

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, Aug. 31, 2000

Corn	Month	Opening	High	Low	Closing	Settle	Net Chg
	00Sep	182 1/4	184 1/4	181 1/4	183 1/2	184 1/4	+2 1/4
	00Nov	191 1/2	193	190	192 1/2	193	+3 1/4
	00Dec	194 3/4	196 3/4	193 1/2	196 3/4	196 1/4	+2 3/4
	01Jan	199 1/2	200 1/4	198 1/4	200	200	+2 1/2
	01Mar	206 1/2	208 1/4	205 1/2	208 1/4	208	+2 1/4
	01May	214 3/4	215	212 3/4	214 3/4	215	+1 3/4
	01Jul	221 3/4	222	219 3/4	222	221 3/4	+1 1/2
	01Sep	226 1/2	227 1/2	226 1/4	227 1/2	227 1/2	+1 1/4
	01Dec	237	238 1/4	235 1/2	238	237 3/4	+1 1/2
	02Jul				255 1/2 n	255 1/2	+1 1/2
	02Dec	249 1/4	252	249 1/4	252	252	+1
	Month	Opening	High	Low	Closing	Settle	Net Chg

Soybeans	Month	Opening	High	Low	Closing	Settle	Net Chg
	00Sep	487	495	487	494 1/2	495	+1
	00Nov	497 1/2	505 1/2	497	504 1/2	505 1/2	+1 1/4
	01Jan	508	515 1/2	507 1/2	514 1/2	515 1/2	+1 1/4
	01Mar	519	524 1/2	517	524	523 1/2	+1
	01May	527 1/2	531	524	531	530 1/2	+1
	01Jul	532	539 1/2	532	538 1/2	539	+1
	01Sep				540 n	540	+1
	01Nov	536	540	536	540	540	+1
	01Dec	540	545	539	544	545	+1
	Month	Opening	High	Low	Closing	Settle	Net Chg

Oats	Month	Opening	High	Low	Closing	Settle	Net Chg
	00Sep	960	980	960	980	980	+1 1/2
	00Nov	106 1/2	108 1/2	106 1/2	107 3/4	107 1/2	Unch
	01Jan	116 1/2	117 3/4	116 1/2	117	117	Unch
	01Mar	122 3/4	122 3/4	122 1/2	122 1/2 a	122 1/2	Unch
	01May				128 1/2 b	129 a	+2
	01Jul				132 1/2 b	133 a	-2
	Month	Opening	High	Low	Closing	Settle	Net Chg

Weekly Dairy Market Outlook

By Ken Bailey
Penn State University
August 25, 2000

Barrel Price Rebounding

* Strong barrel sales helped prices

* Block prices gaining too!

* School bottling pipeline is filling

* National fluid sales down

Barrel cheese prices strengthened this week, rising from \$1 1450 per pound on Monday, August 21 to \$1 18 per pound by Friday, August 25. Sales were unusually high this week with 54 cars of barrels trading hands. Block cheese prices also firmed a bit, rising from \$1 28 per pound on Monday to \$1 30 per pound by Friday.

This is quite a change from the prior three weeks when barrel prices fell below support price levels and the block/barrel price spread grew to over \$0 20 per pound. By Friday of this week, however, the block/barrel spread was reduced to \$0 12 per pound. This is still higher than the normal range of \$0 03-\$0 05 per pound.

The strength in the barrel prices was a result of strong sales. In addition, more milk is being diverted away from manufacturing uses into fluid uses. USDA reported that the Class I pipelines are being filled

as children return back to school. That coupled with a seasonal reduction in the milk supply may have helped firmed cheese prices.

There is a lot of talk that milk on the east coast is very tight, especially right now! Many people are scrambling to find supplies for Class I needs. So why aren't milk prices rising? The problem continues to be growing U.S. cow numbers and the potential for higher milk production levels. Many dairy farmers I have spoke with report that replacement costs are still very high, reflecting strong demand.

USDA just released estimates for fluid milk sales for all federal orders and California. During the period January through May 2000, total fluid milk sales were 21.6 billion pounds, down 0.6 percent relative to the same period a year ago. Sales of whole milk, lowfat milk (1 percent), and buttermilk were up, whereas sales of reduced fat (2 percent) and fat-free milk (skim) were down. Skim milk alone was down 7.7 percent relative to the same period a year ago. These numbers were just crunched by USDA based on new data from the revised federal milk marketing orders. As a result, they may be subject to revisions.

Average Farm Feed Costs for Handy Reference

To help farmers across the state to have handy reference of commodity input costs in their feeding operations for DHIA record sheets or to develop livestock feed cost data, here's last week's average costs of various ingredients as compiled from regional reports across the state of Pennsylvania.

Remember, these are averages, so you will need to adjust your figures up or down according to your location and the quality of your crop.

Corn, No.2y — 2.05 bu., 3.66 cwt.
Wheat, No.2 — 1.94 bu., 3.24 cwt.
Barley, No.3 — 1.34 bu., 2.87 cwt.
Oats, No.2 — 1.23 bu., 3.83 cwt.
Soybeans, No.1 — 4.17 bu., 6.96 cwt.
Ear Corn — 67.88 ton, 3.39 cwt.
Alfalfa Hay — 101.75 ton, 5.09 cwt.
Mixed Hay — 103.75 ton, 5.19 cwt.
Timothy Hay — 105.50 ton, 5.28 cwt.

Lean Hogs

Daily Prices As of :- Thursday, 31 August

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
08/31/00	Oct 00	5260	5300	5225	5292	+65	3399
08/31/00	Dec 00	5000	5037	4977	5030	+30	1827
08/31/00	Feb 01	5102	5135	5075	5132	+30	348
08/31/00	Apr 01	4930	4975	4930	4960	+30	89
08/31/00	Jun 01	5570	5605	5565	5595	+18	11
08/31/00	Jul 01	5500	5595	5500	5595	+80	8
08/31/00	Aug 01	5340	5395	5340	5395	+38	17
08/31/00	Oct 01	4730	4750	4727	4750	+20	0
08/31/00	Dec 01	0	4730	4700	4730	+25	0
Composite Volume Open_Int							
08/30/00		5699	37208				

Live Cattle

Daily Prices As of :- Thursday, 31 August

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
08/31/00	Aug 00	6600	6625	6590	6622	+30	465
08/31/00	Oct 00	6710	6732	6677	6697	-13	5319
08/31/00	Dec 00	6905	6915	6880	6902	unch	2876
08/31/00	Feb 01	7070	7077	7050	7070	-2	966
08/31/00	Apr 01	7272	7275	7252	7272	-8	446
08/31/00	Jun 01	7045	7050	7032	7042	-3	198
08/31/00	Aug 01	7040	7042	7030	7030	-2	43
Composite Volume Open_Int							
08/30/00		10313	120606				

Lumber

Daily Prices As of :- Thursday, 31 August

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
08/31/00	Sep 00	22000	22460	21810	22180	+260	432
08/31/00	Nov 00	23650	24270	23610	23880	+290	417
08/31/00	Jan 01	24920	25250	24860	24970	+150	51
08/31/00	Mar 01	25960	26100	25920	26000	+180	22
08/31/00	May 01	26500	26540	26020	26020	-270	8
08/31/00	Jul 01	26900	26950	26900	26950	+190	0
08/31/00	Sep 01	0	26730	26730	26730	+20	0
Composite Volume Open_Int							
08/30/00		930	3822				

Pork Bellies

Composite Volume Open_Int
08/30/00 611 1783

Daily Prices As of :- Thursday, 31 August

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
08/31/00	Feb 01	6335	6450	6330	6387	+7	596
08/31/00	Mar 01	6330	6420	6330	6370	unch	14
08/31/00	May 01	0	6412	6400	6400	unch	1
08/31/00	Jul 01	0	6500	6500	6500	+90	0

Table 1. Chicago Mercantile Exchange Prices, Weekly Averages

	25-Aug-00	18-Aug-00	11-Aug-00	4-Aug-00	28-Jul-00
Cheese:					
500 lb barrels	1 1620	1 0820	1 0520	1 0580	1 1730
40-lb blocks	1 2875	1 2815	1 2215	1 1450	1 2635
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 1850	1 1875	1 1950	1 1833	1 1550

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

	19-Aug-00	12-Aug-00	5-Aug-00	29-Jul-00	22-Jul-00
Cheese:					
500 lb Barrels 1/	1.0785	1 1071	1 1738	1 1856	1 2192
40-lb blocks	1.1966	1.1875	1 2212	1 2144	1 2280
Butter	1.1567	1.1587	1 1291	1 1274	1 1422
Nonfat dry milk	1.0109	1 0139	1.0049	1.0098	1 0124
Dry whey	0.1915	0.1939	0 1948	0 1965	0 1938

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