

## Idaho Grain Market Report, December 3, 2009

Published by the Idaho Barley Commission, [kolson@idahobarley.org](mailto:kolson@idahobarley.org), 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, December 2, 2009. Barley prices in \$/Cwt. and wheat prices in \$/bu.

Selected Locations	Barley (Cwt.)		Wheat (bu.)		
	#2 Feed, 48 lbs or better	Open market malting	#1 SWW	#1 HRW 11.5% protein	#1 DNS 14% protein
Ashton	NQ	(2-R) \$6.00 (6-R) \$6.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	\$5.50	(2-R) NQ (6-R) NQ	\$4.50	\$4.64	\$6.03
Idaho Falls	\$5.75	(2-R)\$5.90-\$7.00 (6-R)\$5.90	\$4.41	NQ	\$5.61
Blackfoot / Pocatello	\$5.73	(2-R) \$6.00 (6-R) \$6.00	\$4.40	\$4.44	\$5.90
Grace / Soda Springs	\$5.73-\$5.96	(2-R) NQ (6-R) NQ	\$4.30- \$4.40	\$4.46-\$4.49	\$5.86-\$5.92
Burley / Rupert Hazelton	\$5.50-\$6.00	(2-R) \$5.90 (6-R) \$5.90	\$3.65-\$4.25	\$4.42	\$5.76
Twin Falls / Eden / Buhl	\$5.50-\$7.00	(2-R) NQ (6-R) NQ	\$4.05-\$4.20	NQ	NQ
Weiser	\$6.00	(2-R) NQ (6-R) NQ	\$4.01	NQ	NQ
Nez Perce / Craigmont	\$5.00	(2-R) \$5.00 (6-R) \$5.00	\$4.40	\$5.25	\$6.55
Lewiston	\$5.45	(2-R) \$5.45 (6-R) \$5.45	\$4.59	\$5.44	\$6.74
Moscow / Genesee	\$5.05-\$6.45	(2-R) \$5.05 (6-R) \$5.05	\$4.36-\$5.10	\$5.21-\$5.89	\$6.51-\$7.16

### Trading Prices at Selected Terminal Markets, cash prices FOB

	Barley (Cwt.)		Wheat (bu.)			
	#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	\$5.00-\$5.10	\$5.86-\$5.96	\$7.01-\$7.10
Los Angeles	\$8.75- \$8.85	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$8.75-\$8.85	NQ	NQ	NQ	NQ	NQ
Ogden	\$6.03	NQ	NQ	\$4.55	\$4.70	\$6.03
Great Falls	\$5.00-\$5.35	NQ	\$6.50	NQ	\$4.32-\$4.73	\$6.09-\$6.31
Minneapolis	\$5.52	NQ	\$6.98	NQ		\$6.70 ¼ - \$6.75 ¼

### Market trends this week

**BARLEY** – Local barley prices were mostly unchanged to 10 cents higher compared to two weeks ago. USDA reported there were no new barley export sales last week, while export shipments totaled 300 MT, all to Mexico.

**WHEAT** – Local wheat prices were mixed compared to two weeks ago: SWW ranged from minus 10 cents to plus 24 cents; HRW ranged from minus 15 cents to plus 13 cents; and DNS ranged from minus 5 cents to plus 20 cents. U.S. wheat export sales last week were in line with trade expectations at 390.7 TMT, up 11% from the previous week and from the prior 4-week average. Wheat export shipments last week totaled 385 TMT, down 8% from the previous week and down 7% from the prior 4-week average.

**Wheat Competitor/Buyer News** – Egypt purchased 240 TMT of Russian and German wheat this week, none from the U.S.

**CORN** – Corn export sales last week were on the low end of trade expectations at 659 TMT, down 46% from the previous week and unchanged from the prior 4-week average. Export shipments totaled 879.5 TMT, up 40% from the previous week, and up 27% from the prior 4-week average.

**Futures market activity this week**

**WHEAT** – **Last week** – Wheat traded mostly lower during the shortened week under pressure from thin volume, pre-holiday profit taking and weaker outside markets which were jolted by economic news that the Dubai state-run investment company would need to reschedule \$60 billion in debt payments. **This week** - Wheat began the week sharply higher on a weak dollar which sparked by unexpected month-end buying. Continued fund buying drove prices higher early in Tuesday's session, but then sold off near the close on mostly spillover weakness. Prices continued to slide lower on Wednesday on profit-taking and a higher dollar. Wheat finished lower on Thursday on a lack of fresh news and confirmation that Egypt had once again snubbed U.S. wheat in their latest wheat import tender, buying Russian and German wheat instead. **Wheat market closes on Thursday, 12/03/09. Please note that we have shifted to reporting the Mar 2010 and May 2010 contracts...**

	<b>Mar 09</b>	<b>Weekly Summary</b>	<b>May 2010</b>	<b>Weekly Summary</b>
Chicago	\$5.71 ½	Up \$.01 ¾	\$5.84 ½	Up \$.02 ¼
Kansas City	\$5.62	Up \$.03	\$5.73 ¼	Up \$.02
Minneapolis DNS	\$5.77 ¼	Up \$.06 ½	\$5.90	Up \$.07

**CORN** – **Last week** – Prices retreated last week on a combination of economic jitters, which boosted the dollar and increased harvest hedge pressures. Corn closed out the week on a higher note, buoyed by better than expected weekly export sales which were nearly double what the trade had expected. **This week** – Corn began the week higher on short covering, but then declined the remainder of the week under pressure from profit-taking and weak cash markets, which are drifting lower on increased farmer selling and quality concerns. One positive note – Corn cash bids for ethanol processing are strengthening as spot ethanol margins have climbed back above \$1 for the first time in two years. **Mar 2010 corn contract closed on Thursday, 12/03/09, at \$4.00 ¾ down \$.12 ¾ for the week and the May 2010 contract at \$4.24, down \$.12 ¾ for the week.**

**Other Major Factors to Watch**

- § **Crude Oil** – Crude oil chopped around this week in the \$76 to \$78 range. A lower dollar and bullish manufacturing report out of China provided underlying support but a bearish weekly inventory report pressured the market. Wednesday's weekly inventory report showed crude oil stocks increasing 2.1 million bbls, compared to expected draw of 450,000 bbls; distillate stocks were down 1.2 million bbls, compared to an expected draw of 350,000 bbls and gasoline stocks increased a whopping 4.0 million bbls, compared to an expected build of 750,000 bbls. **Goldman Sachs issued its latest commodities outlook, projecting 2010 crude oil prices will average \$90/bbl and 2011 prices at \$110/bbl.**
- § **U.S. weather / crop watch** – Wet conditions returned to the ECB this week, slowing corn harvest once again. ILL harvest was reported to be 72% completed vs. 99% average. WCB conditions remained mostly dry and favorable for harvesting. US corn harvest was 79% completed overall, compared to 94% last year and 97% on average.
- § **International weather / crop watch** –
  - § **Argentina** – Moderate to heavy rains caused wheat harvest interruptions and quality concerns, particularly in Entre Rios region, but also improved conditions for corn and soybean planting.
  - § **Australia** – Recent showers subsided, allowing harvest to resume across Western Australia, however for the second consecutive week winter grain harvesting was delayed in the southeast.