

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, April 26, 2001

Corn

Month	Opening	High	Low	Closing	Settle	Net Chg
01May	197	200	197	199 1/2	200	199 3/4 +42
02Jul	204 3/4	208	204 3/4	207 3/4	208	207 3/4 +42
01Aug	213	216 1/4	213	216	216 1/4	216 +46
01Sep				223 1/4 n	223 1/4	+46
01Oct	223 3/4	226 3/4	223 1/4	226 1/2	226 3/4	226 1/2 +46
01Dec				229 3/4 n	229 3/4	+46
01Nov	233 1/2	236 1/2	233 1/2	236 1/4	236 1/2	236 1/4 +50
02Jan	240	243 1/2	240	243 1/4	243 1/2	243 1/4 +50
02Mar	246 1/4	248 1/2	246 1/4	248 1/2		248 1/2 +46
02May	251	254 1/2	251	254 1/2		254 1/2 +54
02Jul	253	257	253	256 1/2		256 1/2 +52
02Nov	262 1/2	263 1/2	262 1/2	263 1/2		263 1/2 +52

Soybeans

Month	Opening	High	Low	Closing	Settle	Net Chg
01May	424	430	423 3/4	428 1/2	429	428 3/4 +66
02Jul	425	432 1/2	424 1/2	431	432	431 1/2 +90
01Aug	425	431	424 1/2	431	430	430 1/2 +86
01Sep	420	426	420	424 1/2	426	425 1/4 +90
01Nov	424 1/2	430 1/2	424	429 1/2	430	429 3/4 +92
02Jan	437	439 1/2	436	439 1/2		439 1/2 +90
02Mar	446	449	446	449		449 +94
02May				455 1/2 n	455 1/2	+94
02Jul	462	463	462	463 b	464 a	463 +90
02Nov	469 1/2	474	469 1/2	474		474 +100

Soybean Meal

Month	Opening	High	Low	Closing	Settle	Net Chg
01May	150.7	154.2	150.7	153.8	154.2	154.0 +42
01Jul	147.0	150.7	147.0	150.4	150.7	150.5 +45
01Aug	144.8	148.5	144.5	148.3		148.3 +45
01Sep	142.0	146.0	142.0	145.5		145.5 +42
01Oct	140.8	144.5	140.8	144.3 b	144.5 a	144.3 +46
01Dec	141.3	145.3	141.1	145.0		145.0 +47
02Jan	141.5	146.0	141.5	145.5	145.7	145.6 +53
02Mar	143.5	146.8	143.5	146.0 b	146.5 a	146.2 +42
02May	144.5	145.8	144.5	145.0 b	145.5 a	145.2 +32
02Jul	145.5	146.8	145.5	145.8 b	146.0 a	145.9 +34

Weekly Dairy Market Outlook

Ken Bailey
Penn State
April 20, 2001

Futures Market Responds To Milk Production Report

- March milk in 20 states down 2.2 percent.
- Grade AA butter exceeds \$1.90/pound.
- March butter stocks down 20 percent.
- Class IV futures prices reach \$15.75/CWT.

Information is coming together to suggest that the milk supply is much tighter than anyone thought earlier. USDA's milk production report for 20 select states indicates that March milk production was down 2.2 percent from the same month a year earlier. Fifteen out of the 20 states had production declines from a year earlier. The cold storage report released today also suggests that stocks of butter and cheese are below year-ago levels. The production losses in

March were surprising. Production for 20 select dairy states was 12.4 billion pounds, down 2.2 percent from a year ago. February milk production was down 1.6 percent after accounting for data revisions and leap year. Production per cow in March averaged 1,599 pounds, 33 pounds below a year ago. And cow numbers in March were 7.76 million head, 9,000 head less than February 2001. Arizona production was down 9.3 percent because of reductions in production per cow. Texas and Missouri had the highest production losses, down 15.5 and 10.9 percent, respectively, because of fewer cows and reduced production per cow. Other states such as Kentucky, Minnesota, New York, Ohio, Pennsylvania, Vermont, and Virginia had production declines of 4-5 percent. Only the states of California (.3 percent), Idaho (0.1 percent) and Indiana (.3 percent) had positive production gains. The other major report that came out today was USDA's

Cold Storage report. It showed butter stocks down 20 percent in March to 91.5 million pounds. Butter stocks are projected to get a tighter this year as butter production is restricted because of lower milk production levels and higher prices for cream. Butter is normally made in the spring when cream is readily available. However, competition from ice cream makers will ration available cream supplies to butter processors. The Cold Storage report also indicated that cheese stocks in March are below year-earlier levels. American cheese is down 8.8 percent to 493.3 million pounds. Other natural cheese is about even with a year ago. Total cheese is down 6.4 percent to 716.1 million pounds. The cash markets responded quickly to the new data. At the Chicago Mercantile Exchange, barrel cheese rose from \$1.3525 per pound on Monday, April 16 to \$1.43 per pound on Friday, April 20. Likewise, 40-pound block cheese rose from \$1.3925 per pound on Monday to

Lean Hogs

Daily Prices As of :- Thursday, 26 April

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
04/26/01	Jun 01	6900	6985	6867	6925	+8	6514	22649
04/26/01	Jul 01	6640	6727	6627	6690	+40	1348	5480
04/26/01	Aug 01	6330	6390	6300	6362	+40	1282	5936
04/26/01	Oct 01	5440	5517	5440	5497	+32	531	5485
04/26/01	Dec 01	5190	5225	5190	5210	+3	517	3704
04/26/01	Feb 02	5325	5340	5325	5325	-25	94	642
04/26/01	Apr 02	0	5282	5260	5282	-15	4	84

Composite Volume Open_Int

04/25/01 10290 43980

Live Cattle

Daily Prices As of :- Thursday, 26 April

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
04/26/01	Apr 01	7572	7635	7552	7612	+67	3747	5600
04/26/01	Jun 01	7150	7205	7142	7170	+43	7962	46849
04/26/01	Aug 01	7160	7197	7155	7180	+38	2305	25860
04/26/01	Oct 01	7322	7360	7315	7335	+30	1546	22456
04/26/01	Dec 01	7422	7445	7407	7425	+20	925	10674
04/26/01	Feb 02	7465	7490	7465	7490	+25	276	3553
04/26/01	Apr 02	7615	7640	7615	7640	+25	66	1128

Composite Volume Open_Int

04/25/01 16828 116120

Pork Bellies

Daily Prices As of :- Thursday, 26 April

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
04/26/01	May 01	8310	8517	8310	8490	+113	467	1210
04/26/01	Jul 01	8460	8680	8450	8677	+140	532	1646
04/26/01	Aug 01	8265	8490	8240	8475	+95	79	344
04/26/01	Feb 02	0	7350	7350	7350	unch	3	28
04/26/01	Mar 02	0	7407	7407	7407	unch	0	4
04/26/01	May 02	0	7550	7550	7550	unch	0	3

Composite Volume Open_Int

04/25/01 1082 3236

Oats

Month	Opening	High	Low	Closing	Settle	Net Chg
01May	107 3/4	108	107	107 1/2	107 1/2	+4
01Jul	112 1/4	112 1/2	111 1/4	112 1/4	112 1/4	+10
01Sep	114 3/4	114 3/4	113 3/4	114 1/4	114 1/4	+4
01Dec	120 3/4	120 3/4	120	120 1/2	120 1/2	+4
02Mar				126 a	126	+2

\$1.4325 by Friday. The most surprising jump in milk prices, however, was in butter. Grade AA butter prices rose from \$1.7250 per pound on Monday to \$1.9350 by Friday. Butter buyers no doubt fear a shortage. The futures market strengthened appreciably in response to this news. You will recall last March 23 I predicted the market had topped out. Back then the September 2001 Class III futures at the Chicago Mercantile Exchange reached \$13.25 per CWT. That would represent a gain of \$2.49 per CWT over a year ago. As of today, April 20, the Chicago Mercantile Exchange reported a Class III settlement price of \$13.85 per CWT for September 2001, a gain of \$0.60 per CWT over my earlier call and a gain of \$3.09

over the actual Class III price from a year ago. The gain in Class IV prices at the Chicago Mercantile Exchange was even stronger. On March 23 the September Class IV settlement price was \$14.50, a gain of \$2.56 per CWT over the actual Class IV price from September 2000. As of today, April 20, the Class IV settlement price at the Chicago Mercantile Exchange rose to \$15.60 per CWT. That represents a gain of \$1.10 per CWT from my earlier call on March 23 and a gain of \$3.66 from the actual Class IV price from September 2000. Dairy producers interested in using the futures markets should take advantage of these higher milk prices. Prices may not stay this high throughout the rest of the year.

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 — 2.21 bu., 3.96 cwt.
- Wheat, No.2 — 2.31 bu., 3.85 cwt.
- Barley, No.3 — 1.57 bu., 3.36 cwt.
- Oats, No.2 — 1.38 bu., 4.29 cwt.
- Soybeans, No.1 — 4.04 bu., 6.75 cwt.
- Ear Corn — 59.50 ton, 2.98 cwt.
- Alfalfa Hay — 104.25 ton, 5.21 cwt.
- Mixed Hay — 95.25 ton, 4.76 cwt.
- Timothy Hay — 96.75 ton, 4.84 cwt.