

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, May 2, 2002

Corn

Month	Opening	High	Low	Closing		Settle	Net Chg
02May	195 3/4	197 1/2	194 1/4	194 1/4	194 1/2	194 1/2	-20
02Jul	203	204	200 1/4	200 1/2	200 1/4	200 1/2	-24
02Sep	210	210 3/4	207	207	207 1/4	207 1/4	-26
02Dec	219 3/4	220 3/4	216 3/4	216 3/4	217	217	-26
03Mar	229	229 3/4	225 3/4	225 3/4		225 3/4	-30
03May	235	235	230 1/2	230 3/4		230 3/4	-26
03Jul	239 1/2	239 1/2	235 3/4	235 3/4		235 3/4	-30
03Sep				234 b		234	-16
03Dec	239 1/2	239 3/4	236 1/2	236 3/4	237	237	-22
04Mar				243 3/4 n		243 3/4	-24
04Jul				247 1/4 n		247 1/4	-14
04Dec	246	246 3/4	245	245 1/4		245 1/4	-12
Month	Opening	High	Low	Closing		Settle	Net Chg

Soybeans

Month	Opening	High	Low	Closing		Settle	Net Chg
02May	462	462 1/2	458 3/4	459 1/2	459	459 1/4	-10
02Jul	466	466 1/2	462 1/2	464	463 1/2	463 3/4	-4
02Aug	463	463 1/2	460	461	460 1/2	460 3/4	-4
02Sep	457 1/2	458	455	455 1/4	455	455 1/4	-12
02Nov	457	457	453 1/2	455	454 1/2	454 3/4	-12
03Jan	461	461	460	460	460 1/2	460 1/4	-12
03Mar	465	465 1/2	465	465	465 1/2	465 1/4	-12
03May	466 1/2	467	466 1/2	467		467	-14
03Jul				470 1/2 n		470 1/2	-14
03Sep				472 n		472	+10
03Nov	477 1/2	477 1/2	474 1/2	474 1/2		474 1/2	+2
Month	Opening	High	Low	Closing		Settle	Net Chg

Soybean Meal

Month	Opening	High	Low	Closing		Settle	Net Chg
02May	161.0	161.3	158.8	159.2	159.0	159.1	-17
02Jul	158.4	158.7	156.3	156.7	156.8	156.8	-13
02Aug	156.0	156.2	154.5	155.0	154.8	154.9	-7
02Sep	154.0	154.0	152.1	152.3	152.6	152.5	-8
02Oct	151.4	151.4	150.2	150.2		150.2	-7
02Dec	151.0	151.0	149.7	149.8		149.8	-7
03Jan	150.1	150.1	150.0	150.0 b	150.1 a	150.1	-3
03Mar	149.5	149.5	149.0	149.0 b	149.1 a	149.1	-2
03May	149.0	149.0	148.0	148.0 b	148.1 a	148.0	Unch
03Jul	149.5	150.0	148.5	148.5 b	148.6 a	148.6	-9
03Aug	150.0	150.0	149.5	149.1 b	149.5 a	149.5	Unch
03Sep	150.0	150.0	149.5	149.0 b	149.5 a	149.5	+5
03Oct				147.0 b	147.5 a	147.3	-2
03Dec				148.0 b	148.5 a	148.3	-2
Month	Opening	High	Low	Closing		Settle	Net Chg

Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
05/01/02	*CASH*	0	4404	4404	4404	-263	0
05/02/02	May 02	4490	4625	4490	4605	+125	808
05/02/02	Jun 02	5240	5377	5240	5327	+125	5030
05/02/02	Jul 02	5300	5435	5300	5387	+112	1381
05/02/02	Aug 02	5180	5255	5150	5177	-3	369
05/02/02	Oct 02	4320	4365	4290	4327	+7	141
05/02/02	Dec 02	4050	4110	4040	4050	+15	69
05/02/02	Feb 03	4340	4350	4325	4325	+20	28

Composite Volume Open_Int

05/01/02 7826 32004

Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
05/01/02	*CASH*	0	6350	6350	6350	unch	0
05/02/02	Jun 02	6315	6345	6195	6225	-97	6874
05/02/02	Aug 02	6335	6382	6240	6287	-65	2384
05/02/02	Oct 02	6625	6657	6540	6587	-45	2142
05/02/02	Dec 02	6760	6810	6690	6735	-50	834
05/02/02	Feb 03	6840	6870	6790	6832	-33	131
05/02/02	Apr 03	6950	6995	6905	6945	-35	20

Composite Volume Open_Int

05/01/02 12394 94871

Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
05/01/02	*CASH*	0	6500	6500	6500	unch	0
05/02/02	May 02	6700	6790	6670	6785	+170	285
05/02/02	Jul 02	6780	6900	6765	6892	+167	543
05/02/02	Aug 02	6760	6890	6760	6800	+108	12
05/02/02	Feb 03	6600	6600	6575	6575	+120	2
05/02/02	Mar 03	6580	6580	6580	6580	+140	1

Composite Volume Open_Int

05/01/02 843 3389

Oats

Month	Opening	High	Low	Closing		Settle	Net Chg
02May	179	179 3/4	176 1/2	178 3/4	179	178 3/4	+22
02Jul	138	138 1/4	132	133 1/2	133 3/4	133 3/4	-26
02Sep	120 1/2	120 1/2	117 1/2	119		119	-10
02Dec	124 1/4	124 1/4	123	123		123	-4
03Jan				131 1/2 a		131 1/2	Unch
Month	Opening	High	Low	Closing		Settle	Net Chg

Weekly Dairy Market Outlook

Ken Bailey
Penn State
April 27, 2002
Economy Surges Ahead During First Quarter

- U.S. economy grew 5.8 percent January-March.
- U.S. past a mild recession.
- Cheese prices holding steady.

The Department of Commerce announced this week that the U.S. economy grew at a rate of 5.8 percent during the first quarter of 2002. This "advanced" estimate of the Gross Domestic Product (GDP) is a measure of the output of goods and services in the U.S.

The Wall Street Journal reported last week that this release was significant for two reasons. First, it means we are out of the recession that began a year ago. Second, the downturn in the U.S. economy will probably go down as the mildest on record.

This information has important implications for the U.S. dairy industry. A growing economy means more business travel, people going on vacations, and families eating out. Mom and Dad are more apt to eat fast food during the busy workweek, and treat the kids to pizza on the weekends, if both have jobs. A recession has very little good news for the dairy industry since it results in weak sales of dairy products. Dairy product prices today are dependent on retail and food-service sales.

Despite a spring flush that is resulting in excess loads of milk in the marketplace, cheese demand remained fairly stable this week. Prices at the Chicago Mercantile Exchange held fairly steady and barrels fell slightly from \$1.23 per pound on Monday, April 22 to \$1.2125 by Friday, April 26. Blocks ranged

from \$1.2325-\$1.2550 per pound this week.

Butter prices at the Chicago Mercantile Exchange were generally weak, as expected. Grade AA butter prices fell from \$1.1725 per pound earlier this week to \$1.12 by Friday. USDA reports that butter production is seasonally heavy, cream supplies are readily available, and ice cream production has not yet kicked in. In addition, given high inventory levels, one should expect butter prices to be low during the early spring months. Look for butter prices to pick up a few cents after ice cream production increases and summer heat sets in.

Despite the greater availability of milk this spring, the futures market is still expecting Class III prices to rise from \$10.85 per CWT in April to \$13.17 per CWT by September. This reflects a fairly neutral seasonal pattern. Class IV futures prices are expected to be much less enthusiastic, ranging from \$11.15 per

CWT for April to \$11.48 by December. The outlook for Class IV prices is reflecting a depressed outlook for butter prices, and anticipation of a lower support price for nonfat dry milk. That said, there may still be opportunities to lock in favorable futures prices for both Class III and IV.

There are rumors circulating that the House and Senate Agricultural Conference Committee has struck a tentative "deal" to have a national dairy countercyclical program that will provide a monthly payment to dairy farmers equal to 45 percent of the positive difference between \$16.94 and the Boston Class I price. Farmers shipping 2.4 million pounds of milk per year, or less, will qualify for 100 percent of this payment.

Note: I will be traveling overseas the next few weeks, doing volunteer work in Yugoslavia for VOCA (Volunteers in Overseas Cooperative Assistance). Therefore, my weekly dairy market report will be available again on May 17. See you then!

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 — 2.31 bu., 4.14 cwt.
- Wheat, No.2 — 2.61 bu., 4.35 cwt.
- Barley, No.3 — 1.85 bu., 3.95 cwt.
- Oats, No.2 — 1.91 bu., 5.96 cwt.
- Soybeans, No.1 — 4.34 bu., 7.25 cwt.
- Ear Corn — 66.49 ton, 3.32 cwt.
- Alfalfa Hay — 142.75 ton, 7.14 cwt.
- Mixed Hay — 131.25 ton, 6.56 cwt.
- Timothy Hay — 121.25 ton, 6.06 cwt.