

Idaho Grain Market Report, November 13, 2014

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 12, 2014. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley (Cwt.)</u> FEED <u>48 lbs or better</u>	<u>MALTING</u> <u>Open market malting</u>	<u>Wheat (bu.)</u> Milling <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	
Rexburg/ Ririe/ Roberts	\$4.60 - \$4.75	NQ	6.00 - \$6.04 Feed wheat \$3.40 - \$3.50	\$5.90	\$7.02	\$6.35 – 6.47
Idaho Falls	\$5.00	\$12.50	\$6.25 Feed wheat \$3.75	\$6.92	\$7.42	\$6.92
Blackfoot / Pocatello	NQ	\$10.00	\$6.25	\$6.92	\$7.42	\$6.92
Grace / Soda Springs	\$5.20	NQ	\$6.25	\$6.21	\$7.07	\$6.21
Burley / Rupert	\$5.20 – 5.50	\$12.50	\$615-6.23	\$5.81	\$6.67	
Hazelton						
Twin Falls / Eden / Buhl	\$5.30 - 5.75		Feed wheat \$3.00	NQ	NQ	
Weiser	\$5.50	NQ	\$6.23	NQ	NQ	
Nez Perce / Craigmont	\$6.05		\$6.15	\$6.62	\$8.59	
Lewiston	\$6.55		\$6.40	\$6.87	\$8.84	
Moscow / Genesee	\$6.05 - 6.10		\$6.17–6.34	\$6.64-6.83	\$8.60–8.61	

Prices at Selected Terminal Markets, cash prices FOB5.50

	<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			\$6.78 -7.32¾	\$7.39¼ -7.54¼	\$9.21¼ – 9.41¼	
Los Angeles	\$10.00– 10.30			\$8.49 (13%)		
Tulare	\$10.00-10.30					
Ogden	\$5.60		\$6.65	\$6.40	\$7.40	
Great Falls	\$4.75	\$12.00		\$5.75 – 5.85 (12%)	\$6.47 – 6.94	
Minneapolis	\$5.10	\$15.31		\$6.59¼	\$8.21¼ -8.61¼	

Market trends this week

BARLEY – Local feed and open market malting barley prices remained mostly steady this week. USDA will delay their weekly export sales report until Friday, due to Tuesday’s Veteran Day holiday.

USDA’s BARLEY S&D Projections for MY 2014/15 - Nov. 10, 2014 – Based on re-survey of several barley producing states which had delayed harvest this year, USDA lowered their 2014 barley production estimate by 3 million bu to 177 million bu, lowered feed usage by 5 million bu to 60 million bu and raised ending stocks by 2 million bu to 70 million bu. The average farm-gate price for U.S. barley was further tightened to a range of \$4.85-\$5.45/bu. World barley production was increased by .6 MMT this month to 139.8 MMT (down 4% from last year), based on bigger production in the EU. World barley ending stocks were increased by 1.2 MMT this month to 24.8 MMT, down slightly from last year.

WHEAT – Local wheat prices were higher this week: SWW prices ranged from 10 to 21 cents higher; HRW prices ranged from 9 to 27 cents higher; and DNS prices ranged from 22 to 35 cents lower. USDA reported last week’s wheat export inspections totaled 300.7 TMT, up 43% from the previous week. Wheat export sales will be reported on Friday.

USDA's WHEAT S&D Projections for MY 2014/15-- Nov. 10, 2014 – The U.S. wheat balance sheet was considered **bullish against trade expectations**...USDA cut wheat production by 9 million bu to 2.026 billion bu and cut ending stocks by an equal amount to **644 million bu, which was BELOW the average pre-report trade estimate of 660 million bu**. The average farm-gate price for U.S. wheat was further tightened to a range of \$5.65-\$6.15/bu. **World wheat production was cut by 1.3 MMT this month to 719.9 MMT**, up 1% from a year ago. World wheat ending stocks were increased by 0.3 MMT this month to 192.9 MMT, still up 4% from last year.

Wheat competitor / buyer news – Strategie Grains is projecting next year's MY 2015/16 EU wheat output could fall by 6 MMT to 149 MMT. They also reported that only 60% of the current year's record crop of 155 MMT is milling quality. The EU approved export licenses for 560 TMT of wheat this week, bringing cumulative wheat export sales to 10.9 MMT for the year, compared to 10 MMT for the same period a year ago. USDA lowered their Australian wheat production estimate this month by 1 MMT to 24 MMT, but market chatter suggests their wheat crop is mostly likely 1 to 3 MMT lower than the revised estimate. The Argentine government announced a preliminary wheat export license quota of 1.5 MMT, effective December 15. CONAB lowered its Brazilian wheat production estimate this month from 7.7 MMT to 7 MMT. USDA has pegged the Brazilian wheat crop at 6.3 MMT, raising the prospect of increased wheat imports.

CORN – U.S. corn export shipments last week totaled 517 TMT up 21% from the previous week. Export sales will be reported on Friday.

Ethanol corn usage – DOE's Energy Information Agency reported an improvement in weekly ethanol production last week – up 17,000 bpd to 946,000 bbls per day, up 1.83% from a week ago and up 2.05% from a year ago. Corn use totaled 99.33 million bu, bringing cumulative use to 930 million bu for the marketing year.

USDA's CORN S&D Projections for MY 2014/15 - Nov. 10, 2014 – The U.S. corn balance sheet was considered **bullish against trade expectations with surprisingly lower average yield and production estimates**. The average yield was cut from 174.2 bpa to 173.4 bpa. The average pre-report trade estimate was 175.2 bpa. Corn production was cut by 68 million bu to **14.407 billion bu, BELOW the average pre-report trade estimate of 14.551 billion bu**. Industrial, food and seed usage was increased by 5 million bu to 6.535 bbu (ethanol use up 25 million bu to 5.15 billion bu). **Ending stocks were cut by 73 million bu to 2.008 billion bu, BELOW the average pre-report trade estimate of 2.135 billion bu**. The corn farm-gate price estimate was further tightened to a range of \$3.20-3.80/bu. **World corn production** was cut by 0.3 MMT this month to 990.3 MMT, up slightly from last year, while world corn ending stocks were increased by 1 MMT this month to 191.5 MMT, which is up 11% from last year.

Corn competitor / buyer news – The Argentine government announced a preliminary corn export license quota of 8 MMT, effective March 15. The Rosario Grain Exchange is projecting the Argentine corn crop at 21.5 MMT, compared to USDA's peg of 23 MMT.

Futures Market trends this week

WHEAT – Wheat prices surged higher this week, boosted by a supportive monthly supply and demand report from USDA which showed an unexpected decline in ending stocks and renewed Russian – Ukrainian tensions. Wheat prices settled higher today (Thursday), buoyed by a lower dollar and frigid temperatures which dipped southward into the Central Plains, raising the prospect of winterkill. **Wheat market closes on Thursday, 11/13/14...**

	Dec. 2014	Weekly Summary	Mar. 2015	Weekly Summary	May 2015	Weekly Summary
Chicago SRW	\$5.53¾	Up \$0.29½	\$5.56	Up \$0.29¾	\$5.62½	Up \$0.28½
KC HRW	\$6.05 ¼	Up \$0.36	\$6.06	Up \$0.32	\$6.09¾	Up \$0.31½
MGE DNS	\$5.84¼	Up \$0.38	\$5.92¾	Up \$0.32½	\$6.01	Up \$0.30¾

CORN – Corn prices moved higher this week, with support from fresh fund buying sparked by a friendly S&D report which showed lower yields and production as well as ideas that the cold weather will boost livestock feeding. Corn prices finished higher today (Thursday) on spillover support and FSA acreage data which showed an increase in prevented planted area which reinforces the chances that USDA will lower corn harvested acres in their January final production report. **Corn futures contract closes on Thursday, 11/13/14... Dec. 2014 contract at \$3.86¾, up \$0.18¾ for the week, Mar. 2015 contract closed at \$3.98¾, up \$0.18½ and the May 2015 contract closed at \$4.07¾, up \$0.19¾ for the week.**

CRUDE OIL – Crude oil futures continued to chop lower this week under pressure from a strong dollar and Chinese and European economic uncertainties. DOE reported that crude oil inventories fell by 1.735 million bbls, compared to an expected increase of 1.1 million bbls. Distillates fell by 2.8 million bbls, compared to an expected draw of 1.5 million bbls. Gasoline stocks increased by 1.805 million bbls, compared to an expected increase of 350,000 bbls. **Crude oil futures**

finished \$2.97 lower on Thursday to close at \$74.21/bbl and down \$4.44/bbl for the week.

US WEATHER / CROP OUTLOOK –

West –Cold wintry weather blanketed the Northwest and Intermountain regions mid week, with more precipitation expected this weekend and linger into next week. **Plains** – Frigid temperatures dipped into the Central Plains mid week burning back winter wheat crops without protective snow cover. **Corn Belt** – Cold and mostly dry conditions allowed a final harvest push across much of the Midwest, except for portions of the Upper Midwest and Great Lakes which received heavy snowfall this week. Widespread precipitation is expected across the Midwest by the weekend.

USDA Crop Progress / Condition Report, November 10, 2014

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	93% planted 83% emerged	90% 77%	94% 83%	93% 79%	60%	59%	65%
ID winter wheat	100% planted 93% emerged	100% 85%	100% 85%	99% 88%	94%	94%	
Corn	80% harvested	65%	82%	80%			

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/>

FARM BILL / CROP INSURANCE WORKSHOPS - call the Idaho Barley Commission office 208-334-2090 or 208-409-9165 to pre-register by **Nov. 26.**

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

Dec. 2 – Idaho Falls – Shilo Inn

Dec. 3- Pocatello – Red Lion

Dec. 4 – Burley – Burley Inn

Dec. 5 – Twin Falls – Red Lion

UI EXTENSION IDAHO AG OUTLOOK SEMINARS – call Ben Eborn, Teton County Extension at 208-354-2961 to pre-register by **Dec. 9.**

Dec. 9 – Caldwell – Best Western Plus 8:30 am to 4:00 pm

Dec. 10 – Burley – Burley Inn

Dec. 11 – Idaho Falls – Shilo Inn

Idaho Grain Marketing / Hedging Workshops, featuring Brian Rydlund, CHS

Hedging, Minneapolis, MN - call the Idaho Barley Commission office 208-334-2090 or 208-409-9165 to pre-register by **Jan. 9.**

Jan. 14 – Idaho Falls Hilton Garden Inn

Jan. 15 – Burley – Burley Inn