

Idaho Grain Market Report, May 1, 2008

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, April 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) \$14.00 (6-R) \$14.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	\$10.50	(2-R) \$14.50-\$15.00 (6-R) \$14.50	\$9.80	\$8.67	\$10.13
Blackfoot / Pocatello	\$7.65	(2-R) \$14.20 (6-R) \$14.20	\$8.75	\$8.21	\$9.79
Grace / Soda Springs	\$10.17	(2-R) \$16.00 (6-R) \$16.00	\$9.60	\$8.53	\$9.81
Burley / Rupert	\$9.05-\$10.00	(2-R) \$14.50 (6-R) NQ	\$8.80-\$9.25	\$7.87	NQ
Hazelton		(2-R) NQ (6-R) NQ	\$8.00	NQ	NQ
Twin Falls / Buhl	\$9.00-\$9.50	(2-R) NQ (6-R) NQ			
Eden		(2-R) NQ (6-R) 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	\$7.36	\$9.28	\$10.84
Lewiston	\$10.18	(2-R) \$13.68 (6-R) \$13.68	\$7.53	\$9.45	\$11.01
Moscow / Genesee	\$9.83-\$10.00	(2-R) \$13.33 (6-R) \$13.33	\$7.32	\$9.24-\$9.72	\$10.80-\$11.38

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	July \$7.65-\$7.90 New Crop \$7.70-\$7.80	May \$9.72-\$9.82 New Crop \$9.02-\$9.12	New Crop \$9.65-\$9.80
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	\$10.20	NQ	NQ	\$9.75	\$8.83	\$10.47
Great Falls	\$7.85-\$8.90	NQ	\$14.50	NQ	\$7.39-\$7.94	\$9.60-\$10.53
Minneapolis	\$11.15	NQ	\$15.10	NQ	\$10.33 (12%)	\$11.38-\$11.63

Market trends this week

BARLEY – Local barley prices were unchanged to lower this week. Barley export sales last week totaled 2.5 TMT mainly for Taiwan and Japan. Exports totaled 39.4 TMT for Japan, Taiwan and Mexico.

Barley Competitor/Buyer News – ABARE's is projecting a 2008 Australian barley crop will total 9.0 MMT, compared to 5.8 MMT in 2007, a 55% gain. The EU-27 barley crop has been pegged by Strategie Grains at 62.4 MMT, up 8%.

WHEAT – Local wheat prices were mostly lower this week. Net wheat export sales last week were on the high end of trade expectations at 176.1 TMT (plus 323.1 TMT new crop), which was 12% above the previous week but 30% below

the prior 4-week average. Export shipments last week totaled 575 TMT, 5% above the previous week and 9% above the prior 4-week average.

Wheat Competitor/Buyer News – Brazil bought 116 TMT of U.S. wheat this week for shipment in 2008-09. Egypt is in talks with French wheat suppliers about a 1 MMT supply agreement. Morocco says its 2008 wheat crop could reach 2.7 MMT, more than double last year's 1.07 MMT. **Several tenders are pending...** Iraq issued a new tender to buy 50 TMT of hard wheat; Tunisia has tendered for 109 TMT.

CORN – Corn export sales last week were on the low end of trade expectations at 551.2 TMT (plus 44.8 TMT new crop), 29% below the previous week and 22% under the prior 4-week average. Corn export shipments last week totaled 1 MMT, which was 10% below the previous week and 13% under the prior 4-week average.

Corn Competitor/Buyers News – The China National Grain and Information Center is projecting Chinese corn acreage will fall 2.3% this year, with acreage shifting heavily into soybeans.

Futures market activity this week

Wheat – Wheat fundamentals have turned decidedly bearish on expectations of a record large world wheat crop. Next Friday USDA will publish their first supply and demand projections for the new Marketing Year 2008/09.... Wheat prices began this week higher on renewed speculative buying and spillover support from other grains. This mostly technical rebound, however, could not be sustained as prices closed lower on Tuesday under pressure from commission house and fund selling. Pressure was seen from negative outside market influences, including a higher U.S. dollar and lower crude oil and gold. Prices were mixed to higher on Wednesday in the face of unsettled weather and slow spring wheat planting progress. Wheat followed outside markets lower today (Thursday). **Wheat market closes on Thursday, 5/01.**

	<u>May 08</u>	<u>Weekly Summary</u>	<u>July 08</u>	<u>Weekly Summary</u>
Chicago	7.76 ½	Down \$.24	\$7.90	Down \$.25 ½
Kansas City	\$8.65	Up \$.10	\$8.39 ½	Down \$.12
Minneapolis DNS	\$11.42	Up \$.22	\$9.36	Down \$.09 ¾

Corn – Corn prices continue to soar on weather-related planting delays and strong export and domestic demand. The corn market began the week higher, reaching a new all time high, with strength tied mostly to wet planting conditions. Profit-taking pushed prices lower on Tuesday, but then rebounded on Wednesday as another rain system moved into western and northern growing areas midweek. Ideas that Chinese corn acreage would decline this year also provided support. Corn prices finished higher today (Thursday) as more wet weather continued to slow corn planting, now about 2-3 weeks behind schedule. **May 08 corn contract closed on Thursday, 5/01, at \$6.05 ½, up \$.28 ¼ for the week and the July 08 contract at \$6.17 ¼, up \$.27 ½ for the week.**

Market-Moving Factors to Watch

- § **Weather Watch** – Wet weather continued in the Midwest this week, further delaying spring crop planting. U.S. corn was reported to be 10% planted at the beginning of the week, down from 23% last year and a 5-year average of 35%. Another rain system is expected to move through the Central U.S. next week/weekend. Further delays are likely to result in a loss of corn acres as well as lower yield potential. **Some analysts are already predicting corn yields to fall below 150 bu/Ac.**
- § **Winter Wheat Crop Ratings** – recent beneficial moisture lifted winter wheat ratings up 1% this week to 46% good/excellent but still 10% below a year ago. Kansas wheat ratings were pegged at 45% good/excellent. Freezing temperatures in the Southern Plains last weekend were believed to have caused little or no wheat crop damage, but there is a chance of frost again this weekend.

USDA Crop Progress / Condition Report, April 28, 2008

Crop	% Planted	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US barley	47%	39%	70%	55%			
ID barley	35%	22%	37%	39%			
US spring wheat	34%	20%	28%	40%			
ID spring wheat	55%	38%	76%	68%			
US winter Wheat headed	15%	7%	24%	25%	46%	45%	56%
ID winter Wheat headed	0%	0%	0%	0%	85%	91%	
US Corn	10%	4%	20%	35%			