

GRAIN, CATTLE, HOG, & MILK BFP

FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, March 16, 2000

Daily Prices As of :- Thursday, 16 March

Corn

	Open	High	Low	Last	Chge
03/16/00 MAY 00	2354	2396	2342	2352	-6
03/16/00 JUL 00	2440	2480	2426	2436	-6
03/16/00 SEP 00	2504	2544	2496	2502	-10
03/16/00 NOV 00	2550	2590	2550	2550	-16
03/16/00 DEC 00	2592	2624	2576	2584	-12
03/16/00 JAN 01	2664	2664	2624	2624	-4
03/16/00 MAR 01	2654	2696	2650	2664	-4
03/16/00 MAY 01	2694	2740	2694	2712	-6
03/16/00 JUL 01	2736	2782	2736	2742	-10
03/16/00 DEC 01	2680	2700	2674	2696	+2
03/16/00 DEC 02	2660	2660	2660	2660	+10

Total	Volume	Open_Int
03/15/00	88252	488734

Daily Prices As of :- Thursday, 16 March

Soybeans

	Open	High	Low	Last	Chge
03/16/00 MAY 00	5240	5344	5224	5254	+4
03/16/00 JUL 00	5354	5450	5330	5364	+6
03/16/00 AUG 00	5360	5464	5354	5374	+2
03/16/00 SEP 00	5384	5490	5374	5384	-4
03/16/00 NOV 00	5460	5560	5440	5460	-2
03/16/00 JAN 01	5514	5630	5514	5534	-4
03/16/00 MAR 01	5600	5690	5594	5610	+2
03/16/00 MAY 01	5730	5734	5630	5640	-20
03/16/00 JUL 01	5660	5774	5660	5664	-30
03/16/00 NOV 01	5610	5710	5610	5650	unch

Total	Volume	Open_Int
03/15/00	51532	169911

Weekly Dairy Market Outlook

By Ken Bailey
Penn State University
March 16, 2000

February Milk Production up 4.5 Percent

-January revised production up 4.9 percent

-February production per cow is up

-February cow numbers continue to grow

The U.S. dairy industry continues to defy economic logic by expanding in the face of low milk prices. USDA just released the Milk Production Report. That report shows milk production in February expanded 4.5 percent ahead of the same month a year ago, after adjusting for leap year (one extra day in February 2000). This growth is the result of more milk being produced from every cow, and more milking cows on farms.

The statistics for February were not encouraging to the dairy industry since it indicates low milk prices will continue. The "market place" has no incentive to raise milk prices via higher cheese prices until supply becomes realigned with demand. And that realignment process will have to begin with a reduction in cow numbers and milk supply.

Milk production in February for 20 major dairy states totaled 11.7 billion pounds, up 8.2 percent from the same month a year ago. Adjusting milk production for an extra day for leap year, February milk production was actually up 4.5 percent on a per day basis.

Production per cow in 20 major dairy states averaged 1,505 pounds in February, up 101 pounds from a year ago (without any adjustments for leap year).

Cow numbers on farms in February for 20 major states was 7.77 million head, 72,000 head more than February 1999 and 3,000 head more than January 2000.

USDA also revised January milk production. It was at 12.3 billion pounds and was up 4.9 percent relative to January 1999.

I computed the growth in the milk supply in February for the top 20 dairy states. First I calculated the daily average milk production. I used 28 days in 1999 and 29 days in 2000. I then computed the growth rate using the daily average milk production in 1999 and 2000.

Pennsylvania milk production grew 3.9 percent.

Milk production in February grew the most in the following states: Idaho (13.9 percent), New Mexico (10.5 percent), California (9.8 percent), Indiana (6.4 percent), and Michigan (6.0 percent). Growth in the latter two states was a bit of a surprise. Indiana has been gearing up with two large dairy farms. Their milk supply appears to be having an impact on that states rate of growth.

Milk production in February grew the least in the following states: New York (-0.1 percent), Florida (0.1 percent), Missouri and Vermont (0.2 percent), Kentucky and Washington (0.9 percent), and Wisconsin (1.0 percent).

Lean Hogs

Daily Prices As of :- Thursday, 16 March

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
03/16/00 Apr 00	6250	6260	6157	6180	-47	3931	18963
03/16/00 Jun 00	7100	7110	7030	7035	-55	4259	22898
03/16/00 Jul 00	6840	6845	6785	6827	-25	538	6076
03/16/00 Aug 00	6515	6540	6495	6520	-2	338	5563
03/16/00 Oct 00	5785	5850	5780	5845	-10	137	2837
03/16/00 Dec 00	5600	5645	5585	5615	-10	102	1540
03/16/00 Feb 01	5640	5660	5600	5640	-30	1	249
03/16/00 Apr 01	5570	5570	5525	5557	-73	0	55
03/16/00 Jun 01	0	6270	6270	6270	-12	0	10

Composite	Volume	Open_Int
03/15/00	9306	58191

Live Cattle

Daily Prices As of :- Thursday, 16 March

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
03/16/00 Apr 00	7280	7287	7210	7212	-65	5930	44852
03/16/00 Jun 00	6947	6955	6885	6887	-60	4176	39787
03/16/00 Aug 00	6950	6950	6900	6902	-43	1256	21009
03/16/00 Oct 00	7220	7220	7185	7187	-30	749	11365
03/16/00 Dec 00	7335	7337	7320	7327	-3	113	4507
03/16/00 Feb 01	7450	7452	7435	7435	-12	49	2883
03/16/00 Apr 01	7700	7705	7687	7692	-3	60	2003

Composite	Volume	Open_Int
03/15/00	12333	126406

Lumber

Daily Prices As of :- Thursday, 16 March

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
03/16/00 May 00	33770	33770	33250	33590	-280	633	1709
03/16/00 Jul 00	34050	34170	33630	34060	-230	96	508

Composite	Volume	Open_Int
03/15/00	1107	2454

Daily Prices As of :- Thursday, 16 March

Oats

	Open	High	Low	Last	Chge
03/16/00 MAY 00	1190	1220	1190	1204	+6
03/16/00 JUL 00	1182	1204	1180	1190	+4
03/16/00 SEP 00	1210	1232	1210	1216	+4
03/16/00 DEC 00	1270	1290	1270	1284	+6
03/16/00 MAR 01	1334	1344	1334	1340	+4
03/16/00 MAY 01		1370	1370	1370	unch

Total	Volume	Open_Int
03/15/00	1469	17887

Table 1. February Milk Production for 20 Major Dairy States

State	Milk Cows		Milk Per Cow *		Milk Production		1999 change from 1999 *
	1999	2000	1999	2000	1999	2000	
	----1,000 Head----		----Pounds----		----Million Pounds----		
AZ	132	137	1,833	1,934	242	265	5.7%
CA	1,447	1,496	1,555	1,710	2,250	2,558	9.8%
FL	158	157	1,367	1,427	216	224	0.1%
ID	306	332	1,490	1,620	456	538	13.9%
IL	125	120	1,312	1,483	164	178	4.8%
IN	136	141	1,301	1,383	177	195	6.4%
IA	219	215	1,379	1,502	302	323	3.3%
KY	135	130	985	1,069	133	139	0.9%
MI	292	298	1,404	1,510	410	450	6.0%
MN	545	540	1,385	1,476	755	797	1.9%
MO	162	157	1,142	1,223	185	192	0.2%
NM	223	238	1,614	1,731	360	412	10.5%
NY	702	700	1,321	1,370	927	959	-0.1%
OH	260	259	1,312	1,402	341	363	2.8%
PA	615	617	1,376	1,475	846	910	3.9%
TX	341	350	1,431	1,471	488	515	1.9%
VT	162	159	1,290	1,365	209	217	0.2%
VA	122	120	1,205	1,333	147	160	5.1%
WA	248	246	1,694	1,785	420	439	0.9%
WI	1,366	1,356	1,300	1,370	1,776	1,858	1.0%
20-state total	7,696	7,768	1,404	1,505	10,804	11,692	4.5%

* February milk production to be up 4.5 percent on a per day basis