

Idaho Grain Market Report, January 31, 2008

Published by the Idaho Barley Commission, kolson@idahobarley.org, 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, January 30, 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) NQ (6-R) NQ | NQ | NQ | NQ |
| Rexburg/ Ririe/ Roberts | NQ | (2-R) NQ (6-R) NQ | NQ | NQ | NQ |
| Idaho Falls | \$9.80 | (2-R) \$12.50-\$14.50 (6-R) \$14.50 | NQ | \$10.50 | NQ |
| Blackfoot / Pocatello | \$10.80 | (2-R) \$12.80 (6-R) \$12.80 | \$14.00 | \$9.81 | \$13.30 |
| Grace / Soda Springs | \$11.37 | (2-R) \$14.00 (6-R) \$14.00 | \$8.90 | \$10.15 | \$13.55 |
| Burley / Rupert | \$10.00 | (2-R) \$14.50 (6-R) NQ | \$12.20 | \$9.78 | \$13.20 |
| Hazelton | | (2-R) NQ (6-R) NQ | \$7.00 | NQ | NQ |
| Twin Falls / Buhl | \$9.25-\$10.00 | (2-R) NQ (6-R) NQ | | | |
| Eden | | (2-R) NQ (6-R) NQ | | | |
| Weiser | \$9.00 | (2-R) NQ (6-R) NQ | \$12.72 | NQ | NQ |
| Nez Perce / Craigmont | \$12.18 | (2-R) \$12.18 (6-R) \$12.18 | NQ | \$10.43 | \$13.88 |
| Lewiston | \$12.58 | (2-R) \$12.58 (6-R) \$12.58 | NQ | \$10.60 | \$14.05 |
| Moscow / Genesee | \$12.15-\$12.23 | (2-R) \$12.23 (6-R) \$12.23 | NQ | \$10.30-\$10.39 | \$13.63-\$13.84 |

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 | NQ | \$10.87 | \$14.13-\$14.15 |
| Los Angeles | \$14.80 | NQ | NQ | NQ | NQ | NQ |
| Stockton | \$14.80 | NQ | NQ | NQ | NQ | NQ |
| Tulare | \$13.75-\$14.00 | NQ | NQ | NQ | NQ | NQ |
| Ogden | \$11.40 | NQ | NQ | \$13.05 | \$10.07 | \$13.50 |
| Great Falls | \$10.85-\$11.50 | NQ | \$14.00 | NQ | \$9.30-\$9.98 (12%) | \$11.97-\$13.67 |
| Minneapolis | \$12.39 | NQ | \$14.79 | NQ | NQ | \$14.45-\$14.65 |

Market trends this week

BARLEY – Local barley prices were mixed this week; ranging from \$.70 lower to \$.75 higher in southern Idaho and steady to \$.20 higher in northern Idaho. Export sales last week totaled .5 TMT, for Taiwan. Barley exports last week totaled 1.5 TMT, were reported for Canada and Taiwan.

Barley Competitor/Buyer News - Reports this week that Saudi Arabia would suspend barley imports due to high world prices. Saudi is the single largest importer of feed barley, importing as much as half of the feed barley traded on the world market.

WHEAT – Local wheat prices were mixed this week: SWW prices ranged from \$.20 to \$4.00 lower; HRW prices ranged from \$.14 to \$1.91 higher; and DNS prices were \$.92 to \$1.15 higher. Net export sales last week came in at 588.8 TMT, which was 20% above the previous week and 79% above the prior 4-week average. Buyers included Japan,

Mexico, Thailand, Indonesia, the Philippines, South Korea, Yemen and Israel. Export shipments last week totaled 623.9 TMT, 26% above the previous week and 19% above the prior 4-week average. Destinations included Iraq, South Korea, Indonesia, the Philippines, Peru, Japan and Guatemala.

Wheat Competitor/Buyer News – Argentina announced this week that they had restarted their wheat export registry, paving the way for as much as 2 MMT of exports during the next 5 months. Jordan cancelled their pending wheat import tender for 100 TMT citing high prices. Brazil has signaled it may cut import tariffs on grain imports outside the Mercosur trading bloc, which includes Brazil, Argentina, Uruguay and Paraguay. Ukraine government is expected to decide as early as next week about raising its grain export quota from the current 1.2 MMT to 2.9 MMT, paving the way for feed grain and wheat exports to resume.

CORN – Export shipments last week came in at 1.89 MMT, which was 18% above the previous week and 43% above the prior 4-week average. The major destinations were South Korea, Japan, Mexico, Morocco, Venezuela and Egypt. Corn exports last week totaled 1.49 MMT, which was 12% above the previous week and 22% above the prior 4-week average. The major destinations included Japan, South Korea, Mexico, Morocco, Iran, Saudi Arabia and Ecuador.

Corn Competitor/Buyer News – Argentina received ¼ to 1 ½ inches of beneficial rainfall last weekend which has eased corn crop stresses. The bulk of the Argentine corn crop is presently in the filling stage. India will export corn for the first time in two years. Argentina is expected to resume corn export registry by mid February, after suspending corn exports since May. Their corn crop has recently been stressed by hot, dry temperatures but cooler temperatures and scattered showers this week eased some crop concerns.

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| Futures market activity this week |
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Wheat – Wheat prices began the week limit up on better than expected export inspections and continued aggressive fund buying. A mid-day turn-around in the U.S. stock market prompted more commodity buying. Wheat traded lower on Tuesday in corrective action. MGE opened limit up, as it has for the past several trading sessions, but then closed lower in profit-taking. Prices continued to retreat on Wednesday, closing sharply lower on profit-taking pressures. Wheat prices finished higher today (Thursday) after opening lower and then chopping around much of the morning. Exports were in line with expectations but well ahead of last year's pace. Many analysts expect USDA to raise their U.S. wheat export projection in the Feb. S&D report. **Wheat market closes on Thursday, 1/31 –**

| | <u>Mar 08</u> | <u>Weekly Summary</u> | <u>May 08</u> | <u>Weekly Summary</u> |
|-----------------|---------------|-----------------------|---------------|-----------------------|
| Chicago | \$9.29 ½ | Down 3 ½ cents | \$9.45 ½ | Down 2 cents |
| Kansas City | \$9.67 ¼ | Down 2 ¾ cents | \$9.82 | Down 1 cent |
| Minneapolis DNS | \$13.73 | Up 106 cents | \$12.44 ¾ | Up 44 ¾ cents |

Corn – The corn market began the week higher shrugging off early weakness that was prompted by lower outside markets. Sharply higher wheat provided spillover support. Corn traded mixed to modestly lower on Tuesday under spillover pressure from lower wheat and a lack of fresh supportive news. Prices closed lower again on Wednesday on fund selling and spillover weakness. Corn prices finished higher today (Thursday) on better than expected export sales tally which was well above trade expectations. **Mar 08 corn contract closed on Thursday 1/31 at \$5.01 ¼, up 3 cents for the week and the May 08 contract at \$5.10 ¾, up 2 ½ cents for the week.**