

Look into Futures

By Peter D. Forbes

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LIVESTOCK — In the livestock, all eyes were focused on the June Hogs & Pigs Report. Floor traders were unwilling to buy into this

report. This barrishness was contrary to the bullishness expressed by farmers and public traders.

	Expectation	Actual	Indication
Hogs & Pigs (6/1) Kept For	88.7	91	Negative
Breeding Kept For	87.4	91	Negative
Marketing	88.8	91	Negative

The market could be severely pressured in the near term since expectations were so bullish. As I mentioned last week, with heavy belly inventories, near term cash prices could have the rug pulled out from under them. Prices are expected to go limit down for at

least one day.

However, some analysts believe that futures will find support 1.00 to 2.00 below current levels. Chart gaps made after March's Hogs & Pigs Report will certainly be a target on the down side. Once filled, these analysts believe hogs

could stage a summer rally.

This barrish report will do little to firm an already weak cattle market. With beef products moving slowly, packer margins in the red, and cut out values down, cattle is expected to continue its sluggish activity. Near term prices pressure in both hogs and cattle will most likely result from heavy marketings. Many farmers were holding back livestock in anticipation of a bullish report. Now that prices are expected to be weaker, these animals will be dumped on the market.

GRAINS — New crop corn and soybeans have broken out from a three month trading range and have entered a full fledged weather market. Despite farmer's and public speculator's bullish consensus, market analysts and floor traders are bearish to the grains.

After breaking through a down trend line at 3.07, December corn has made an advance to 3.17. Technical traders call for an objective of 3.30 which is the contract high made last September.

However, private traders note that the great publicity in the news about recent western corn belt flooding and the southeast heat wave, has drawn considerable public speculation. They note that such speculation is wrong 90% of the time. Nevertheless, people who

missed last summer's great bull market, are fully willing to hop on the buying wagon even before the normal July and August draught scares.

Agronomists are pointing to adequate subsoil moisture in the eastern corn belt as a good sign for grains. They say that recent dry weather will make roots go deeper which will make them resilient during the dry summer months. Also, western corn belt floods are being discounted since generally wet weather yields hurt by flooding

generally more than compensate for by other areas that merely get above average precipitation.

New crop soybeans are following much the same pattern as corn. November beans broke through 7.50 but failed to take out contract highs at 7.72. Professional traders have been aggressive sellers on these rallies, feeling that prices are too high based on current fundamentals.

On Thursday, June 20, USDA released its June Grain Stocks

Report:

	Expectation	Actual	Indication
Soybeans	436 million bu.	456.5	Negative, minus 10¢ to 20¢
Corn	2136 million bu.	2137	Neutral
Wheat	1390 million bu.	1394	Neutral

This report should primarily affect old crop prices. New crop prices will continue to trade

strictly according to expected forecasted weather patterns.



GIGANTIC SELECTION
IN
Lancaster Farming's
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AUCTION

WED. EVE. JULY 11, 1984

7 PM

REAL ESTATE

Location: Rothsville Road from Route 272, ½ mile, turn right, Rettew Mill Road, ¼ mile across covered bridge. First house and barn on left at 983 Rettew Mill Road, Ephrata Twp., Lancaster Co., PA.

REAL ESTATE

2.7 plus acres of ground; 1½ story, 7 room frame house with both oil burning/hot water heating system. Full concrete basement with outside entrance. Large bank barn with box stalls for horses. 3 car garage, metal tool shed, 2 wells on property, septic system. Zoned commercial.

Inspection: Friday, June 29 from 4-7 PM

Sale at 7 PM

Owners,
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Auctioneer,
Abe Diffenbach
225-L

ABSOLUTE AUCTION

FARM MACHINERY
FRIDAY, JULY 6, 1984

at 10:30 A.M.

Location: One mile west of West Chester on 322 at corner of Bypass and 322. Chester County, PA.

New Idea Fertilizer Spreader (10'); JD 4020 (D) Tractor; JD 3020 (G) Tractor; JD 2220 (G) Tractor; NH "Wheel-a-Feed" Hopper Blower; JD 4 Bottom 14"; 3 PM Hook-Up Plow; JD 3 Bottom 14" 3 Pin Hook-Up Plow; NH Manure Spreader (Model 5871); Avco E-Z Flo Rake (Model 126); NH 271 Baler; JD 1209 Haybine; JD Model 47 Front-End Loader; NH Crop Carrier #8 Forage Wagon; NH Model 15 Wagon Running Gear; JD Models 953 & 1065 Hay Wagons; United Farm 8T Hay Wagons; JD Disc; F600 Farm Dump Truck; NH 30' Elevator; Int. Model 35 Disc; Esco Milk Tank (850 Gals); Two Surge Pipeline Milkers (75 Stalls) w/Electrobran Automatic Pipeline Washer; Jamesway Stall Stanchions w/40 Waterbowls; Smoker Elevator (60'); Marietta Silo (20'x60'); Jamesway Automatic Silage Unloader; Smoker Corn Drag Elevator; JD #5 Mower; Int. Roto-Bar Rake; 8' Pickup Comperi Ford 3 pt. Hookup Mower; 3 Ton Chain Hoist; Large Frame Bank Barn To Be Removed.

TERMS: CASH or Approved Check.
INSPECTION: Day of Sale.

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BILL WHITE, Owner

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Location: Sale Site is Buck and Doe Run Valley Farms' Cattle Pens and Shop Area. - 7 Miles South of Coatesville, Pa. on Rt. 82 - Look for Signs.

Partial List:

2 Station Wagons; 1976 Chevy 1/2T Pick-Up; MF-50 Diesel; Oliver 550-Gas; Bush Hog-20'; 1977 Fox Chopper w/10' Mower & 3 Narrow 30" Row Corn Head; 2 New Holland Forage Blowers; 2 New Holland - 706 Corn Dryers (Oil Fired); New Holland Manure Spread w/Tandem Wheels; New Idea Tank Spreader 2100 Gal.; 3 Chain Harrows; 5' Manure Fork; 3 Hay Wagons 2 w/Kicker sides; Snow Plow with Counter Weight & Chains; 2 Pioneer Chain Saws; 1-2 Man Chain Saw; 2 Nursette Machines; New Holland Hay Baler; New Holland Hay Bine Model 479; Hesston 30-A Stak Hand; 2-#9 John Deere 9' Sickle Bar Mowers; Corn Elevators & Drags; 24" Planer; Combination Circular Saw - Band Saw Planer; Originally Water Powered; Assorted Truck Chains; Plus Many Items Too Numerous To Mention and Finding more to sell everyday.

TERMS: Cash or Approved Pa. Checks w/I.D. and current Letter of Credit from your bank.

Auctioneer's Note: Sale will start promptly at 10:00 A.M., come early and get your Buyer's Number. Lunch will be available. For more Sale Information Call Farm Office - 215-384-0106.

Sale Conducted for:

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