

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

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, January 31, 2002

## Corn

Month	Opening	High	Low	Closing		Settle	Net Chg
02Mar	205 1/2	207 1/2	205 1/2	206	206 1/4	206	Unch
02May	212 3/4	214 1/4	212 1/2	212 3/4	213 1/4	213	Unch
02Jul	219 1/4	221	219 1/4	220	219 1/4	219 3/4	Unch
02Sep	225 3/4	227	225 1/4	225 1/4	225 1/2	225 1/4	Unch
02Dec	233 1/2	235	233 1/4	233 1/2	233 3/4	233 3/4	Unch
03Mar	241 1/4	242 1/2	240 3/4	241 1/4		241 1/4	-2
03May	246	246 1/2	245 1/4	245 3/4		245 3/4	-6
03Jul	249	249 3/4	248 1/4	248 1/2	248 3/4	248 3/4	-4
03Dec	248 1/4	249	248	248 1/2	248 3/4	248 3/4	-2
04Jul				255 n		255	-4
04Dec				253 n		253	Unch
Month	Opening	High	Low	Closing		Settle	Net Chg

## Soybeans

Month	Opening	High	Low	Closing		Settle	Net Chg
02Mar	428	431 1/4	425 1/2	431	429 1/2	430 1/4	+24
02May	433	434 3/4	430	434 1/2	433 1/2	434	+16
02Jul	436 1/2	439 1/2	434 1/4	437	437 3/4	437 1/4	+10
02Aug	437	440	435	439	440	439 1/2	+36
02Sep	437	439 1/2	436 1/2	436 1/2		436 1/2	-10
02Nov	442 1/2	444 1/2	440	443 1/2		443	+12
03Jan	446 1/2	450 1/2	446 1/2	450		450	+20
03Mar	454	455	454	455		455	+10
03May				458 n		458	+10
03Jul				462 n		462	+10
03Nov				463 n		463	+4
Month	Opening	High	Low	Closing		Settle	Net Chg

## Soybean Meal

Month	Opening	High	Low	Closing		Settle	Net Chg
02Mar	149.7	152.0	148.2	151.5	152.0	151.7	+18
02May	146.3	149.0	145.5	148.5	149.0	148.7	+18
02Jul	146.7	148.5	145.6	148.0	147.8	147.9	+12
02Aug	146.3	147.5	145.7	147.0	147.2	147.1	+5
02Sep	146.7	147.3	145.5	146.5	146.3	146.4	-3
02Oct	145.5	146.0	144.6	146.0	145.8	145.9	+6
02Dec	146.8	147.2	145.4	147.0	146.8	146.9	Unch
03Jan	146.0	146.7	146.0	146.5	146.7	146.6	Unch
03Mar	148.5	148.5	147.5	148.5		148.5	+5
03May	149.0	149.0	148.0	148.0		148.0	Unch
03Jul	150.0	150.0	148.5	148.5		148.5	+5
03Oct				150.0 b	152.0 a	151.0	-10
03Dec				150.0 b	152.0 a	151.0	-10
Month	Opening	High	Low	Closing		Settle	Net Chg

## Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
01/31/02	Feb 02	5590	5630	5532	5625	+3	2230
01/31/02	Apr 02	6090	6120	6030	6090	-30	3491
01/31/02	May 02	6655	6665	6600	6665	unch	139
01/31/02	Jun 02	6695	6710	6645	6710	-2	592
01/31/02	Jul 02	6320	6360	6297	6360	+10	99
01/31/02	Aug 02	6120	6140	6085	6137	-8	63
01/31/02	Oct 02	5270	5282	5255	5282	-8	15
01/31/02	Dec 02	5065	5070	5065	5070	-10	15
01/31/02	Feb 03	5215	5215	5215	5215	-10	0

Composite Volume Open\_Int  
01/30/02 6645 29999

## Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
01/31/02	Feb 02	7377	7405	7360	7375	-17	8248
01/31/02	Apr 02	7565	7590	7540	7552	-25	7604
01/31/02	Jun 02	7080	7095	7062	7072	-28	2290
01/31/02	Aug 02	7065	7082	7055	7062	-30	1035
01/31/02	Oct 02	7230	7240	7215	7222	-35	661
01/31/02	Dec 02	7275	7285	7265	7277	-3	140
01/31/02	Feb 03	7380	7385	7370	7385	-10	54

Composite Volume Open\_Int  
01/30/02 20032 92540

## Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
01/31/02	Feb 02	7562	7562	7425	7500	-97	693
01/31/02	Mar 02	7620	7620	7470	7545	-107	446
01/31/02	May 02	7740	7750	7660	7685	-95	57
01/31/02	Jul 02	7780	7810	7750	7767	-83	30
01/31/02	Aug 02	7600	7600	7600	7600	+10	0

Composite Volume Open\_Int  
01/30/02 1227 2457

## Oats

Month	Opening	High	Low	Closing		Settle	Net Chg
02Mar	203 1/2	209	199 1/4	200	200 1/2	200 1/4	-22
02May	186 1/2	191 1/2	185 1/4	185 1/4		185 1/4	-12
02Jul	165 3/4	168	165 1/2	165 3/4	165 1/2	165 1/2	Unch
02Sep	146	146	145	145 a		145	+2
02Dec	143 1/2	144 1/4	143 1/2	143 1/2		143 1/2	+2
03Mar				143 n		143	+2
Month	Opening	High	Low	Closing		Settle	Net Chg

## Weekly Dairy Market Outlook

Ken Bailey  
Penn State  
Jan. 25, 2002

### Market Unchanged

- Cheese prices hold steady.
- Butter down slightly.
- Preliminary analysis of a butter/powder tilt.

Not much changed this week at the Chicago Mercantile Exchange. Barrel prices remained unchanged at \$1.35 per pound, blocks down half a penny to \$1.3850 per pound, and Grade AA butter down 2.25 cents to \$1.3175 per pound.

USDA reports that the butter market is weak. Churning schedules are seasonally active, there is plenty of milk and cream available, and stocks at the end of December 2001 were twice what they were a year earlier. Part of the problem with the buildup in stocks was the unusually high price of butter for most

of 2001. The other problem was imports were significant. Final numbers from USDA for 2001 indicate that licensed butter imports totaled 15.0 million pounds, just shy of the 15.4 million pound quota.

Imports of high-tier butter (over quota butter), which is subject to a high tariff (import tax), were 26.1 million pounds for 2001. Given that over-quota butter imports in 2000 were just 272,128 pounds, this represents an increase of 9,478 percent (is my math wrong here??).

The market for nonfat dry milk continues to be weak. Prices for Extra Grade and Grade A nonfat dry milk was mostly \$0.90-\$0.9250 per pound in the West. This is very close to the USDA support price of \$0.90 per pound. As a result, nonfat dry milk continues to move into the support price program.

Since Oct. 1 2001, approximately 126.3 million pounds of

nonfat dry milk have entered the dairy price support program. Uncommitted inventories total 738.1 million pounds. That compares to a total of 406.1 million pounds a year ago. There are rumors that USDA is going to readjust the butter/powder tilt.

What impact will a reduction in the support price for nonfat dry milk have on milk prices? A reduction in the support price from \$0.90 to \$0.80 per pound will result in a reduction in the western price of powder. I am "guestimating" that western powder prices will decline from an average price of \$0.9125 per pound to about \$0.85 per pound. At that price, more nonfat dry milk will end up in the cheese vat. It is possible that the western price of nonfat dry milk could also fall all the way to \$0.81 per pound.

A reduction in the wholesale price of nonfat dry milk will directly reduce both Class II and IV prices, which depend on the NASS survey price of nonfat dry milk. It will also knock some of

the wind out of the "higher of" that determines Class I milk prices. My initial estimate is that the Class IV price will drop by \$0.47 per CWT. I didn't estimate what impact this would have on cheese prices. For the Northeast federal order, which is about 40 percent Class I, this will reduce the uniform price by about \$0.18 per CWT. The drop could be higher if one assumes the western price of nonfat dry milk falls below \$0.85 per pound.

### Tri-State Weekly Feeder Cattle Sale

Richmond, Va.  
January 28, 2002

Report Supplied By USDA

WEEKLY AUCTION for Jan. 25.  
Prices per hundredweight based on out weights.

FEEDER CATTLE: 210 head.  
STEERS: 57 head. Med. and Lge. 1: 400-500 lb 93-104.00; 500-600 lb 85-96.00; 600-700 lb 82-87.00; 700-800 lb 74-79.00. Med. and Lge. 2: 400-500 lb 86-90.00.

HEIFERS: 94 head. Med. and Lge. 1

400-500 lb 87.50-94.00; 500-600 lb 78-84.00; 600-700 lb 68.50-74.50. Med. and Lge. 2: 400-500 lb 83-88.00.

BULLS: 59 head. Med. and Lge. 1: 200-300 lb 100.00; 400-500 lb 86-95.50; 500-600 lb 85-89.00; 600-700 lb 78-84.00.

### 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 — 2.33 bu., 4.17 cwt.  
Wheat, No.2 — 2.7 bu., 4.51 cwt.  
Barley, No.3 — 1.64 bu., 3.50 cwt.  
Oats, No.2 — 1.62 bu., 5.04 cwt.  
Soybeans, No.1 — 4.13 bu., 6.89 cwt.  
Ear Corn — 65.03 ton, 3.25 cwt.  
Alfalfa Hay — 126.75 ton, 6.34 cwt.  
Mixed Hay — 121.25 ton, 6.06 cwt.  
Timothy Hay — 117.50 ton, 5.88 cwt.