Idaho Grain Market Report, November 14, 2013

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 13, 2013. Barley prices in $/Cwt. and wheat prices in $/bu.

	Barley (Cwt.)		Wheat (bu.)		
Ashton	NQ	(2-R) $10.00 (6-R) $10.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	$7.85	(2-R)$11.46-$12.00 (6-R) $11.46	$5.90	$6.43	$7.25
Blackfoot / Pocatello	$9.16	(2-R) $10.00 (6-R) $10.00	$6.25	$7.01	$7.13
Grace / Soda Springs	$7.40	(2-R) NQ (6-R) NQ	NQ	$7.12	$6.96
Burley / Rupert Hazelton	$7.75-$8.00	(2-R) $11.46 (6-R) $11.46	$6.00	$6.52	$6.86
Twin Falls / Eden / Buhl	$9.00	(2-R) NQ (6-R) NQ	$5.75	NQ	NQ
Weiser	$7.25	(2-R) NQ (6-R) NQ	$6.30	NQ	NQ
Nez Perce / Craigmont	$6.05	(2-R) $6.05 (6-R) $6.05	$6.35	$7.14	$7.50
Lewiston	$6.55	(2-R) $6.55 (6-R) $6.55	$6.60	$7.39	$7.75
Moscow / Genesee	$6.05-$6.75	(2-R) $6.05 (6-R) $6.05	$6.37-$6.52	$7.16-$7.29	$7.52-$7.66

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	Nov $7.07 ¼-$7.09 ½ Mar $7.25-$7.34	NQ	Nov $8.18 ¼-$8.38 ¼
Los Angeles	$11.20	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	$11.20	NQ	NQ	NQ	NQ	NQ
Ogden	$7.50	NQ	NQ	$6.50	$7.30	$7.55
Great Falls	$6.50-$7.00	NQ	$9.50	NQ	$6.49-$6.56	$6.93-$7.06
Minneapolis	$7.19	NQ	$11.35	NQ	$8.42 (12%)	$8.24 ½-$8.29 ½

Market trends this week

BARLEY – Local barley prices were mixed this week with southern Idaho locations reporting a range of 4 cents lower to 25 cents higher and northern Idaho steady. USDA won't release export sales data until Friday due to the Veteran's Day holiday on Monday.

USDA's S&D Projections for New MY 2013/14 for BARLEY – Nov. 8 – USDA made only a couple minor tweaks to the U.S. barley balance sheet this month… they cut U.S. production by 3 million bu to 215 million bu, based on slightly lower harvested acreage, and cut ending stocks by an equal amount to 80 million bu. The average farm gate price for U.S. barley was tightened to $5.65-$6.35. **World barley production was cut by .288 MMT this month to 141.7 MMT, up 9% from last year, with Russian production cut by 1 MMT, European production increased by 1 MMT and Canadian production increased by .45 MMT. World ending stocks were increased by .4 MMT to 22.8 MMT, up 12% from last year.**

WHEAT – Local wheat prices were also mostly lower again this week: SWW ranged from 3 cents lower to 15 cents higher; HRW ranged from 12 to 14 cents lower; and DNS ranged from 2 to 9 cents lower. USDA will report wheat export sales on Friday. The trade is projecting wheat export sales in the 350 – 550 TMT range. Wheat export shipments last week improved from the previous week's slump, totaling were disappointing last week, totaling 333 TMT, up 37% from the previous week. Cumulative wheat export shipments have reached 55.5% of the USDA projection for the year, compared to 45.2% on average.

USDA's S&D Projections for New MY 2013/14 for WHEAT – Nov. 8 - USDA raised 2013 wheat production this month by 13 million bu to 2.13 billion bu, based on a slightly higher average yield of 47.2 bpa raised imports by 10 million bu to 150 million bu, cut food use by 8 million bu to 950 million bu and raised feed use by 30 million bu to 310 million bu. **This resulted in a modest 4 million bu increase in wheat ending stock to 565 million, ABOVE the average pre-report trade estimate of 519 million bu.** The average farm gate price for U.S. wheat was narrowed to $6.70-$7.30/bu. **World wheat production was cut by 2.5 MMT this month to 706.4 MMT, up 8% from last year, led by bigger crops in Canada and the EU.** USDA cut Argentine production by 1 MMT to 11 MMT. **World wheat ending stocks were increased by 2 MMT to 178.5 MMT, up nearly 2% from last year.**

Wheat Competitor/Buyer News –The European Union approved licenses to export 612 TMT of wheat this week, bringing their cumulative wheat exports to 10 MMT this marketing year compared to 6.4 MMT for the same period a year ago.

CORN – USDA will report export sales on Friday. The trade is projecting export sales in the 800 TMT to 1 MMT range. Corn export shipments were disappointing last week, totaling 424 TMT, down 47% from the previous week. Cumulative corn export shipments have reached 18.2% of the USDA projection for the year, compared to 19.2% on average.

Ethanol corn usage – DOE's Energy Information Agency reported U.S. ethanol production picked up 25,000 bpd last week to 927,000 bpd, up nearly 3% from the previous week and up 12.5% from a year ago. Corn used for ethanol totaled 94.3 million bu, right on pace to meet the USDA projection of 4.9 billion bu for the marketing year.

USDA's S&D Projections for New MY 2013/14 for CORN – Nov. 8 – USDA **raised beginning stocks by 163 million bu to 824 million bu,** based on slightly lower feed usage (-142 million), ethanol (-17 million bu) and exports (-4 million bu) at the end of MY 2012/13 which ended August 31. **For new crop,** USDA pegged the **2013 output at 13.989 billion bu, 146 million bu ABOVE their September estimate but mostly in line with pre-report trade estimates of 14.003 billion bu.** Harvested acres were cut by nearly 2 million acres to 87.2 million while average corn yields were bumped from 155.3 bpa to 160.4 bpa. The average pre-report trade estimates were 88.097 million and 159 bpa. USDA also turned somewhat bullish on the demand side, hiking feed usage by 100 million bu and exports by 175 million bu. This resulted in a modest 32 million bu increase in **ending stocks to 1.887 billion bu, BELOW the pre-report trade estimate of 2.029 billion bu.** The average farm gate price for U.S. corn was adjusted downward to $4.10-$4.90/bu. **World corn production was increased by nearly 6 MMT to a new record 962.8 MMT, up 12% from last year, while world corn ending stocks were increased by nearly 13 MMT this month to 164.3 MMT, up 22% from last year.**

Corn Competitor/Buyer News – Argentine corn planting pace is slipping behind normal due to severe drought in the past three months followed by recent heavy rainfall. Planting was pegged at 39% completed at the start of this week, compared to 57% on average. Ukrainian farm minister reported this week that Ukraine was on target to meet their goal of shipping 2 MMT of corn to China by the end of this week.

Futures market activity this week
Global macroeconomic trends – Eurozone Q3 GDP is projected to rise 0.1%, meeting expectations, but down from 0.3% growth in Q2.

U.S. economic indicators – Federal Reserve Chairman nominee Janet Yellen signaled her strong support for continuing the Fed's current aggressive monthly bond-buying program in congressional testimony this week, which contrasts with recent comments from various Fed presidents who have argued the time was fast approaching to begin tapering their monetary stimulus.

WHEAT – Wheat markets continued to slide on a lack of fresh supportive news and ideas that the US and European winter wheat crops were off to a very strong support ahead of winter dormancy. Slowing export sales pace provided underling pressure. Wheat closed narrowly mixed today (Thursday) in choppy two sided trading with the potential for more short covering in an oversold market. **Wheat market closes on Thursday, 11/14/13** …

	Dec. 2013	Weekly Summary	Mar. 2014	Weekly Summary	Dec. 2014	Weekly Summary
Chicago SRW	**$6.44 ¾**	**Down $.05**	**$6.55 ¾**	**Down $.06 ¼**	**$6.79 ¼**	**Down $.10 ¾**
KC HRW	**$7.03**	**Down $.05 ½**	**$7.04 ¾**	**Down $.06 ½**	**$7.17**	**Down $.10 ¾**
MGE DNS	**$7.00**	**Down $.08**	**$7.10**	**Down $.09 ½**	**$7.34**	**Down $.07 ¾**

CORN – Short covering pushed corn prices solidly higher on Monday, after Friday's key reversal higher on support from smaller than expected production and carryout estimates from USDA. But gains could be sustained as prices eroded on Tuesday and Wednesday on a lack of fresh buying interest, disappointing export inspections and tail end of harvesting an anticipated bumper crop. Corn finished modestly lower again today (Thursday) in a combination of weak technical action and demand uncertainties about the future of the Renewable Fuels blending mandate. **Corn futures contract closes on Thursday, 11/14/13 for Dec. 2013 contract at $4.26½ , down $.00¼ , Mar. 2014 contract closed at $4.36½, down $.02 and the Dec. 2014 contract closed at $4.66½, down $.02 for the week.**

OTHER MAJOR FACTORS TO WATCH –
CRUDE OIL –Crude oil posted a minor rally to start the week on support from stronger than expected economic readings from China, including an uptick in oil demand last month. But the market ferll more than $2 on Tuesday on prospects for another inventory build this week and OPEC projections that show production outstripping demand next year. DOE's weekly inventory report for last week showed crude oil stocks increased by 2.64 million bbls, compared to an expected build of 800,000 bbls; distillates fell by 500,000 bbls; and gasoline inventories fell by 800,000 bbls. **Crude oil futures closed modestly lower today – down $.12 to finish at $93.76/bbl- under pressure from a higher dollar and a 5% increase in crude oil stocks at Cushing, OK.**

U.S. WEATHER / CROP PROGRESS – **PNW** – Mild conditions prevailed this week but colder temperatures and precipitation are expected to move through the region. **Corn Belt** – Mostly drier and warmer conditions prevailed this week, allowing the tail end of corn and soybean harvest to resume. The 6-10 day outlook calls for near to above normal temperatures into the next week. **Plains –** Mostly cold and dry this week.

USDA Crop Progress / Condition Report, November 12, 2013

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	95% planted 84% emerged	91% 78%	94% 78%	93% 80%	65%	63%	36%
ID winter wheat	**100% planted** **86% emerged**	**100%** **80%**	**99%** **85%**	**99%** **89%**	**90%**	**89%**	
Corn	84% harvested	73%	97%	79%			

INTERNATIONAL WEATHER / CROP PROGRESS -

- **Argentina -** Recent soaking rains have been a mixed blessing… replenishing soil moisture needed to boost corn and bean planting but may have caused some wheat quality losses as harvest gets underway. Corn planting pace has been lagging due to the spring drought and recent rains, which may shift some intended corn acres into soybeans.

- **Australia –** East saw a few showers this week, too late to improve wheat where harvest is underway. There are reports that yields are 80% lower in parts of New South Wales due to drought and frost damage this growing season. Southern and Western production areas are on pace for strong yields.

Idaho Ag Market Outlook Seminars – sponsored by University of Idaho Extension

Burley, Dec 11, 2013, Burley Inn
Idaho Falls, Dec 12, 2013, Hotel on the Falls

8:30—9:00	Registration
9:00—9:45	Global Ag Outlook—Dr. Cathy Roheim, U of I
9:45—10:15	U.S. Economic Outlook—Doug Robison, NW Farm Credit
10:15—10:30	Break
10:30—11:15	Idaho Ag Outlook – Dr. Garth Taylor, U of I

11:15—12:00	Input Costs—Paul Patterson, U of I
12:00—12:45	Lunch
12:45—1:30	Grain Situation & Outlook—Kelly Olson, Idaho Barley Comm.
1:30—2:15	Potato & Sugar Beet Outlook—Paul Patterson, U of I
2:15—3:00	Beef & Cattle Outlook—Casey Bieroth, AgriBeef
3:00—3:30	Dairy & Alfalfa Situation & Outlook—Wilson Gray, U of I

Cost: $20 per person includes lunch and materials. **Registration:** Please call the Teton County Extension Office (208) 354-2961 by December 9th.