

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, May 17, 2001

Corn

| Month | Opening | High | Low | Closing | Settle | Change | |
|-------|---------|---------|---------|---------|---------|---------|------|
| 01Jul | 201 1/4 | 201 3/4 | 199 3/4 | 201 | 201 1/4 | 201 1/4 | -2 |
| 01Sep | 209 | 209 1/2 | 207 3/4 | 208 3/4 | 209 1/4 | 209 | -2 |
| 01Nov | 216 3/4 | 216 3/4 | 215 1/2 | 216 1/4 | | 216 1/4 | -4 |
| 01Dec | 220 | 220 1/2 | 218 3/4 | 220 1/4 | 220 | 220 1/4 | Unch |
| 01Jan | 223 1/2 | 223 1/2 | 223 | 223 1/4 | | 223 1/4 | -4 |
| 01Mar | 231 | 231 1/2 | 230 1/2 | 231 1/4 | 231 1/2 | 231 1/2 | Unch |
| 01May | 237 1/2 | 238 1/2 | 237 1/2 | 238 1/4 | | 238 1/4 | +2 |
| 02Jul | 244 | 245 | 243 3/4 | 245 | | 245 | +2 |
| 02Sep | 248 | 248 1/2 | 247 1/2 | 248 | 248 1/2 | 248 1/4 | -10 |
| 02Dec | 250 1/2 | 253 | 250 1/2 | 252 1/2 | 253 | 252 3/4 | +14 |
| 02Feb | 260 | 262 | 260 | 262 | | 262 | +14 |
| Month | Opening | High | Low | Closing | Settle | Change | |

Soybeans

| Month | Opening | High | Low | Closing | Settle | Change | |
|-------|---------|---------|---------|---------|---------|---------|-----|
| 01Jul | 447 1/2 | 452 | 446 1/2 | 451 1/2 | 450 1/2 | 451 | +34 |
| 01Aug | 440 | 446 | 440 | 444 1/2 | 445 | 444 3/4 | +42 |
| 01Sep | 430 | 435 1/2 | 429 1/2 | 435 1/2 | 434 1/2 | 435 | +42 |
| 01Nov | 432 | 439 | 432 | 438 | 438 1/2 | 438 1/4 | +36 |
| 01Dec | 447 | 448 | 445 1/2 | 448 | | 448 | +46 |
| 01Jan | 452 | 456 1/2 | 452 | 456 1/2 | | 456 1/2 | +40 |
| 01Mar | 462 | 463 | 462 | 463 b | 464 a | 463 | +34 |
| 01May | 466 | 470 1/2 | 466 | 469 b | 470 a | 469 1/2 | +34 |
| 02Jul | 474 | 474 | 470 | 473 1/2 | | 473 1/2 | +34 |
| Month | Opening | High | Low | Closing | Settle | Change | |

Soybean Meal

| Month | Opening | High | Low | Closing | Settle | Change | |
|-------|---------|-------|-------|---------|---------|--------|-----|
| 01Jul | 162.5 | 165.0 | 162.2 | 164.6 | 164.8 | 164.7 | +23 |
| 01Aug | 157.4 | 160.0 | 157.2 | 158.7 | 158.8 | 158.7 | +11 |
| 01Sep | 152.8 | 154.7 | 152.5 | 153.9 | 154.1 | 154.0 | +13 |
| 01Oct | 150.8 | 152.5 | 150.7 | 152.0 | 151.9 | 151.9 | +12 |
| 01Dec | 151.8 | 153.3 | 151.3 | 152.7 | 152.4 | 152.5 | +12 |
| 01Jan | 153.0 | 153.3 | 152.0 | 152.7 | | 152.7 | +15 |
| 01Mar | 153.0 | 153.8 | 152.7 | 153.8 | | 153.8 | +21 |
| 02May | 151.5 | 153.0 | 151.5 | 153.0 b | 153.1 a | 153.0 | +21 |
| 02Jul | | | | 153.0 b | 153.1 a | 153.0 | +13 |
| Month | Opening | High | Low | Closing | Settle | Change | |

Weekly Dairy Market Outlook

Ken Bailey
Penn State
May 12, 2001

Cheese Market Continues To Tighten

- CME cheese hits \$1.60 per pound.
- CME butter remains steady.
- Futures market is mixed.

There are lots of things to talk about this week.

The commodity markets at the Chicago Mercantile Exchange experienced mixed results this week. Cheese prices continued to strengthen. Block cheese prices rose from \$1.5850 per pound on Monday, May 7 to \$1.6025 by Friday, May 11. Barrel cheese prices rose from \$1.5550 per pound on Monday to \$1.56 by Friday. Grade AA butter, however, remained close to \$1.85 per pound this week, despite a slight rally on Wednesday.

Milk supply continues to be tight for this time of year. USDA reports a heat wave in California and Arizona is taking its toll on the milk supply there. Lack of water is limiting forage production in most of the Northwest. And dry weather in the Northeast, particularly Pennsyl-

vania, is slowing the growth in new crops.

USDA reports that the cheese market is very tight. Cheese supplies are seasonally tight. Traders report concerns about availability of cheese later in the year. Some may be stockpiling available supplies. Also, USDA reports that cheese yields are seasonally declining because of reduced fat and protein levels.

The butter market has moderated some over previous weeks but is still very tight. Production of butter has been limited as processors sell the high-priced cream for other uses. Stocks of bulk and print butter are reported to be down. Retail demand for this time of year is reported "fair at best" by USDA. However, offers of imported butter have reduced butter prices in the U.S. Who wants to buy butter for \$2 per pound, freeze it, and then find butter prices in September through November below these levels?

The heifer market is reported to be very tight for this time of year. Springing heifers are fetching \$2,000-\$2,200 per head in Pennsylvania and as far away as Idaho. I am also hearing reports that heifer calves in the Northeast are really expensive. Many

producers are concerned about reduced availability of dairy replacements.

Dairy producers should be receiving their April milk checks soon. They will be pleasantly surprised. The April Class III price is \$12.06 per CWT and the Class IV price is \$14.41 per CWT. Component prices are \$1.9483 for butterfat, \$1.5443 for protein, and \$0.1081 for other solids.

The futures markets at the Chicago Mercantile Exchange report higher milk prices for the next five months, but weaker prices thereafter. The Class III futures as of May 11 were more than \$14 per CWT for the months June through September, but fell thereafter to \$12.47 by December. The Class IV futures as of May 11 were strong for most of the year, rising to more than \$15 per CWT for the months June through August, but falling thereafter to \$13.85 by December. Recall the Class IV futures peaked at \$16 per CWT a few weeks ago. The market is convinced that the threat of butter imports now and greater milk supplies later in the year should moderate prices.

Lean Hogs

Daily Prices As of :- Thursday, 17 May

| Date | Open | High | Low | Last | Chge | Prev. Volume | Prev. Open_Int | |
|----------|--------|------|------|------|------|--------------|----------------|-------|
| 05/17/01 | Jun 01 | 6790 | 6855 | 6730 | 6807 | +77 | 3362 | 13720 |
| 05/17/01 | Jul 01 | 6540 | 6580 | 6480 | 6525 | +38 | 1941 | 9071 |
| 05/17/01 | Aug 01 | 6230 | 6260 | 6180 | 6205 | +20 | 1155 | 6791 |
| 05/17/01 | Oct 01 | 5325 | 5380 | 5320 | 5337 | +22 | 332 | 6694 |
| 05/17/01 | Dec 01 | 5100 | 5185 | 5100 | 5127 | +57 | 168 | 4569 |
| 05/17/01 | Feb 02 | 5200 | 5255 | 5200 | 5250 | +65 | 10 | 966 |
| 05/17/01 | Apr 02 | 5230 | 5285 | 5230 | 5285 | +55 | 31 | 211 |

Composite Volume Open_Int

05/16/01 6999 42024

Live Cattle

Daily Prices As of :- Thursday, 17 May

| Date | Open | High | Low | Last | Chge | Prev. Volume | Prev. Open_Int | |
|----------|--------|------|------|------|------|--------------|----------------|-------|
| 05/17/01 | Jun 01 | 7210 | 7210 | 7160 | 7210 | +150 | 5881 | 31553 |
| 05/17/01 | Aug 01 | 7217 | 7240 | 7170 | 7240 | +150 | 4407 | 36718 |
| 05/17/01 | Oct 01 | 7400 | 7410 | 7340 | 7387 | +115 | 1503 | 26023 |
| 05/17/01 | Dec 01 | 7430 | 7475 | 7415 | 7465 | +100 | 408 | 12582 |
| 05/17/01 | Feb 02 | 7460 | 7505 | 7450 | 7492 | +87 | 236 | 5544 |
| 05/17/01 | Apr 02 | 7600 | 7655 | 7595 | 7650 | +80 | 119 | 1410 |
| 05/17/01 | Jun 02 | 7300 | 7335 | 7300 | 7335 | +60 | 1 | 52 |

Composite Volume Open_Int

05/16/01 12556 113883

Pork Bellies

Daily Prices As of :- Thursday, 17 May

| Date | Open | High | Low | Last | Chge | Prev. Volume | Prev. Open_Int | |
|----------|--------|------|------|------|------|--------------|----------------|------|
| 05/17/01 | May 01 | 7610 | 7805 | 7610 | 7787 | +207 | 7 | 64 |
| 05/17/01 | Jul 01 | 7650 | 7840 | 7650 | 7782 | +230 | 490 | 2269 |
| 05/17/01 | Aug 01 | 7475 | 7660 | 7460 | 7562 | +192 | 31 | 364 |
| 05/17/01 | Feb 02 | 6850 | 6850 | 6850 | 6850 | +50 | 1 | 55 |
| 05/17/01 | Mar 02 | 0 | 6740 | 6740 | 6740 | unch | 0 | 4 |
| 05/17/01 | May 02 | 0 | 6825 | 6825 | 6825 | unch | 0 | 4 |

Composite Volume Open_Int

05/16/01 529 2760

Oats

| Month | Opening | High | Low | Closing | Settle | Change | |
|-------|---------|---------|---------|---------|--------|---------|----|
| 01Jul | 109 3/4 | 110 1/2 | 109 | 110 1/2 | | 110 1/2 | +6 |
| 01Aug | 108 1/2 | 109 1/4 | 108 1/4 | 109 | | 109 | +6 |
| 01Sep | 114 3/4 | 115 1/2 | 114 1/2 | 115 a | | 115 | +2 |
| 01Oct | 120 1/2 | 120 1/2 | 120 1/2 | 120 1/2 | | 120 1/2 | -6 |
| 01Jan | | | | 124 b | 125 a | 124 1/2 | -6 |
| Month | Opening | High | Low | Closing | Settle | Change | |

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 — 2.22 bu., 3.97 cwt.
- Wheat, No.2 — 2.31 bu., 3.85 cwt.
- Barley, No.3 — 1.52 bu., 3.25 cwt.
- Oats, No.2 — 1.41 bu., 4.41 cwt.
- Soybeans, No.1 — 4.07 bu., 6.80 cwt.
- Ear Corn — 60.42 ton, 3.02 cwt.
- Alfalfa Hay — 104.25 ton, 5.21 cwt.
- Mixed Hay — 101.75 ton, 5.09 cwt.
- Timothy Hay — 94.25 ton, 4.71 cwt.

DAIRY ISSUE JUNE 2!

Dairy issue is scheduled to feature an interview with a young couple new to dairying, a new milk cooperative in the central part of the state, research into building a better milkshake, and lots of news from the dairy promotion frontlines.

The issue is June 2.
Don't miss out!

