

Idaho Grain Market Report, May 1, 2014

Published by the Idaho Barley Commission, kolson@idahobarley.org, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, April 30, 2014. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley (Cwt.)</u>	<u>MALTING</u>	<u>Wheat (bu.)</u>		
	<u>FEED</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	\$8.50	(2-R) NQ (6-R) NQ	\$6.06	\$7.29	\$7.22
Idaho Falls	\$8.75	(2-R) \$11.46-\$11.75 (6-R) \$11.46	\$6.70	\$7.27	\$7.34
Blackfoot / Pocatello	NQ	(2-R) \$10.00 (6-R) \$10.00	\$6.50	\$7.44	\$7.40
Grace / Soda Springs	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Burley / Rupert Hazelton	\$7.50-\$8.50	(2-R) \$11.46 (6-R) \$11.46	\$6.30-\$6.31	\$7.32	\$7.18
Twin Falls / Eden / Buhl	\$9.00	(2-R) NQ (6-R) NQ	\$5.93	NQ	NQ
Weiser	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Nez Perce / Craigmont	\$7.75	(2-R) \$7.75 (6-R) \$7.75	\$7.01	\$8.05	\$7.87
Lewiston	\$8.55	(2-R) \$8.55 (6-R) \$8.55	\$7.32	\$8.36	\$8.18
Moscow / Genesee	\$7.35-\$7.70	(2-R) \$7.70 (6-R) \$7.70	\$6.69-\$7.09	\$7.77-\$8.13	\$7.60-\$7.95

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	May \$7.70-\$8.06 ½ Aug NC \$7.50-\$7.79 ¾	May \$9.12 ½-\$9.27 ½ Aug NC \$8.74 ½-\$8.89 ½	May \$9.03 ¾-\$9.08 ¾ Aug NC \$8.71¼-\$8.91¼
Los Angeles	\$13.25	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$13.25	NQ	NQ	NQ	NQ	NQ
Ogden	\$9.10	NQ	NQ	\$6.65	\$7.43	\$7.33
Great Falls	\$6.25-\$6.50	NQ	\$9.50	NQ	\$7.25-\$7.46	\$7.30-\$7.49
Minneapolis	\$8.23	NQ	\$13.02	NQ	\$8.52 ½ (12%)	\$8.78 ¾-\$9.02 ¾

Market trends this week

BARLEY – Local barley prices were mostly higher this week with southern Idaho locations reporting 25 cents lower to 50 cents higher and northern Idaho reporting 25 cents higher. USDA reported that there were no barley export sales or export shipments last week.

WHEAT – Local wheat prices were also mostly higher this week: SWW ranged from 3 cents lower to 69 cents higher; HRW ranged from 25 to 74 cents higher; and DNS ranged from 25 to 49 cents lower. USDA reported wheat export sales last week were within trade expectations at 434.5 TMT (214.9 TMT for MY 2013/14 and 219.6 TMT for MY 2014/15), down 37% from the previous week and 25% from the prior 4 week average. Wheat export shipments last week were at 678.6 TMT, up 31% from the previous week and 27% from the prior 4 week average.

Wheat Competitor/Buyer News – The EU approved export licences for 448 TMT of wheat this week, bringing their cumulative wheat export sales to 25.1 MMT. The Argentine government approved another 500 TMT of wheat for export in the current marketing year, bringing their wheat export program to 1.5 MMT.

CORN – Corn export sales last week totaled 951.7 TMT which was better than the trade expected for old crop sales (937.9 TMT for MY 2013/14 and 13.8 TMT for MY 2014/15), up 52% from the previous week and 35% from the prior 4 week average. Corn export shipments last week totaled 1.2 MMT, down 25% from the previous week and 8% from the prior 4 week average.

Ethanol corn usage – DOE’s Energy Information Agency reported a second consecutive downtick in weekly ethanol production although margins remain strong. Production declined 13,000 bbls to 898,000 bbls per day – down 1.3% from the previous week but up nearly 5% from last year. Weekly corn usage was estimated at 94.3 mbu, with a cumulative use of 3.19 billion bu. The weekly pace of 98.8 million bu is needed to meet the USDA projection of 5.0 billion bu for the marketing year.

Corn Competitor/Buyer News – China announced they have rejected a total of 1.124 MMT of U.S. corn containing MIR 162 GMO trait. Syngenta reports that approval of MIR162 trait is not expected until this summer at the earliest. Meanwhile, USDA analysts project China will become the world’s largest corn importer by the year 2021, due to rising domestic demand.

Futures Market trends this week

WHEAT – Wheat futures traded both sides on Monday, but finished mostly higher with KC leading the gains on mounting concerns about the HRW wheat crop which has suffered in recent weeks from drought, high winds and freeze damage. USDA confirmed deteriorating conditions in their weekly crop condition report, showing winter wheat conditions declined to only 33% good/excellent and 34% poor/very poor. Tuesday saw further gains on continued dryness in the drought-stricken Central and Southern Plains growing region and talk from the winter wheat crop tour that yields will likely be at least 17% below the previous year due to difficult growing conditions. Wheat prices continued to push higher on Wednesday with KC reaching the highest prices in more than a year as winter wheat crop scouts confirmed poor wheat stands in Western and Southern Kansas and Oklahoma. Wheat finished sharply lower today (Thursday) under mostly spillover pressure. **Wheat market closes on Thursday, 5/01/14 ...**

	May 2014	Weekly Summary	July 2014	Weekly Summary	Dec. 2014	Weekly Summary
Chicago SRW	\$6.98 ³ / ₄	Down \$0.01 ¹ / ₂	\$7.07 ¹ / ₄	Down \$0.01	\$7.16	Down \$0.14 ¹ / ₂
KC HRW	\$8.06 ¹ / ₄	Up \$0.30 ¹ / ₂	\$8.04	Up \$0.24 ¹ / ₂	\$8.15 ¹ / ₄	Up \$0.19 ¹ / ₂
MGE DNS	\$7.48 ³ / ₄	Up \$0.01 ¹ / ₂	\$7.61 ¹ / ₄	Up \$0.11 ³ / ₄	\$7.82	Up \$0.15 ¹ / ₂

CORN – Corn began the week with modest gains in choppy two-sided trading, with support from planting delays from cool wet weather expected for much of the week.. Fund buying pushed corn prices solidly higher on Tuesday - reaching a three week high - on slow planting progress which USDA pegged at 19% complete compared to 28% on average. Fund selling and weakness in energy pushed corn prices lower on Wednesday in modest profit-taking and month end positioning. Corn finished lower again today (Thursday), in continued long liquidation sparked by updated 5-7 day weather maps showing warmer and drier conditions in several key growing areas which should accelerate planting progress this weekend. **Corn futures contract closes on Thursday, 5/01/2014... May 2014 contract at \$5.03 ¹/₄, down \$0.03 ³/₄ for the week, July 2014 contract closed at \$5.07, down \$0.05 ³/₄ and the Dec. 2014 contract closed at \$4.99 ¹/₂, down \$0.06 ³/₄ for the week.**

US WEATHER / CROP OUTLOOK – West – A sharp warm-up this week stretching from the coast into the interior Northwest accelerated spring planting progress. A new storm system is expected to form off the west coast this weekend bringing cooler and wetter conditions next week. **Plains** – Despite severe storms moving through the region last weekend into early this week, the drynest areas of the HRW belt saw little moisture relief. There is a freeze warning in effect for parts of KS, OK and TX on Thursday night which could affect wheat that has headed (KS 4%, OK 45% and TX 50%). Heat is expected to expand over the Central and Southern Plains next week. **Midwest Corn Belt** –A slow moving storm interrupted planting progress across much of the Corn Belt this week, but conditions are expect to be warmer and drier into the weekend, expect for the Upper 1/3 and easternmost belts. The 6-10 day forecast calls for normal to above normal precipitation for much of the Midwest.

USDA Crop Progress / Condition Report, April 28, 2014

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	33% planted	25%	29%	33%			
ID barley	81% planted	72%	66%	55%			
US spring wheat	18% planted	10%	11%	30%			
ID spring wheat	93% planted	79%	69%	62%			
US winter wheat	18% headed	9%	13%	26%	33% g/ex 34% p/vp	34% g/ex 33% p/vp	33% g/ex 35% p/vp
ID winter wheat	5% headed	2%	--	--	88%	87%	
Corn	19% planted	6%	5%	28%			

INTERNATIONAL WEATHER/CROP OUTLOOK –

- **Europe** – Widespread rains across the Central and Eastern regions improved top soil moisture and crop conditions, particularly in Germany. Showers delayed spring planting in some areas of France and Great Britain.
- **Black Sea** – Recent rains improved crop growing conditions in Ukraine and Southern Russia received beneficial moisture this week.
- **Northern Africa** – Good to excellent yield prospects in Algeria and Tunisia, while winter crop prospects remain poor in southern Morocco.
- **Middle East** – Dry weather returned to Turkey and some winter wheat crops are in poor condition. Meanwhile, scattered showers maintained favorable growing conditions in Iraq and Iran.
- **China** – Winter wheat areas remained mostly dry this week during grain fill period.
- **Argentina** – Dryness aided corn harvesting.
- **Australia** – Soaking rains finally arrived in Western Australia ahead of winter grain planting. Southern Australia received beneficial moisture this week ahead of planting.

CRUDE OIL – Crude oil prices chopped sharply lower lower this week as crude inventories continued to climb, now reaching the highest levels since 1931. DOE's weekly inventory report showed crude oil stocks increased by another 1.7 million bbls last week, compared to an expected increase of 2.2 million bbls. Distillates increased by 1.94 million bbls, compared to an expected increase of 500,000 bbls; while gasoline stocks increased by 1.56 million bbls, compared to an expected decrease of 900,000 million bbls. **Crude oil futures finished \$0.32 lower to close at \$99.42 on Thursday.**