Idaho Grain Market Report, October 23, 2014

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 22, 2014. Barley prices in $/Cwt. and wheat prices in $/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open market malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% pro	#1 DNS 14% pro	#1 HWW
Ashton	NQ	$10.00	NQ	NQ	NQ	
Rexburg/ Ririe/ Roberts	$4.75 - $5.00	NQ	$6.05 **Feed wheat** $3.50	NQ	NQ	$6.15
Idaho Falls	$5.00	$12.50	$5.75– 6.17 **Feed wheat** $3.50	$5.65 - $6.57	$6.73 – 7.26	$7.05
Blackfoot / Pocatello	NQ	$10.00	$5.75	$6.57	$6.73	$7.05
Grace / Soda Springs	$5.00	NQ	$6.05	$6.07	$6.74	$6.07
Burley / Rupert Hazelton	$5.20 – 5.50	$12.50	$6.05-6.15	$5.07	$5.95	$6.30
Twin Falls / Eden / Buhl	$5.00 - 5.75		**Feed wheat** $2.75–3.30	NQ	NQ	
Weiser	$6.00	NQ	$6.10	NQ	NQ	
Nez Perce / Craigmont	$6.05		$6.05	$6.82	$8.32	
Lewiston	$6.55		$6.30	$7.07	$8.57	
Moscow / Genesee	$6.05 - 6.10		$6.07–6.21	$6.84-7.03	$8.34–8.48	

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	#1 HWW
Portland			$6.77¼- 7.02 ¼	$7.50¼ -7.80 ¼	$9.08¾ – 9.18¾	
Los Angeles	$8.35–8.65			$8.80 (13%)		
Tulare	$8.35-8.65					
Ogden	$5.35		$6.35	$6.45	$7.27	$6.60
Great Falls	$4.20-4.50	$12.00		$5.43 – 5.66 (12%)	$6.18 – 6.44	
Minneapolis	$5.10	$15.31		$6.65¼	$7.83¾ – 7.98¾	

Market trends this week

BARLEY – Local feed and open market makting barley prices were steady to 25 cents higher this week. USDA reported barley export sales of 300 MT to Taiwan, and export shipments of 100 MT to Taiwan.

WHEAT – Local wheat prices were mixed but mostly higher this week: SWW prices ranged from steady to 25 cents higher; HRW prices ranged from 5 to 10 cents higher; and DNS prices ranged from minus $1.34 to plus 33 cents. USDA reported last week's wheat export sales were below trade expectations at 299.4 TMT, down 34% from the previous week and down 39% from the prior 4-week average. Wheat export shipments last week also were disappointing at 431.7 TMT, down 11% from the previous week and 21% from the previous 4-week average.

Wheat Competitory / Buyer News – The Argentine government has released wheat export licenses for 400 TMT of old crop wheat stocks and is considering an export license quota of 2.0 MMT for new crop wheat. Egypt purchased 180 TMT of wheat this week from France, Russia and Romania.

CORN – USDA reported corn export sales were above trade expectations at 1.031 MMT, down 46% from last week and down 1% from the previous 4-week average. Corn export shipments last week were disappointing at 676.7 TMT.

Ethanol corn usage – DOE's Energy Information Agency reported gains in weekly ethanol production – up 11,000 bpd to 896,000 bbls per day, up 1.24% from a week ago but down 0.11% from a year ago. Corn used to produce ethanol totaled 94.1 million bu, bringing cumulative corn usage to 634.74 million b, since September 1.

Corn Competititor / Buyer News – MY 2014-15 Chinese corn imports to date total 1.617 MMT, compared to 0.67 MMT for the same period a year ago. China is still not approving corn imports from the U.S. due to unresolved GMO approval issues. The Argentine government has released corn export licenses for 500 TMT of old crop corn stocks. Taiwan bought 60 TMT of Brazilian corn this week.

Futures Market trends this week

WHEAT – Wheat prices began the week fractionally lower under pressure from favorable moisture across the key US winter wheat region and slightly higher acreage projections for the Black Sea region (fall moisture however is only about 20% of normal). Wheat prices closed firmer on both Tuesday and Wednesday on short covering, talk of lower SRW acreage in the U.S. due to delayed soybean harvest and forecast of colder temperatures projected for the Black Sea region over the next several weeks. Minn prices closed lower as hard red spring wheat stocks are projected to jump to a 24 year high this year. Wheat finished mixed to higher today (Thursday), with CHI showing the most strength on support from SRW wheat planting delays. Gains were limited by disappointing wheat export sales. **Wheat market closes on Thursday, 10/23/14**…

	Dec. 2014	Weekly Summary	Mar. 2015	Weekly Summary	May 2015	Weekly Summary
Chicago SRW	**$5.26¾**	**Up $010 ¾**	**$5.40¼**	**Up $0.12¼**	**$5.48**	**Up $0.13½**
KC HRW	**$6.05¼**	**Up $0.03 ½**	**$6.07¾**	**Up $0.06**	**$6.07¼**	**Up $0.08¾**
MGE DNS	**$5.71**	**Up $0.00½**	**$5.80¼**	**Up $0.04½**	**$5.87¾**	**Up $0.04¼**

CORN – Corn posted modest gains to start the week and extended these gains on Tuesday, led by strength in soybeans, technical buying and slower than expected harvest progress. Gains were limited by an active harvest outlook for the week as most of the Corn Belt turned warmer and drier. Wednesday saw corn prices settle modestly lower in choppy two sided trading. Corn prices rebounded higher today (Thursday) as light showers returned to the midwest. The extended forecast shows the mid section of country could remain wet through the first week of November. **Corn futures contract closes on Thursday, 10/23/14… Dec. 2014 contract at $3.59¾, up $0.11¾ for the week, Mar. 2015 contract closed at $3.73½, up $0.12¼ and the May 2015 contract closed at $3.82, up $0.12 for the week.**

CRUDE OIL – Crude oil futures traded in a narrow channel to start the week but slumped sharply lower on Wednesday to 18 month lows under the weight of a higher dollar and larger than expected domestic crude oil stocks. DOE reported that crude oil inventories showed another week of sharp increases – up 7.111 million bu, compared to an expected increase of 3.0 million bbls. Distillates increased by 1.049 million bbls. Gasoline stocks fell by 1.299 million bbls, compared to an expected decrease of 1.45 million bbls. **Crude oil futures finished $1.57 higher on Thursday to close at $82.09/bbl, with support from a lower U.S. dollar and better than expected October manufacturing activity in both China and the EU. Crude oil futures closed down $0.66/bbl for the week.**

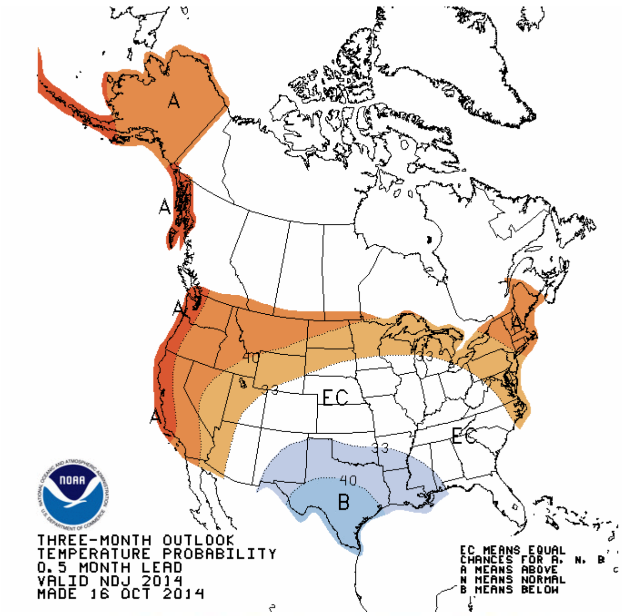
US WEATHER / CROP OUTLOOK –

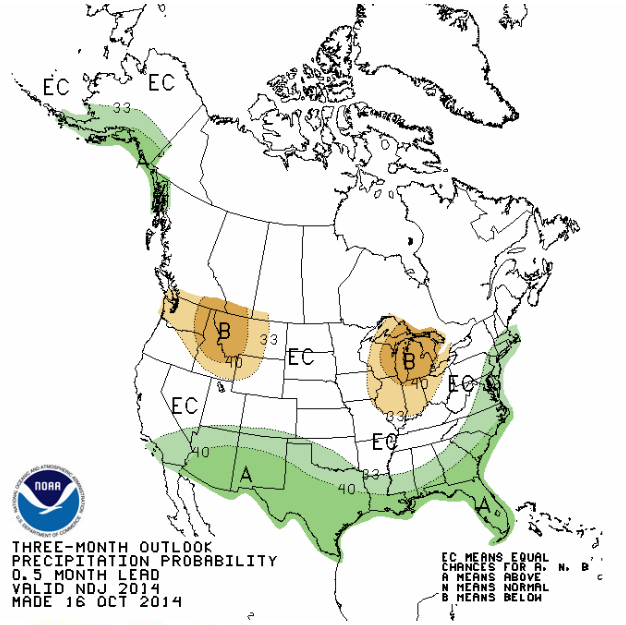
West – After a mild and mostly dry weekend across the region, two storms tracked through the PNW into the Northern Rockies this week, bringing beneficial moisture for winter wheat crop emergence and establishment. The **6-10 day outlook** calls for wetter than normal conditions to persist. **Plains –** Warm temperatures this week were accompanied by a weak disturbance that brought a band of light showers stretching from North Dakota into western Texas. The **6-10 day outlook** calls for above normal temperatures and mostly dry conditions to persist. **Corn Belt** – Unseasonably warm conditions are helping dry out corn and bean crops which should help accelerate a lagging harvest pace. Light shower activity tracked through the Central U.S. midweek with a stronger storm system expected to arrive by late weekend into early next week which is likely to interrupt harvest. **The 6-10 day outlook calls for warmer and wetter than normal conditions across the Upper Midwest but mostly dry elsewhere.**

USDA Crop Progress / Condition Report, October 20, 2014

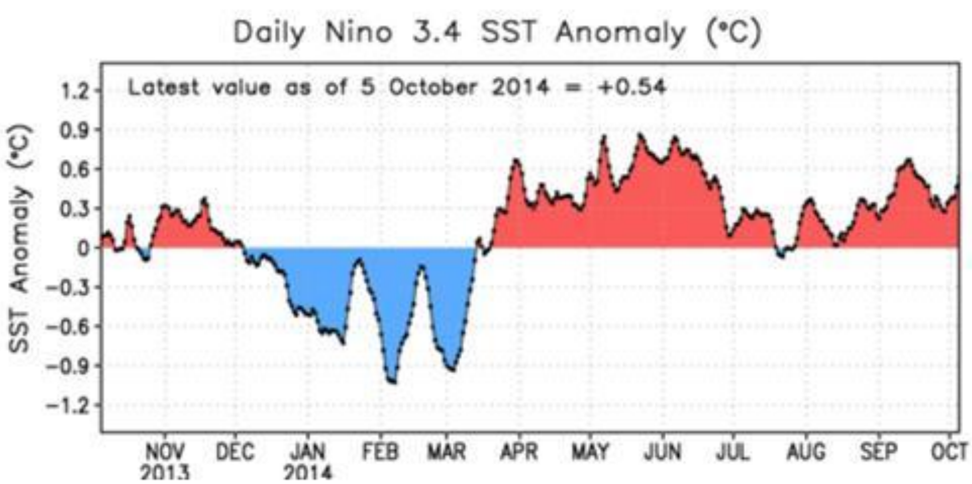
Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	76% planted 56% emerged	68% 43%	77% 51%	77% 50%			
ID winter wheat	**92% planted** **55% emerged**	**81%** **38%**	**81%** **36%**	**89%** **50%**			
Corn	31% harvested	24%	38%	53%	74%	74%	60%

3 month outllook **-** The NOAA's 3-month outlook (below) shows warmer and drier conditions persisting across the Pacific Northwest and Intermountain Region, which is consistent with warming ocean temperatures in the Eastern Equatorial Pacific (El Nino map below).





Daily Sea Surface Temperature Anomaly (C) Nino 3.4 Region



Data source World Climate Service

INTERNATIONAL WEATHER / CROP OUTLOOK –

- **Australia –** Pockets of severe rain deficiency remain in southern New South Wales, Victoria and South Australia. Recent heavy rainfall across Western Australia has likely come to late to help improve yield prospects and may be affecting quality.
- **Brazil** – The rainy season has finally begun across Mato Grosso, the #1 soybean and #2 corn producting state. Delayed soybean planting in this region means that the second crop corn will likely see a shorter growing season and lower yield potential. To the south, Parana, the #1 corn producing state, has turned unfavorably hot and dry.
- **Argentina** – Mostly favorable conditions as winter grain harvest begins.

WEBINAR on <u>Understanding the Idaho Harvest 2014 Weather Events and Winter 2015 Weather Outlook</u>

Presented by the Idaho Barley Commission and National Weather Service
WHEN: **<u>NOVEMBER 19 at 10 am MST</u>**
LOG IN: **http://connect.cals.uidaho.edu/barley/**