

# Grain Market Review

(As of Friday, July 24, 2009)

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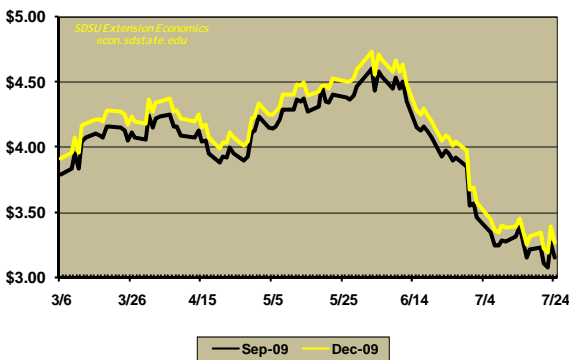
## CORN

Chicago CORN Futures			
Futures Month	This Week	Last Week	Week's Change
Sep	316	322	-6
Dec	327	331	-4
Mar	341	345	-4
May	350	355	-5
Jul	359	364	-5
Sep	367	371	-4
Dec	374	381	-7

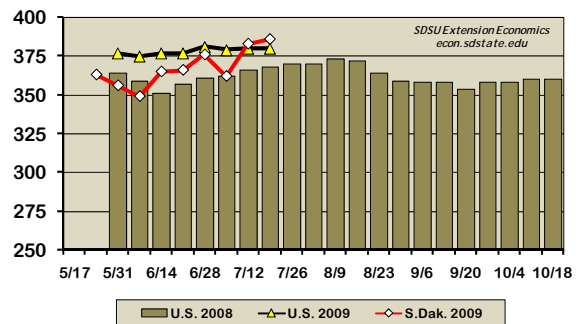
South Dakota Cash Corn			
	This Week	Last Week	Change
Cash bids	248-296	238-287	
Ave. price	278	267	11

Other crops	S.D. A ve.
Sunflower	1241
Oats	174
Milo	233
Millet	539

**Daily CORN Futures**  
Chicago Board of Trade

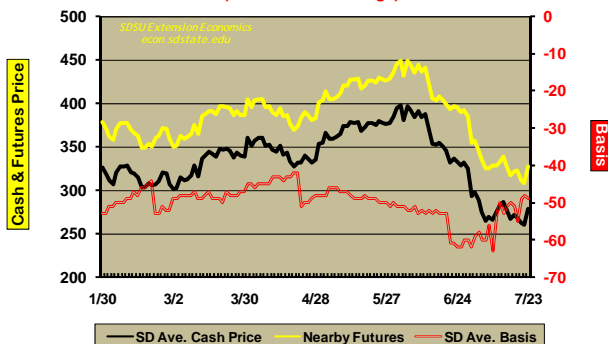


**CORN: Crop Condition Index**  
(as of July 19, 2009)

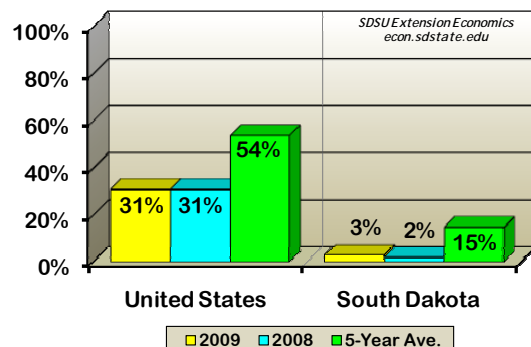


Source: USDA - National Agricultural Statistics Service

**CORN**  
Daily Cash - Futures - Basis  
(South Dakota Average)



**Corn: % Silking**  
(as of July 19, 2009)



Source: USDA - National Agricultural Statistics Service

The South Dakota average price for corn late this past week was \$2.78 per bushel, 11 cents higher than a week ago.

In a rather unusual move, the National Agricultural Statistics Service of USDA announced earlier this week that it plans to survey farmers in a number of states to collect updated information on corn and sorghum acres. The news release as issued on the NASS website is below.

*“In response to variable weather conditions in key crop-growing regions, the National Agricultural Statistics Service (NASS) is collecting updated information on 2009 acres planted to corn and sorghum prior to the August 12 Crop Production report.*

*The June 30 Acreage report included estimates of 2009 planted area for principal crops, based on data collected from producers in early June. To ensure that the August forecasts accurately reflect any changes in planted acreage since June, NASS will expand its routine data collection activities in late July and early August. The agency will ask growers to update their reported acres planted to corn in seven states: Illinois, Indiana, Kentucky, Missouri, North Dakota, Ohio and Pennsylvania. Growers in Illinois and Missouri will also be asked to update their reported acres planted to sorghum.”*

The news that USDA would do this survey did give a solid lift to corn futures on Thursday with gains of 18-19 cents. Although this was the same day that crude oil and the stock market had strong gains lending support to corn futures, this news gave the market a chance to rally on the idea that this survey could show fewer corn acres compared to those reported in the annual Acreage Report issued by USDA at the end of June.

There was plenty of speculation after the Acreage Report was released that the acres planted to corn should be lower due to prolonged planting delays in the eastern corn belt; including Illinois and Indiana. There were concerns about the acreage figure reported back in late June and now there is some criticism of NASS for going back to survey those states again. However, this should be viewed from the standpoint of USDA doing what its mission is concerning this issue; provide an accurate accounting of planted acreage of corn and other crops. Due to the planting conditions of those areas in question, USDA is willing to go back to survey those states again so that doubts will lessen as to the actual acreage of corn planted in the United States.

It would seem prudent, however, to be cautious to not read too much into this announcement until the survey is completed and the results are reflected in the Crop Production report that will be issued on August 12. Trading on Friday seemed to take that into account as corn futures lost 10 to 13 cents to end the week in negative territory.

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.

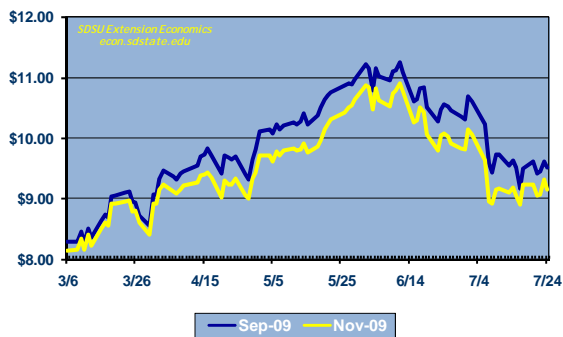
# SOYBEANS

<b>Chicago SOYBEAN Futures</b>			
Futures Month	This Week	Last Week	Week's Change
Aug	1021	1009	12
Sep	951	949	2
Nov	915	923	-8
Jan	922	931	-9
Mar	925	936	-11
May	927	937	-10

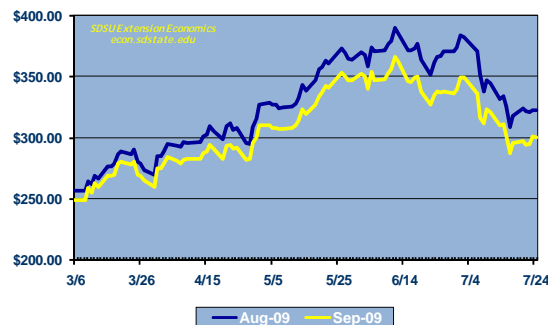
<b>South Dakota Cash Soybeans</b>			
	This Week	Last Week	Change
Cash bids	937-985	890-967	
Ave. price	968	929	39

Other crops	S.D. Ave.
Sunflower	1241
Oats	174
Milo	233
Millet	539

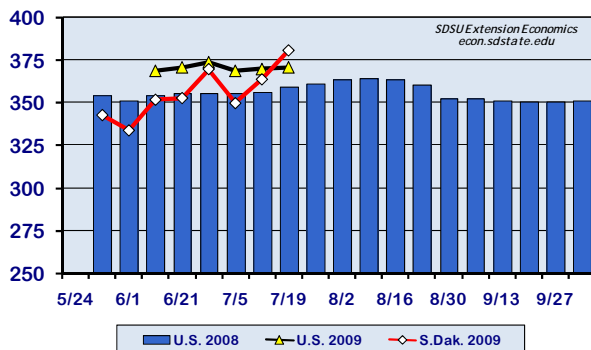
**Daily SOYBEAN Futures**  
Chicago Board of Trade



**Daily SOYBEAN MEAL Futures**  
Chicago Board of Trade

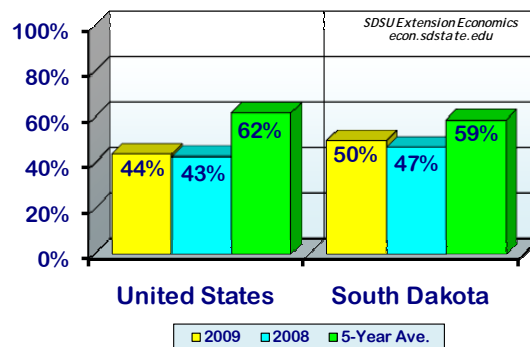


**SOYBEANS: Crop Condition Index**  
(as of July 19, 2009)



Source: USDA - National Agricultural Statistics Service

**Soybeans: % Blooming**  
(as of July 19, 2009)



Source: USDA - National Agricultural Statistics Service

The South Dakota average price for soybeans late this past week was \$9.68 per bushel, 39 cents higher than a week ago.

Soybean futures had an up and down week thanks to a market that is pricing old and new crop beans with different factors in mind. Old crop soybean contracts were up strong on Monday due to concerns about ever-tightening old crop supplies. However, the weaker deferred contracts dragged the nearby lower on Tuesday thanks to the

prospects of a large 2009 soybean crop. Thursday's trade was actually influenced by corn's strong turn to the upside but much of soybeans' rally that day was thanks to a much stronger stock market and crude oil market.

Friday's trade however, brought additional double digit losses as the strength exhibited on Thursday fizzled due to on-going good weather and the likelihood of a large 2009 crop that would lead to a growth in carryover supply for the longer term.

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

<b>Minneapolis WHEAT Futures</b>			
Futures Month	This Week	Last Week	Week's Change
Sep	591	616	-25
Dec	606	626	-20
Mar	620	638	-18
May	629	645	-16
Jul	638	650	-12

<b>Chicago WHEAT Futures</b>			
Futures Month	This Week	Last Week	Week's Change
Sep	516	542	-26
Dec	543	568	-25
Mar	562	586	-24
May	574	597	-23
Jul	584	606	-22

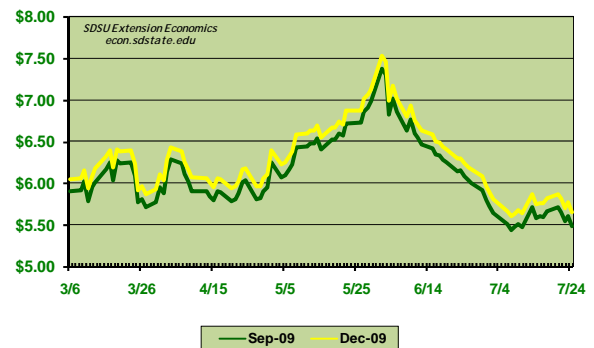
<b>Kansas City WHEAT Futures</b>			
Futures Month	This Week	Last Week	Week's Change
Sep	549	567	-18
Dec	566	583	-17
Mar	582	599	-17
May	593	610	-17
Jul	603	621	-18

<b>South Dakota Cash Spring Wheat</b>			
	This Week	Last Week	Change
Cash bids	492-597	524-605	
Ave. price	551	572	-21

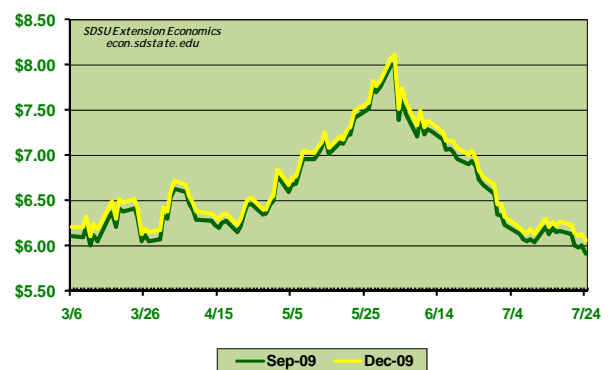
<b>South Dakota Cash Winter Wheat</b>			
	This Week	Last Week	Change
Cash bids	436-513	444-521	
Ave. price	484	487	-3

Other crops	S.D. Ave.
Sunflower	1241
Oats	174
Milo	233
Millet	539

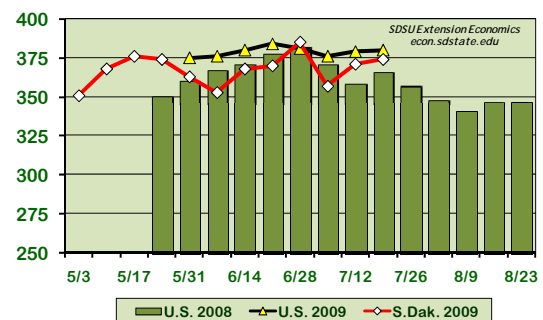
**Daily WINTER WHEAT Futures**  
Kansas City Board of Trade



**Daily SPRING WHEAT Futures**  
Minneapolis Grain Exchange

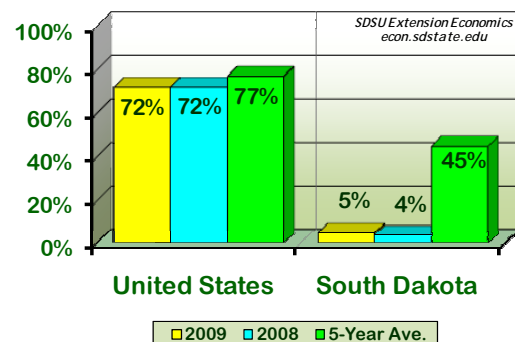


**SPRING WHEAT: Crop Condition Index**  
(as of July 19, 2009)



Source: USDA - National Agricultural Statistics Service

**Winter Wheat: % Harvested**  
(as of July 19, 2009)



Source: USDA - National Agricultural Statistics Service

The South Dakota average price for spring wheat late this past week was \$5.51 per bushel, 21 cents lower than a week ago.

The South Dakota average price for winter wheat last this past week was \$4.84 per bushel, 3 cents lower than a week ago.

Wheat futures had one day of solid gains (Thursday) thanks to support from the rally in corn and a stronger stock market and crude oil market. However, the rest of the week was plagued by harvest pressure and the longer term bearishness of weaker demand and building supplies. Due to the fact that we rely on the export market to consume approximately 40% of the wheat we produce in the United States every year, the on-going recession makes U.S. wheat a tougher sell to foreign buyers. Even though the value of the dollar has dropped considerably since early in the year, economic uncertainty world-wide and the building of domestic supplies will continue to provide pressure on wheat prices. The rally of a few months ago is unlikely to repeat itself with the bearish nature of the fundamentals currently influencing the wheat market.

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.