Idaho Grain Market Report, June 27, 2013

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, June 26, 2013. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	Barley (Cwt.)		Wheat (bu.)		
Ashton	NQ	(2-R) \$13.00 (6-R) \$13.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	\$11.50	(2-R)\$12.92-\$13.00 (6-R) \$12.92	\$7.75	\$6.57	\$7.49
Blackfoot / Pocatello	\$10.62	(2-R) \$13.00 (6-R) \$13.00	\$7.00	\$7.56	\$7.66
Grace / Soda Springs	\$11.90	(2-R) NQ (6-R) NQ	\$6.27	\$6.34	\$7.55
Burley / Rupert Hazelton	\$11.00	(2-R) \$12.92 (6-R) \$12.92	\$6.40	NQ	NQ
Twin Falls / Eden / Buhl	\$12.30	(2-R) NQ (6-R) NQ	\$7.25	NQ	NQ
Weiser	\$12.00	(2-R) NQ (6-R) NQ	\$6.65	NQ	NQ
Nez Perce / Craigmont	\$10.10	(2-R) \$10.10 (6-R) \$10.10	\$6.69	\$7.41	\$8.27
Lewiston	\$10.35	(2-R) \$10.35 (6-R) \$10.35	\$6.88	\$7.60	\$8.46
Moscow / Genesee	\$10.15-\$11.50	(2-R) \$10.15 (6-R) \$10.15	\$6.65-\$7.40	\$7.37-\$8.26	\$8.23-\$8.82

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	July \$7.22 Oct \$7.22 ¼-\$7.35	July \$7.84 ½ -\$8.51 ¼ Oct \$8.17-\$8.22	July \$8.72 ½-\$9.12 ½ Oct \$8.75 ¼-\$8.95 ¼
Los Angeles	\$15.35	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$15.35	NQ	NQ	NQ	NQ	NQ
Ogden	\$11.66	NQ	NQ	\$6.70	\$6.62	\$7.80
Great Falls	\$8.00-\$11.00	NQ	\$12.00	NQ	\$6.78-\$7.07	\$7.71-\$7.85
Minneapolis	\$10.31	NQ	\$14.58	NQ	\$7.91 (12%)	\$9.12 ½-\$9.17 ½

Market trends this week

BARLEY – Local barley prices were mixed this week with southern Idaho locations 25 cents lower to 53 cents higher and northern Idaho prices reported no change to 25 cents lower. USDA reported barley export sales last week totaled .4 TMT for Taiwan while export shipments totaled 1.6 TMT for Taiwan and South Korea.

WHEAT – Local wheat prices were mostly lower this week: SWW ranged from 85 cents lower to 17 cents higher; HRW ranged from no change to 43 cents lower; and DNS ranged from 36 cents lower to 12 cents higher. USDA reported wheat export sales last week were well above trade expectations at 731.8 TMT, up 69% from the previous week. Wheat export shipments last came in at 479 TMT, 23% below the previous week.

EXPECTATIONS FOR WHEAT QUARTERLY STOCKS – Average pre-report trade estimate for wheat stocks on June 1 is 745 million bu, on par with the previous year.

Wheat Competitor/Buyer News – The EU approved export licenses for 192 TMT of wheat this week, bringing their MY wheat exports to 18.75 MMT, which is well above the previous year. Reports this week that South Korean millers purchased 1 MMT of Indian wheat. Argentine government has suspended wheat export licenses due to rising domestic flour and bread prices. Argentina has exported 3 MMT of wheat in old crop stocks. Brazilian millers continued their robust purchases of US HRW wheat this week, despite US wheat being above competitors' prices.

CORN – Corn export sales last week were on the high end of trade expectations, at 490.3 TMT (336.7 TMT for MY 2012/13 and 153.6 TMT for 2013/14). Export shipments last week totaled 151.2 TMT, down 53% from the previous week and 52% from the prior 4-week average.

EXPECTATIONS FOR CORN QUARTERLY STOCKS – Average pre-report trade estimate for corn stocks on June 1 is 2.854 billion bu, the lowest level in 16 years. Average estimate for corn acreage is 95.3 million, compared to USDA's current estimate of 97.3 million.

Ethanol corn usage – DOE's Energy Information Agency reported U.S. ethanol production saw an increase of 112,000 bbls to 885,000 bbls per day, up 1.4% from the previous week and the first increase of 0.25% from a year ago. Corn used for ethanol production last week totaled 92.9 million bu, which still lags the weekly pace of 95.5 million bu needed to achieve **USDA's revised projection for the marketing year of 4.65 billion bu.**

Corn Competitor/Buyer News – South Korean feed millers bought 55 TMT of Brazilian corn this week. The US corn export pace picked up significantly this week, likely due to a slowdown in Argentine exports due to their recent farmer strike and ideas that Indian traders have failed to meet some recent corn export sales commitment.

Futures market activity this week

U.S. economic trends –US Q1 GDP was revised lower this week from the previous 2.4% estimate to 1.8% which sparked a buying rally on Wall Street on investor ideas that the Federal Reserve will push back its timetable for phasing out monetary stimulus. The lower growth estimate was attributed to smaller increases for both consumer spending and corporate capital investment. The weekly first time unemployment claims continued to fall this week, declinin9,000 to 346,000.

WHEAT – Wheat markets saw the lowest prices in the past 12 months on a combination of harvest hedge pressure, better than expected HRW wheat yields and generally favorable wheat crop conditions across the Northern Hemisphere. Wheat traded sharply lower on Monday under the weight of a lower European wheat milling market, advancing US winter wheat harvest and position evening ahead of Friday's quarterly stocks and acreage reports. Wheat prices closed lower again Tuesday in a late sell-off sparked by improving spring wheat condition rating and mostly favorable harvest weather. Wheat extended its losses on both Wednesday and again today (Thursday) on technical selling, positioning and advancing harvest hedging. **Wheat market closes on Thursday, 6/27/13** …

	July 2013	Weekly Summary	Sept 2013	Weekly Summary	Dec 2013	Weekly Summary
Chicago SRW	**$6.63 ½**	**Down $0.34 ½**	**$6.73 ¾**	**Down $0.31 ¼**	**$6.89**	**Down $0.28**
KC HRW	**$6.84 ½**	**Down $0.52**	**$7.02**	**Down $0.34**	**$7.22 ¾**	**Down $0.27 ¾**
MGE DNS	**$7.86 ½**	**Down $0.27 ½**	**$7.83**	**Down $0.08 ½**	**$7.91 ¼**	**Down $0.08 ¾**

CORN – Corn posted moderate losses to start the week on a favorable extended weather forecast and sluggish export shipment pace. Tuesday saw two-sided trading, with nearby contract prices rebounding modestly on firm cash markets, while new crop prices lagged under pressure from a modest improvement in the weekly crop condition rating, nearly ideal growing conditions and positioning ahead of Friday's key acreage and quarterly stocks report. Nearby contract posted additional gains on Wednesday but new crop traded both sides of unchanged on a combination of tight near-by supplies, rising ethanol demand and expectations of a large new crop. Corn prices finished mixed again today (Thursday), with higher nearby and new crop lower in follow-through positioning ahead of Friday's USDA reports. **Corn futures contract closes on Thursday, 6/27/13 for July 2013 at $6.67 ¼, up $0.05 ½, Sept 2013 contract at $5.72 ¼, down $0.19 ¾ and the Dec 2013 contract at $5.38 ½, down $0.17 ¾ for the week.**

OTHER MAJOR FACTORS TO WATCH –

CRUDE OIL – Crude oil prices continued to trade in a narrow range this week, closely following movements in the dollar and global equity markets. Prices jumped nearly $1.50 to close at $95.18 on Monday with support from reports of Canadian flooding in Alberta, affecting pipelines. Nearby contract continued to post modest gains on Tuesday and Wednesday on support from outside markets and mostly favorable US economic data. DOE's weekly crude oil inventory report showed a a modest build in crude stocks, increasing by 18,000 bbls last week, compared to an expected decline of 1.75 million bbls; distillate stocks increased by 1.6 million bbls, compared to an expected build of 650,000 bbls; and gasoline stocks increased by a whopping 3.7 million bbls, compared to an expected build of 875,000 bbls. **Crude oil prices closed sharply higher again today (Thursday) – trading up $1.55 to close at $97.05 on a marked improvement in outside market sentiment and rally in global equity markets which were attributed to easing liquidity concerns in China and friendly US economic data.**

U.S. WEATHER / CROP PROGRESS – **PNW –** Good precipitation amounts were received in northern Idaho production areas early this week but southern Idaho remained dry. The entire West was experiencing an impressive heat wave, which is expected to peak early next week. Warmer than normal conditions are expected to persist in the 6-10 day outlook. **Corn Belt** / **Northern Plains (HRS wheat belt)** – Some areas continued to see locally heavy rainfall this week

(IA, MN and WI). Cooler air was expected to blanket the entire region east of Rockies by Friday, with showers confined to areas east of the Mississippi River. The Northern Plains were mostly warm and dry, greatly improving spring grain crop conditions. **Central / Southern Plains (HRW wheat belt)** – Intense heat prevailed this week, favoring winter wheat maturation and harvesting. Yield reports indicate disappointing yields across the Western Plains but better than expected yields in central and eastern Kansas and through-out the SRW wheat belt. This region

USDA Crop Progress / Condition Report, June 24, 2013

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	93% planted 91% emerged	92% 88%	100% 100%	98% 97%	69%	67%	66%
ID barley	**30% headed**				**74% g/ex**	**68%**	**59%**
US spring wheat	96% planted 90% emerged	92% 84%	100% 100%	99% 97%	70%	68%	77%
ID spring wheat	**30% headed**				**77% g/ex**	**66%**	**61%**
US winter wheat	95% headed 20% harvested	89% 11%	97% 63%	95% 37%	32% g/ex	31% g/ex	54% g/ex
ID winter wheat	**78% headed** **0% harvested**	**56%** **0%**	**65%** **0%**	**54%** **0%**	**79% g/ex**	**79%**	**85%**
Corn	96% emerged	92%	100%	99%	65%	64%	56%

INTERNATIONAL WEATHER / CROP PROGRESS -

- **Canada –** Crop conditions remain mostly favorable, although some areas of Alberta experienced severe flooding and localized crop losses.
- **Europe –** Conditions remain mostly favorable across much of Western Europe, but recent moisture has slowed crop development and maturation.
- **Black Sea Region** – Western areas experienced above normal temperatures which are accelerating crop development but stressing late filling winter wheat and spring grains. Russia's Southern and Volga Districts were hot but locally heavy showers benefitted grain crop, with some harvest interruptions in the south. Some local sources are now projecting a smaller than expected Russian wheat crop due to colder temperatures in Siberia which has affected growing conditions and yield potential.
- **Middle East –** Turkey turned dry, promoting crop dry-down and harvest.
- **China** – Northeast China received beneficial moisture, maintaining favorable crop conditions, with unfavorable dryness is developing in Liaoning and neighboring Inner Mongolia.
- **Argentina –** Dry and mostly cool, allowing final corn harvest and winter grain planting.
- **Australia –** Mostly favorable conditions for winter grain development.

Summer 2013 Idaho Cereal Field Days…

JULY

11 Blackfoot: General Mills Field Day BY INVITATION ONLY
CONTACT: Brett Wilken, (208-243-0008), brett.wilken@genmills.com

16 Idaho Falls: UI Cereals Extension Field Day
WHERE: Idaho Falls, Marc Thiel's farm on New Sweden Hwy, 2550 S 45th West
WHEN: 4:00 PM, dinner provided
CONTACTS: Juliet Marshall, (208-390-4859), juliet.marshall@uidaho.edu; Wayne Jones, (208-529-1390), wjones@uidaho.edu; Matt Gellings, (208-206-0126), mjgellings@msn.com;

17 Anheuser Busch Grower Appreciation Luncheon BY INVITATION ONLY
WHERE: Busch seed plant
WHEN: 11:30 AM – 1:00PM, lunch provided
CONTACT: Tim Pella, 208-524-1080, timothy.pella@anheuser-busch.com

17 InteGrow Malt 3rd Annual Field Day & Malt Plant Tour BY INVITATION ONLY
WHERE: 5005 South 15th West, Idaho Falls, ID, lunch provided
WHEN: 10:00 AM, lunch provided
CONTACT: John Zietz, 208-528-1457, john_zietz@cargill.com

18 **Soda Springs: UI Cereals Extension Field Day**
WHERE: Starts at Sid and Janet Cellan's farm
WHEN: 4:00 p.m. dinner provided
CONTACTS: Steve Harrison, (208-547-3205), steveh@uidaho.edu; Juliet Marshall, (208-390-4859), juliet.marshall@uidaho.edu

24 **Aberdeen Twilight Tour**
WHERE: Aberdeen R&E Center
WHEN: 4:00 PM – 8:00 PM, dinner provided
CONTACT: Kristi Copeland 208-307-4181, kcopelan@uidaho.edu

25 **Ashton: UI Extension Field Day**
WHERE: Don Marotz's farm 1383 N 4200th E, Ashton, ID
WHEN: 8:30 AM
CONTACTS: Lance Ellis, (208-624-3102),ellis@uidaho.edu; Juliet Marshall, (208-529-8376), juliet.marshall@uidaho.edu;

25 **NEW THIS YEAR**… **Tetonia UI Farm: Barley & Potato Field Day**
WHERE: Tetonia Research Farm, along Hwy 33
WHEN: 12:00 - 2:00 PM, BBQ lunch provided
CONTACTS: Kelly Olson, (208-409-9165),
kolson@idahobarley.org , Phil Nolte, (208-529-8376), pnolte@uidaho.edu