

# GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy Of Chicago Board and Mercantile Exchange  
(Closing bids: Thursday, October 14, 1999)

## Corn

Daily Prices As of :- Thursday, 14 October

Symbol : C

	Open	High	Low	Last	Chge
10/14/99 DEC 99	2000	2016	2000	2010	+4
10/14/99 MAR 00	2116	2130	2112	2120	unch
10/14/99 MAY 00	2184	2194	2180	2186	unch
10/14/99 JUL 00	2244	2246	2234	2244	unch
10/14/99 SEP 00	2302	2306	2300	2302	-2
10/14/99 NOV 00	2352	2354	2352	2354	+2
10/14/99 DEC 00	2374	2382	2374	2380	unch
10/14/99 JAN 01	2410	2410	2410	2410	unch
10/14/99 DEC 01	2600	2600	2600	2600	+4

Total	Volume	Open_Int
10/13/99	42078	409306

## Soybeans

Daily Prices As of :- Thursday, 14 October

Symbol : S

	Open	High	Low	Last	Chge
10/14/99 NOV 99	4990	4996	4960	4966	-30
10/14/99 JAN 00	5096	5104	5060	5066	-34
10/14/99 MAR 00	5174	5176	5140	5142	-34
10/14/99 MAY 00	5220	5230	5190	5196	-34
10/14/99 JUL 00	5274	5284	5240	5244	-44
10/14/99 AUG 00	5280	5280	5240	5244	-50
10/14/99 SEP 00	5244	5244	5244	5244	-50
10/14/99 NOV 00	5334	5334	5270	5274	-54

Total	Volume	Open_Int
10/13/99	51530	178048

## Oats

Daily Prices As of :- Thursday, 14 October

Symbol : O

	Open	High	Low	Last	Chge
10/14/99 DEC 99	1094	1096	1086	1086	-4
10/14/99 MAR 00	1174	1174	1170	1170	-4
10/14/99 MAY 00	1222	1224	1220	1220	unch
10/14/99 JUL 00		1202	1202	1202	unch
10/14/99 SEP 00	1270	1270	1270	1270	unch
10/14/99 DEC 00	1320	1320	1320	1320	unch

Total	Volume	Open_Int
10/13/99	385	10785

## Lumber

Daily Prices As of :- Thursday, 14 October

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
10/14/99 Nov 99	30610	30610	30610	30610	+1000	648	2426
10/14/99 Jan 00	32770	32770	32770	32770	+1000	421	1036
10/14/99 Mar 00	33200	33450	33200	33450	+1000	171	372
10/14/99 May 00	33300	33550	33300	33550	+1000	8	83
10/14/99 Jul 00	33310	33310	33310	33310	+1000	0	33
10/14/99 Sep 00	32910	32910	32910	32910	+1000	0	4

Composite	Volume	Open_Int
10/13/99	1249	3954

## Lean Hogs

Daily Prices As of :- Thursday, 14 October

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
10/14/99 Oct 99	4715	4740	4705	4717	-10	1858	4547
10/14/99 Dec 99	4735	4750	4597	4740	-17	6254	27129
10/14/99 Feb 00	5155	5167	5040	5160	-10	2186	11944
10/14/99 Apr 00	5350	5405	5265	5380	+10	978	5772
10/14/99 Jun 00	6060	6120	6020	6105	+15	635	2639
10/14/99 Jul 00	5955	6017	5895	6017	+35	294	991
10/14/99 Aug 00	5765	5780	5750	5780	+10	37	426
10/14/99 Oct 00	5445	5465	5400	5465	+18	5	88
10/14/99 Dec 00	5350	5350	5265	5265	+5	0	2

Composite	Volume	Open_Int
10/13/99	12247	53538

## Live Cattle

Daily Prices As of :- Thursday, 14 October

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
10/14/99 Oct 99	7105	7125	7085	7122	+2	4527	8220
10/14/99 Dec 99	6900	6925	6862	6887	-40	11778	64723
10/14/99 Feb 00	6940	6967	6905	6927	-43	3850	25792
10/14/99 Apr 00	7075	7100	7050	7060	-37	2274	16738
10/14/99 Jun 00	6830	6845	6807	6812	-25	566	5712
10/14/99 Aug 00	6805	6805	6785	6795	-30	79	2893
10/14/99 Oct 00	6960	6960	6925	6925	-52	1136	2439

Composite	Volume	Open_Int
10/13/99	24210	126517

## Soybean Meal

Daily Prices As of :- Thursday, 14 October

Symbol : SM

	Open	High	Low	Last	Chge
10/14/99 OCT 99	1551	1558	1542	1544	-13
10/14/99 DEC 99	1566	1574	1557	1561	-8
10/14/99 JAN 00	1577	1578	1566	1569	-8
10/14/99 MAR 00	1594	1594	1581	1586	-8
10/14/99 MAY 00	1590	1597	1584	1585	-8
10/14/99 JUL 00	1608	1612	1603	1604	-7
10/14/99 AUG 00	1615	1617	1609	1610	-7
10/14/99 SEP 00	1622	1622	1615	1615	-10
10/14/99 OCT 00	1551	1623	1551	1623	-9
10/14/99 DEC 00	1653	1660	1649	1649	-13

Total	Volume	Open_Int
10/13/99	33846	113414

## BFP Milk

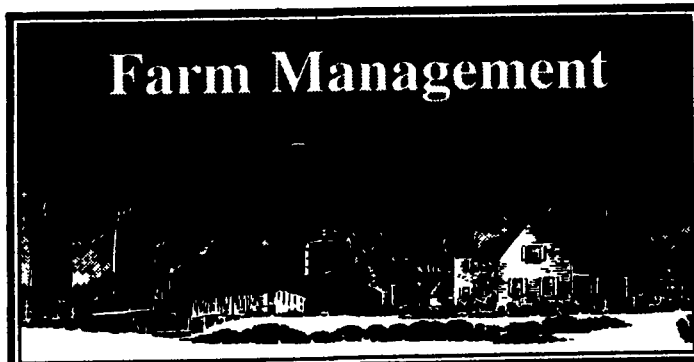
Daily Prices As of :- Thursday, 14 October

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
10/14/99 Oct 99	1218	1240	1218	1229	+12	37	1224
10/14/99 Nov 99	1170	1210	1170	1210	+45	90	1028
10/14/99 Dec 99	1190	1210	1180	1200	+35	55	843
10/14/99 Jan 00	1180	1200	1180	1200	+25	12	427
10/14/99 Feb 00	1183	1183	1180	1183	+8	12	230
10/14/99 Mar 00	1175	1175	1175	1175	+24	3	186
10/14/99 Apr 00	0	1152	1152	1152	+16	0	147
10/14/99 May 00	0	1156	1156	1156	+16	6	113
10/14/99 Jun 00	1181	1181	1181	1181	+1	0	84
10/14/99 Jul 00	0	1237	1237	1237	unch	0	31
10/14/99 Aug 00	0	1261	1261	1261	unch	0	22

Composite	Volume	Open_Int
10/13/99	215	4336

### Top Ten Reasons Why Farmers Don't Manage Risk

- 10 - There is no free hat
9. I'm waiting for my neighbor to try it
8. The media created El Nino
- 7 Crop failures build character
- 6 It's more fun to keep my lender guessing about my ability to repay
5. I probably deserve a total crop failure
- 4 Sleeping too soundly would make my spouse wonder .



## Farm Management

3. The IRS would take the profits anyway
  2. My children would just fight over the estate
  1. Life would be dull without daily doses of fear
- In a recent study, 5% of

farmers are using available tools to manage the production risk, credit risk and financial risk of their business. Why haven't the remaining 95% signed on? At least 4 real reasons come to mind.

- 1) Resistance to change

Learning about risk management seems risky itself. It involves changing the way you approach decisions and the way you do business. If you believe that change is not necessary, risk management education is not well received.

2) Too many decisions, not enough time

The variety of risk management tools can be a curse. Good tools used incorrectly or poorly understood can ruin an operation. Ongoing risk management education is necessary to stay competitive.

3) Old fears die hard  
Farmers distrust the futures market, crop insurance and the

federal government. Both industries are working with educators and farm organizations to increase understanding.

4) The check is in the mail  
The government has been willing to absorb the production and price risk in the past through making disaster payments and support prices. For the most part, this has been replaced with federally subsidized crop insurance.

Private sector alternatives to the federal programs of the past must be understood. In today's market, the reward for adopting risk management strategies will be a chance at profitability and survival.