

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

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

Corn

223	224	215 1/2	217 1/2	219	218 1/4	-10
231	231	224 1/2	226		226	-12
233 1/2	235 1/2	226 3/4	229	230	229 1/2	-16
238	238 1/2	230 1/2	232 1/2	233	232 3/4	-20
243 1/2	244 1/2	235 1/2	239	240	239 1/2	-14
248	249	242 1/2	243 1/2	244	243 3/4	-24
253	253	247	247	249	248	-30
250	250	245	247		247	-24
256	256 1/2	248 1/2	251 1/2	252	251 3/4	-30
			265 n		265	Unch
265	265	263	265		265	Unch

Soybeans

517	520	508	511	510	510 1/2	-2
516	517 1/2	504	507	506	506 1/2	Unch
513	516	501	503	505	504	-2
516	518	505 1/2	508 1/4	506 1/2	507 1/4	+6
515	518	504	508	506	507	Unch
511	515 1/2	507	507	508	507 1/2	+12
513	516	505	506	505	505 1/2	-6
510 1/2	510 1/2	502	502		502	-10
498	499	494	495	494	494 1/2	+20
			515 a		515	+110

Soybean Meal

179.5	180.8	177.3	177.5	177.3	177.4	+1
174.5	176.0	172.1	172.8	172.1	172.4	+1
171.0	172.0	168.5	168.8	169.0	168.9	-1
171.0	171.5	167.9	168.0	168.2	168.1	-6
169.8	170.5	167.5	167.5		167.5	-2
168.0	168.5	164.5	165.5	165.3	165.4	-11
166.3	166.3	163.0	164.0		164.0	Unch
165.5	166.0	164.0	164.0 b	164.5 a	164.2	+1
164.0	164.0	162.0	161.0 b	162.0 a	162.0	-3
161.0	161.0	158.5	158.0 b	158.5 a	158.5	-5
			157.0 b	158.0 a	157.5	-7
			158.0 b	158.5 a	158.3	-7

Lean Hogs

Daily Prices As of :- Thursday, 26 July

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
07/26/01	Aug 01	6895	6997	6895	6960	+45	6586	14541
07/26/01	Oct 01	5905	5955	5875	5937	+47	4417	21883
07/26/01	Dec 01	5450	5490	5445	5482	+40	1277	8313
07/26/01	Feb 02	5650	5680	5630	5647	+30	92	3505
07/26/01	Apr 02	5700	5727	5700	5700	+20	73	859
07/26/01	May 02	6200	6235	6200	6205	-7	0	194
07/26/01	Jun 02	6450	6470	6450	6470	+5	49	179
07/26/01	Jul 02	6230	6235	6220	6230	unch	0	63
07/26/01	Aug 02	0	6015	6005	6005	-7	1	18

Composite Volume Open_Int
07/25/01 12495 49555

Live Cattle

Daily Prices As of :- Thursday, 26 July

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
07/26/01	Aug 01	7365	7367	7302	7325	-57	10961	31006
07/26/01	Oct 01	7490	7492	7445	7457	-40	6323	41757
07/26/01	Dec 01	7530	7530	7497	7507	-30	2280	21632
07/26/01	Feb 02	7697	7697	7667	7672	-15	666	12289
07/26/01	Apr 02	7790	7830	7762	7820	+13	199	5389
07/26/01	Jun 02	7375	7385	7365	7372	-10	362	4413
07/26/01	Aug 02	0	7400	7400	7400	-20	0	9

Composite Volume Open_Int
07/25/01 20791 116495

Pork Bellies

Daily Prices As of :- Thursday, 26 July

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
07/26/01	Jul 01	10300	10300	10100	10100	-150	27	11
07/26/01	Aug 01	9595	9740	9520	9635	-7	1079	2029
07/26/01	Feb 02	7782	7825	7645	7647	-135	145	513
07/26/01	Mar 02	7725	7750	7600	7600	-125	0	42
07/26/01	May 02	0	8060	8060	8060	-120	0	13
07/26/01	Jul 02	0	8200	8200	8200	unch	0	1

Composite Volume Open_Int
07/25/01 1251 2609

Oats

154 1/2	154 1/2	142 1/2	145 1/2		145 1/2	-54
146 3/4	146 3/4	135	137	137 1/4	137 1/4	-54
143 1/2	144 1/2	136	136		136	-44
143	143	137	137		137	-34
			136 1/2 n		136 1/2	-30

Weekly Dairy Market Outlook

Ken Bailey
Penn State

July 20, 2001

Milk Production Shortage Easing

• June production down just 0.5 percent.

• Cow numbers rising.

• Butter market rebounds.

USDA reported June milk production in 20-select states was 12.0 billion pounds, down just 0.5 percent. The gap between milk production now and a year ago appears to be narrowing. Recall that milk production growth the first quarter of last year was in the 3-5 percent range.

Production per cow in June for 20-select states averaged 1,552 pounds, 5 pounds above a year ago. Thus production per cow appears to be rebounding. And June cow numbers for 20-select states was 7.75 million

head, 2,000 head more than May 2001. Thus cow numbers are beginning to rise.

If the milk supply stays on trend, milk production may rise above year-ago levels in the next few months. This assumes the summer weather remains "average" and we avoid unusually hot and humid weather or drought conditions. The spring has been unusually cool in the Northeast, resulting in a small rebound in productivity. Second-cutting hay in the Northeast was reported to be very good. It's just a bit dry, however, at the moment.

Milk growth in June was strongest in the West (California up 3.2 percent, Idaho up 5.7 percent, and New Mexico up 5.6 percent). These Western states also showed growth in cow numbers. Growth was also strong in Indiana (up 17.1 percent) and Kentucky (up 5.3 percent). Production growth was down just about everywhere else, particu-

larly in Texas (down 9.9 percent), Missouri (down 9.1 percent), and Arizona (down 7.7 percent).

USDA reported the advanced pricing factors for August Class I and II milk (skim only) today. This was based on two-week product price averages from July (butter: \$1.9364 per pound, nonfat dry milk: \$0.9730, cheese: \$1.6521, and dry whey: \$0.2874). These prices produced an advanced skim milk pricing factor of \$7.90 per CWT for Class III and \$7.50 per CWT for Class IV.

The base skim milk price, used in the Class I price formula, was equal to the higher of these two prices, or \$7.90 per CWT. This is the first month since federal order reform that the advanced Class III skim price exceeded the Class IV price. This was no doubt due to the declining nonfat dry milk prices caused by the butter/powder tilt, as well as strong

cheese prices.

The Cold Storage report was also released recently. It indicated that butter stocks in public warehouses grew from 132.4 million pounds in May 2001 to 148.2 million in June. June butter stocks grew 2 percent ahead of a year ago. American cheese inventories grew from 505.6 million pounds in May to 529.1 million pounds in June 2001. June inventories, however, were 11 percent below a year ago. Other Natural cheese inventories in June were 7 percent below a year ago.

Reduced inventories of cheese are holding wholesale prices at current levels. Prices for 40-pound block cheese at the Chicago Mercantile Exchange remained at \$1.67 per pound this week. Butter rebounded a bit this week, rising from \$1.8025 per pound on Monday, July 16 to \$1.8650 by Friday, July 20. Butter prices may weaken in the weeks ahead in reaction to the Cold Storage report and if the milk supply continues to grow.

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 — 2.27 bu., 4.07 cwt.
Wheat, No.2 — 2.42 bu., 4.04 cwt.
Barley, No.3 — 1.36 bu., 2.90 cwt.
Oats, No.2 — 1.41 bu., 4.38 cwt.
Soybeans, No.1 — 4.75 bu., 7.93 cwt.
Ear Corn — 61.28 ton, 3.06 cwt.
Alfalfa Hay — 101.25 ton, 5.06 cwt.
Mixed Hay — 100.00 ton, 5.0 cwt.
Timothy Hay — 90.00 ton, 4.5 cwt.