

Grain Market Review

(As of Friday, April 3, 2009)

Alan R. May

**Extension Grain Marketing Specialist
South Dakota State University**

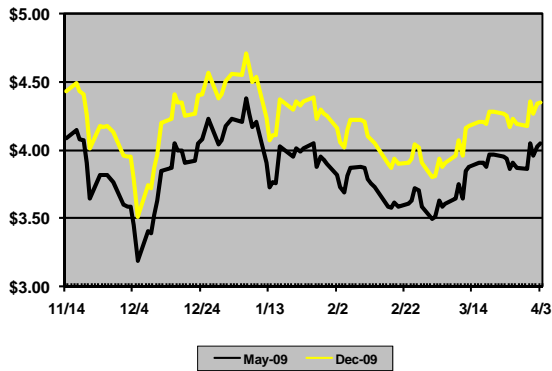
CORN

Chicago CORN Futures			
Futures Month	This Week	Last Week	Week's Change
May	405	387	18
Jul	415	397	18
Sep	423	407	16
Dec	435	419	16
Mar	447	432	15
May	454	439	15
Jul	460	445	15

South Dakota Cash Corn			
	This Week	Last Week	Change
Cash bids	323-376	312-362	
Ave. price	357	343	14
New Crop	333-389	322-378	
Ave. price	365	354	11

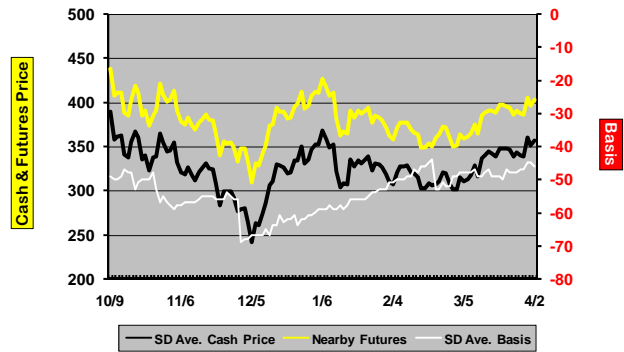
Other crops	S.D. Ave.
Sunflower	1345
Oats	185
Milo	281
Millet	622

Daily CORN Futures
Chicago Board of Trade

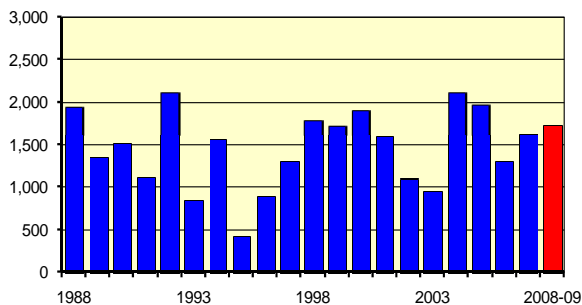


CORN

Daily Cash - Futures - Basis
(South Dakota Average)



U.S. Corn Ending Stocks
(million bushels)



Sources: USDA - National Ag Statistics Service/ Economic Research Service
SDSU Extension Economics - <http://econ.sdstate.edu>

CORN

SD Daily Ave. Cash v. Nearby Futures
(September 2006 - Present time)



The South Dakota average price for corn late this past week was \$3.47 per bushel, 14 cents higher than a week ago.

The average bid for new crop corn in South Dakota this past week was \$3.65, 11 cents higher than a week ago.

Check the link at the top of the Corn Market Review for a synopsis and analysis of the 2009 Planting Intentions report.

The mix of acres will be important if the economy begins to strengthen sufficiently in the year ahead that would result in a change in the dynamics of demand. This could easily be the year when there will be more significant differences between the intentions report and the actual acreage report issued in June. These differences would be significant in terms of impact of the acreage difference, not necessarily the actual acreage differences between the two reports. If demand 10, 12, 16 months down the road changes due to a stronger economy and does not match up with planted acres of all crops this spring, volatility will continue and the markets could get interesting. However, you have to make a planting decision now and what it boils down to is cost of production. Cost of production is the foundation of profitability, followed by the potential net revenue that can be achieved by one crop over another. That part of the equation means you must have a sound marketing plan in place to do whatever possible to capture the price that will mean better net revenue. You have to look at your direct costs, your land charges, your insurance program and your overall willingness and ability to accept risk and then decide what is the best option for you.

USDA's monthly supply and demand numbers from the most recent World Agricultural Supply and Demand Estimates report are summarized in a file that is linked below. For complete details, simply click on the link entitled, "Corn Supply and Demand."

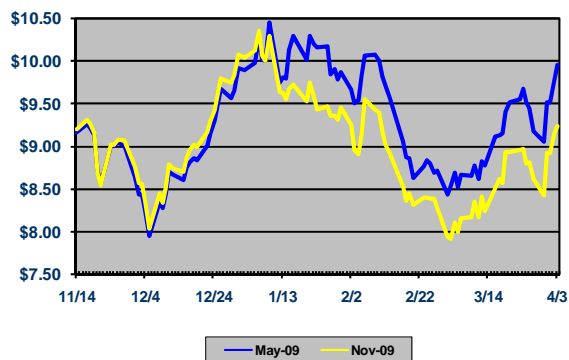
Corn basis data and cash corn price data for various regions of South Dakota is available by connecting with a link at the bottom of this page. To access the charts showing the corn basis and cash prices for your region of the state, just click on the link entitled "Cash corn price and basis charts". This basis information is compiled by the Economics Department at South Dakota State University.

SOYBEANS

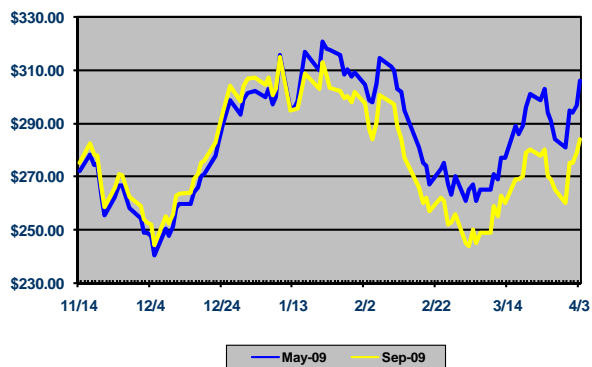
Chicago SOYBEAN Futures			
Futures Month	This Week	Last Week	Week's Change
May	995	917	78
Jul	995	915	80
Aug	977	901	76
Sep	946	872	74
Nov	923	861	62
Jan	932	871	61

South Dakota Cash Soybeans			
	This Week	Last Week	Change
Cash bids	836-932	854-909	
Ave. price	915	883	32
New Crop	727-840	725-805	
Ave. price	817	781	36

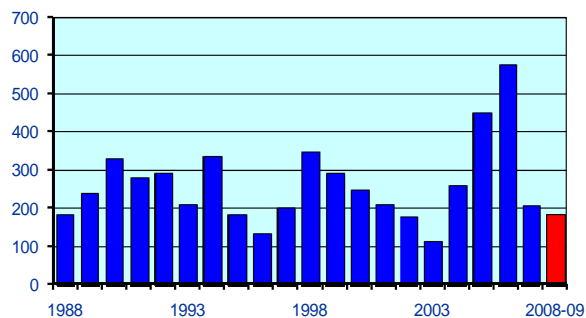
Daily SOYBEAN Futures
Chicago Board of Trade



Daily SOYBEAN MEAL Futures
Chicago Board of Trade



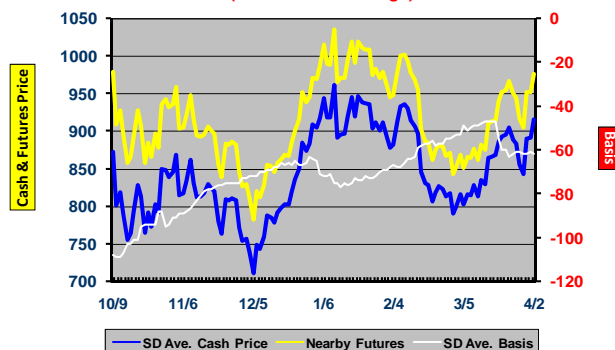
U.S. Soybean Ending Stocks
(million bushels)



Sources: USDA - National Ag Statistics Service/ Economic Research Service
SDSU Extension Economics: <http://econ.sdstate.edu>

SOYBEANS

DAILY Cash - Futures - Basis
(South Dakota Average)



The South Dakota average price for soybeans late this past week was \$9.15 per bushel, 32 cents higher than a week ago.

The average bid for new crop soybeans in South Dakota this past week was \$8.17, 36 cents higher than a week ago.

Check the link at the top of the Soybean Market Review for a synopsis and analysis of the 2009 Planting Intentions report.

The mix of acres will be important if the economy begins to strengthen sufficiently in the year ahead that would result in a change in the dynamics of demand. This could easily be the year when there will be more significant differences between the intentions report and the actual acreage report issued in June. These differences would be significant in terms of impact of the acreage difference, not necessarily the actual acreage differences between the two reports. If demand 10, 12, 16 months down the road changes due to a stronger economy and does not match up with planted acres of all crops this spring, volatility will continue and the markets could get interesting. However, you have to make a planting decision now and what it boils down to is cost of production.

Cost of production is the foundation of profitability, followed by the potential net revenue that can be achieved by one crop over another. That part of the equation means you must have a sound marketing plan in place to do whatever possible to capture the price that will mean better net revenue. You have to look at your direct costs, your land charges, your insurance program and your overall willingness and ability to accept risk and then decide what is the best option for you.

USDA's monthly supply and demand numbers from the most recent World Agricultural Supply and Demand Estimates report are summarized in a file that is linked below. For complete details, simply click on the link entitled, "Soybean Supply and Demand."

Soybean basis data and cash soybean price data for various regions of South Dakota is available by connecting with a link at the bottom of this page. To access the charts showing the soybean basis and cash prices for your region of the state, just click on the link entitled "Cash soybean price and basis charts". This basis information is compiled by the Economics Department at South Dakota State University.

WHEAT

Minneapolis WHEAT Futures			
Futures Month	This Week	Last Week	Week's Change
May	671	608	63
Jul	661	602	59
Sep	663	605	58
Dec	672	615	57
Mar	682	623	59

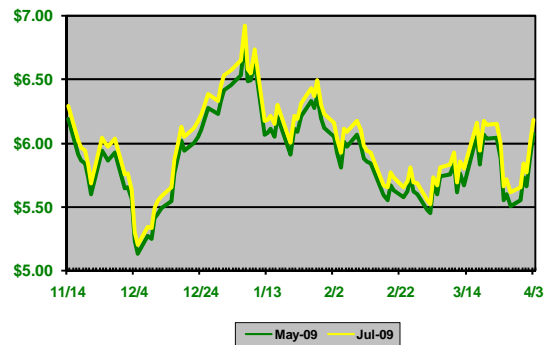
Chicago WHEAT Futures			
Futures Month	This Week	Last Week	Week's Change
May	563	507	56
Jul	576	520	56
Sep	601	546	55
Dec	623	569	54
Mar	637	585	52

Kansas City WHEAT Futures			
Futures Month	This Week	Last Week	Week's Change
May	607	550	57
Jul	618	561	57
Sep	628	571	57
Dec	643	587	56
Mar	655	599	56

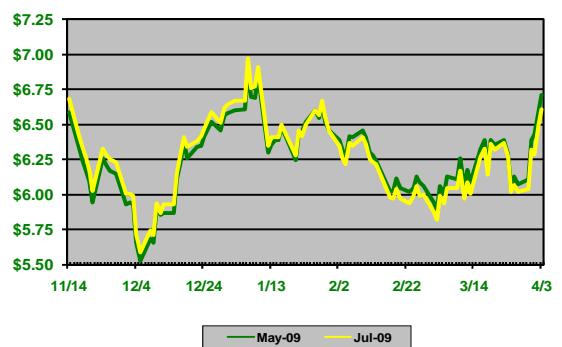
South Dakota Cash Spring Wheat			
	This Week	Last Week	Change
Cash bids	616-696	584-650	
Ave. price	668	621	47
New Crop	519-627	500-586	
Ave. price	590	550	40

South Dakota Cash Winter Wheat			
	This Week	Last Week	Change
Cash bids	454-569	460-540	
Ave. price	545	514	31

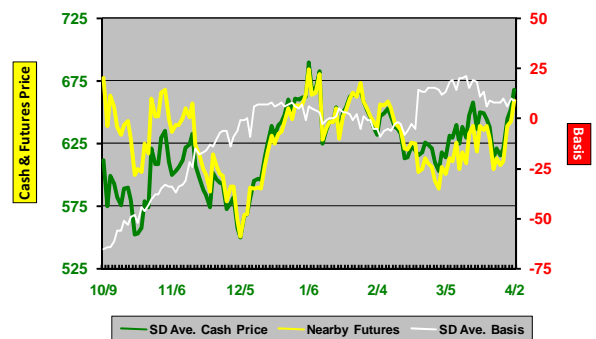
Daily WINTER WHEAT Futures
Kansas City Board of Trade



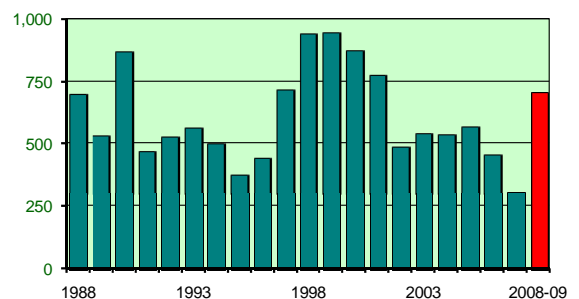
Daily SPRING WHEAT Futures
Minneapolis Grain Exchange



SPRING WHEAT
DAILY Cash - Futures - Basis
(South Dakota Average)



U.S. All Wheat - Ending Stocks
(million bushels)



Source: USDA - Economic Research Service
SDSU Economics Department - <http://econ.sdstate.edu>

The South Dakota average price for spring wheat late this past week was \$6.68 per bushel, 47 cents higher than a week ago.

The South Dakota average price for winter wheat last this past week was \$5.45 per bushel, 31 cents higher than a week ago.

Check the link at the top of the [Wheat Market Review](#) for a synopsis and analysis of the 2009 Planting Intentions report.

The mix of acres will be important if the economy begins to strengthen sufficiently in the year ahead that would result in a change in the dynamics of demand. This could easily be the year when there will be more significant differences between the intentions report and the actual acreage report issued in June. These differences would be significant in terms of impact of the acreage difference, not necessarily the actual acreage differences between the two reports. If demand 10, 12, 16 months down the road changes due to a stronger economy and does not match up with planted acres of all crops this spring, volatility will continue and the markets could get interesting. However, you have to make a planting decision now and what it boils down to is cost of production. Cost of production is the foundation of profitability, followed by the potential net revenue that can be achieved by one crop over another. That part of the equation means you must have a sound marketing plan in place to do whatever possible to capture the price that will mean better net revenue. You have to look at your direct costs, your land charges, your insurance program and your overall willingness and ability to accept risk and then decide what is the best option for you.

USDA's monthly supply and demand numbers from the most recent World Agricultural Supply and Demand Estimates report are summarized in a file that is linked below. For complete details, simply click on the link entitled, "[Wheat Supply and Demand](#)."

Wheat basis data and cash wheat price data for various regions of South Dakota is available by connecting with a link at the bottom of this page. To access the charts for your region of the state, just click on the links entitled "[Spring wheat cash and basis charts](#)" and "[Winter wheat cash and basis charts](#)". This basis information is compiled by the Economics Department at South Dakota State University.