

Idaho Grain Market Report, October 16, 2014

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 15, 2014. Barley prices in \$/Cwt. and wheat prices in \$/bu.

	<u>Barley (Cwt.)</u> <u>FEED</u> <u>48 lbs or better</u>	<u>MALTING</u> <u>Open market</u> <u>malting</u>	<u>Wheat (bu.)</u> <u>Milling</u> <u>#1 SWW</u>	<u>#1 HRW</u> <u>11.5% pro</u>	<u>#1 DNS</u> <u>14% pro</u>
Ashton	NQ	\$10.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	\$4.75 - \$5.00	NQ	\$5.69-5.91	\$5.62	\$6.79
Idaho Falls	\$5.00	\$12.50	<u>Feed wheat</u> \$3.25-3.50 \$5.75- 6.12 <u>Feed wheat</u> \$3.35	\$5.60 - \$6.50	\$7.00 - 7.28
Blackfoot / Pocatello	NQ	\$10.00	\$5.75	\$6.50	\$7.00
Grace / Soda Springs	\$4.80	NQ	\$5.80	\$5.97	\$6.41
Burley / Rupert	\$5.20 - 5.50	\$12.50	\$5.80-6.00	\$5.67	\$7.29
Hazelton					
Twin Falls / Eden / Buhl	\$5.50 - 5.75		<u>Feed wheat</u> \$2.75-3.30	NQ	NQ
Weiser	\$6.00	NQ	\$5.90	NQ	NQ
Nez Perce / Craigmont	\$5.80		\$5.85	\$6.77	\$8.29
Lewiston	\$6.30		\$6.10	\$7.02	\$8.54
Moscow / Genesee	\$5.80 - 6.10		\$5.87-6.01	\$6.79-6.98	\$8.31-8.45

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	\$6.65 - 6.86	\$7.47 - 7.57	\$8.94 ³ / ₄ - 9.14 ³ / ₄
Los Angeles	\$8.35 - 8.50	NQ	NQ	\$8.67 (13%)	NQ
Tulare	\$8.35 - 8.50	NQ	NQ	NQ	NQ
Ogden	\$5.25	NQ	\$6.20	\$6.35	\$7.00
Great Falls	NQ	\$12.00	NQ	\$5.30 - 5.34 (12%)	\$6.14 - 6.41
Minneapolis	\$5.10	\$15.31	NQ	\$6.52	\$7.64 ³ / ₄ - 8.04 ³ / ₄

Market trends this week

BARLEY – Local feed and open market malting barley prices were steady to 35 cents higher this week. USDA export sales report will be delayed until Friday, due to the Columbus Day holiday on Monday.

WHEAT – Local wheat prices were mixed but mostly higher this week: SWW prices ranged from minus 5 cents to plus 8 cents; HRW prices ranged from 8 to 17 cents higher; and DNS prices ranged from 1 cent to \$1.00 higher. USDA reported last week's wheat export shipments were disappointing at 423.8 TMT, down 37% from the previous week. Export sales will be reported on Friday.

Wheat Competitory / Buyer News – Strategie Grains raised their EU wheat production estimate this month by .8 MMT to 147.4 MMT, up 9% from a year ago. Rosario Grain Exchange is pegging Argentine wheat crop at 12 MMT (USDA est 12 MMT), a three year high.

CORN – USDA reported corn export shipments last week were on the high end of trade expectations at 978.1 TMT, down 5% from the previous week. Export sales will be reported on Friday.

Ethanol corn usage – DOE’s Energy Information Agency reported slippage in weekly ethanol production due to declining margins – down 16,000 bpd to 885,000 bbls per day, down 1.78% from a week ago but up 1.84% from a year ago. Corn used to produce ethanol totaled 92.93 million bu.

Corn Competitor / Buyer News – Strategie Grains raised their EU corn production estimate this month by 2 MMT to a record high 73.3 MMT.

Futures Market trends this week

WHEAT – Wheat prices moved higher this week on a combination of spillover support from corn and beans and short covering. Wheat traded both sides of unchanged on Wednesday, with KC and Minn trading fractionally higher on a mix of bargain hunting and profit-taking. A sharply lower dollar provided support. Wheat showed independent strength today (Thursday), closing sharply higher to a one month high, supported by another round of technical buying and short covering triggered by a softer dollar which is helping make U.S. wheat more competitive on world markets. **Wheat market closes on Thursday, 10/16/14...**

	Dec. 2014	Weekly Summary	Mar. 2015	Weekly Summary	May 2015	Weekly Summary
Chicago SRW	\$5.17	Up \$0.187½	\$5.28¾	Up \$0.19¼	\$5.35½	Up \$0.20¼
KC HRW	\$6.05	Up \$0.17¼	\$6.04¼	Up \$0.25½	\$6.01	Up \$0.22¼
MGE DNS	\$5.76½	Up \$0.23¼	\$5.82¾	Up \$0.19¼	\$5.91½	Up \$0.18¼

CORN – Market volatility was high this week...Corn futures surged higher early in the week, buoyed by a strong money flow out of energies and equities into corn and soybeans. Lack of harvest progress and slow farmer selling provided support. Corn retreated on Wednesday under profit-taking pressures and ideas that harvest weather will greatly improve by this weekend. A sharp sell-off in energies and equities added to the negative tone as managed money rushed back into safe haven investments in the face of negative U.S. and world economic indicators. Corn posted modest gains today (Thursday) on support from technical buying and short covering. **Corn futures contract closes on Thursday, 10/16/14... Dec. 2014 contract at \$3.52¼, up \$0.18¼ for the week, Mar. 2015 contract closed at \$3.65¼, up \$0.18½ and the May 2015 contract closed at \$3.74¼, up \$0.18½ for the week.**

CRUDE OIL – Weakening global economic data continued to pummel oil prices this week, driving crude oil values down to the lowest price levels in more than two years. DOE reported that crude oil inventories increased by a whopping 8.923 million bu, compared to an expected increase of 2.45 million bbls. Distillates decreased by 1.518 million bbls, compared to an expected decline of 1.65 million bbls. Gasoline stocks fell by 3.995 million bbls, compared to an expected decrease of 1.55 million bbls. **Crude oil futures finished \$0.92 higher on Thursday to close at \$82.70/bbl, which is down \$3.12/bbl for the week.**

US WEATHER / CROP OUTLOOK –

West – Unseasonably dry conditions gave way to a cold front this week, sweeping strong winds and showers through the PNW into the Northern Rockies. Conditions are expected to be mild and mostly dry this weekend. **Plains** – Last week’s showers provided needed moisture for emerging winter wheat across Nebraska, Kansas and Oklahoma. Soil moisture shortages remain a concern across portions of the Southern Plains. Rains are moving through portions of the Northern Plains, but this region should then turn warmer and drier. **Corn Belt** – Upper Midwest was mostly dry allowing harvest to advance. Heavy rainfall and severe storms blanketed the eastern and south-central belts, delaying harvest. Conditions turn drier this weekend, allowing harvest to resume and remain favorable through the end of the month. **The 6-10 day outlook calls for warmer and drier conditions to prevail across a wide swath from the Pacific Coast to Plains and Midwest.**

USDA Crop Progress / Condition Report, October 14, 2014

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	68% planted 37% emerged	56% 28%	NA NA	67% 43%			
ID winter wheat	81% planted 38% emerged	62% 22%	NA NA	79% 34%			
Corn	87% mature 24% harvested	77% 17%	NA NA	89% 43%	74%	74%	NA

INTERNATIONAL WEATHER / CROP OUTLOOK –

- **Australia** – East Australia received moisture this week, but Victoria and South Australia have remained unfavorably dry. Chances for precipitation improve in the next week. Storms are expected to move through Western Australian by the end of this week.

- **Brazil** – Experiencing unfavorable dryness and excessive heat across key corn and bean growing areas. Wheat quality has suffered from heavy rainfall across the wheat belt.
- **Argentina** – Mostly favorable growing conditions as winter grain harvest begins.

2015 Malting Barley Contracting is Underway...

- **MillerCoors is currently contracting.**
- **Anheuser Busch will begin contracting on Monday, Oct. 20.**
- **InteGrow expects to begin contracting within next 2 weeks.**
- **Great Western expects to begin contracting within next 2 to 4 weeks.**