

Idaho Grain Market Report, March 25, 2010

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, March 24, 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	\$5.90	(2-R) NQ (6-R) NQ	\$4.00	\$3.79	\$5.53
Idaho Falls	\$6.00	(2-R)\$6.50-\$6.85 (6-R)\$6.50	\$4.10	\$3.93	\$5.65
Blackfoot / Pocatello	\$5.93	(2-R) \$6.50 (6-R) NQ	\$4.10	\$3.77	\$5.59
Grace / Soda Springs	\$6.04	(2-R) NQ (6-R) NQ	\$3.89	\$3.74	\$5.47
Burley / Rupert Hazelton	\$5.00-\$5.50	(2-R) \$6.50 (6-R) \$6.50	\$3.90-\$3.95	\$3.80	\$5.48
Twin Falls / Eden / Buhl	\$5.80-\$6.50	(2-R) NQ (6-R) NQ	\$3.48-\$4.00	NQ	NQ
Weiser	\$6.60	(2-R) NQ (6-R) NQ	\$3.74	NQ	NQ
Nez Perce / Craigmont	\$4.85	(2-R) \$4.85 (6-R) \$4.85	\$4.05	\$4.60	\$6.38
Lewiston	\$5.30	(2-R) \$5.30 (6-R) \$5.30	\$4.24	\$4.79	\$6.57
Moscow / Genesee	\$4.90-\$6.00	(2-R) \$4.90 (6-R) \$4.90	\$4.01-\$4.75	\$4.56-\$5.18	\$6.34-\$6.88

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	Mar \$4.65-\$4.75 Aug NC \$4.70-\$4.85	Mar \$5.20-\$5.25 Aug NC \$5.33-\$5.38	Mar \$6.68-\$6.88
Los Angeles	\$8.15	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$8.15	NQ	NQ	NQ	NQ	NQ
Ogden	\$6.03	NQ	NQ	\$4.10	\$3.87	\$5.59
Great Falls	\$4.90-\$5.10	NQ	\$6.00	NQ	\$3.32-\$3.56	\$5.67-\$5.98
Minneapolis	\$4.37	NQ	NQ	NQ	\$4.76 ¼ (12%)	\$7.08 ¼ - \$7.53 ¼

Market trends this week

BARLEY – Local barley prices were mixed, ranging from 15 cents lower to 60 cents higher in southern Idaho and no change reported in northern Idaho. USDA reported no barley export sales for last week, while barley export shipments totaled 3.1 TMT for Canada and Mexico.

WHEAT – Local wheat prices were also mixed this week: SWW ranged from 25 cents lower to 10 cents higher; HRW ranged from 3 to 26 cents lower; and DNS ranged from 13 cents lower to 11 cents higher. U.S. wheat export sales last week were in line with trade expectations at 371.2 TMT, up 14% from the previous week and 23% from the prior 4-week average. Export sales for MY 10/11 totaled 148 TMT. Wheat export shipments totaled 453 TMT, up 76% from the previous week and 5% from the prior 4-week average.

Wheat Competitor/Buyer News – News this week that both Russian and European wheat export sales are encroaching into traditional U.S. markets in Latin America and Asia. This included 150 TMT of Russian sales to various South American markets, French wheat sold to Thailand and 50 TMT of British wheat to the Philippines.

CORN – Corn export sales last week were in line with trade expectations at 606.8 TMT, down 19% from the previous week, however it was up 8% from the prior 4-week average. Corn export shipments totaled 1.16 MMT, up 22% from the previous week and 10% from the prior 4-week average.

Corn Competitor/Buyer News – South Korea purchased 165 TMT U.S. corn and Taiwan 60 TMT of U.S. corn this week.

Futures market activity this week

WHEAT – Wheat began the week moderately higher on a combination of factors, including a lower dollar, short covering and spillover support from higher soybeans. Wheat retreated sharply on Tuesday under pressure from a higher dollar and competitive pressures from European and Russian wheat export sales to many traditional U.S. markets in Latin America. Wheat prices closed mixed to fractionally lower on Wednesday under continued pressure from a dollar surging to a new 10-month high and forecasts of favorable winter wheat weather. Wheat finished lower again today (Thursday) under the weight of technical selling pressures triggered by a higher dollar. **Wheat market closes on Thursday, 3/25/10 ...**

	May 2010	Weekly Summary	July 2010	Weekly Summary
Chicago	\$4.66 ½	Down \$.17 ¼	\$4.97 ½	Down \$.17
Kansas City	\$4.76 ¾	Down \$.15 ¼	\$4.87 ¾	Down \$.15 ¼
Minneapolis DNS	\$4.97 ¾	Down \$.11 ½	\$5.09 ½	Down \$.10 ¾

CORN – Corn began the week moderately lower under pressure from profit-taking and chart-driven selling into the session close. Tuesday saw further weakness from a better weather and crop planting outlook. Despite early weakness, corn managed to close modestly higher on Wednesday with the help of short covering. Prices slumped double-digits today (Thursday) as technical weakness triggered sell stops which accelerated losses. **May 2010 corn contract closed Thursday, 3/25/10, at \$3.55, down \$.19 ½ for the week and the July 2010 contact closed at \$3.66 ¼, down \$.19 ¼ for the week.**

Other Major Factors to Watch -

- **Crude Oil** – Crude oil began the week modestly higher – above \$81/bbl - on encouraging demand forecasts, despite early gains in the dollar which eased late in the trading session. Crude oil demand in China in February was 17% above the same period a year ago. Crude recovered from early losses tied to a higher dollar, and closed modestly higher on Tuesday in line with strong Wall Street gains. Wednesday's petroleum stocks report were a mixed picture, with crude stocks showing a very bearish increase of 7.245 million bbls, compared to an expected increase of 1.65 million bbls; distillates were more bullish with a decline of 2.422 million bbls, compared to an expected draw of 985,000 bbls; and gasoline stocks were also bullish with a decline of 2.715 million bbls, compared to an expected draw of 1.5 million bbls. Crude oil lost modest ground on Thursday, closing at \$80.53/bbl as the dollar rallied and equities jumped to an 18 month high.
- **U.S. weather** – Weekend snow and rain fell across much of the southwestern Midwest. On Monday, showers moved through the Eastern Corn Belt but most other regions saw mostly drier conditions through mid-week, helping to ease localized flooding pressures across the Dakotas, southern Minnesota and Iowa. Another storm system arrived Thursday, taking a mostly southern track. Rain is not expected to return until the 11 to 15 day period allowing spring field work to pick up. The longer range weather outlook shows a wet pattern persisting into May in the Southern region, typical of an El Nino cycle, causing some planting delays.
- **International weather / crop watch –**
 - **Canada** – Above normal temperatures and below normal precipitation prevailed across much of the Western Prairies.
 - **Europe** – Occasional showers continued across northeastern Europe, with most of the winter grains remaining dormant across the Central and Northern Europe.
 - **Former Soviet Union** – Widespread snow across portions of Ukraine, Russia and northern Kazakhstan continues to keep winter grains dormant and delays in spring field work.
 - **Middle East** – Unseasonably hot weather continues to accelerate winter grain development across Iran and Iraq. Turkey received beneficial moisture for jointing winter grains.
 - **Northern Africa** – Sunny weather, following recent widespread showers, helping to maintain excellent crop prospects.
 - **China** - Warm, sunny weather is aiding winter grain and canola development.
 - **Argentina / Brazil** – Argentina saw periodic showers in the past week but mostly dry conditions in the near term are expected to allow corn harvest to accelerate.