Idaho Grain Market Report, April 24, 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, April 23, 2008. Barley prices in $/Cwt. and wheat prices in $/bu.

Selected Locations	**Barley (Cwt.)** #2 Feed, 48 lbs or better	Open market malting	**Wheat (bu.)** #1 SWW	#1 HRW 11.5% protein	#1 DNS 14% protein
Ashton	NQ	(2-R) $14.00 (6-R) $14.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	$9.00	(2-R) NQ (6-R) NQ	$6.85	$8.50	NQ
Idaho Falls	$9.50	(2-R) $14.50-$15.00 (6-R) $14.50	$9.50	$8.76	$10.45
Blackfoot / Pocatello	$7.75	(2-R) $14.20 (6-R) $14.20	$9.75	$9.01	$11.12
Grace / Soda Springs	$10.27	(2-R) NQ (6-R) NQ	$9.70	$9.21	$10.46
Burley / Rupert Hazelton	$9.05-$10.00	(2-R) $14.50 (6-R) NQ	$8.25-$9.18	$8.17	$9.84
Twin Falls / Buhl Eden	$9.50-$10.00	(2-R) NQ (6-R) NQ	$9.00-$10.00	NQ	NQ
Weiser	$8.00	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Nez Perce / Craigmont	$9.78	(2-R) $13.28 (6-R) $13.28	$7.26	$9.48	$11.10
Lewiston	$10.18	(2-R) $13.68 (6-R) $13.68	$7.43	$9.65	$11.27
Moscow / Genesee	$9.83-$10.75	(2-R) $13.33 (6-R) $13.33	$7.22	$9.44-$10.03	$11.06-$11.75

Trading Prices at Selected Terminal Markets, cash prices FOB

	Barley (Cwt.) #2 Feed 46 lbs. -- unit trains barge	Single rail cars-domestic	Malting	**Wheat (bu.)** #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% protein
Portland	NQ	NQ	NQ	New Crop $7.50-$8.05	$9.83-$10.03 New Crop $9.23-$9.33	New Crop $9.97-$10.07
Los Angeles	$13.00	NQ	NQ	NQ	NQ	NQ
Stockton	$14.50-$14.85	NQ	NQ	NQ	NQ	NQ
Tulare	$13.00	NQ	NQ	NQ	NQ	NQ
Ogden	$10.30	NQ	NQ	$9.65	$8.91	$10.25
Great Falls	$8.65-$8.90	NQ	$14.50	NQ	$7.79-$8.24	$9.93-$11.06
Minneapolis	$11.15	NQ	$15.10	NQ	$10.20 (12%)	$11.40-$12.00

Market trends this week

BARLEY – Local barley prices were unchanged to lower this week. Barley export sales last week totaled 5.4 TMT mainly for Japan and Canada. Exports totaled 6 TMT for Canada, Taiwan and Mexico.

Barley Competitor/Buyer News – Stats Canada is projecting Canadian barley acreage will decline 14% in 2008 to 9.332 million acres.

International Grains Council's MY 2008//09 Outlook for Barley (April 24) – IGC has released its first world grain market forecasts for the new Marketing Year 2008/09. They are projecting world barley production up 10% to 149 MMT, with big increases expected in the EU, Ukraine and Australia, but smaller barley crop in Canada. With lower world prices expected relative to other feed ingredients, total world barley consumption is expected to increase by 6 MMT. World trade may rise by about 1 MMT to 16 MMT.

WHEAT – Local wheat prices were mostly lower this week. Net wheat export sales last week came in at 158 TMT (plus 114.8 TMT new crop), which was 22% above the previous week but 49% below the prior 4-week average. Export shipments last week were 550.4, 71% above the previous week and 5% above the prior 4-week average. Cumulative export sales stand at 97% of the projected total compared to a 5-year average of 83.7%.

Wheat Competitor/Buyer News – Ukrainian government voted to end restrictions on grain exports this week. Stats Canada is pegging Canadian wheat acres up 16% to 25.1 million acres. USDA Ag Attaché is projecting the Argentine wheat crop will decline about 5% in 2008. Egypt purchased 205 TMT of US and Russian wheat. Iraq bought 100 TMT US HRW and 100 TMT Australian wheat. **Several tenders are pending…** Jordan is looking for 100 TMT and Tunisia issued a tender for 109 TMT.

International Grains Council's MY 2008//09 Outlook for Wheat (April 24) – IGC is projecting **world wheat production will increase by 41 MMT to 645 MMT in 2008** and will outpace consumption for the first time in four years. Wheat crops are reported to be developing well in the EU, former Soviet countries and China, but dryness is a concern in parts of the U.S. and Canada. Rain in Argentina and Australia is boosting prospects for much bigger crops this year. World consumption is expected to increase by 18 MMT to 630 MMT and trade is projected to increase by 7 MMT to 110 MMT as wheat becomes more competitive with feed grains and some importing countries replenish stocks. **World wheat ending stocks are forecast to increase 12% to 128 MMT.**

CORN – Corn export sales last week were at in line with trade expectations at 775.3 TMT (plus 212.3 TMT new crop), 11% below the previous week but 16% above the prior 4-week average. Corn export shipments last week totaled 1.11 MMT, which was unchanged from the previous week, but 7% under the prior 4-week average. Cumulative export sales stand at 87.6% of the projected total compared to a 5-year average of 75.5%.

Corn Competitor/Buyers News – Recent reports indicated that a drought in China's northeast, that nation's largest corn production area, is persisting even after recent rain and snow. Their winter wheat is believed to have fared better.

International Grains Council's MY 2008//09 Outlook for Corn (April 24) – IGC is projecting **world corn production will fall by 13 MMT to 762 MMT**, but still the second biggest crop on record, due to lower plantings in the U.S. Corn consumption is expected to increase by 10 MMT to 784 MMT, a much slower growth rate than in recent years due to a slowdown in the expansion of the U.S. ethanol industry as well as substitution in feed rations by other grains and high protein feeds. World corn trade is pegged at 89 MMT, 10 MMT less than in 2007/08. **World corn stocks are forecast to fall sharply, from 114 MMT in MY 2007/08 to 93 MMT in MY 2008/0 (down 18%).**

Futures market activity this week

Wheat – Wheat prices began the week sharply lower under pressure from fund long liquidation and expectations that the world wheat crop would be substantially larger this year, with bumper crops now projected in the EU, India, Australia and China. Stats Canada pegged the Canadian wheat acreage increasing 16% this year, compared to trade expectations of 12%. Prices continued to drift mostly lower on Tuesday, with CHI closely modestly higher on spillover support from soybeans and corn. A lower US dollar and higher outside markets outside provided some support. Prices tumbled again on Wednesday on perceived improvements in the US winter wheat crop. USDA actually lowered their good/excellent rating by 2% early in the week but recent beneficial moisture in HRW areas is expected to bump future ratings. Prices finished lower today (Thursday) on technical weakness and forecasts calling for more moisture in HRW areas. **Wheat market closes on Thursday, 4/24.**

	May 08	Weekly Summary	July 08	Weekly Summary
Chicago	$8.09 ¼	Down $.60 ¾	$8.24	Down $.61
Kansas City	$8.63 ½	Down $.76 ¼	$8.69	Down $.64
Minneapolis DNS	$11.20 ¼	Down $1.12 ¼	$9.55 ½	Down $.97 ¼

Corn – The corn market began the week lower under spillover pressure from sharply lower wheat and soybeans. Weather maps showing a drying trend this week also weighed on the corn market. Prices turned solidly higher on Tuesday, with support coming from large scale fund buying and a USDA planting progress report that showed only 4% of the corn acreage planted, compared to trade expectations of 7% and 17% a year ago. Higher crude oil also provided support. Corn closed lower on Wednesday on profit-taking and a more favorable weather outlook, with long term maps showing warmer and drier conditions. Heavy fund selling pushed prices lower again today (Thursday). **May 08 corn contract closed on Thursday, 4/24, at $5.76 ¼, down 23 ¼ cents for the week and the July 08 contact at $5.89 ½, down 23 ½ cents for the week.**

Market-Moving Factors to Watch

- **Import/Export News –** India has indicated that their wheat stocks are plentiful and they will not need to import additional wheat this year. India imported 1.8 MMT of wheat in 2007 and 5.5 MMT in 2006. Meanwhile, Pakistan says it may import up to 1.5 MMT of wheat this year in order to build a 5 MMT strategic wheat reserve.
- **Corn vs. soybean acres –** Many analysts are still expecting some of the intended soybean acreage to shift to corn. Looking at data from the past 4 years, there is a strong bias toward higher corn acreage in the June 30 planted acreage report compared to the March 31 planting intentions report. USDA has pegged corn acres at 86 million, down more than 7 ½ million from last year, while soybean acres were pegged at 74.8 million, up more than 11 million. Planting weather is in determining acreage shifts this year.
- **Weather Watch -** The NWS 6-10 day outlook calls for normal precipitation for most of the Midwest corn region and below normal temperatures. The longer term outlook is for warmer and drier conditions.
- **Winter Wheat Crop Ratings –** ratings dropped 2% this week to 45% good/excellent, compared to 54% last year, but moisture this week is helping to improve crop conditions.

USDA Crop Progress / Condition Report, April 21, 2008

Crop	% Planted	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	22%	13%	23%	23%			
ID barley	**39%**	**31%**	**62%**	**43%**			
US spring wheat	20%	8%	12%	23%			
ID spring wheat	**38%**	**26%**	**69%**	**57%**			
US winter Wheat headed	7%	4%	15%	14%	45%	47%	54%
ID winter Wheat headed	**0%**	**0%**	**0%**	**0%**	**91%**		
US Corn	**4%**	**2%**	**9%**	**17%**			