Idaho Grain Market Report, August 21, 2014

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, August 20, 2014. Barley prices in $/Cwt. and wheat prices in $/bu.

	Barley (Cwt.) FEED	**MALTING**	**Wheat (bu.)**		
	Feed	Open market malting	#1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro
Ashton	NQ	$10.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	$5.00	NQ	$5.75	$5.67	$6.20
Idaho Falls	NQ	$10.42- 10.50	NQ	NQ	NQ
Blackfoot / Pocatello	NQ	$10.00	$5.60	$5.84	$6.17
Grace / Soda Springs	$6.00	NQ	$5.81	$5.82	$6.36
Burley / Rupert Hazelton	$5.40	$10.42	$5.54-5.55	$5.54	$6.10
Twin Falls / Eden / Buhl	$5.50-6.25	NQ	$5.00 Feed wheat $3.00 - 3.75	NQ	NQ
Weiser	$6.00	NQ	$5.94	NQ	NQ
Nez Perce / Craigmont	$6.80	$6.80	$6.07	$6.45	$7.30
Lewiston	$7.30	$7.30	$6.94	$6.71	$7.56
Moscow / Genesee	$6.58 - $6.80	$6.58 – 6.80	$6.10 6.27	$6.48-6.61	$7.33-7.41

Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. -- unit trains barge	Malting	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein
Portland	NQ	NQ	$6.58 – 6.68	$6.94 - 7.09	$7.54½ - 7.74½
Los Angeles	$10.20–10.50	NQ	NQ	$8.54 (13%)	NQ
Stockton	NQ	NQ	NQ	NQ	NQ
Tulare	$10.20-10.50	NQ	NQ	NQ	NQ
Ogden	$7.00	NQ	$5.85	$5.99	$6.70
Great Falls	$5.75	$8.75	NQ	$5.26 - 5.28 (12%)	$5.88 – 5.89
Minneapolis	$5.21	$12.29	NQ	$6.24	$7.64½ - 8.04½

Market trends this week

BARLEY – Local barley prices were sharply lower, falling another 60 cents to a $1.00 this week. USDA reported no barley export sales last week and export shipments of 300 MT to Taiwan.

Barley Competitor / Buyer News – Stats Canada reported 2014 Canadian barley was estimated to fall 30% from last year to 7.2 MMT. Harvested area is expected to fall nearly 20% to 5.2 million and average yield is expected to fall 13% to 62.7 bpa.

WHEAT – Local wheat prices were mixed but mostly higher this week: SWW prices ranged from minus 18 cents to plus 12 cents; HRW prices ranged were 15 to 16 cents higher; and DNS prices were 5 to 11 cents higher. USDA reported wheat export sales last week were below trade trade expectations at 209.2 TMT, down 38% from the previous week and 62% from the prior 4-week average. Wheat export shipments were stronger at 532 TMT, up 6% from the previous week and 13% from the prior 4-week average.

Wheat Competitive/Buyer News – Stats Canada reported 2014 Canadian wheat was estimated to fall 26% from last year to 27.7 MMT, resulting from 2.6 million fewer harvested acres and overall yield decline of 18% to 44 bpa. Brazil is expected to begin taxing wheat imports from the U.S. and other suppliers outside of the Mecusor region very soon as they anticipate record wheat harvest.

CORN – USDA reported corn export sales were in line with trade expectations at 819.2 TMT (99.9 TMT for MY 13/14 and 719.3 TMT for MY 14/15). Corn export shipments last week stong at 1.1443 MMT, up 59% from the previous week and 25% from the prior 4-week average.

Ethanol corn usage – DOE's Energy Information Agency reported another uptick in weekly ethanol production – up 6,000 bpd to 937,000 bbls per day which is 0.64 % above the previous week and 11.02% above last year. Cumulative corn use for ethanol according to DOE data is estimated to have reached 4.72 billion bu, still below the pace needed to reach USDA's revised estimate of 5.12 billion bu.

Corn Competititor / Buyer News – Japanese Ag Ministry announced they were raising the percentage of corn used in feed manufacturing this year from 42% last year to 46.6% and reducing feed wheat use from 3% to 2%.

Futures Market trends this week

WHEAT – Wheat prices began the week lower, giving back part of Friday's gains on continued focus on ample world stocks battling concerns about above normal precipitatino moving across the northern U.S. which is delaying spring wheat markets and raising concerns about quality impacts. Tuesday brought a price reversal higher on rain delays in spring wheat crops across a wide swath of the Northern U.S. (including Idaho, Montana and North Dakota) along with a stratement from the Ukrainian Prime Minister than 15% of Ukraine's grain crop will be lost to fighting with rebels and Crimean annexation by Russia. Heavy rains remain in the 7-day forecast which will keep harvest challenges and quality concerns on the front burner. Clarification from Ukraine that losses will likely cover 15% of area not production pressured prices again on Wednesday. Wheat posted moderate gains today (Thursday) in continued short covering sparked by weather and crop concerns in the northern tier spring wheat crop. Gains were limited by sluggish export sales and a higher dollar. **Wheat market closes on Thursday, 8/21/14**…

	Sept. 2014	Weekly Summary	Dec. 2014	Weekly Summary	Mar. 2015	Weekly Summary
Chicago SRW	**$5.46¼**	**Down $0.05**	**$5.55 ½**	**Down $0.08**	**$5.72¼**	**Down $0.11¼**
KC HRW	**$6.22**	**Up $0.01**	**$6.32¼**	**Down $0.02**	**$6.40¼**	**Down $0.03 ½**
MGE DNS	**$6.15¾**	**Up $0.03¾**	**$6.23**	**Down $0.00¼**	**$6.34**	**Down $0.03**

CORN – Corn began the week lower as early gains from disappointing weekend rains and ideas of sharply lower acreage in South American gave way to late session profit-taking sparked by expectations of large yield projections from this week's Pro Farmer crop tour. Corn moved fractionally higher on Tuesday despite widely expected strong yield projections coming from the crop tour scouts. Spillover support and positive technical action were the main features. Wednesday brought lower prices under pressure from modest fund selling as Pro Farmer crop tour scouts release high yield projections. Corn finished modestly higher today (Thursday) in spillover support and news that South American acreage would likely shift away from corn (down 9%) to soybeans (up 8%). **Corn futures contract closes on Thursday, 8/21/2014… Sept. 2014 contract at $3.62¼ , down $0.03 ¼ for the week, Dec. 2014 contract closed at $3.69, down $0.08 and the Mar. 2015 contract closed at $3.81¾, down $0.08½.**

CRUDE OIL – More of the same…choppy trade within a mostly narrow channel dictated by countervailing forces. Supportive factors including ongoing geopolitical risks in Iraq and along the Ukrainian and Russia border offset by a stronger dollar and weakening European economic indicators. DOE reported that crude oil inventories fell more than expected – down 4.474 million bbls, compared to an expected decline of 1.75 million bbls. Distillates fell by 960,000 bbls, compared to an expected decline of 300,000 bbls. Gasoline stocks increased by 585,000 bbls, compared to an expected decline of 1.55 million bbls. **Crude oil futures finished up $.59 today (Thursday) to close at $94.05.**

US WEATHER / CROP –

West – Heavy monsoonal thunderstorms and showers continued to move in waves across the Northern Rockies tracking east across the northern plains, bringing more crop damage to ripe but unharvested barley and wheat. Crop damage is expected to be extensive in southern and eastern Idaho, as well as some areas of north Idaho, and concerns are mounting about crop conditions in Montana and North Dakota. **Plains** – Southern Plains remained hot and mostly dry, although scattered showers moved through parts of Kansas and Oklahoma. Summer crops are becoming stressed. **Midwest Corn Belt** – Weekend rains were disappointing in many areas but chances improved for above normal precipation in the 7-day outlook in the Northwest Corn Belt, tracking eastward into the Eastern Corn Belt. Temperatures warmed this week which is helping accelerate crop development. The **6-10 day forecast** is expected to bring a return of cooler than normal conditions to the Upper Midwest and wetter than normal east of the Rockies.

USDA Crop Progress / Condition Report, August 18, 2014

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	31% harvested	17%	32%	31%	62%	65%	65%
ID barley	**30% harvested**	**22%**	**50%**	**31%**	**61%**	**76%**	
US spring wheat	17% harvested	6%	16%	33%	68%	70%	66%
ID spring wheat	**23% harvested**	**20%**	**44%**	**24%**	**49%**	**59%**	
ID winter wheat	**70% harvested**	**60%**	**79%**	**56%**			
Corn	70% dough 22% dented	54% 11%	49% 10%	63% 27%	72%	73%	61%

INTERNATIONAL WEATHER/CROP OUTLOOK –

- **Canada** – Conditions remain mostly favorable, although heavy rains are expected to settle into the Prairies by end of the week.
- **Europe –** Relatively cool showery conditions persisted, interrupting small grain harvest and causing quality concerns.
- Ukraine **–** Mostly warm and dry conditions are aiding small grain maturity and harvest.
- **Russia –** Mostly hot and dry weather persisted across western and southern Russia, allowing small grain harvest to advance. Warm showery conditions helped maintain favorable conditions for spring grains in the central and eastern production regions.
- **China –** Rainfall maintained mostly favorable growning conditions in the northeastern production region but conditions remains dry acoss the central production region.
- **Argentina** – Dry weagther improved conditions for late season fieldwork in key production areas.
- **Australia –** Northeastern growing areas received beneficial moisture this week, helping to stabilize winter grain crop conditions.