Idaho Grain Market Report, September 18, 2014

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, September 17, 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 – 5.15	NQ	Feed wheat $3.25	NQ	NQ
Idaho Falls	$6.00	$11.46 - $11.50	NQ	NQ	NQ
Blackfoot / Pocatello	NQ	$10.00	$6.00	$6.02	$6.85
Grace / Soda Springs	$4.65	NQ	$5.80	$5.46	$6.53
Burley / Rupert Hazelton	$5.20 – 5.50	$11.46	$5.75–5.80	$5.46	$6.37
Twin Falls / Eden / Buhl	$5.00- 5.75	NQ	Feed wheat $3.00	NQ	NQ
Weiser	$6.00	NQ	$5.63	NQ	NQ
Nez Perce / Craigmont	$5.80		5.85	$6.40	$8.06
Lewiston	$6.30		$6.10	$6.65	$8.31
Moscow / Genesee	$5.80 - 6.33		$5.87 - 6.01	$6.42 - 6.56	$8.08 – 8.17

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	$6.69¼ -6.90	$6.92¼ - 7.12¼	$7.73 - 8.88
Los Angeles	$8.75 – 8.90	NQ	NQ	$8.32 (13%)	NQ
Tulare	$8.75 - 8.90	NQ	NQ	NQ	NQ
Ogden	$5.35	NQ	$6.15	$5.92	$7.08
Great Falls	$5.00	$9.50	NQ	$5.15 - 5.18 (12%)	$5.99 – 6.39
Minneapolis	$4.58	$13.23	NQ	$6.52¼	$7.78 – 8.13

Market trends this week

BARLEY – Local feed barley prices were steady to 50 cents lower, with open market malting barley prices remained steady. USDA reported barley export sales last week reached a marketing year high of 42.6 TMT, to unknown destination, Japan and Taiwan. Barley export shipments totaled 900 MT to Taiwan and South Korea.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from minus 32 cents to plus 10 cents; HRW prices ranged from minus 39 cents to plus 6 cents; and DNS prices ranged from minus 41 cents to plus 71 cents. USDA reported last week's wheat export sales were below trade trade expectations at 314.5 TMT, down 54% from the previous week and down 15% from the prior 4-week average. Cumulative wheat export sales now total 50.8% of the USDA estimate for the year compared toa 5-year average of 47.9%. Wheat export shipments were stronger at 771.8 TMT, up 38% from the previous week and 34% from the 4-week average.

Wheat Competitive/Buyer News – Russian wheat crop estimates continue to climb, with SovEcon now proejkctinga wheat crop of 60 MMT (USDA 59 MMT) and total grain production of 106 MMT, up from their earlier estimate of 104 MMT. Russian wheat exports are projected at 22.5 MMT. Ukrainian wheat exports reportedly totaled 1 MMT this week with cumulative wheat exports for MY 2014/15 at 7 MMT. USDA is projecting their total year exports at 9 MMT, which could go higher. Disappointing monsoonal season may lower Indian wheat production, as rainfall in the key northern and western wheat growing regions are only 40 to 60% of normal. Saudi Arabia purchased 610 TMT of optional origin hard milling wheat this week, while Turkey bought 200 TMT of optional origin milling wheat this week. Egypt purchased 180 TMT of

French wheat this week.

CORN – USDA reported corn export sales were within trade expectations at 659.7 TMT. Cumulative corn export sales now total 29.3% of the USDA estimate for the year compared to a 5-year average of 36.8%. Corn export shipments last week trended lower at 722.4 TMT.

Ethanol corn usage – DOE's Energy Information Agency reported another gain in weekly ethanol production – up 4,000 bpd to 931,000 bbls per day to a 5 week high, which is up 0.43% from the previous week and 11.1% above last year. Corn used to produce ethanol totaled 97.76 million bu.

Corn Competititor / Buyer News – Strategie Grains is projecting a record European corn harvest this year at 71.3 MMT, compared to USDA's estimate of 68 MMT.

Futures Market trends this week

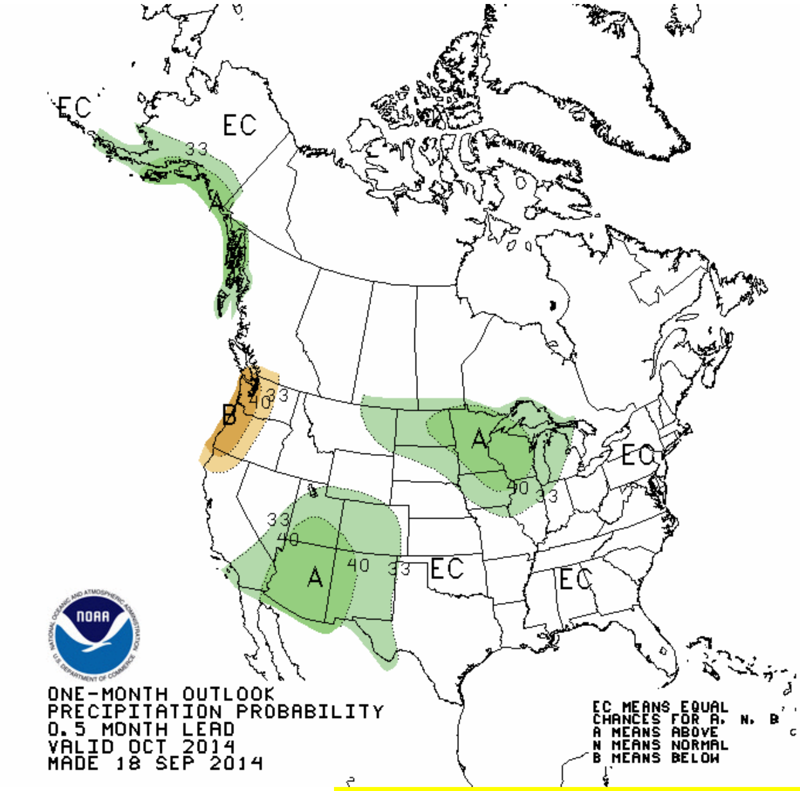
WHEAT – Wheat prices continued to chop lower this week, posting fresh contract lows, under the weight of fund and technical selling tied to ample world wheat supplies. Wheat prices finished down double digits today (Thursday) under pressure from beneficial moisture in hard red winter wheat regions. **Wheat market closes on Thursday, 9/18/14**…

	Dec. 2014	Weekly Summary	Mar. 2015	Weekly Summary	May 2015	Weekly Summary
Chicago SRW	**\$4.88½**	**Down \$0.14**	**\$5.05¾**	**Down \$0.14¼**	**\$5.17¼**	**Down \$0.13½**
KC HRW	**\$5.69¾**	**Down \$0.23½**	**\$5.77¼**	**Down \$0.24**	**\$5.80¾**	**Down \$0.25¼**
MGE DNS	**\$5.50¼**	**Down \$0.27¾**	**\$5.67**	**Down \$0.26½**	**\$5.79**	**Down \$0.26¼**

CORN – Corn started the week trading both sides before settling modeslty higher in fund buying sparked by weekend cold temperatures and rain which continue to slow maturity and ideas that FSA will certify lower corn acreage this week. Some areas of the northwestern Corn Belt experienced localized but not widespread frostdamage. On Tuesday, FSA data showed corn acreage at 84.83 million, with 1.582 million acreage prevented plant. This lower acreage could prompt USDA to cut their corn harvest acreage estimate by as much as 3 million acres in next month's crop report, but yield projections numbers continue to climb with ideas that the national average yield could reach 172 to 174 bpa. Corn closed lower on Wednesday and again today (Thursday) as the market focus returmed to improving weather and expectations of big yields. **Corn futures contract closes on Thursday, 9/18/2014… Dec. 2014 contract at \$3.38¼, down \$0.00¼ for the week, Mar. 2015 contract closed at \$3.50¾, down \$0.00¼ and the May 2015 contract closed at \$3.59¼, down \$0.00¼.**

CRUDE OIL – Crude oil prices trading was choppy again this week, tied closely to the direction of the dollar. Prices fell on Wednesday from a 2-week high as crude oil inventories increased more than expected and the dollar traded to a 14 month high. DOE reported that crude oil inventories increased more than expected, jumping 3.67 million bbls last week, compared to an expected drawdown of 1.5 million bbls. Distillates increased by 279,000 bbls, compared to an expected build of 750,000 bbls, while gasoline stocks fell by 1.635 million bbls, compared to an expected decline of 425,000 bbls. **Crude oil futures finished \$1.35 lower on Thursday to close at \$93.07/bbl.**

US WEATHER / CROP OUTLOOK –
West – Massive warm ridge settled over the Western U.S., with the exception of heavy localized rain and flooding as remnants of Hurricane Odile swept through the southwest. **Plains** – Warmer and mostly dry conditions prevailed across the Northern Plains allowing spring grain harvest to advance. The Great Plains received beneficial moisture for winter wheat planting. **Midwest Corn Belt** –Mostly dry and warmer. The **6-10 day outlook** calls for cooling trend and wetter than normal across the Southern Rockies and High Plains, but mostly warm and dry across Midwest.



USDA Crop Progress / Condition Report, September 15, 2014

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	91% harvested	81%	95%	90%			
ID barley	**94% harvested**	**87%**	**99%**	**89%**			
US spring wheat	74% harvested	58%	89%	86%			
ID spring wheat	**95% harvested**	**77%**	**99%**	**90%**			
US winter wheat	12% planted	3%	11%	11%			
ID winter wheat	**99% harvested** **19% planted**	**93%** **5%**	**100%** **15%**	**99%** **13%**			
Corn	82% dented 27% mature 4% harvested	69% 15% NA	79% 20% 4%	85% 39% 9%	74%	74%	53%

INTERNATIONAL WEATHER/CROP OUTLOOK –

- **Canada** – Warmer conditions prevailed this week, allowing spring grain harvest to resume.
- **Europe –** Locally heavy showers continued across parts of Eastern Europe, slowing summer crop harvest and delaying winter wheat planting. Elsewhere conditions were favorable for summer crop harvesting and winter grain planting.
- **Ukraine** – Warm and dry conditions promoted summer crop harvesting and winter wheat planting.
- **Russia –**Showers across southwestern Russia replenished soil moisture for winter wheat establishment.
- **China –** Winter wheat regions continued to receive beneficial moisture this week.
- **Argentina** – Drier weather brought relief from recent excessive moisture.
- **Australia –** Southern winter grain region received beneficial moisture this week and the west and dry northweast expect rain by this weekend.