

# Idaho Grain Market Report, January 23, 2014

Published 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 22, 2014. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley (Cwt.)</u>	<u>MALTING</u>	<u>Wheat (bu.)</u>		
	<u>FEED</u>				
Ashton	NQ	(2-R) \$10.00 (6-R) \$10.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	\$7.75	(2-R) NQ (6-R) NQ	\$5.75	\$6.13	\$6.60
Idaho Falls	NQ	(2-R) \$11.50 (6-R) NQ	NQ	NQ	NQ
Blackfoot / Pocatello	NQ	(2-R) \$10.00 (6-R) \$10.00	\$5.80	\$6.16	\$6.67
Grace / Soda Springs	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Burley / Rupert	\$7.50	(2-R) NQ (6-R) NQ	\$5.60	NQ	NQ
Hazelton		(6-R) NQ			
Twin Falls / Eden / Buhl	\$7.75	(2-R) NQ (6-R) NQ	\$5.37	NQ	NQ
Weiser	\$7.95	(2-R) NQ (6-R) NQ	\$5.78	NQ	NQ
Nez Perce / Craigmont	\$5.75	(2-R) \$5.75 (6-R) \$5.75	\$5.84	\$7.80	\$7.57
Lewiston	\$6.55	(2-R) \$6.55 (6-R) \$6.55	\$6.15	\$7.11	\$7.88
Moscow / Genesee	\$5.60-\$5.70	(2-R) \$5.70 (6-R) \$5.70	\$5.22-\$5.47	\$6.36-\$6.88	\$7.13-\$7.65

## 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	Jan \$6.66 ¼-\$6.81¼ May \$6.88	Jan \$7.39 ¾-\$7.74 ¾ May \$7.37-\$7.82	Jan \$8.16 ¾-\$8.86 ¾ May \$7.86-\$8.06
Los Angeles	\$10.90	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$10.75	NQ	NQ	NQ	NQ	NQ
Ogden	\$7.40	NQ	NQ	\$6.15	\$6.84	\$7.46
Great Falls	\$6.50	NQ	\$9.50	NQ	\$5.73-\$5.90	\$6.50-\$6.57
Minneapolis	\$7.71	NQ	\$11.87	NQ	\$7.34 ¾ (12%)	\$8.91 ¾-\$9.16 ¾

## Market trends this week

**BARLEY** – Local barley prices were mixed this week with southern Idaho locations reporting a range of 25 cents lower to 5 cents higher and northern Idaho reporting no change to 25 cents higher. USDA will report export sales on Friday due to the MLK holiday on Monday.

**WHEAT** – Local wheat prices were also mixed this week: SWW ranged from 20 cents lower to 10 cents higher; HRW ranged from 8 to 23 cents higher; and DNS ranged from 5 to 29 cents lower. USDA reported wheat export sales totaled 423 TMT last week, below expectations. Cumulative wheat export shipments have now reached nearly 70% of the USDA forecast for the year compared to a 5-year average pace of 59.5%. USDA will report wheat export sales on Friday due to the MLK holiday on Monday.

**Wheat Competitor/Buyer News** – Iraq purchased 350 TMT of wheat this week from U.S. (50 TMT), Australia and Canada. Algeria purchased 550 TMT, likely French origin. Other pending tenders include... Saudi Arabia (660 TMT), Japan (99 TMT), Taiwan (73 TMT) and Ethiopia (70 TMT). Rumors also are circulating that China is shopping for wheat

(200 TMT) to import for April delivery to help rebuild government stocks. The EU granted wheat export licenses for 819,000 TMT, bringing cumulative wheat exports to 16.7 MMT, compared to 10.8 MMT a year ago.

**CORN** –USDA reported corn export sales totaled 756 TMT last week, above trade expectations. Cumulative corn export shipments have now reached 36.1% of the USDA forecast for the year compared to a 5-year average pace of 35.8%. USDA will report corn export sales on Friday due to the MLK holiday on Monday.

**Ethanol corn usage** – DOE's Energy Information Agency reported an uptick in weekly U.S. ethanol production last week – up 37,000 bbls to 905,000 bpd – up 4.26% from the previous week and up 14.27% from last year. Corn used for ethanol totaled 95 million bu, still lagging the weekly pace of 97 million bu to meet the USDA projection of 5.0 billion bu for the marketing year.

**Corn Competitor/Buyer News** – Safras pegged the Brazilian corn crop at 75.8 MMT, well above USDA's latest estimate of 70.0 MMT. South Korea purchased 60 TMT of US corn this week and Japan purchased 105 TMT for MY 2014/15.

### Futures Market trends this week

**Global macroeconomic trends** – Chinese manufacturing index surprisingly dipped below the 50 mark for the first time in 6 months (above 50 indicates expansion). Industrial production also missed expectations last month but their Q4 GDP estimate of 7.7% was better than expected. Meanwhile, Eurozone and German PMI composite indexes expanded at the fastest pace in 2 ½ years.

**U.S. economic news** – U.S. existing home sales came in better than expected this week, with total 2013 sales the best in 7 years.

**WHEAT** – Wheat began the week moderately lower on Tuesday (markets closed Monday) on a combination of weak short term technical signals and disappointing export inspections. In a continued choppy pattern, Wednesday brought modest gains on support from weather concerns as another blast of frigid temperatures returned to the Midwest this week, and possibly again next week, threatening winterkill in some winter wheat areas which lack protective snow cover. Wheat traded solidly higher today (Thursday) on continued concerns about potential winterkill threat in both the U.S. and Ukraine and signs of improving wheat import demand with a substantial nearby tender line-up along with rumors of future Chinese purchases. **Wheat market closes on Thursday, 1/23/14 ...**

	<b>Mar 2014</b>	<b>Weekly Summary</b>	<b>May 2014</b>	<b>Weekly Summary</b>	<b>Dec. 2014</b>	<b>Weekly Summary</b>
Chicago SRW	<b>\$5.70</b>	Up <b>\$0.06</b> ½	<b>\$5.76</b> ¼	Up <b>\$0.05</b> ¾	<b>\$6.03</b> ¼	Up <b>\$0.04</b> ¾
KC HRW	<b>\$6.32</b> ¼	Up <b>\$0.09</b>	<b>\$6.30</b>	Up <b>\$0.09</b>	<b>\$6.45</b> ¼	Up <b>\$0.03</b> ¼
MGE DNS	<b>\$6.17</b> ¼	Down <b>\$0.00</b> ½	<b>\$6.18</b> ¼	Up <b>\$0.03</b> ¼	<b>\$6.46</b> ¾	Up <b>\$0.04</b>

**CORN** – Corn trade remained mostly range bound this week with little fresh support news needed to support a strong upside move. Prices closed fractionally higher on Tuesday, boosted by better than expected export inspections but offset by improving crop weather in Argentina. Firmer cash markets and ideas that the ending stocks situation might not be as bearish as traders believed last fall lifted corn markets modestly on Wednesday. Corn finished modestly higher again today (Thursday) on spillover support from wheat, improving short-term technical signals and frigid temps across the mid section of the country which are slowing country movement and increasing feed demands. **Corn futures contract closes on Thursday, 1/23/14 for Mar. 2014 contract at \$4.29, up \$0.05 for the week, May 2014 contract closed at \$4.35 ¼, up \$0.03½ and the Dec. 2014 contract closed at \$4.49¼, up \$0.00½ for the week.**

#### OTHER MAJOR FACTORS TO WATCH –

**CRUDE OIL** –Cruder oil churned higher this week, posting 3 week high on a combination of factors, including higher global demand projections and cold weather which will trigger increased product demand. DOE's weekly inventory report showed crude oil stocks increased by 990,000 bbls last week, compared to an expected build of 1.15 million bbls; distillate stocks fell by 3.212 million bbls, compared to expected decline of 500,000 bbls; and gasoline stocks increased by 2.123 million bbls, compared to an expected gain of 1.75 million bbls. **Crude oil futures finished higher again today (Thursday) – closing up \$0.59 to \$97.32/bbl.**

#### INTERNATIONAL WEATHER / CROP PROGRESS -

**Argentina** – Key production areas of Argentina including southern areas that had been missed by recent showers, received beneficial moisture this week along with more moderate temperatures, reducing plant stress. However, reports suggest that yield damage has already been done in the early planted corn and bean crops.

**Brazil** – Brazil continues to see crop friendly weather.

## **6-week Farm & Ranch Management School, Rexburg at Madison Senior Center.**

**Started January 21 from 1:00 to 4:00 pm and continues for total of six consecutive Tuesdays.**

To register contact Teton County Extension at 208-354-2961

## **4-week Farm Succession & Estate Planning Short Courses** featuring accounting, legal and financial planning experts. Topics include:

- ◆ Starting the Conversation
- ◆ Succession Planning
- ◆ Retirement Planning
- ◆ Estate Planning Tools

**Bonneville County Extension Office, 2925 Rollandet, Idaho Falls. Starting Feb. 12 through March 5, 2014, 10:00 a.m. to 3 :00 p.m.** Registration fee of \$100 per operation. To register, contact Teton County Extension at 208-354-2961.

**Zions Bank Building, 102 W. Main Street, Burley.**

**Starting Jan. 28 through Feb. 20, 10:00 a.m. to 3:00 p.m.** Registration fee of \$100 per operation. To register, contact Cassia County Extension at 208-878-9461.

## **McGregor Company Seed Treatment Schools** (more details attached)

**February 11, 2014, The Turf Club, 734 Falls Avenue, Twin Falls, ID**

**February 12, 2014, Hampton Inn, 5750 East Franklin Road, Nampa, ID**

**February 13, 2014, The Clarion Inn, 1399 Bench Road, Pocatello, ID**