

Idaho Grain Market Report, February 4, 2010

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, February 3, 2010. Barley prices in \$/Cwt. and wheat prices in \$/bu.

Selected Locations	Barley (Cwt.)		Wheat (bu.)		
	#2 Feed, 48 lbs or better	Open market malting	#1 SWW	#1 HRW 11.5% protein	#1 DNS 14% protein
Ashton	NQ	(2-R) \$6.50 (6-R) NQ	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	NQ	(2-R)\$6.50-\$6.85 (6-R)\$6.50	NQ	NQ	NQ
Blackfoot / Pocatello	\$5.52	(2-R) \$6.50 (6-R) NQ	\$4.05	\$3.81	\$5.36
Grace / Soda Springs	\$5.75-\$5.99	(2-R) NQ (6-R) NQ	\$3.87	\$3.78-\$3.84	\$5.07-\$5.23
Burley / Rupert Hazelton	\$5.50	(2-R) \$6.50 (6-R) \$6.50	\$4.00	\$3.90	\$5.24
Twin Falls / Eden / Buhl	\$5.50-\$6.65	(2-R) NQ (6-R) NQ	\$3.60-\$4.00	NQ	NQ
Weiser	\$6.00	(2-R) NQ (6-R) NQ	\$3.80	NQ	NQ
Nez Perce / Craigmont	\$5.10	(2-R) \$5.10 (6-R) \$5.10	\$4.15	\$4.60	\$6.03
Lewiston	\$5.55	(2-R) \$5.55 (6-R) \$5.55	\$4.34	\$4.79	\$6.22
Moscow / Genesee	\$5.15-\$6.65	(2-R) \$5.15 (6-R) \$5.15	\$4.11-\$4.90	\$4.56-\$5.29	\$5.99-\$6.65

Trading Prices at Selected Terminal Markets, cash prices FOB

	Barley (Cwt.)		Wheat (bu.)			
	#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	Feb \$4.75-\$4.85 Aug NC \$4.60-\$4.70	Feb \$5.20-\$5.23	Feb \$6.61-\$6.76 Aug NC \$6.16-\$6.26
Los Angeles	\$8.35	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$8.35	NQ	NQ	NQ	NQ	NQ
Ogden	\$6.07	NQ	NQ	\$4.12	\$4.00	\$5.40
Great Falls	\$5.30-\$5.50	NQ	\$6.50	NQ	\$3.48-\$3.52	\$5.12-\$5.68
Minneapolis	\$4.90	NQ	NQ	NQ	\$4.81 ³ / ₄ (12%)	\$6.98 ³ / ₄ - \$7.23 ³ / ₄

Market trends this week

BARLEY – Local barley prices were mixed, ranging from 35 cents lower to 14 cents higher in southern Idaho and unchanged in northern Idaho. USDA reported that barley export sales totaled .1 TMT for Mexico, however there were no export shipments reported for last week.

WHEAT – Local wheat prices were also mixed this week: SWW ranged from 5 to 35 cents lower; HRW ranged from 16 cents lower to 10 cents higher; and DNS ranged from 5 to 19 cents higher. U.S. wheat export sales last week were in line with trade expectations at 418.2 TMT, down 37% from the previous week and 5% from the prior 4-week average. Export shipments last week totaled 449.5 TMT, up 6% from the previous week and 41% from the prior 4-week average.

Wheat Competitor/Buyer News – Pakistan lowered its domestic wheat production estimate by 2.7 MMT this week. Egypt purchased 240 TMT of wheat from France, Russia and Kazakhstan, none from the U.S. Iraq purchased 700 TMT of wheat this week, with the U.S. securing 15% of the business. Jordan purchased 100 TMT of Black Sea origin wheat this week.

CORN – Export sales were near the high end of trade expectations last week at 932.2 TMT, up 2% from the previous week and 15% from the prior 4-week average. Export shipments last week totaled 1.12 TMT, up 111% from the previous week and 59% from the prior 4-week average.

Corn Competitor/Buyer News – South Korea purchased 100 TMT of U.S. corn yesterday.

Futures market activity this week

WHEAT – Wheat posted fractional gains on Monday, with support from better than expected export inspections last week as well as a lower dollar and higher equities. Wheat jumped double-digits on Tuesday on a lower dollar and a strong boost from outside markets. Gains were reversed on Wednesday under pressure from on a higher dollar and lingering concerns about soft export demand. Wheat finished higher today (Thursday) after opening lower, with the gains attributed to short covering. **Wheat market closes on Thursday, 2/4/10.**

	Mar 2010	Weekly Summary	May 2010	Weekly Summary
Chicago	\$4.75 ³ / ₄	Up \$.01 ³ / ₄	\$4.90	Up \$.01 ³ / ₄
Kansas City	\$4.88 ¹ / ₂	Up \$.01 ¹ / ₂	\$5.00 ¹ / ₂	Up \$.01 ¹ / ₂
Minneapolis DNS	\$5.01 ³ / ₄	Up \$.01	\$5.14	Up \$.01 ³ / ₄

CORN – Corn began the week modestly higher on Monday, boosted by better than expected export inspections last week and bullish outside markets, with the Dow closing up triple digits and crude oil gaining nearly 3%. Corn followed wheat higher on Tuesday, boosted by substantial fund buying and sharply higher crude oil. Prices fell sharply on Wednesday under pressure from fund selling triggered by favorable crop prospects in South America and a higher dollar. Corn opened lower today (Thursday) but saw a late session recovery to close marginally higher, despite a sharp break lower in crude oil and a high dollar. **Mar 2010 corn contract closed Thursday, 2/4/10, at \$3.54, down \$.02 ¹/₂ for the week and the May 2010 contact closed at \$3.65 ¹/₄, down \$.02 ¹/₂ for the week.**

Other Major Factors to Watch -

- **Crude Oil** – Crude oil jumped nearly 3% on Monday on a combination of good economic news and lower dollar. Crude continued to post impressive gains on Tuesday on oversold conditions and optimism about future growth potential. Crude was able to hold onto its gains on Wednesday, despite a bearish jump in crude oil stocks. Wednesday's weekly inventory showed a surprisingly large drawdown in gasoline inventory but a continued build in crude oil...crude oil stocks increased by 2.3 million bbls, compared to expected increase of 400,000 bbls; distillates fell by 1.0 million bbls, compared to an expected draw of 1.15 million bbls; while gasoline stocks fell 1.3 million bbls, compared to an expected build of 1.4 million bbls. Crude fell sharply on Thursday – giving back most of the week's gains – under pressure from a higher dollar and lower equities. The dollar posted impressive gains today (Thursday), reaching the highest level since July, on concerns about possible European debt defaults (mainly Greece).
- **U.S. weather / crop watch** – Another winter storm moved through the Plains winter wheat belt mid week, favoring Texas and Oklahoma with needed moisture. Monthly crop ratings showed a decline in crop conditions, resulting from last month's freeze, with noted declines for Nebraska, Kansas and Oklahoma, which could translate into a bushel/ac loss for the HRW crop.
- **International weather / crop watch –**
 - **Argentina / Brazil** – Good weekend rains, followed by additional chances for daily precipitation this week, reduced corn stress to less than 10% of the grain belt. The driest areas remain in the southwestern fringe region. Both corn and soybean crop conditions remain favorable in Brazil, suggesting favorable yield potential.