

Idaho Grain Market Report, January 3, 2008

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, January 2, 2008. 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) \$11.25 (6-R) \$11.25	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	\$10.50	(2-R) \$12.50 (6-R) \$12.50	\$12.00	\$9.26	\$10.86
Blackfoot / Pocatello	\$10.30	(2-R) \$11.50 (6-R) \$11.50	\$12.25	\$9.50	\$11.10
Grace / Soda Springs	\$10.77	(2-R) NQ (6-R) NQ	\$12.15	\$9.62	\$10.98
Burley / Rupert Hazelton	\$10.00	(2-R) \$12.50 (6-R) NQ	\$11.70-\$11.75	\$9.16	\$10.70
Twin Falls / Buhl Eden	\$8.50	(2-R) NQ (6-R) NQ	\$11.50	NQ	NQ
Weiser	\$9.00	(2-R) NQ (6-R) NQ	\$12.04	NQ	NQ
Nez Perce / Craigmont	\$11.58	(2-R) \$11.58 (6-R) \$11.58	\$12.71	\$9.95	\$11.29
Lewiston	\$11.98	(2-R) \$11.98 (6-R) \$11.98	\$12.88	\$10.12	\$11.46
Moscow / Genesee	\$11.45-\$11.63	(2-R) \$11.63 (6-R) \$11.63	\$12.67-\$12.69	\$9.85-\$9.91	\$11.59-\$11.67

Trading Prices at Selected Terminal Markets, cash prices FOB

	Barley (Cwt.)		Malting	Wheat (bu.)		
	#2 Feed 46 lbs. -- unit trains barge	Single rail cars-domestic		#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% protein
Portland	\$12.80-\$12.90	NQ	NQ	\$13.00-\$13.10	\$10.32-\$10.36	\$11.74-\$12.01
Los Angeles	\$13.65	NQ	NQ	NQ	NQ	NQ
Stockton	\$13.50-\$14.00	NQ	NQ	NQ	NQ	NQ
Tulare	\$13.65	NQ	NQ	NQ	NQ	NQ
Ogden	\$10.80	NQ	NQ	\$12.05	\$9.60	\$11.05
Great Falls	\$10.70-\$10.85	NQ	\$14.00	NQ	\$8.98-\$9.20 (12%)	\$10.60-\$10.87
Minneapolis	\$11.25	NQ	\$14.06	NQ	\$10.28 (12%)	\$10.96-\$11.21

Market trends this week

Barley – Local barley prices were mixed this week; steady to 5 cents lower in southern Idaho and 20 to 23 cents higher in northern Idaho. USDA will not release their weekly export sales report until tomorrow due to the New Year's holiday on Tuesday.

Wheat – Local wheat prices were also mixed this week: SWW prices ranged from steady to 64 cents higher; HRW prices ranged from 8 to 57 cents lower; and DNS prices were from 34 cents lower to 5 cents higher.

Wheat Competitor/Buyer News – Russia will raise its wheat export tariff from 10% to 40%, effective in a month, in an effort to stem exports. China announced a new 20% tax on wheat exports. They have exported 1.2 MMT of wheat so far this year and USDA is projecting their total wheat exports for the marketing year at 3.0 MMT, but that target may be

in doubt now. In the past two weeks Egypt has purchased 200 TMT of wheat from Kazakhstan, 73.5 TMT from Russia and 30 TMT from the U.S. They announced they had agreed to buy 1 MMT of Kazakh wheat in 2008. Pakistan announced a wheat import tender for 610 TMT and Bangladesh is seeking 50 TMT.

Corn Competitor/Buyer News – China announced they will sell 500 TMT of corn from reserves to stabilize domestic market prices. They also have announced a new 5% tax on corn exports effective this week. Reports indicate continued dryness in the Argentine corn crop.

Futures market activity this week
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Wheat – Wheat ended the year on a down note with a significant sell-off during last week’s thin holiday trading. Lower export sales in December and good winter wheat weather for U.S. and overseas crops pressured the markets. But what a year 2007 was...wheat futures values soared 77% on the year, with cash prices reaching new all time highs.

Wheat prices began the week mixed to lower on Monday on follow-through selling after Friday’s limit-down, as well as disappointing export inspections. But prices sharply reversed and closed limit up on both Wednesday and again today (Thursday) amidst aggressive speculative buying and renewed export interest. Pakistan shocked the market with a tender announcement for 610 TMT. **Wheat market closes on Thursday, 1/03 -**

	<u>Mar 08</u>	<u>Weekly Summary</u>	<u>May 08</u>	<u>Weekly Summary</u>
Chicago	\$9.45	Up 60 cents	\$9.52 ½	Up 59 ½ cents
Kansas City	\$9.65 ½	Up 51 ½ cents	\$9.62	Up 57 ½ cents
Minneapolis DNS	\$10.95 ¾	Up 65 ¾ cents	\$10.58	Up 64 cents

Corn – Corn also took a down turn last week under spillover and profit-taking pressures, but certainly not to the same degree as wheat. Despite a 19% jump in acreage this year and comfortable stock levels, corn prices reached 11 years high in 2007 on robust export and domestic ethanol demand. The corn market began this week modestly higher on an increased inflow of index fund investment money and bullish fundamentals. Reports of dryness in the Argentine crop also provided underlying support. Corn continued to move higher on Wednesday and again today (Thursday) on a combination of supportive fundamentals, speculative buying and outside market support. **Mar 08 corn contract closed on Thursday 1/03 at \$4.66, up 14 cents for the week and the May 08 contract at \$4.76 ¾, up 13 ½ cents for the week.**