

# GRAIN, CATTLE, HOG, & MILK BFP

## FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, May 18, 2000

### Corn

Daily Prices As of :- Thursday, 18 May

Symbol:C

	Open	High	Low	Last	Chge
05/18/00 JUL 00	2362	2420	2362	2380	+24
05/18/00 SEP 00	2484	2504	2454	2462	+30
05/18/00 NOV 00	2570	2570	2520	2522	+26
05/18/00 DEC 00	2544	2602	2544	2562	+26
05/18/00 JAN 01	2610	2610	2590	2594	+26
05/18/00 MAR 01	2622	2680	2622	2644	+26
05/18/00 MAY 01	2720	2720	2674	2690	+24
05/18/00 JUL 01	2744	2750	2706	2720	+26
05/18/00 SEP 01	2640	2640	2640	2640	+30
05/18/00 DEC 01	2680	2700	2660	2680	+30
05/18/00 DEC 02	2680	2680	2680	2680	+24

Total	Volume	Open_Int
05/17/00	78679	471456

### Soybeans

Daily Prices As of :- Thursday, 18 May

Symbol:S

	Open	High	Low	Last	Chge
05/18/00 JUL 00	5440	5604	5432	5476	+64
05/18/00 AUG 00	5486	5630	5484	5504	+60
05/18/00 SEP 00	5600	5650	5510	5536	+70
05/18/00 NOV 00	5564	5724	5550	5602	+72
05/18/00 JAN 01	5760	5784	5650	5656	+52
05/18/00 MAR 01	5800	5850	5710	5742	+72
05/18/00 MAY 01	5820	5870	5730	5770	+74
05/18/00 JUL 01	5830	5880	5760	5804	+74
05/18/00 NOV 01	5760	5800	5730	5730	+50

Total	Volume	Open_Int
05/17/00	58219	194078

### Oats

Daily Prices As of :- Thursday, 18 May

Symbol:O

	Open	High	Low	Last	Chge
05/18/00 JUL 00	1200	1224	1200	1200	+10
05/18/00 SEP 00	1260	1270	1250	1250	+12
05/18/00 DEC 00	1314	1326	1304	1304	+6
05/18/00 MAR 01		1374	1374	1374	+10
05/18/00 MAY 01		1410	1410	1410	+4

Total	Volume	Open_Int
05/17/00	1596	17396

## Weekly Dairy Market Outlook

By Ken Bailey  
Penn State University  
May 12, 2000

### Imports Fall With Lower Milk Prices

-Imports drop 9.3%=20  
-Demand for butter and cheese strong  
-Chicago prices stable  
-March cheese and butter production stable

In theory, imports of dairy products should fall as U.S. prices for dairy products fall. That's because the advantage of lower-priced foreign dairy products diminishes as U.S. prices decline to world prices. That may explain why the latest USDA figures show total dairy imports for the period December 1999 through February 2000 fell 9.3 percent (see Table below) relative to the same period a year ago. My estimation is that imports of dairy products will continue to decline this year relative to a year ago.

The same data also shows milk production during the period December 1999 - February 2000 was up 4.1 percent, and that commercial disappearance--which includes exports--was up 4.6 percent (on a milkfat basis). For individual dairy products, consumption during the same

period was as follows: butter up 7.1 percent, American cheese up 6.3 percent, other cheese up 8.5 percent, and nonfat dry milk down 29.8 percent. All these figures are relative to the same period a year ago.

It must be rewarding to know that a strong U.S. economy is translating into strong sales for butter and cheese.

So if consumption is greater than production (slightly), why aren't dairy prices doing any better than they are? For one, beginning stocks of dairy products for this period was well above year ago levels. Despite great sales, we still need time to sell all these surplus stocks. Second, the market for cheese and butter works off of psychology. The outlook is for continued surplus milk production, and that means surplus production of butter and cheese. That could change, however, if strong demand continues and dairy production regions face periods of hot/dry weather.

USDA released the Dairy Products report last week. Those numbers were a bit surprising. We know that milk production has been well above year ago

## Lean Hogs

Daily Prices As of :- Thursday, 18 May

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
05/18/00 Jun 00	7102	7145	7075	7085	-17	4447	25214
05/18/00 Jul 00	6990	7040	6967	6975	-27	2522	17793
05/18/00 Aug 00	6670	6720	6642	6690	+8	1595	11387
05/18/00 Oct 00	5825	5847	5800	5815	-35	490	6558
05/18/00 Dec 00	5607	5630	5595	5600	-15	652	5079
05/18/00 Feb 01	5690	5700	5670	5670	-12	214	1413
05/18/00 Apr 01	5575	5587	5547	5547	-15	133	413
05/18/00 Jun 01	6325	6345	6300	6300	-40	4	30
05/18/00 Jul 01	6200	6200	6200	6200	-40	1	2

Composite	Volume	Open_Int
05/17/00	10058	67890

### Live Cattle

Daily Prices As of :- Thursday, 18 May

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
05/18/00 Jun 00	6805	6837	6802	6820	unch	6733	37375
05/18/00 Aug 00	6800	6815	6785	6795	-12	3466	41024
05/18/00 Oct 00	7060	7077	7050	7070	-5	1569	22387
05/18/00 Dec 00	7220	7237	7210	7225	unch	382	8372
05/18/00 Feb 01	7365	7370	7357	7365	-5	90	4239
05/18/00 Apr 01	7585	7585	7570	7577	-13	83	4300
05/18/00 Jun 01	7405	7407	7400	7400	-12	56	2473

Composite	Volume	Open_Int
05/17/00	12380	120170

### Lumber

Daily Prices As of :- Thursday, 18 May

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
05/18/00 Jul 00	28380	28590	28160	28260	+50	883	2290
05/18/00 Sep 00	28740	29130	28700	28830	+170	208	559
05/18/00 Nov 00	29040	29410	29040	29240	+180	92	216
05/18/00 Jan 01	0	30100	29200	29200	-410	3	9

Composite	Volume	Open_Int
05/17/00	1188	3106

Table 1. Chicago Mercantile Exchange, Weekly Averages

	12-May-00	5-May-00	28-Apr-00	21-Apr-00	14-Apr-00
Cheese:					
500 lb. barrels	1.0995	1.1000	1.1000	1.0688	1.0750
40-lb. blocks	1.1070	1.0925	1.1005	1.0975	1.1030
Nonfat dry milk:					
Extra Grade	1.0300	1.0300	1.0300	1.0300	1.0300
Grade A	1.0300	1.0300	1.0300	1.0300	1.0300
Butter:					
Grade AA	1.1950	1.1658	1.0833	1.0250	1.0525

Source: Dairy Market News, AMS, USDA  
(<http://www.ams.usda.gov/dairy/mncs/weekly.htm>).

Table 2. NASS Weekly U.S. Average Survey Prices

	6-May-00	29-Apr-00	22-Apr-00	15-Apr-00	8-Apr-00
Cheese:					
500 lb. Barrels 1/	1.0709	1.0641	1.0674	1.0723	1.0809
40-lb. blocks	1.0897	1.0977	1.0961	1.0985	1.0986
Butter	1.0895	1.0351	1.0185	1.0529	1.0840
Nonfat dry milk	1.0086	1.0068	1.0099	1.0102	1.0090
Dry whey	0.1758	0.1776	0.1763	0.1766	0.1770

Source: Dairy Product Prices, NASS, USDA  
(<http://usda.mannlib.cornell.edu/reports/nassr/price/dairy/1999/>).  
1/ Adjusted to 39% moisture.

Table 3. Commercial Disappearance of Milk and Dairy Products

	Dec.-Feb. 1998/99	Dec.-Feb. 1999/00	% chg year ago
---Million Pounds---			
MILK			
Production	39,586	41,687	-4.1%
Marketings	39,246	41,353	4.2%
Beg commercial stocks	5,140	5,992	16.6%
Imports	1,116	1,012	-9.3%
Total supply	45,502	48,357	5.3%
Ending commercial stocks	7,795	8,305	6.5%
Net removals	65	242	272.3%
Commercial disappearance	37,642	39,810	4.6%
SELECTED PRODUCTS			
Butter	305.2	330.9	7.1%
American cheese	807.2	867.2	6.3%
Other cheese	1,044.2	1,145.5	8.5%
Nonfat dry milk	198.1	140.8	-29.8%
Fluid milk products	NA	NA	NA

Source: Dairy Market News