

Idaho Grain Market Report, February 24, 2005

Published by the Idaho Barley Commission, kolson@barley.state.id.us, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, February 23, 2005. Barley prices in \$/Cwt. and wheat prices in \$/bu.

| Selected locations | Barley (Cwt.) | | Open mkt malting | Wheat (bu.) | | |
|------------------------------|---------------------------|---------------------------------------|------------------------------|-------------|-----------------------|---------------------|
| | #2 Feed, 46 lbs or better | 48 lbs/Idaho Prime Barley (over 50 #) | | #1, SWW | #1, HRW 11.5% protein | #1, DNS 14% protein |
| Ashton | \$3.70 | NQ | (2-R) \$5.25 (6-R) \$4.75 | NQ | NQ | NQ |
| Rexburg/ Ririe/ Roberts | \$3.70 | NQ | (2-R) NQ (6-R) NQ | \$3.33 | \$3.22 | \$3.95 |
| Idaho Falls | \$3.90 | NQ | (2-R) \$5.75 (6-R) NQ | \$3.30 | \$3.30 | \$4.07 |
| Blackfoot / Pocatello | \$3.75 | NQ | (2-R) \$5.45 (6-R) \$4.95 | \$3.35 | \$3.38 (12%) | \$4.04 |
| Grace / Soda Springs | \$3.70 | \$3.70 | (2-R) \$5.00 (6-R) \$5.00 | \$3.35 | \$3.30 (12%) | \$4.00 |
| Burley / Rupert Hazelton | \$4.00 | NQ | (2-R) \$5.25 | \$3.18 | \$3.32 | \$4.01 |
| Twin Falls / Buhl | NQ | \$4.40 +\$.05 up to 52# | (2-R) NQ (6-R) NQ | \$3.20 | NQ | NQ |
| Nampa / Caldwell / Weiser | NQ | NQ | (2-R) NQ (6-R) NQ | \$3.23 | NQ | NQ |
| Nez Perce / Craigmont | \$4.05 | | (2-R) \$4.80 (6-R) \$5.05 | \$3.47 | \$3.90 | \$4.44 |
| Lewiston | \$4.50 | | (2-R) \$5.25 (6-R) \$5.50 | \$3.66 | \$4.09 | \$4.63 |
| Moscow / Genesee | \$4.10 | | (2-R) \$4.85 (6-R) \$5.10 | \$3.43 | \$3.86 | \$4.40 |

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% Protein | #1 DNS 14% protein |
| Portland | \$5.20 - \$5.25 | NQ | NQ | \$3.95 - \$3.97 for Feb.: \$3.95 - \$3.97 for Mar. | \$4.27 - \$4.33(11.5%) | \$4.92 - \$5.00 |
| Los Angeles | \$5.40 - \$5.50 | NQ | NQ | NQ | NQ | NQ |
| Stockton | \$5.40 - \$5.50 | NQ | NQ | NQ | NQ | NQ |
| Tulare | \$5.40 - \$5.50 | NQ | NQ | NQ | NQ | NQ |
| Ogden | \$3.70 (48 lbs) | NQ | NQ | \$3.45 | \$3.30 (11.5%) | \$4.00 |
| Great Falls | \$3.10 - \$3.20 | NQ | \$5.25 | NQ | \$3.20 - \$3.50 | \$3.84 - \$4.17 |
| Minneapolis | \$3.54 | NQ | \$5.10 | NQ | \$3.67 ¼ (12%) | \$4.52 ¼ - \$4.57 ¼ |

Market trends this week

Barley – Local barley prices were steady in southern Idaho and 10 cents higher in northern Idaho. USDA's export sales report showed no barley exports or sales last week.

Barley Competitor/Buyer News –The Japanese Agriculture Ministry (MAFF) purchased 20 TMT of Australian food barley in their weekly tender.

Wheat – Local wheat prices were higher this week; SWW prices ranged from 1 to 6 cents higher; HRW prices ranged from 14 to 28 cents higher; and DNS prices ranged from 6 to 13 cents higher. USDA's export sales report showed export shipments last week at 552.8 TMT, 32% up from the week earlier and 20% higher than the prior 4-week average. Destinations were Japan, Mexico, the Philippines, Egypt, Nigeria, Taiwan, Israel, Venezuela and South Korea. Export sales were above trade estimates at 546.3 TMT, 4% above the prior 4-week average. Buyers

included Iraq (105 TMT), Japan, the Philippines, Thailand, Venezuela, Mexico, Spain and South Korea. Sales of 16.5 TMT for delivery in 2005/06 were for Italy.

Wheat Competitor/Buyer News – The EU's Grain Management Committee approved 295 TMT of free-market wheat for export with a maximum subsidy of 8 euros/MT. According to Argentina's Agriculture Secretariat, Argentina has sold 7.14 MMT of 2004-05 wheat, dwarfing last year's sales when Argentina had sold 3.13 MMT. According to Informa, the global 2005 wheat crop estimate has been lowered to 614 MMT, 4.25 MMT lower than last year.

Corn – USDA's export sales report showed export shipments last week at 682.6 TMT, 10% below the previous week and 15% under the prior 4-week average. Destinations were Japan, Mexico, Taiwan, South Korea, Syria, the Dominican Republic and Canada. New export sales were above trade estimates at 910.3 TMT, 16% higher than the previous week and 28% above the prior 4-week average. Buyers included Japan, Mexico, Taiwan, Colombia, South Korea, Syria, Cuba, Guatemala and Honduras.

Corn Competitor/Buyer News – Due to lower corn prices, Chinese corn exports are expected to be higher, possibly shipping 2 MMT in the first half of 2005.

| |
|--|
| Futures market activity this week |
|--|

Wheat – Wheat futures began the week higher with weakness in the dollar leading an increase in fund buying on Tuesday. Speculative buying underpinned further gains Wednesday, although Minneapolis Grain Exchange was lower due to hedge pressure. Prices closed lower today (Thursday) pressured by profit taking as well as news that EU has increased their weekly export subsidy. **Wheat market closes on Thursday, 02/24 --**

| | <u>Mar.</u> | <u>Weekly Summary</u> | <u>May</u> | <u>Weekly Summary</u> |
|-----------------|------------------------------------|---|------------------------------------|---|
| Chicago | \$3.12 ³ / ₄ | Up 16 ³ / ₄ cents | \$3.21 ¹ / ₄ | Up 17 ¹ / ₄ cents |
| Kansas City | \$3.45 ¹ / ₄ | Up 14 ³ / ₄ cents | \$3.38 ³ / ₄ | Up 22 cents |
| Minneapolis DNS | \$3.35 | Up 1 ¹ / ₂ cents | \$3.39 ³ / ₄ | Up 9 ³ / ₄ cents |

Corn – Corn futures opened the week higher on spillover support from wheat and soybean markets with technical buying extending gains. Corn futures were lower Wednesday as increased farmer selling of cash grains weighed heavily on the market. Corn prices closed slightly lower today (Thursday) as the market continued to consolidate. **March corn contract closed on 2/24 at \$2.05 ³/₄, up 5 ³/₄ cents for the week and the May corn contract closed at \$2.13, also up 5 ³/₄ cents for the week.**