

# GRAIN, CATTLE, HOG, & MILK BFP

## FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, June 6, 2002

### Corn

	Open	High	Low	Last	Chge
06/05/02 *CASH*		2162	2162	2162	+16
06/06/02 JUL 02	2100	2122	2086	2090	-12
06/06/02 SEP 02	2166	2192	2156	2160	-12
06/06/02 DEC 02	2264	2284	2246	2250	-16
06/06/02 MAR 03	2336	2356	2326	2330	-14
06/06/02 MAY 03	2372	2384	2352	2352	-20
06/06/02 JUL 03	2400	2414	2390	2392	-14
06/06/02 SEP 03	2340	2340	2340	2340	-10
06/06/02 DEC 03	2390	2394	2374	2380	-10
06/06/02 MAR 04	2450	2454	2450	2450	-4
06/06/02 JUL 04	2490	2490	2490	2490	unch
06/06/02 DEC 04	2390	2390	2390	2390	-6

Total	Volume	Open_Int
06/05/02	52481	428404

### Soybeans

	Open	High	Low	Last	Chge
06/05/02 *CASH*		5085	5085	5085	+40
06/06/02 JUL 02	5150	5194	5124	5132	-4
06/06/02 AUG 02	5080	5110	5040	5046	-16
06/06/02 SEP 02	4930	4960	4884	4884	-30
06/06/02 NOV 02	4850	4862	4800	4806	-22
06/06/02 JAN 03	4864	4880	4820	4824	-22
06/06/02 MAR 03	4870	4884	4834	4836	-16
06/06/02 MAY 03	4870	4890	4834	4850	unch
06/06/02 JUL 03	4880	4900	4850	4854	-2
06/06/02 SEP 03	4750	4750	4750	4750	-20
06/06/02 NOV 03	4830	4830	4770	4770	-20

Total	Volume	Open_Int
06/05/02	53165	181939

### Soybean Meal

	Open	High	Low	Last	Chge
06/05/02 *CASH*		17150	17150	17150	+100
06/06/02 JUL 02	1703	1715	1690	1693	-6
06/06/02 AUG 02	1660	1673	1645	1646	-10
06/06/02 SEP 02	1618	1628	1601	1601	-12
06/06/02 OCT 02	1563	1577	1560	1561	-2
06/06/02 DEC 02	1540	1550	1533	1534	-4
06/06/02 JAN 03	1525	1538	1523	1525	unch
06/06/02 MAR 03	1508	1520	1504	1511	+6
06/06/02 MAY 03	1481	1498	1481	1485	+4
06/06/02 JUL 03	1488	1502	1483	1484	+4
06/06/02 AUG 03	1495	1500	1485	1485	+4
06/06/02 SEP 03	1495	1500	1483	1483	+2
06/06/02 OCT 03	1490	1490	1482	1482	unch
06/06/02 DEC 03	1495	1495	1481	1481	-1

Total	Volume	Open_Int
06/05/02	28326	143131

### Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
06/05/02 *CASH*	0	4458	4458	4458	-179	0	0
06/06/02 Jun 02	4855	4895	4800	4880	+185	2659	4102
06/06/02 Jul 02	4877	4957	4830	4912	+155	4537	12631
06/06/02 Aug 02	4810	4905	4780	4842	+137	2189	5699
06/06/02 Oct 02	3890	3995	3890	3982	+92	135	3277
06/06/02 Dec 02	3700	3810	3690	3782	+115	343	3150
06/06/02 Feb 03	3980	4065	3980	4065	+115	28	520
06/06/02 Apr 03	4165	4180	4165	4165	+70	1	30
06/06/02 May 03	4570	4590	4570	4570	+70	0	1
06/06/02 Jun 03	5150	5150	5150	5150	+70	3	8

Composite Volume	Open_Int
06/05/02	9895 29418

### Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
06/05/02 *CASH*	0	6000	6000	6000	-303	0	0
06/06/02 Jun 02	6107	6180	6100	6142	+40	5800	17039
06/06/02 Aug 02	6120	6185	6100	6145	+28	6307	36284
06/06/02 Oct 02	6390	6460	6365	6437	+45	3223	26462
06/06/02 Dec 02	6610	6645	6575	6637	+32	1234	12387
06/06/02 Feb 03	6710	6760	6700	6727	+27	374	3678
06/06/02 Apr 03	6875	6880	6820	6877	+22	131	1679
06/06/02 Jun 03	6630	6630	6630	6630	+105	0	0

Composite Volume	Open_Int
06/05/02	17069 97529

### Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
06/05/02 *CASH*	0	6100	6100	6100	unch	0	0
06/06/02 Jul 02	5650	5695	5525	5565	+98	571	2184
06/06/02 Aug 02	5592	5700	5515	5547	+85	232	778
06/06/02 Feb 03	6000	6075	6000	6000	+50	9	79
06/06/02 Mar 03	6000	6000	6000	6000	+50	0	2
06/06/02 May 03	6075	6075	6075	6075	+70	0	1

Composite Volume	Open_Int
06/05/02	812 3044

### Oats

	Open	High	Low	Last	Chge
06/05/02 *CASH*		2372	2372	2372	+32
06/06/02 JUL 02	2024	2034	1980	2034	+12
06/06/02 SEP 02	1610	1610	1552	1586	-4
06/06/02 DEC 02	1484	1490	1466	1472	+4
06/06/02 MAR 03	1490	1490	1490	1490	+2
06/06/02 MAY 03	1490	1490	1490	1490	unch

Total	Volume	Open_Int
06/05/02	2111	10759

## Weekly Dairy Market Outlook

Ken Bailey  
Penn State  
May 31, 2002

### Dairy Demand Weak

- Consumption in first quarter down.
- Retail butter prices still high.
- Futures prices improve.
- May class prices announced.

Cash prices at the Chicago Mercantile Exchange overall remained low this week. Markets are reacting to weak demand and surplus milk.

Block cheese prices bounced around between \$1.1675 and \$1.20 per pound, and barrels fell from \$1.1525 per pound earlier in the week to \$1.1375 by Friday. Butter prices started the week at \$1.04 per pound (on Wednesday) but increased to \$1.0950 per

pound by Friday.

A combination of a cool spring and normal spring flush is contributing to lower milk prices. What is surprising is that consumption of dairy products the first three months of this year was down. USDA reported commercial disappearance of dairy products the first three months of 2002 as follows: butter up 9.5 percent, American cheese down 2.7 percent, other cheese up 0.8 percent, nonfat dry milk down 25.7 percent, and fluid milk products down 1.2 percent.

Farmers increased milk production 2.9 percent during this period, but overall milk consumption went up only 0.7 percent.

While butter consumption rebounded a bit from last year, it

should have done better. Retail butter prices were about \$3 per pound the first quarter of the year, down only 6 percent from a year ago (April 2002). That compares to wholesale butter prices in April which were down 36 percent from a year ago. Lower retail butter prices this summer could help reduce mounting butter inventories.

The cheese numbers were also a bit of a surprise. We have grown used to seeing cheese consumption increase year after year. The drop in nonfat dry milk consumption was fairly large, leading to growth in government purchases. And even fluid milk consumption fell below normally negative figures. The recession the first quarter of this year may have played a role.

The good news is that the futures markets perked up a bit this week. September Class III futur-

es at the Chicago Mercantile Exchange fell to \$12.15 per CWT earlier this week. However, September futures prices rallied to \$12.41 per CWT by Friday. Producers concerned about weak milk prices this fall may want to consider locking in a portion of their fall milk supplies at these price levels. Milk prices may rally once the summer heat hits and U.S. economic recovery is under way. But then again, milk prices may fizzle even more between now and then. Locking in some of your milk now would provide some revenue protection.

USDA announced May 2002 federal order class prices with changes from the month before: Class II \$11.29 (-\$0.59), Class III \$10.82 (-\$0.03), and Class IV \$10.57 (-\$0.52). Butter prices had the most impact on class prices. They fell \$0.12 per pound, from \$1.17 in April to \$1.05 in May.

### 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 — 2.34 bu., 4.18 cwt.
- Wheat, No.2 — 2.6 bu., 4.34 cwt.
- Barley, No.3 — 1.77 bu., 3.79 cwt.
- Oats, No.2 — 1.94 bu., 6.06 cwt.
- Soybeans, No.1 — 4.45 bu., 7.43 cwt.
- Ear Corn — 66.68 ton, 3.33 cwt.
- Alfalfa Hay — 108.13 ton, 5.41 cwt.
- Mixed Hay — 111.25 ton, 5.56 cwt.
- Timothy Hay — 117.50 ton, 5.88 cwt.