry condition. **Midwest Corn Belt** - Warmer and drier conditions prevailed this week, with the exception of the Eastern Corn Belt which continued to receive heavy precip which is delaying planting. A thin band of showers was moving through the central belt late this week and another system is expected to follow by the weekend into early next week bringing heavy precipitation. The Western Corn Belt is showing signs of moderate drought, as shown in the Drought Monitor map below, covering parts of NE, IA, MO and MN. The 6-10 day and 8-14 day outlook calls for temperatures to remain cooler than normal and more precipitation, particularly in ECB.



INTERNATIONAL WEATHER / CROP OUTLOOK -

Canada – Unseasonably cold weather in March has delayed spring snow melt across much of the grain belt, delaying the start to spring planting in many areas. Winter moisture also was disappointing, with Alberta and Saskatchewan receiving only 30 to 60% of normal snowpack.

Black Sea Region – Dryness continued to persist across much of Ukraine, but moisture chances improve into next week. Southern Russia and the Volga region received beneficial moisture this week.

China – Central winter wheat belt continued to receive beneficial moisture this week.

Australia – South Australia regions received beneficial moisture this week, ahead of winter planting, but Western Australia remained mostly dry.

CRUDE OIL – Crude oil prices rallied to a one month high this week on support from a lower U.S. dollar and sharply lower gasoline inventories (4 month low). DOE's weekly inventory report showed crude oil stocks were about 5 times higher than projected - up 4.03 million bbls compared to an expected build of 1.4 million bbls. Distillates increased by 200,000 bbls, compared to no change; and gasoline stocks fell to a 4 month low – down 5.188 million bbls, compared to an expected decline of 1.0 million bbls. **Crude oil futures finished \$0.20 lower to close at \$103.40 on Thursday**