

Idaho Grain Market Report, March 19, 2015

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, March 18, 2015. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley</u> <u>(Cwt.)</u> <u>FEED</u> <u>48 lbs or</u> <u>better</u>	<u>MALTING</u> <u>Open</u> <u>market</u> <u>malting</u>	<u>Wheat (bu.)</u> <u>Milling</u> <u>#1 SWW</u>	<u>#1 HRW</u> <u>11.5% pro</u>	<u>#1 DNS</u> <u>14% pro</u>	<u>#1 HWW</u>
Rexburg/ Ririe/ Roberts	\$4.80-4.90	NQ	\$5.60 -5.85	\$5.13	\$5.70-6.50	\$5.60-5.75
Idaho Falls	\$4.75	\$12.50- 12.75	\$5.81 - \$5.94	\$5.60- \$5.63	\$6.67 -6.97	\$5.57-5.73
Blackfoot / Pocatello	NQ	\$10.00	\$5.85	\$5.52	\$6.55	\$5.62
Grace / Soda Springs	\$4.80	NQ	\$5.75	\$5.47	\$6.20	\$5.47
Burley / Rupert	\$5.00	\$12.50	\$5.76	\$4.85	\$6.30	\$5.40
Hazelton						
Twin Falls / Buhl / Wendell	\$6.00- 6.25		<u>Feed wheat</u> \$3.33	NQ	NQ	
Nampa – Weiser	\$5.74	NQ	New crop \$5.39	NQ	NQ	
Nez Perce / Craigmont	\$6.30		\$5.93	\$6.09	\$8.21	
Lewiston	\$6.80		\$6.18	\$6.34	\$8.46	
Moscow / Genesee	\$6.30 – 6.85		\$5.95 -6.10	\$6.11-6.25	\$8.23-8.32	\$6.25

Prices at Selected Terminal Markets, cash prices FOB

	<u>#2 Feed</u> <u>46 lbs. --</u> <u>unit</u> <u>trains barge</u>	<u>Malting</u>	<u>#1 SWW</u>	<u>#1 HRW</u> <u>11.5% Protein</u>	<u>#1 DNS</u> <u>14% Protein</u>	<u>#1 HWW</u>
Portland			Ord protein \$6.25 -6.50¼ new crop \$6.14 max 10.5% pro \$7.10¼ - 7.40¼ new crop \$5.99- 6.44	\$6.53 -\$6.83 new crop \$6.50½-6.70½	\$8.38 – 9.03 new crop \$7.15¼- 7.40¼	
Los Angeles	\$8.70-8.90			\$8.00 (13%)		
Tulare	\$8.70- 8.90					
Ogden	\$5.90		\$6.05	\$5.67	\$6.43	\$5.70
Great Falls	\$5.00	\$12.00		\$5.62 -5.63 (12%)	\$6.31 – 6.86	
Minneapolis	\$5.73	NQ		\$5.93	\$7.43	

Market trends this week

BARLEY - Local feed barley prices ranged from steady to minus 40 cents, but were mostly down 10 to 20 cents this week. USDA reported a net reduction of 3.1 TMT in barley export sales shifted to MY 2015/16, to Japan) and barley export shipments of 300 MT to Taiwan and Canada last week.

WHEAT – Wheat prices were higher this week: local SWW prices ranged from steady to 13 cents higher; HRW prices ranged from 9 to 50 cents higher; and DNS prices ranged from minus 4 cents to plus 26 cents. USDA reported wheat export sales were on the low end of trade expectations last week at 392 TMT, down 12% from the prior week but up 4% from the previous 4-week average. Cumulative wheat export sales have reached 92.5% of the USDA projection for the marketing year, compared to a 5-year average of 89.3%. Wheat export shipments last week totaled 488.9 TMT, up 14% from the prior week and 9% from the previous 4-week average.

Wheat competitor / buyer news – The EU granted wheat export licences for 780 TMT this week, bringing their cumulative wheat exports to 23.7 MMT, compared to 21.9 MMT for the same period a year ago. China purchased 300 TMT of high quality wheat from Canada and 150 TMT from Australia this week.

CORN – Corn export sales last week were on the low end of trade expectations at 567.1 TMT (502 TMT for MY 2014//15 and 64.8 TMT for MY 15/16), up 20% from the previous week but down 31% from the prior 4-week average. Cumulative corn export sales have reached 79.9% of the USDA projection for the marketing year, compared to a 5-year average of 77.9%. Corn export inspections last week were disappointing at 692.7 TMT, down 41% from the previous week and 33% from the prior 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported another modest uptick in weekly ethanol production last week to 947,000 bbls per day – up 3,000 bbls or 0.32% above last week and 6.29% above a year ago. Corn used in ethanol totaled 99.44million bu, still slightly below the weekly usage pace of 100.12 million bu needed to reach USDA's revised annual usage projection of 5.2 billion bu. U.S. ethanol inventories fell by 1.7% last week to 20.8 million bbls.

Corn competitor / buyer news – Mexico is projecting their 2015/16 corn crop will total 24 MMT, up 6% from last year and will reduce corn imports to 1.5 MMT. China purchased 600 TMT of corn from Ukraine this week. South Korea purchased 205 TMT of Brazilian corn this week.

Futures Market trends this week

WHEAT – Wheat posted double digit gains to start the week on massive short covering triggered by expanding concerns about dry weather across the Central Plains and parts of Russia. Tuesday saw a bearish reversal lower on technical resistance. Wheat markets shrugged off pressure from choppy outside markets to rebound higher on Wednesday on support from a sharp break in the dollar after the Federal Reserve signaled they would take a measured or cautious approach toward future interest rate increases (however they dropped the word patient in their monthly monetary policy statement). Wheat finished mixed in tow-sided trading on Thursday, with some support from additional short covering as weather remained mostly dry across the western and central winter wheat belts. **Wheat market closes on Thursday, 3/19/15...**

	May 2015	Weekly Summary	July 2015	Weekly Summary	Sept 2015	Weekly Summary
Chicago SRW	\$5.12	Up \$0.10	\$5.15 ³ / ₄	Up \$0.12 ¹ / ₂	\$5.24 ³ / ₄	Up \$0.12 ¹ / ₄
KC HRW	\$5.50 ¹ / ₄	Up \$0.11	\$5.56	Up \$0.12 ¹ / ₄	\$5.67 ¹ / ₂	Up \$0.12 ¹ / ₄
MGE DNS	\$5.72 ³ / ₄	Up \$0.05 ¹ / ₄	\$5.77 ¹ / ₄	Up \$0.04 ³ / ₄	\$5.85	Up \$0.04 ³ / ₄

CORN – Corn prices started the week modestly lower on disappointing export shipments and expansion of bird flu cases to more states (Kansas was reported to be 8th state), which may lower feed demand. Corn continued to trade lower on Tuesday under pressure from short term technical weakness and bearish outside market sentiment. Corn posted modest gains on Wednesday on support from a lower dollar and slow planting progress across the south. Corn prices settled slightly lower on Thursday under pressure from weak demand tone and rebound in the dollar. **Corn futures contract closes on Thursday, 3/19/15... May 2015 contract at \$3.73¹/₂, down \$0.07 for the week, July 2015 contract closed at \$3.81¹/₂, down \$0.06¹/₂ and the Sept. 2015 contract closed at \$3.89¹/₂, down \$0.06 for the week.**

CRUDE OIL – Crude oil prices continued to see volatile trading this week, tied to the movement of the dollar index. DOE reported that crude oil inventories increased by 9.622 million bbls last week; distillates increased by 380,000 bbls and gasoline stocks fell by 4.473 million bbls. **Crude oil prices settled \$0.70 lower on Thursday to close at \$43.96/bbl on pressure from large inventories and higher dollar – down \$0.88/bbl for the week.**

Weather/Crop Outlook –

U.S. winter wheat – Mostly drier conditions this week, except the deep south which continued to see a series of storms track southwest through the Delta region, slowing corn planting in key southern states. The 6-10 day outlook shows above normal precipitation across the Northern and Southern Plains, but could leave key HRW areas in the Central Plains mostly dry. Kansas reported a decline in winter wheat crop condition this week - down 5% to 41% good/excellent. Oklahoma showed a 2% decline to 40% good/excellent, while Texas showed a 1% increase to 51% good/excellent. While dryness concerns are expanding through the northern and central belts, soil moisture is better than a year ago.

Black Sea region – Southern Russia expected to see more moisture this week after good coverage last week. Northern areas were trending drier.

China – The main winter wheat belt picked up some beneficial moisture.