

Idaho Grain Market Report, October 4, 2007

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 3, 2007. Barley prices in \$/Cwt. and wheat prices in \$/bu.

| Selected Locations | Barley (Cwt.) | | Wheat (bu.) | | |
|-----------------------------|---------------------------|---------------------------------------|---------------|----------------------|--------------------|
| | #2 Feed, 46 lbs or better | Open market malting | #1 SWW | #1 HRW 11.5% protein | #1 DNS 14% protein |
| Ashton | NQ | (2-R) NQ (6-R) NQ | NQ | NQ | NQ |
| Rexburg/ Ririe/ Roberts | NQ | (2-R) NQ (6-R) NQ | NQ | NQ | NQ |
| Idaho Falls | \$12.50 | (2-R) \$11.00 (6-R) \$9.50-\$11.00 | \$9.21 | \$8.83 | \$8.79 |
| Blackfoot / Pocatello | \$12.60 | (2-R) NQ (6-R) NQ | \$9.40 | \$8.53 | \$8.67 |
| Grace / Soda Springs | \$12.50 | (2-R) NQ (6-R) NQ | NQ | NQ | NQ |
| Burley / Rupert Hazelton | \$10.50-\$12.00 | (2-R) NQ (6-R) NQ | \$9.05 | \$8.72 | \$8.64 |
| Twin Falls / Buhl Eden | \$7.50-\$8.20 | (2-R) NQ (6-R) NQ | \$8.50 | NQ | NQ |
| Weiser | \$8.00 | (2-R) NQ (6-R) NQ | \$9.52 | NQ | NQ |
| Nez Perce / Craigmont | \$13.60 | (2-R) \$13.60 (6-R) \$13.60 | \$9.92 | \$9.45 | \$9.38 |
| Lewiston | \$14.00 | (2-R) \$14.00 (6-R) \$14.00 | \$10.09 | \$9.62 | \$9.55 |
| Moscow / Genesee | \$13.50-\$13.65 | (2-R) \$13.65 (6-R) \$13.65 | \$9.87-\$9.88 | \$9.41-\$9.44 | \$9.31-\$9.34 |

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 | \$10.35-\$10.40 | \$9.87-\$9.99 | \$9.83-\$9.95 |
| Los Angeles | NQ | NQ | NQ | NQ | NQ | NQ |
| Stockton | \$13.00-\$13.50 | NQ | NQ | NQ | NQ | NQ |
| Tulare | \$15.00 | NQ | NQ | NQ | NQ | NQ |
| Ogden | \$12.35 | NQ | NQ | \$9.87 | \$9.44 | \$9.31 |
| Great Falls | \$12.00-\$12.75 | NQ | NQ | NQ | \$8.32-\$8.65 (12%) | \$8.21-\$8.89 |
| Minneapolis | NQ | NQ | NQ | NQ | NQ (12%) | NQ |

Market trends this week

Barley – Local barley prices were mostly higher again this week, ranging from no change to \$1.10 higher in southern Idaho and a steady \$.20 cents higher in northern Idaho. Export sales last week totaled 55.6 TMT for Japan. Barley exports totaled 52.6 TMT last week for Saudi Arabia, which was a marketing year high.

Wheat – Local wheat prices also continued their climb higher again this week: SWS prices ranged from \$.21 to \$1.62 higher; HRW prices ranged from \$.49 to \$1.09 higher; and DNS prices were \$.59 to \$1.62 higher. Net export sales were 1.6 MMT, which was 6% above the previous week and 10% above the prior 4-week average. Purchasers included Algeria, Mexico, Nigeria, and Morocco. Export shipments totaled 1.15 MMT, a marketing year high, which was 11% above the previous week, and 20% above the prior 4-week average. Destinations included Morocco, Egypt, Mexico, Brazil, Japan, Algeria, Nigeria, and Italy.

Wheat Competitor/Buyer News – Canada’s National Statistical Agency raised their wheat crop estimate today (Thursday) to 20.64 MT, up slightly from the 20.3 MT estimate from July. However this is still 18% lower than last year’s production.

Corn Competitor/Buyer News – Brazil’s Ag Minister increased their corn production forecast for MY 07/08 from 51.8 MMT to 52.8 MMT.

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| Futures market activity this week |
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Wheat – Choppy trading resulted this week from good global demand paired along with pressures from outside markets. Wheat prices started the week higher on Monday as global supply shortage talk continues and persistent dryness reports from Australia. Tuesday brought a sharp decline and closed limit-down as a result of long liquidation selling after Egypt passed on American wheat tender and forecasters are calling for rain in Australia. Wednesday brought a recovery and closed higher after dryness concerns returned for Australia along with some decent export support. Wheat finished lower today (Thursday) despite good export numbers that were right in line with estimates, however long liquidation selling eventually prevailed.

Wheat market closes on Thursday, 10/4 –

| | <u>Dec 07</u> | <u>Weekly Summary</u> | <u>Mar 08</u> | <u>Weekly Summary</u> |
|-----------------|---------------|-----------------------|---------------|-----------------------|
| Chicago | \$9.06 | Down 33 cents | \$9.16 | Down 31 cents |
| Kansas City | \$9.10 | Down 19 ¼ cents | \$9.06 ¼ | Down 19 ¾ cents |
| Minneapolis DNS | \$9.03 ½ | Down 2 ¼ cents | \$9.01 | Down 9 ¾ cents |

Corn – Harvest friendly weather continued to pressure corn markets this week and recurrent better than expected yield results are still to keeping gains in check. Prices found early support from strength in other grains, but closed lower on Monday from talk of near-term supply and with a continuing active harvest. Tuesday closed limit down from good harvest weather along with persistent harvest selling pressure. Wednesday brought follow-through technical selling and closed lower, after new buying support was found shortly before close. Corn finished lower again today (Thursday) from expectations of increasing supplies along with a lack of new buying interest.

Dec 07 corn contract closed on Thursday 10/4 at \$3.42 ¼, down 30 ¾ cents for the week and the Mar 08 contract at \$3.59, down 30 ¼ cents for the week.

USDA Crop Progress / Condition Report, October 1, 2007

| Crop | Progress | Previous Week | Previous Year | 5-Year Average | Condition rating % good/excellent | Previous Week | Previous Year |
|------------------------|--------------------|---------------|---------------|----------------|-----------------------------------|---------------|---------------|
| US winter wheat | 42% planted | 27% | 49% | 51% | | | |
| ID winter wheat | 53% planted | 38% | 46% | 47% | | | |
| US Corn | 31% harvested | 22% | 18% | 20% | 63% | 63% | 61% |