

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, August 30, 2001

Corn

216 1/2	219	216	216	216 3/4	216 1/2	-14
224 3/4	226 1/4	224	225 1/2		225 1/2	-6
230	232 1/4	229	229 1/2	230 1/2	230	-12
			233 3/4 n		233 3/4	-12
241 1/2	243 3/4	240 1/2	241 1/4	241 3/4	241 1/2	-10
246 1/4	248	245	246	246 1/4	246 1/4	-10
250 1/4	252 1/4	249	250 1/4	250 1/2	250 1/2	-12
249 1/2	251 1/2	248	248 3/4		248 3/4	-12
253 1/2	254 1/2	252	252 1/4	252 1/2	252 1/2	-20
			268 a		268	-4
			264 a		264	Unch

Soybeans

476	479	471	473	474	473 1/2	-70	
482	486 1/4	477 1/2	480 1/2	481 1/2	481	-46	
489	493	484 1/2	488	488 1/4	488 1/4	-34	
495	499 1/2	491	494 1/2	494	494 1/4	-40	
02May	495	499 1/2	492 1/2	496	494	-40	
02Jul	497	501 1/2	494 1/2	497	497	-30	
02Aug			494 n		494	-20	
02Sep			492 n		492	-20	
02Nov	490	490	489	490	489	489 1/2	-34
03Nov			502 n		502	-20	
Month Opening	High	Low	Closing	Sattle Net	Eng		

Soybean Meal

164.7	165.0	163.3	163.5	164.0	163.8	-12	
163.0	165.0	162.2	163.4	162.9	163.2	-6	
162.8	165.8	162.2	163.7	163.9	163.8	-2	
163.0	165.5	162.3	163.6	163.9	163.8	Unch	
162.0	164.5	161.3	163.0	162.9	162.9	Unch	
160.3	162.2	159.0	161.0	160.8	160.9	+1	
160.5	161.5	158.8	160.5	160.3	160.4	Unch	
159.0	160.2	158.0	159.0		159.0	Unch	
157.0	159.0	156.5	156.0 b	156.5 a	156.5	-1	
02Oct	156.5	156.5	155.5	156.0 b	156.2 a	156.1	-1
02Dec	156.0	156.5	155.5	155.0 b	155.5 a	155.5	+1
Month Opening	High	Low	Closing	Sattle Net	Eng		

Lean Hogs

Daily Prices As of :- Thursday, 30 August

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
08/30/01	Oct 01	5770	5795	5675	5682	-118	3072	23435
08/30/01	Dec 01	5360	5400	5315	5317	-85	1338	12095
08/30/01	Feb 02	5510	5537	5460	5470	-65	154	4099
08/30/01	Apr 02	5710	5740	5675	5682	-55	88	1524
08/30/01	May 02	6220	6230	6175	6175	-60	2	338
08/30/01	Jun 02	6495	6495	6485	6495	-27	32	350
08/30/01	Jul 02	6240	6240	6240	6240	-25	6	109
08/30/01	Aug 02	6010	6015	6005	6015	-15	0	44
08/30/01	Oct 02	5482	5482	5480	5480	-15	14	34

Composite Volume Open_Int
08/29/01 4706 47078

Live Cattle

Daily Prices As of :- Thursday, 30 August

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
08/30/01	Aug 01	7125	7125	7080	7095	-40	622	887
08/30/01	Oct 01	7300	7310	7255	7280	-42	7216	43717
08/30/01	Dec 01	7450	7450	7392	7420	-35	4116	25056
08/30/01	Feb 02	7600	7600	7560	7580	-22	2577	19260
08/30/01	Apr 02	7775	7775	7730	7757	-20	601	7698
08/30/01	Jun 02	7410	7410	7380	7400	-20	1706	6724
08/30/01	Aug 02	7450	7475	7450	7475	-25	171	538

Composite Volume Open_Int
08/29/01 17009 103880

Pork Bellies

Daily Prices As of :- Thursday, 30 August

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int	
08/30/01	Feb 02	7940	7990	7815	7872	-140	647	2092
08/30/01	Mar 02	8000	8000	7800	7880	-142	2	31
08/30/01	May 02	8230	8230	8170	8230	-50	2	21
08/30/01	Jul 02	8225	8225	8225	8225	-40	2	6
08/30/01	Aug 02	7925	7925	7925	7925	+25	0	0

Composite Volume Open_Int
08/29/01 653 2150

Oats

140	141 3/4	139 1/2	139 3/4	139 3/4	-16
139 1/4	141 1/4	139	140	140	-2
140 3/4	141 3/4	140 1/4	140 1/2	140 1/2	-4
140 3/4	141 1/2	140 1/2	140 1/2	140 1/2	-10
			140 a	140	Unch

Weekly Dairy Market Outlook

Ken Bailey
Penn State

Aug. 24, 2001

**Cheese Prices Rise
On Unfilled Bids**

Office Closed Labor Day

On Labor Day, Monday, Sept. 3, Lancaster Farming office is closed. The office will reopen Tuesday, Sept. 4.

For the Sept. 8 issue, there are some deadline changes:

Public Sale and Mailbox ads, 5 p.m., Friday, Aug. 31.

Classified, Section D ads — 5 p.m., Wednesday, Sept. 5.

Classified, Section C, Farm Equipment ads, 9 a.m., Wednesday, Sept. 5.

General News — noon, Thursday, Sept. 6.

- Block and barrel cheese up 6 and 5 cents Friday.
- Butter prices hold at \$2.15 per pound.
- Manufacturing milk is short.
- Milk is flowing to fluid markets.

Block and barrel cheese prices rose six and five cents per pound, respectively, Friday, Aug. 24 at the Chicago Mercantile Exchange.

One car of blocks sold at \$1.77 per pound. That was followed by unfilled bids at \$1.78 for blocks and \$1.68 for barrels. That raised the settlement prices for both.

Hot and humid weather a few weeks ago reduced milk receipts and component levels for milk entering manufacturing plants. Also, available supplies of milk are moving into fluid plants that are gearing up for the return of school children. USDA reported that 367 loads of milk moved into the Southeast this week to fill unmet needs. As a result,

cheese plants in the rest of the U.S. reduced production schedules and cheese buyers are worried about available supplies.

Grade AA butter prices at the Chicago Mercantile Exchange weakened slightly this week, falling from \$2.1550 per pound Monday, Aug. 20 to \$2.1525 per pound by Friday, Aug. 24. Butter is at very lofty levels.

USDA reports that butter stocks are lighter than desired for this time of year, and that retail orders are mixed. This contradicts the Cold Storage report that indicates that July butter stocks are 6.2 percent ahead of a year ago.

Butter prices are reaching levels that are not sustainable for very long. In other words, the higher butter prices rise above \$2 per pound, the faster they will likely fall later in the year when the market finds the milk supply is growing. That's what happened in 1998.

Adding to this concern over butter prices is new information

from USDA regarding butter imports during the first seven months of the year (January-July). Imports within quota (licensed imports) were 12.384 million pounds, up 26.8 percent from the same period a year ago. Out of quota imports, or higher-tier imports, were 15.210 million pounds the first seven months of the year, up from 0.061 million pounds the same period a year ago. In July alone, out-of-quota imports, which are subject to a very high tariff rate, were 7.153 million pounds.

The higher butter and cheese cash prices have an obvious impact on Class III and IV futures prices. Class III futures at the Chicago Mercantile Exchange on August 24 settled at \$15.55 per CWT for August, \$15.75 for September, and \$15 for October, and then declined to \$13.28 by December. Class IV futures on August 24 settled at \$15.04 per CWT for August, \$15.50 for September, and \$15.15 for October, and declined to \$13.65 by December. These

numbers indicate that dairy producers can look forward to two more milk checks with mailbox milk prices that will be higher than the month before. Thereafter, it looks like milk prices will begin to decline.

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 — 2.28 bu., 4.09 cwt.
- Wheat, No.2 — 2.43 bu., 4.05 cwt.
- Barley, No.3 — 1.38 bu., 2.95 cwt.
- Oats, No.2 — 1.39 bu., 4.32 cwt.
- Soybeans, No.1 — 4.63 bu., 7.72 cwt.
- Ear Corn — 62.04 ton, 3.10 cwt.
- Alfalfa Hay — 112.50 ton, 5.63 cwt.
- Mixed Hay — 113.75 ton, 5.69 cwt.
- Timothy Hay — 108.75 ton, 5.44 cwt.