

## Idaho Grain Market Report, October 30, 2014

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

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 29, 2014. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley (Cwt.)</u> <b>FEED</b> <u>48 lbs or better</u>	<u>MALTING</u>  <u>Open market malting</u>	<u>Wheat (bu.)</u> <b>Milling</b> <u>#1 SWW</u>	<u>#1 HRW</u> 11.5% pro	<u>#1 DNS</u> 14% pro	<u>#1 HWW</u>
Ashton	NQ	\$10.00	NQ	NQ	NQ	\$6.40
Rexburg/ Ririe/ Roberts	\$4.65 - \$5.00	NQ	\$6.01 - \$6.20	\$5.81	\$7.02	\$6.15
Idaho Falls	\$5.00	\$12.50	<u>Feed wheat</u> \$3.25 - \$3.50 \$6.25	\$7.03	\$6.88	\$7.05
Blackfoot / Pocatello	NQ	\$10.00	<u>Feed wheat</u> \$3.50 \$6.25	\$7.03	\$6.88	\$7.05
Grace / Soda Springs	\$5.10	NQ	\$6.17	\$6.00	\$6.92	\$6.00
Burley / Rupert	\$5.20 – 5.50	\$12.50	\$6.15-6.17	\$5.87	\$6.57	
Hazelton						
Twin Falls / Eden / Buhl	\$5.30 - 5.75		<u>Feed wheat</u> \$3.00–3.50	NQ	NQ	
Weiser	\$6.00	NQ	\$6.24	NQ	NQ	
Nez Perce / Craigmont	\$6.05		\$6.17	\$6.84	\$8.48	
Lewiston	\$6.55		\$6.42	\$7.09	\$8.73	
Moscow / Genesee	\$6.05 - 6.10		\$6.19–6.35	\$6.86-7.00	\$8.50–8.64	

### Prices at Selected Terminal Markets, cash prices FOB

	<u>#2 Feed</u> 46 lbs. -- unit trains barge	<u>Malting</u>	<u>#1 SWW</u>	<u>#1 HRW</u> 11.5% Protein	<u>#1 DNS</u> 14% Protein	<u>#1 HWW</u>
Portland			\$6.81- 7.28½	\$7.51½ -7.66½	\$9.22½ – 9.32½	
Los Angeles	\$8.35–8.65			\$8.86 (13%)		
Tulare	\$8.35-8.65					
Ogden	\$5.35		\$6.50	\$6.40	\$7.50	
Great Falls	\$4.20-4.50	\$12.00		\$5.67 – 5.76 (12%)	\$6.38 – 6.82	
Minneapolis	\$5.10	\$15.31		\$6.66½	\$8.37½ – 8.47½	

### Market trends this week

**BARLEY** – Local feed barley prices were steady to 30 cents higher while open market malting barley prices remained stable this week. USDA reported a net reduction of 100 MT in barley export sales last week (reduction of 200 MT to Philippines partially offset by 100 MT sold to Taiwan) and no barley export shipments last week.

**WHEAT** – Local wheat prices were stronger this week: SWW prices ranged from 8 to 50 cents higher; HRW prices ranged from 2 to 46 cents higher; and DNS prices ranged from 15 to 62 cents higher. USDA reported last week's wheat export sales were within trade expectations at 444.9 TMT, up 49% from the previous week but down 5% from the prior 4-week average. Wheat export shipments were very disappointing at 272.4 TMT, down 37% from the previous week and down 49% from the previous 4-week average.

**CORN** – USDA reported corn export sales were well below trade expectations at 489.8 TMT, down 53% from last week and down 55% from the previous 4-week average. Corn export shipments last week were better at 829.5 TMT, but still short of the weekly pace needed to reach USDA's estimate for the marketing year.

**Ethanol corn usage** – DOE's Energy Information Agency reported strong gains in weekly ethanol production last week – up 41,000 bpd to 937,000 bbls per day, up 4.58% from a week ago and up 2.85% from a year ago. Corn use totaled 98.39, bringing cumulative use to 733.13 million bu for the marketing year.

**Futures Market trends this week**

**WHEAT** – Wheat prices were pulled higher this week by a strong soybean meal market that is fueling aggressive fund short covering. Although wheat's strength is mostly spillover support, it is starting to show signs of independent strength in the face of ample world stocks. Supportive features include tightening milling quality stocks and concerns about the Australian crop and the Russian winter wheat crop which is headed into premature dormancy in less than ideal condition. Wheat finished modestly lower today (Thursday), pressured by profit-taking sparked by sharply lower soybeans and a higher dollar. **Wheat market closes on Thursday, 10/30/14...**

	<b>Dec. 2014</b>	<b>Weekly Summary</b>	<b>Mar. 2015</b>	<b>Weekly Summary</b>	<b>May 2015</b>	<b>Weekly Summary</b>
Chicago SRW	\$5.36	Up \$0.18 <sup>¼</sup>	\$5.49	Up \$0.18	\$5.57	Up \$0.18 <sup>¼</sup>
KC HRW	\$6.02	Up \$0.08 <sup>¼</sup>	\$6.07 <sup>¼</sup>	Up \$0.11	\$6.09 <sup>¼</sup>	Up \$0.13
MGE DNS	\$5.77 <sup>¾</sup>	Up \$0.10 <sup>¾</sup>	\$5.88 <sup>¾</sup>	Up \$0.10 <sup>¾</sup>	\$5.97 <sup>½</sup>	Up \$0.13 <sup>¾</sup>

**CORN** – Corn posted impressive gains this week closing to the highest prices since August on spillover support from the surge in soybean prices, improved ethanol demand and slow farmer selling. News that European feed wheat is being imported into the Southeastern US livestock feeding market limited the upside. Corn prices settled slightly lower today (Thursday) under the weight of rapid harvest progress and lower soybeans. **Corn futures contract closes on Thursday, 10/30/14...** Dec. 2014 contract at \$3.74, up \$0.21 for the week, Mar. 2015 contract closed at \$3.87, up \$0.21<sup>¼</sup> and the May 2015 contract closed at \$3.95<sup>¾</sup>, up \$0.20<sup>½</sup> for the week.

**CRUDE OIL** – Crude oil futures remained trapped in a narrow trading channel this week, influenced by the dollar and mixed global economic indicators. DOE reported that crude oil inventories increased but at a slower pace than recent weeks – up 2.061 million bu, compared to an expected increase of 3.65 million bbls. Distillates fell by 5.294 million bbls, compared to an expected decline of 1.4 million bbls, while gasoline stocks fell by 1.236 million bbls, compared to an expected decrease of 900,000 bbls. **Crude oil futures finished \$1.08 lower on Thursday to close at \$81.12/bbl, under pressure from a higher dollar which closed at a three-week high. Crude oil futures closed up \$0.11/bbl for the week.**

**US WEATHER / CROP OUTLOOK –**

**West** – Mostly mild/dry weather across the region, with some scattered showers across the north. The **6-10 day outlook** calls for warmer and wetter than normal conditions. **Plains** – Colder temperatures across the Northern Plains but warm and dry elsewhere. Soil moisture shortages continued to hamper winter wheat establishment across parts of the southern belt. Showers are in the forecast next week for the Southern Plains. **Corn Belt** – Mild dry conditions were prevalent this week, allowing harvest to rapidly advance. Widely scattered showers were confined to the Western Corn Belt. **The 6-10 day outlook calls for warmer conditions across the entire country and wetter than normal across the Northwest and a wide band stretching from Texas up to Wisconsin. Drier than normal conditions across the Northern and Central Plains.**

**USDA Crop Progress / Condition Report, October 27, 2014**

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	84% planted 67% emerged	76% 56%	85% 63%	84% 62%	59%	NA	61%
ID winter wheat	<b>97% planted</b> <b>67% emerged</b>	<b>92%</b> <b>55%</b>	<b>97%</b> <b>64%</b>	<b>96%</b> <b>66%</b>	<b>90%</b>	<b>NA</b>	<b>97%</b>
Corn	46% harvested	31%	56%	65%	74%	74%	62%

**INTERNATIONAL WEATHER / CROP OUTLOOK –**

- **Australia** – Dryness concerns linger, prompting private analysts to lower their wheat crop production estimate to 22-23 MMT, compared to USDA's estimate of 25 MMT.
- **Brazil** – Rainy season has finally arrived, improving soybean planting, which has been delayed and may, in turn, affect second crop corn later in the season.
- **Argentina** – Cold weather scare in the immediate forecast.

## **WEBINAR on Understanding the Idaho Harvest 2014 Weather Events and Winter 2015 Weather Outlook**

Presented by the Idaho Barley Commission and National Weather Service

WHEN: **NOVEMBER 19 at 10 am MST**

LOG IN: <http://connect.cals.uidaho.edu/barley/>

### **2014 FARM BILL SAFETY NET CHOICES**

#### **Sign-Up Deadlines:**

- Update Payment Yields and Base Acres **deadline is February 27, 2015.**
- ARC/PLC program election decisions begin Nov. 17, 2014 and the **deadline is March 31, 2015.**

**UI Website** - The University of Idaho CALS Department of Agricultural Economics & Rural Sociology has launched a new website to provide information on new programs available under the 2014 Farm Bill. **Here is a link to this informative website...**

<http://web.cals.uidaho.edu/idahoagbiz/2014-farm-bill-resources-for-crop-producers/>

### **FARM BILL / CROP INSURANCE WORKSHOPS**

*Sponsored by the University of Idaho Extension, USDA Farm Service Agency, USDA Risk Management Agency, Idaho Barley Commission, University of Idaho Southern Idaho Cereals Extension Team, Northwest Farm Credit, Anheuser Busch, MillerCoors, Great Western Malting Co., Grain Craft, Thresher Artisan Wheat, Lansing Trade Group, Mountain States Insurance and Hub International Insurance Brokers*

#### **AGENDA:**

- **Lessons learned from 2014 sprout damage & why it matters to maltsters and millers –** *maltster invited and Reuben McLean, Grain Craft (southern and eastern Idaho locations only)*
- **Crop Insurance – review of barley and wheat policy coverage and potential changes in 2016 -** *Ben Thiel, RMA Spokane Regional Office Director*
- **Farm Bill – overview of key provisions & on-line decision tools to compare PLC and ARC –** *Ben Eborn, University of Idaho Extension and Jeremy Nalder, FSA State Office [North Idaho workshops – Ken Hart, University of Idaho Extension]*
- **Supplemental Coverage Option (SCO) - how it works for wheat and barley –** *Ben Thiel, RMA Spokane Regional Office Director*

#### **SOUTHERN IDAHO SCHEDULE: 8:30 a.m. to 4:00 p.m., with lunch**

Dec. 1 – St. Anthony – Fremont County Extension Office

Dec. 2 – Idaho Falls – Shilo Inn

Dec. 3 – Pocatello – Red Lion Hotel

Dec. 4 – Burley – Burley Inn

Dec. 5 – Twin Falls – Red Lion Canyon Springs Hotel

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#### **NORTHERN IDAHO SCHEDULE: 8:30 a.m. to Noon, with breakfast**

Jan. 12 – Craigmont – Community Center

Jan. 13 – Lewiston – Lewis Clark State College – Williams Conference Center (west-central part of campus with easy parking access)

Jan. 14 – Plummer – Benewah Medical Center

Jan. 15 – Bonners Ferry – Boundary County Extension Office