

**Idaho Grain Market Report, January 29, 2015**

Published weekly 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, January 28, 2015. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley (Cwt.)</u>	<u>MALTING</u>	<u>Wheat (bu.)</u>			
	<b>FEED</b>		<b>Milling</b>			
	<u>48 lbs or better</u>	<u>Open market malting</u>	<u>#1 SWW</u>	<u>#1 HRW 11.5% pro</u>	<u>#1 DNS 14% pro</u>	<u>#1 HWW</u>
Rexburg/ Ririe/ Roberts	\$5.00	NQ	\$5.60	NQ	NQ	NQ
			<b>Feed wheat</b>			
			\$3.50			
Idaho Falls	\$5.25	\$12.50	\$5.59 -6.00	\$5.36 – 5.52	\$6.19 – 6.58	\$5.40
			<b>Feed wheat</b>			
			\$3.30			
Blackfoot / Pocatello	NQ	\$10.00	\$6.00	\$5.52	\$6.19	\$5.52
Grace / Soda Springs	\$5.05	NQ	\$5.80	\$5.13	\$5.51	\$5.13
			<b>Feed wheat</b>			
			\$4.00			
Burley / Rupert	\$5.20 – 5.75	\$12.50	\$5.70–5.90	\$4.71	\$5.98	\$5.31
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00– 6.25		\$5.76	NQ	NQ	
			<b>Feed wheat</b>			
			\$3.60			
Nampa – Weiser	\$5.95	NQ	\$6.34	NQ	NQ	
Nez Perce / Craigmont	\$6.80		\$5.60	\$5.61	\$7.54	
Lewiston	\$7.30		\$5.85	5.86	\$7.79	
Moscow / Genesee	\$6.80 – 7.10		\$5.60 -5.86	\$5.63-5.82	\$7.56-7.70	\$5.82

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

	<u>#2 Feed 46 lbs. -- unit trains barge</u>	<u>Malting</u>	<u>#1 SWW</u>	<u>#1 HRW 11.5% Protein</u>	<u>#1 DNS 14% Protein</u>	<u>#1 HWW</u>
Portland			Feb \$6.40 -6.75 ordinary pro \$7.05¼ - 7.45 max 10.5 pro	\$6.15¼ - \$6.48¼	\$8.15 – 8.25	
Los Angeles	\$8.80–9.00			\$7.86 (13%)		
Tulare	\$8.80– 9.00					
Ogden	\$5.40		\$6.05	\$5.56	\$6.00	\$5.56
Great Falls	\$4.75	\$12.00		\$4.98 –5.12 (12%)	\$5.77 – 6.29	
Minneapolis	\$5.73	\$14.06		\$5.65¼	\$6.85 - 7.00	

**Market trends this week**

**BARLEY** - Local feed barley prices were mostly steady this week. Open market malting barley prices remained stable this week. USDA reported no barley export sales last week but shipments totaled 100 MT to Taiwan.

**WHEAT** – Wheat prices were mostly lower this week: local SWW prices ranged from 1 to 38 cents lower; HRW prices ranged from 6 to 31 cents lower; and DNS prices ranged from 27 cents lower to 12 cents higher. USDA reported wheat export sales were better than expected at 565.4 TMT (544.4 TMT in MY 14/15 and 21 TMT in MY 15/16), up 21% from the previous week and up 74% from the 4-week average. Wheat export shipments showed modest improvement last week at 340.5 TMT, up 22% from the previous week and 23% from the 4-week average. Cumulative wheat export shipments have now reached 58.3% of the estimate for the marketing year compared to a 5-year average of 60.8%.

**Wheat competitor / buyer news** – The EU granted export licenses for 661 TMT of wheat this week, bringing cumulative wheat exports to 16.7 MMT compared to 17.3 MMT a year ago. Ukraine has reached agreement with its exporters to limit wheat exports to 1.2 MMT from now until June. Meanwhile, Russia will impose a 15% wheat export tariff starting February 1 which will likely stop exports from that country to most but not all origins. They are estimated to have already

exported 17 MMT, short of the 20 MMT projected for the year. Jordan bought 100 TMT of wheat this week believed to be Romanian origin. Saudi Arabia issued a tender for 660 TMT of hard wheat. China sold only 30% of the 57.4 TMT US soft wheat offered for sale from its state reserves.

**CORN** – USDA reported corn export sales were on the high end of trade expectations at 1.084 MMT (1.068 MMT for MY 14/15 and 16 TMT for MY 15/16), down 51% from the previous week but unchanged for the 4-week average. Corn export shipments last week were strong at 942.6 TMT, up 24% from the previous week and 61% from the 4-week average. Cumulative corn export shipments have reached 32.1% of the USDA estimate for the marketing year, compared to 5-year average of 36.7%, which suggests the shipment pace is still lagging but is expected to pick up in February when U.S. soybean shipments will slow (switching to South American origins).

**Ethanol corn usage** – DOE's Energy Information Agency reported a small downtick in ethanol production last week to 978,000 bbls per day – down 1,000 bbls or 0.1% from a week ago but up 8.67% from a year ago. Corn used in ethanol last week totaled 102.7 million bu, still above the weekly pace of 99.2 million bu needed to achieve the USDA estimate of 5.15 billion bu. **Ethanol inventories remained at a 2-year high of 20.6 million bbls, up more than 20% from a year ago. Declining ethanol margins and large inventories have raised uncertainty about future corn demand in this sector.**

**Corn competitor / buyer news** – Brazilian corn harvest has begun with reports of average yields. South Korea continued to buy corn this week, with Ukraine exporters offering aggressive bids.

#### Futures Market trends this week

**WHEAT** – Wheat futures continued to chop lower this week under pressure from ample world stocks and the strongest dollar in at least 11 years which is making US wheat less price competitive. Kansas City posted fresh contract lows, falling to the lowest prices in 5 years. Wheat prices rebounded higher today (Thursday), despite a stronger dollar on better than expected export sales which might indicate that U.S. wheat is becoming more price competitive. **Wheat market closes on Thursday, 1/29/15...**

	<b>Mar 2015</b>	<b>Weekly Summary</b>	<b>May 2015</b>	<b>Weekly Summary</b>	<b>July 2015</b>	<b>Weekly Summary</b>
Chicago SRW	\$5.07 <sup>3</sup> / <sub>4</sub>	Down \$0.22 <sup>1</sup> / <sub>4</sub>	\$5.12 <sup>1</sup> / <sub>2</sub>	Down \$0.20 <sup>1</sup> / <sub>4</sub>	\$5.17	Down \$0.19 <sup>1</sup> / <sub>2</sub>
KC HRW	\$5.44	Down \$0.20	\$5.48 <sup>3</sup> / <sub>4</sub>	Down \$0.20 <sup>1</sup> / <sub>4</sub>	\$5.53 <sup>1</sup> / <sub>2</sub>	Down \$0.18 <sup>3</sup> / <sub>4</sub>
MGE DNS	\$5.59 <sup>3</sup> / <sub>4</sub>	Down \$0.16 <sup>3</sup> / <sub>4</sub>	\$5.65 <sup>1</sup> / <sub>2</sub>	Down \$0.17	\$5.73	Down \$0.17 <sup>3</sup> / <sub>4</sub>

**CORN** – Corn remained range-bound in choppy trading this week under spillover pressures from weaker energies, a stronger dollar and broad commodity bearish sentiments. Losses were limited by slow producer selling and debates over 2015 acreage. If corn planted area falls at least 2 million acres as some analysts are projecting and yields reach long-term trend-line, then corn stocks could slip below 1.5 billion bu next marketing year which is mildly supportive long-term. Corn finished moderately lower again today (Thursday), under pressure from weak technicals (prices falling through key support levels), which triggered more fund liquidations. **Corn futures contract closes on Thursday, 1/29/15... Mar. 2015 contract at \$3.71<sup>1</sup>/<sub>2</sub>, down \$0.15<sup>1</sup>/<sub>4</sub> for the week, May 2015 contract closed at \$3.80, down \$0.15<sup>1</sup>/<sub>4</sub> and the July 2015 contract closed at \$3.87<sup>3</sup>/<sub>4</sub>, down \$0.05 or the week.**

**CRUDE OIL** – Crude oil futures chopped in a narrow trading channel this week, pressured by a strong dollar. Prices rebounded briefly on Tuesday on support from a weaker dollar but then continued its sharp downdraft from rising crude oil inventories. DOE reported that crude oil inventories increased by 8.97 million bbls, compared to an expected increase of 3.85 million bbls. Distillates decreased by 3.89 million bbls, while gasoline stocks fell 2.59 million bbls. **Crude oil futures finished \$0.08 high on Thursday to close at \$44.53/bbl, down \$1.06/bbl for the week.**

**LINK TO RECORDED WEBINAR on 2015 U.S. Economic & Grain Market Outlook at 8:30 a.m. MST**, presented January 16, 2015 by Doug Robison, Senior Vice President for Northwest Farm Credit, Western Idaho & Kelly Olson, Idaho Barley Commission can be found at <http://connect.cals.uidaho.edu/p2eho2r9lo0/>

**LINK TO RECORDED WEBINAR on Understanding the Idaho Harvest 2014 Weather Events and Winter 2015 Weather Outlook** presented November 19, 2014 by the Idaho Barley Commission and National Weather Service can be found at <http://connect.cals.uidaho.edu/p9az3133g4g/>