

Idaho Grain Market Report, October 17, 2013

Published by the Idaho Barley Commission, kolson@idahobarley.org, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 16, 2013. Barley prices in \$/Cwt. and wheat prices in \$/bu.

<u>Barley (Cwt.)</u>			<u>Wheat (bu.)</u>		
Ashton	NQ	(2-R) \$10.00 (6-R) \$10.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	\$7.85	(2-R) \$11.50-\$12.00 (6-R) \$11.50	\$6.26	\$6.88	\$6.84
Blackfoot / Pocatello	NQ	(2-R) \$10.00 (6-R) \$10.00	\$6.40	\$7.36	\$7.50
Grace / Soda Springs	\$7.33	(2-R) NQ (6-R) NQ	NQ	\$7.40	\$7.65
Burley / Rupert Hazelton	\$8.00-\$8.50	(2-R) \$11.50 (6-R) \$11.50	\$6.25-\$6.33	\$7.01	\$7.25
Twin Falls / Eden / Buhl	\$7.90-\$9.00	(2-R) NQ (6-R) NQ	\$5.91-\$6.00	NQ	NQ
Weiser	\$7.75	(2-R) NQ (6-R) NQ	\$6.25	NQ	NQ
Nez Perce / Craigmont	\$6.05	(2-R) \$6.05 (6-R) \$6.05	\$6.45	\$7.45	\$7.67
Lewiston	\$6.55	(2-R) \$6.55 (6-R) \$6.55	\$6.70	\$7.81	\$7.92
Moscow / Genesee	\$6.05-\$6.75	(2-R) \$6.05 (6-R) \$6.05	\$6.47-\$6.60	\$7.58-\$7.75	\$7.69-\$7.83

Prices at Selected Terminal Markets, cash prices FOB

	#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	NQ	NQ	NQ
Los Angeles	\$11.80	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$11.80	NQ	NQ	NQ	NQ	NQ
Ogden	\$7.50	NQ	NQ	\$6.51	\$7.64	\$8.03
Great Falls	NQ	NQ	NQ	NQ	NQ	NQ
Minneapolis	NQ	NQ	NQ	NQ	NQ	NQ

Market trends this week

BARLEY – Local barley prices were mostly higher this week with southern Idaho locations reporting no change to 75 cents higher and northern Idaho reporting no change.

WHEAT – Local wheat prices were mostly lower this week: SWW ranged from 10 cents lower to 30 cents higher; HRW ranged from 3 to 20 cents lower; and DNS ranged from 11 to 16 cents lower. Weekly wheat export sales were estimated at 700 TMT.

Wheat Competitor/Buyer News – China released their official wheat production estimate this week at 122.2 MMT, compared to USDA's Sept. estimate of 121 MMT. The EU granted licenses this week for 269 TMT of wheat exports, bringing cumulative wheat exports to 4.7 MMT.

CORN - Weekly corn export sales were estimated at 750 TMT.

Ethanol corn usage – Due to the federal government shutdown, DOE's Energy Information Agency did not publish a weekly ethanol production report this week. These reports should resume next week.

Corn Competitor/Buyer News – China released their official corn production estimates this week showing record output at 215 MMT, above USDA's Sept. estimate of 211 MMT.

Futures market activity this week

U.S. economic indicators– Financial and equity markets continued to be choppy this week awaiting word that came late Wednesday on a political compromise to avert a debt default and reopen the federal government.

WHEAT – Wheat market trading was choppy in light volume on Monday, with support from ideas that China may have bought more U.S. wheat (unconfirmed). Gains were capped by ideal winter wheat planting weather in the U.S., resulting in expanded acreage in 2014. Speculative selling pushed prices lower on Tuesday on ideas that winter wheat planting conditions were improving in the Black Sea region and India was preparing to lower its wheat selling prices to become more competitive on world markets. Wheat remained on the defensive on Wednesday on improving growing conditions in both the U.S. Plains and Black Sea regions. But in typical turn-around action, wheat markets finished moderately higher today (Thursday) with support from a sharp break in the dollar, higher soybeans and talk of a threatened rail strike in Canada which could push some export business our way. **Wheat market closes on Thursday, 10/17/13 ...**

	Dec 2013	Weekly Summary	Mar 2014	Weekly Summary	Dec. 2014	Weekly Summary
Chicago SRW	\$6.86	Down \$.06 ³ / ₄	\$6.96	Down \$.05	\$6.99 ¹ / ₄	Down \$.10 ¹ / ₂
KC HRW	\$7.49	Down \$.11 ¹ / ₄	\$7.48	Down \$.11	\$7.49 ³ / ₄	Down \$.07
MGE DNS	\$7.45	Down \$.09 ³ / ₄	\$7.54 ³ / ₄	Down \$.09 ³ / ₄	\$7.65	Down \$.10

CORN – Corn posted modest gains on Monday on support from harvest delays in the upper Midwest and uncertainty created by a lack of government data on crop harvest progress and export demand. Corn finished higher again on Tuesday, boosted by short covering triggered by an extreme oversold technical condition. Prices slipped fractionally lower on Wednesday in the face of little fresh supportive news, despite rumors of more Chinese corn buying (reports were later confirmed). Corn closed fractionally higher today (Thursday) with support from the lower dollar and soybean rally, but gains were limited by nearly ideal harvest weather and ideas that yields are much better than expected. **Corn futures contract closes on Thursday, 10/17/13 for Dec 2013 contract at \$4.43, up \$.09³/₄, Mar 2014 contract closed at \$4.55 ¹/₂, up \$.09¹/₄ and the Dec 2014 contract closed at \$4.63³/₄, down \$.11³/₄ for the week.**

OTHER MAJOR FACTORS TO WATCH –

CRUDE OIL – Continued choppy trading this week as investor anxieties remained high on a lack of deal to avert a debt default. Prices moved sharply higher on Wednesday when risk-taking sentiment got a big boost from confirmation that a bipartisan deal was emerging from the Senate on Wednesday. This deal to extend the debt ceiling through February 7 and reopen the government through Jan. 15 later passed both the Senate and House by comfortable margins. DOE's weekly inventory report was not published this week but private industry (API) data showed a much bigger than expected build in crude oil stocks – up 5.94 million bbls - which drove crude oil futures sharply lower today, closing at just over \$100/bbl. API showed gasoline stocks fell 2.21 million bbls last week and distillates down 1.32 million bbls.

U.S. WEATHER / CROP PROGRESS – PNW – Cool and mostly dry conditions allowed farmers to press ahead with final fall fieldwork. **Corn Belt** - Weekend rainfall was less than expected in most areas, causing temporary but mostly limited harvest interruptions across the Northwest Corn Belt. Scattered showers moved eastward into IL, IN and OH my mid-week, again causing limited harvest delays. More favorable harvest weather was expected over the next two weeks.

Plains - Beneficial moisture was received this week, producing the best winter wheat stands in years.

INTERNATIONAL WEATHER / CROP PROGRESS -

- **Black Sea Region** – Improving weather conditions briefly re-opened the window for additional winter wheat planting mid-week, cutting acreage losses to about 10-15%, compared to 20% a week ago.
- **Argentina** – A storm system was expected to bring beneficial moisture to the dry southern wheat belt, followed by a cooling trend, which could bring more frost warnings next week.
- **Brazil** – Corn planting pace has been lagging this year due to excessively dry soils, but showers this past weekend and into this week are improving planting conditions.
- **Australia** – Southern part of Western Australia received some beneficial moisture. Harvest is beginning in the northern regions, with reports of better than expected yields.