

# GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, Oct. 11, 2001

### Corn

209 1/2	209 3/4	208 1/4	208 1/4		208 1/4	-12
214	215	213	213	213 1/2	213 1/4	-10
219	219	217 1/4	217 1/4		217 1/4	-10
225 3/4	227	225 1/4	225 1/4	225 3/4	225 1/2	-6
233 1/4	234 1/4	232 1/2	233 1/4	232 1/2	233	-2
239	239 1/2	238 1/4	238 3/4	238 1/4	238 1/2	-6
242 1/2	243 1/4	242	242 1/4		242 1/4	Unch
249 1/2	250 3/4	249	250	249 1/2	249 3/4	Unch
			257 1/2 n		257 1/2	-4
261	261	261	261		261	-14
			261 n		261	-10

### Soybeans

448 1/2	450	447 1/4	447 1/4	448	447 3/4	-4
455 3/4	457 1/2	454	455	454	454 1/2	-12
461	463	458 1/2	459	458 1/2	458 3/4	-24
466	466 1/2	463	463	464	463 1/2	-16
468 1/2	470 1/2	465 1/2	466 1/2	465 1/2	466	-24
469	469	466 1/2	466 b	466 1/2 a	466 1/2	-14
467	467	466	466		466	+10
467 1/2	468 1/2	465	465	465 3/4	465 1/2	-12
497 n			497 n		497	Unch
Month Opening	High	Low				

### Soybean Meal

Month	Opening	High	Low	Settle	Settle	Settle	Change
01 Oct	165.5	166.7	164.7	165.3	164.7	165.0	Unch
01 Nov	163.9	165.2	163.9	164.0	164.3	164.1	+3
02 Jan	162.5	163.8	162.5	162.6	162.8	162.7	+4
02 Mar	160.2	161.1	159.8	160.0	159.8	159.9	-1
02 May	157.5	158.5	157.2	157.2	157.4	157.3	-2
02 Jul	157.3	158.0	156.8	156.8	157.0	156.9	-1
02 Aug	156.5	156.5	155.5	155.5		155.5	Unch
02 Sep	155.2	155.8	154.6	154.6		154.6	Unch
02 Oct	153.1	153.1	152.5	153.1	152.5	152.8	+3
02 Nov				152.5 b	152.6 a	152.6	-2
Month Opening	High	Low					

### Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
10/11/01	Oct 01	5725	5730	5685	5687	-38	3654 5622
10/11/01	Dec 01	5170	5230	5170	5192	+22	10499 21691
10/11/01	Feb 02	5285	5355	5285	5327	+5	1255 5718
10/11/01	Apr 02	5390	5447	5390	5427	+47	703 2761
10/11/01	May 02	6000	6010	5950	6002	+47	50 588
10/11/01	Jun 02	6175	6225	6175	6225	+30	75 618
10/11/01	Jul 02	5975	6000	5975	5997	+22	36 208
10/11/01	Aug 02	5885	5905	5885	5897	+7	5 125
10/11/01	Oct 02	5325	5350	5325	5350	+23	13 162

Composite Volume Open\_Int  
10/10/01 16290 37493

### Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
10/11/01	Oct 01	6905	6952	6852	6855	-15	4015 7060
10/11/01	Dec 01	6947	6990	6880	6887	-28	8493 49100
10/11/01	Feb 02	7295	7340	7255	7262	-13	2757 27238
10/11/01	Apr 02	7500	7535	7480	7492	unch	0 0
10/11/01	Jun 02	7075	7100	7060	7075	+8	921 12487
10/11/01	Aug 02	7115	7130	7090	7100	-2	435 2385
10/11/01	Oct 02	7335	7335	7260	7265	-50	200 340

Composite Volume Open\_Int  
10/10/01 16821 98610

### Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
10/11/01	Feb 02	7200	7320	7115	7187	-38	755 2148
10/11/01	Mar 02	7150	7265	7095	7140	+40	241 174
10/11/01	May 02	7400	7400	7400	7400	-20	4 63
10/11/01	Jul 02	7290	7325	7190	7190	-40	0 19
10/11/01	Aug 02	7330	7330	7330	7330	unch	0 3

Composite Volume Open\_Int  
10/10/01 1000 2407

### Oats

173 3/4	185	173 1/2	182 1/2	182 1/2	+52
164	171	164	169	169	+34
156	164 1/2	156	160 1/2	160 1/2	+30
151	156	151	152	152	+12
			140 b	140	+10
			139 b	139	+10

## Weekly Dairy Market Outlook

Ken Bailey  
Penn State

Oct. 4, 2001

#### Cheese Prices Weakening

- Blocks and barrels down at the CME.
- CME butter weakens.
- Dairy production down in August.

The impact of increased butter imports and weaker dairy product sales because of a slowing economy are having an impact on butter and cheese prices at the Chicago Mercantile Exchange this week.

Grade AA butter prices settled at \$1.70 per pound on

Wednesday, Oct. 3, down from \$1.90 per pound last Monday, Sept. 24. And both blocks and barrels closed lower at the Chicago Mercantile Exchange this week.

As of Thursday, Oct. 4, barrels were \$1.55 per pound and blocks were \$1.57 per pound. This was down from \$1.67 per pound for barrels and \$1.71 for blocks on Monday, Sept. 24.

USDA's Dairy Product Production report was released today. As expected, butter production in August was 76.5 million pounds, down 8.5 percent relative to a year ago. Hot and humid weather in August depressed butterfat production and milk volume. As a result,

less cream was available for processing. American cheese production in August was higher than expected at 286.8 million pounds, down just 1.7 percent. This was in line with the drop in U.S. milk production in August. Mozzarella cheese production

was down 2.4 percent, and total cheese production was down 2.9 percent.

Reduced levels of butter and cheese production would normally result in strong commodity prices. However, weaker demand for dairy products this quarter must be occurring. Butter and cheese buyers in Chicago are likely anticipating softer demand and are therefore trimming their purchases.

The lower cash cheese prices have weighted on the Class III futures at the Chicago Mercantile Exchange. As of Oct. 4, the

market expects the September Class III price to be \$15.89 per CWT. October Class III futures were \$14.43 per CWT, well below the \$15.40 level a few weeks ago. And Class III prices are expected to fall to \$11.90 by December. This represents a significant reduction from a month ago.

Looking into 2002, Class III prices are expected to remain above \$11.50 per CWT through the spring. This is surprising given the outlook for more milk and weaker demand. Despite a limitation on dairy replacements, the milk supply could still grow in 2002 if yield per cow recovers. And the most optimistic forecasts for the U.S. economy expect no recovery until the third quarter of 2002. Recall that the Class III price averaged \$9.74 per CWT in 2000. So the

outlook for Class III prices for 2002 looks pretty good.

#### 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., 4.06 cwt.
- Wheat, No.2 — 2.49 bu., 4.16 cwt.
- Barley, No.3 — 1.42 bu., 3.04 cwt.
- Oats, No.2 — 1.42 bu., 4.42 cwt.
- Soybeans, No.1 — 4.22 bu., 7.05 cwt.
- Ear Corn — 57.80 ton, 2.89 cwt.
- Alfalfa Hay — 120.00 ton, 6.0 cwt.
- Mixed Hay — 116.25 ton, 5.81 cwt.
- Timothy Hay — 121.75 ton, 6.09 cwt.