

# GRAIN, CATTLE, HOG, & MILK BFP

## FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, March 1, 2001

### Corn

Month	Opening	High	Low	Closing	Settle	Net Chg
01Mar	215	217 1/2	213 1/4	216 1/4	216 3/4	+20
01May	223 3/4	225	221	224	224 1/4	+14
01Jul	230 3/4	233 1/4	229	232	232 1/2	+16
01Sep	239	241 1/4	237 1/2	240	240 1/4	+16
01Dec	249 3/4	252	248	250 3/4	251 1/2	+16
02Mar	258 3/4	260 1/2	257 1/4	259 3/4	260 1/4	+16
02May	264	266 1/2	263	266 1/4	266 1/4	+12
02Jul	267 1/4	271	267 1/4	270 3/4	270 3/4	+14
02Dec	265 1/2	269	265 1/2	268 3/4	268 3/4	+6
Month	Opening	High	Low	Closing	Settle	Net Chg

### Soybeans

Month	Opening	High	Low	Closing	Settle	Net Chg
01Mar	454 1/2	460 1/4	453 1/4	456	458	+34
01May	456	464	454 1/2	459	461	+42
01Jul	464	471 1/2	461 1/4	466 1/2	469	+50
01Aug	464 1/2	470 1/4	460 1/2	467	467	+42
01Sep	462 1/2	469 1/2	460 1/2	465 1/2	465 1/2	+50
01Nov	467	474	464 1/4	470 1/2	471 1/2	+54
02Jan	477	483 1/2	475 1/2	481	481	+50
02Mar	485 1/2	493 1/2	485 1/2	491	491	+50
02May	493	499 1/2	493	499	499	+40
02Jul	503 1/2	508	503 1/2	506	506	+34
02Nov	510	513	510	510 1/2 b	511 1/2 a	+50
Month	Opening	High	Low	Closing	Settle	Net Chg

### Soybean Meal

Month	Opening	High	Low	Closing	Settle	Net Chg
01Mar	155.8	156.9	154.5	156.5	156.3	+7
01May	155.0	157.0	153.9	156.4	156.9	+17
01Jul	154.5	157.3	154.0	156.3	156.4	+9
01Aug	153.7	156.4	153.5	155.3	155.2	+12
01Sep	153.0	155.6	152.6	154.0	154.0	+10
01Oct	152.0	154.5	151.8	153.3	153.3	+17
01Dec	152.5	155.3	152.1	154.0	154.0	+15
02Jan	153.3	156.0	153.3	154.0 b	154.1 a	+17
02Mar	158.0	158.0	156.5	156.0 b	156.5 a	+7
02May	160.0	160.0	157.5	157.0 b	157.5 a	+12
02Jul	159.0	159.0	158.0	157.0 b	158.0 a	+12
Month	Opening	High	Low	Closing	Settle	Net Chg

## Weekly Dairy Market Outlook

Ken Bailey  
Penn State  
Feb. 23, 2001

**Markets Remain Firm**

- Butter stocks lower
- Cheese and butter prices higher
- Advanced prices announced
- Analysis of Santorum/Kohl Bill

Butter prices reached \$1.5025 per pound this week. According to USDA, "many continue to question if the supply/demand situation warrants such a firm price for this time of year." The answer to that is "yes."

Butter production increased just enough last year to meeting growth in demand. This occurred when there was a 3.0 percent growth in the milk supply.

It now appears that the milk supply in 2001 will slow. That means butter production will be a limiting factor in the milk market during 2001.

Just look at the inventory situation. Butter prices rallied last Thanksgiving due in part to strong demand. USDA's most recent Cold Storage report indicates that December 31, 2000

stocks were down 3.9 percent compared to a year ago. That same report shows January 31, 2001 stocks are down 20.1 percent relative to a year ago. Demand for butter must be good, and production appears limited. Butter demand is firm right now due to seasonal purchasing for the upcoming Easter/Passover holidays.

Cheese prices also strengthened this week. Block prices rose from \$1.28 per pound on Tuesday, February 20 to \$1.30 by Friday, February 23. Barrel prices rose from \$1.25 per pound on Tuesday to \$1.27 by Friday. The Cold storage report indicates that December 31, 2000 revised stocks of American cheese were up 14.1 percent over a year ago and January 31, 2001 stocks were down 0.6 percent.

Clearly current prices are firm due to fears regarding the future milk supply.

USDA announced advanced prices today under the federal order system. The base price for Class I milk for March 2001 is \$12.65 per cwt. That price is derived from the advanced Class IV skim milk pricing factor of

(Turn to Page A22)

## Lean Hogs

Daily Prices As of :- Thursday, 1 March

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
03/01/01	Apr 01	6310	6420	6310	6385	+105	4961	24983
03/01/01	Jun 01	6750	6825	6745	6817	+102	2470	9264
03/01/01	Jul 01	6390	6490	6390	6480	+93	301	2772
03/01/01	Aug 01	6035	6137	6032	6095	+55	304	3621
03/01/01	Oct 01	5270	5290	5252	5287	+42	154	2870
03/01/01	Dec 01	5007	5047	5005	5042	+37	58	1710
03/01/01	Feb 02	5095	5097	5080	5097	+7	1	160
03/01/01	Apr 02	0	5070	5070	5070	+13	19	22

Composite Volume Open\_Int  
02/28/01 8269 45402

### Live Cattle

Daily Prices As of :- Thursday, 1 March

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
03/01/01	Apr 01	8150	8155	8102	8122	-15	11746	66470
03/01/01	Jun 01	7410	7415	7357	7372	-23	3918	21895
03/01/01	Aug 01	7290	7307	7257	7265	-32	1586	21039
03/01/01	Oct 01	7520	7525	7480	7485	-27	1230	13031
03/01/01	Dec 01	7612	7630	7580	7585	-30	554	4978
03/01/01	Feb 02	7700	7700	7690	7695	-7	20	1142
03/01/01	Apr 02	7775	7775	7772	7775		0	0

Composite Volume Open\_Int  
02/28/01 20561 128679

### Pork Bellies

Daily Prices As of :- Thursday, 1 March

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
03/01/01	Mar 01	7640	7765	7640	7692	+77	653	1114
03/01/01	May 01	7830	7945	7830	7910	+105	692	1500
03/01/01	Jul 01	7880	7980	7880	7975	+80	31	214
03/01/01	Aug 01	7800	7870	7800	7870	+90	10	75
03/01/01	Feb 02	0	7100	7100	7100	+200	0	1
03/01/01	Mar 02	0	7000	7000	7000	+120	0	1

Composite Volume Open\_Int  
02/28/01 1386 2905

### Oats

Month	Opening	High	Low	Closing	Settle	Net Chg
01Mar	100 1/2	102	100 1/2	101 1/2 a	101 1/2	+12
01May	106 3/4	108	106 1/2	107	107	+4
01Jul	111 3/4	112 1/2	111 1/4	111 1/4	111 1/4	Unch
01Sep	115 1/2	116 1/4	114 1/2	114 1/2	114 1/2	Unch
01Dec	122 1/2	123	122 1/4	122 1/4 a	122 1/4	+2
02Mar	128 3/4	129	128 3/4	129	129	+4
Month	Opening	High	Low	Closing	Settle	Net Chg

Table 1. Chicago Mercantile Exchange Prices, Weekly Averages

	23-Feb-01	16-Feb-01	9-Feb-01	2-Feb-01	26-Jan-01
Cheese					
500 lb barrels	1 2600	1 2220	1 1880	1 1300	1 0920
40-lb. blocks	1 2900	1 2190	1 1480	1 1010	1 1110
Butter:					
Grade AA	1 4663	1 3533	1 3142	1 3308	1 2958

Source: Dairy Market News, AMS, USDA

(<http://www.ams.usda.gov/dairy/mncs/weekly.htm>).

Table 2. NASS Weekly US Average Survey Prices

	17-Feb-01	10-Feb-01	3-Feb-01	27-Jan-01	20-Jan-01
Cheese					
500 lb Barrels 1/	1 1656	1 1207	1 0946	1 0854	1 0900
40-lb blocks	1 1054	1 0853	1 0898	1 0802	1 0906
Butter	1 3070	1 2972	1 2874	1 2371	1 2177
Nonfat Dry Milk	1 0124	1 0144	1 0156	1 0154	1 0175
Dry whey	0 2541	0 2645	0 2576	0 2593	0 2516

Source: Dairy Product Prices, NASS, USDA

(<http://usda.mannlib.cornell.edu/reports/nassr/price/dairy/1999/>).

1/ Adjusted to 39% moisture.