

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

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Wednesday, July 3, 2002

## Corn

	Open	High	Low	Last	Chge
07/02/02 *CASH*		2314	2314	2314	-40
07/03/02 JUL 02	2250	2254	2222	2244	-32
07/03/02 SEP 02	2310	2324	2290	2312	-42
07/03/02 DEC 02	2420	2432	2394	2416	-42
07/03/02 MAR 03	2490	2502	2462	2470	-70
07/03/02 MAY 03	2520	2534	2480	2482	-86
07/03/02 JUL 03	2550	2570	2500	2510	-92
07/03/02 SEP 03	2450	2454	2430	2430	-30
07/03/02 DEC 03	2360	2386	2354	2360	-10
07/03/02 MAR 04	2424	2450	2424	2434	-4
07/03/02 JUL 04	2500	2500	2500	2500	-10
07/03/02 DEC 04	2370	2390	2370	2390	+10

Total	Volume	Open_Int
07/02/02	128892	449531

## Soybeans

	Open	High	Low	Last	Chge
07/02/02 *CASH*		5325	5325	5325	-90
07/03/02 JUL 02	5390	5590	5380	5564	+122
07/03/02 AUG 02	5210	5410	5210	5380	+70
07/03/02 SEP 02	5110	5244	5100	5226	+34
07/03/02 NOV 02	5000	5144	4980	5110	+20
07/03/02 JAN 03	5020	5150	5020	5104	+14
07/03/02 MAR 03	5020	5134	5014	5100	+22
07/03/02 MAY 03	5010	5120	5004	5090	+24
07/03/02 JUL 03	5020	5110	5014	5090	+30
07/03/02 SEP 03	4950	4950	4950	4950	unch
07/03/02 NOV 03	4860	4920	4840	4910	unch

Total	Volume	Open_Int
07/02/02	95170	216267

## Soybean Meal

	Open	High	Low	Last	Chge
07/02/02 *CASH*		18350	18350	18350	-300
07/03/02 JUL 02	1805	1840	1805	1834	+9
07/03/02 AUG 02	1770	1800	1760	1790	+3
07/03/02 SEP 02	1718	1750	1716	1741	-3
07/03/02 OCT 02	1675	1698	1670	1692	-8
07/03/02 DEC 02	1665	1685	1655	1674	-12
07/03/02 JAN 03	1658	1668	1645	1664	-7
07/03/02 MAR 03	1630	1645	1625	1640	-5
07/03/02 MAY 03	1611	1622	1605	1616	-6
07/03/02 JUL 03	1611	1623	1605	1617	-9
07/03/02 AUG 03	1610	1615	1590	1590	-20
07/03/02 SEP 03	1605	1605	1580	1580	-10
07/03/02 OCT 03	1590	1590	1580	1580	-5
07/03/02 DEC 03	1585	1585	1570	1575	-5

Total	Volume	Open_Int
07/02/02	42931	148205

## Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
07/03/02 *CASH*	0	5204	5204	5204	-87	0	0
07/03/02 Jul 02	5270	5320	5220	5297	+67	0	0
07/03/02 Aug 02	4945	4957	4860	4935	-5	0	0
07/03/02 Oct 02	4140	4165	4065	4115	-25	0	0
07/03/02 Dec 02	3850	3895	3797	3870	+15	0	0
07/03/02 Feb 03	4200	4270	4165	4265	+65	0	0
07/03/02 Apr 03	4515	4620	4515	4580	+40	0	0
07/03/02 May 03	5215	5215	5145	5215	+65	0	0
07/03/02 Jun 03	5500	5560	5500	5560	+50	0	0
07/03/02 Jul 03	5510	5520	5470	5520	+40	0	0

## Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
07/03/02 *CASH*	0	6400	6400	6400	+103	0	0
07/03/02 Aug 02	6487	6487	6425	6447	-50	0	0
07/03/02 Oct 02	6700	6700	6645	6660	-57	0	0
07/03/02 Dec 02	6790	6790	6755	6767	-25	0	0
07/03/02 Feb 03	6885	6902	6870	6875	-22	0	0
07/03/02 Apr 03	6980	6985	6955	6982	-8	0	0
07/03/02 Jun 03	6585	6587	6570	6580	unch	0	0
07/03/02 Aug 03	6645	6645	6645	6645	-5	0	0

## Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
07/03/02 *CASH*	0	7400	7400	7400	-100	0	0
07/03/02 Jul 02	6900	7167	6765	7167	+300	0	0
07/03/02 Aug 02	6702	6955	6580	6897	+195	0	0
07/03/02 Feb 03	6500	6530	6380	6432	+97	0	0
07/03/02 Mar 03	6150	6150	6150	6150	unch	0	0
07/03/02 May 03	6150	6150	6150	6150	unch	0	0

## Oats

	Open	High	Low	Last	Chge
07/02/02 *CASH*		2254	2254	2254	-16
07/03/02 JUL 02	2070	2132	2054	2120	+14
07/03/02 SEP 02	1650	1710	1640	1696	+6
07/03/02 DEC 02	1582	1650	1580	1632	+20
07/03/02 MAR 03	1620	1660	1620	1660	+30
07/03/02 MAY 03	1670	1670	1670	1670	+24

Total	Volume	Open_Int
07/02/02	1914	9610

## Weekly Dairy Market Outlook

Ken Bailey  
Penn State  
June 28, 2002

### Retail Dairy Prices Rising

- Ice cream more expensive than in 2001.
- Cheese remains below support levels.
- Demand is sluggish.

Cheese prices remain below support levels this week, whereas butter prices are up 4 cents per pound.

USDA reported that cheese offerings continue to exceed demand. That means we are still manufacturing more cheese than we are selling, so prices remain depressed. At the Chicago Mercantile Exchange this week, block cheese prices fell from \$1.10 per pound on Monday, June 24 to \$1.0850 per pound the next day, and remained at that level the rest of the week. Barrel cheese prices fluctuated between \$1.0725 and \$1.0750 per pound.

Grade AA butter prices at the Chicago Mercantile Exchange actually rose this week, from \$1.0325 per pound on Monday to \$1.0575 by week's end. Despite strong inventory levels, butter prices perked up this week because of hot and humid conditions throughout the country. Cows produce less milk and butterfat under these conditions.

USDA reported that butter imports January-May of this year were well below year-ago levels. Imports within U.S. quota levels were down 31 percent relative to a year ago, and over-quota butter imports (called high-tier imports) were down 67 percent. Why go through the trouble of importing butter and paying all those tariffs when you can find it cheaper here?

Consumers are not very excited about dairy products so far this year. During the period February through April of this year,

consumption of most dairy products was well below the same period a year ago. The change in consumption was as follows: 1.1 percent for butter, -0.1 percent for American cheese, 0.7 percent for Other cheese, -42.3 percent for nonfat dry milk, and 0.4 percent for fluid milk products. The drop in nonfat dry milk consumption is particularly alarming since imports of MPC for the first four months of this year were up 13.3 percent relative to a year ago.

So why aren't consumers eating as many dairy products this year as last year?

One reason may be because the U.S. economy is not doing very well. The stock market remains in a slump and announcements of massive layoffs continues. WorldCom, the country's second largest long-distance carrier, just announced they are planning on laying off 17,000 workers. Despite a rise of 6.1 percent in the growth of the U.S. economy the first quarter of this year (GDP), corporate profits have not been

very optimistic. All of this does not look good for strong sales of dairy products.

Another reason for lackluster sales of dairy products, however, may be due to the fact that retail prices for cheese, butter, and ice cream have actually gone up this year despite a big drop in dairy ingredient costs.

Recall that last summer, ice cream makers were very unhappy with the dramatic rise in wholesale butter prices, which rose from \$0.91 per pound in January 2000 to a peak of \$2.09 per pound in August 2001. Higher butter prices translate directly into higher costs for cream, the major dairy ingredient used to make ice cream. Ice cream makers complained they could not pass along all of these higher ingredient costs to consumers else they would risk losing sales. After all, ice cream is an "impulse item." If it is too expensive, consumers will push their grocery carts right past the frozen dairy

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## 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 — 2.38 bu., 4.27 cwt.
- Wheat, No.2 — 2.67 bu., 4.45 cwt.
- Barley, No.3 — 1.43 bu., 3.07 cwt.
- Oats, No.2 — 1.88 bu., 5.85 cwt.
- Soybeans, No.1 — 4.74 bu., 7.92 cwt.
- Ear Corn — 67.56 ton, 3.38 cwt.
- Alfalfa Hay — 112.50 ton, 5.63 cwt.
- Mixed Hay — 110.00 ton, 5.5 cwt.
- Timothy Hay — 99.25 ton, 4.96 cwt.