

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

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, September 5, 2002

## Corn

	Open	High	Low	Last	Chge
09/05/02 *CASH*		2794	2794	2794	+20
09/05/02 SEP 02	2696	2724	2680	2720	+14
09/05/02 DEC 02	2780	2810	2762	2804	+20
09/05/02 MAR 03	2842	2866	2822	2864	+22
09/05/02 MAY 03	2864	2884	2842	2882	+16
09/05/02 JUL 03	2836	2862	2826	2856	+12
09/05/02 SEP 03	2676	2690	2664	2684	+12
09/05/02 DEC 03	2544	2560	2540	2554	+2
09/05/02 MAR 04	2590	2604	2590	2604	unch
09/05/02 JUL 04	2620	2620	2620	2620	unch
09/05/02 DEC 04	2400	2400	2400	2400	+4

Total	Volume	Open_Int
09/04/02	66113	492484

## Soybeans

	Open	High	Low	Last	Chge
09/05/02 *CASH*		5680	5680	5680	+30
09/05/02 SEP 02	5630	5684	5600	5654	+22
09/05/02 NOV 02	5524	5580	5492	5572	+44
09/05/02 JAN 03	5544	5600	5512	5594	+52
09/05/02 MAR 03	5552	5610	5524	5604	+52
09/05/02 MAY 03	5530	5590	5510	5586	+54
09/05/02 JUL 03	5526	5584	5510	5582	+54
09/05/02 AUG 03	5490	5520	5460	5520	+44
09/05/02 SEP 03	5340	5410	5340	5400	+34
09/05/02 NOV 03	5270	5320	5250	5302	+22
09/05/02 JAN 04	5290	5330	5290	5330	+40
09/05/02 NOV 04	5070	5070	5070	5070	unch

Total	Volume	Open_Int
09/04/02	35208	197069

## Soybean Meal

	Open	High	Low	Last	Chge
09/05/02 *CASH*		18850	18850	18850	+50
09/05/02 SEP 02	1820	1836	1812	1829	+5
09/05/02 OCT 02	1748	1774	1748	1773	+22
09/05/02 DEC 02	1738	1764	1732	1763	+28
09/05/02 JAN 03	1733	1760	1732	1760	+30
09/05/02 MAR 03	1721	1751	1721	1751	+30
09/05/02 MAY 03	1711	1739	1710	1737	+31
09/05/02 JUL 03	1710	1740	1710	1740	+34
09/05/02 AUG 03	1700	1728	1700	1721	+36
09/05/02 SEP 03	1680	1710	1680	1706	+35
09/05/02 OCT 03	1645	1664	1645	1657	+25
09/05/02 DEC 03	1645	1665	1645	1665	+28
09/05/02 JUL 04	1711	1711	1711	1711	

Total	Volume	Open_Int
09/04/02	25176	140179

## Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
09/04/02 *CASH*	0	3406	3406	3406	-868	0	0
09/05/02 Oct 02	3175	3290	3130	3270	+88	5938	16836
09/05/02 Dec 02	3542	3672	3505	3665	+123	3729	13778
09/05/02 Feb 03	4235	4297	4175	4265	+33	812	3284
09/05/02 Apr 03	4900	4920	4845	4895	+5	247	997
09/05/02 May 03	5770	5800	5750	5780	-10	94	388
09/05/02 Jun 03	5982	5995	5960	5980	+3	134	592
09/05/02 Jul 03	5890	5940	5880	5882	-3	21	160
09/05/02 Aug 03	5640	5650	5617	5620	+10	6	52
09/05/02 Oct 03	5200	5250	5200	5207	-13	2	9

## Composite Volume Open\_Int

09/04/02	10983	36098
----------	-------	-------

## Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
09/04/02 *CASH*	0	6300	6300	6300	-78	0	0
09/05/02 Oct 02	6717	6815	6675	6805	+100	6031	40471
09/05/02 Dec 02	7000	7097	6965	7092	+105	3791	28806
09/05/02 Feb 03	7122	7180	7077	7177	+55	669	16550
09/05/02 Apr 03	7195	7265	7155	7257	+62	391	8087
09/05/02 Jun 03	6715	6780	6700	6777	+50	489	3991
09/05/02 Aug 03	6767	6845	6745	6845	+75	101	214
09/05/02 Oct 03	6950	6950	6950	6950	-22	0	0

## Composite Volume Open\_Int

09/04/02	11473	98135
----------	-------	-------

## Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
09/04/02 *CASH*	0	5300	5300	5300	-300	0	0
09/05/02 Feb 03	6420	6502	6410	6470	+33	602	980
09/05/02 Mar 03	6435	6470	6410	6440	+20	13	38
09/05/02 May 03	6620	6630	6530	6600	+50	1	19
09/05/02 Jul 03	6620	6620	6410	6600	+180	1	14
09/05/02 Aug 03	6510	6510	6350	6500	+110	1	6


## Composite Volume Open\_Int

09/04/02	618	1057
----------	-----	------

## Oats

	Open	High	Low	Last	Chge
09/05/02 *CASH*		2126	2126	2126	+50
09/05/02 SEP 02	1910	1970	1910	1970	+64
09/05/02 DEC 02	1910	1980	1904	1972	+50
09/05/02 MAR 03	1852	1910	1852	1906	+36
09/05/02 MAY 03	1820	1834	1820	1834	+4
09/05/02 JUL 03	1790	1790	1790	1790	unch

Total	Volume	Open_Int
09/04/02	1482	9850



**Ken Bailey**  
Professor of  
Agricultural Economics,  
Dairy Marketing and Policy  
Penn State

**August 30, 2002  
DEMAND FOR DAIRY  
PRODUCTS WAY OFF**

- Cheese consumption weak.
- Nonfat dry milk way down.
- Butter down, too.

USDA's recent report on U.S. demand for milk and dairy products was fairly anemic. It suggests demand for cheese, particu-

larly pizza cheese, is off relative to the strong growth experienced over the last decade. Demand for nonfat dry milk is off by a third. Butter consumption is down 4 percent, and fluid milk consumption is neutral.

These numbers, however, are no surprise to most market watchers. In fact, I would argue

that they are already built into existing milk price numbers. Translation: the new report on milk consumption should neither raise nor lower futures or cash prices for dairy commodities in Chicago.

The demand numbers, called commercial disappearance, reflect the most recent three-month time period of April through June 2002. During this period, milk production in the U.S. grew 3 percent relative to the same period a year ago. Stocks of all dairy products on a milk fat basis grew 14.3 percent, and imports on a milk fat basis fell 23.3 percent.

Thus, the supply of dairy products on a milkfat basis grew 4.1 percent. That compares to commercial disappearance of all dairy products on a milkfat basis, which fell 0.6 percent. No wonder milk prices are declining!

More specifically, demand for dairy products during the period April-June 2002, with changes

relative to a year ago, are butter, down 3.8 percent; American cheese, up 3.2 percent; other cheese (mainly mozzarella), up 0.3 percent; nonfat dry milk, down 33.6 percent; and fluid milk products, up 0.3 percent.

The U.S. Bureau of Labor Statistics also released estimates of U.S. city average retail prices for dairy products. The results are mixed. Some dairy products, such as butter and fluid milk, adjusted lower in relation to a sharp reduction in the cost of most dairy ingredients (mainly butterfat and protein). Whole milk in July fell 6.3 percent relative to a year ago. Butter retail prices in July fell 12.8 percent.

Butter appears to be the most responsive in terms of the farm-to-retail price spread. On the other hand, cheese and ice cream retail prices actually rose relative to a year ago. Natural cheese in July rose 5.6 percent, and ice cream rose 4.4 percent. You will recall that the main ingredient in

the production of ice cream, milkfat (cream), at the wholesale levels is about half what it was a year ago.

### 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 — 2.95 bu., 5.28 cwt.
- Wheat, No.2 — 3.25 bu., 5.42 cwt.
- Barley, No.3 — 1.71 bu., 3.66 cwt.
- Oats, No.2 — 1.7 bu., 5.30 cwt.
- Soybeans, No.1 — 5.49 bu., 9.16 cwt.
- Ear Corn — 80.05 ton, 4.00 cwt.
- Alfalfa Hay — 144.25 ton, 7.21 cwt.
- Mixed Hay — 128.75 ton, 6.44 cwt.
- Timothy Hay — 133.00 ton, 6.65 cwt.