

GRAIN, CATTLE, HOG, & MILK BFP

FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, October 17, 2002

Corn

	Open	High	Low	Last	Chge
10/16/02 *CASH*		2612	2612	2612	-6
10/17/02 DEC 02	2512	2594	2504	2554	+22
10/17/02 MAR 03	2582	2650	2570	2610	+6
10/17/02 MAY 03	2610	2672	2600	2634	+2
10/17/02 JUL 03	2624	2672	2600	2626	-12
10/17/02 SEP 03	2536	2570	2530	2532	-6
10/17/02 DEC 03	2446	2482	2440	2460	+2
10/17/02 MAR 04	2504	2530	2504	2514	+2
10/17/02 MAY 04	2522	2522	2522	2522	+2
10/17/02 JUL 04	2524	2524	2522	2522	+2
10/17/02 DEC 04	2340	2344	2340	2340	+4

Total	Volume	Open_Int
10/16/02	88231	479910

Soybeans

	Open	High	Low	Last	Chge
10/16/02 *CASH*		5265	5265	5265	unch
10/17/02 NOV 02	5434	5540	5432	5506	+36
10/17/02 JAN 03	5470	5560	5464	5526	+20
10/17/02 MAR 03	5500	5570	5480	5536	+14
10/17/02 MAY 03	5500	5554	5484	5532	+16
10/17/02 JUL 03	5490	5550	5480	5520	+6
10/17/02 AUG 03	5420	5490	5420	5464	+14
10/17/02 SEP 03	5320	5320	5300	5300	+20
10/17/02 NOV 03	5100	5156	5094	5134	+22
10/17/02 JAN 04	5150	5150	5150	5150	+20
10/17/02 NOV 04	4920	4920	4920	4920	+20

Total	Volume	Open_Int
10/16/02	57950	208085

Soybean Meal

	Open	High	Low	Last	Chge
10/16/02 *CASH*		17100	17100	17100	-50
10/17/02 DEC 02	1697	1730	1691	1713	+12
10/17/02 JAN 03	1708	1735	1701	1722	+10
10/17/02 MAR 03	1715	1738	1709	1727	+8
10/17/02 MAY 03	1712	1733	1706	1720	+5
10/17/02 JUL 03	1710	1730	1707	1720	+5
10/17/02 AUG 03	1695	1715	1695	1701	+1
10/17/02 SEP 03	1660	1680	1660	1672	+2
10/17/02 OCT 03	1605	1605	1605	1605	-5
10/17/02 DEC 03	1610	1625	1610	1611	+1
10/17/02 JAN 04	1610	1610	1610	1610	+2
10/17/02 DEC 04	1600	1600	1600	1600	unch

Total	Volume	Open_Int
10/16/02	21865	129467

Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
10/16/02 *CASH*	0	4552	4552	4552	+78	0	0
10/17/02 Dec 02	4155	4210	4120	4165	-52	4150	23981
10/17/02 Feb 03	4745	4835	4740	4797	unch	1162	5401
10/17/02 Apr 03	5065	5162	5065	5115	-10	94	1474
10/17/02 May 03	5815	5830	5790	5820	+5	15	742
10/17/02 Jun 03	6060	6105	6060	6087	unch	49	1253
10/17/02 Jul 03	5880	5900	5835	5890	+8	6	310
10/17/02 Aug 03	5650	5690	5650	5650	+8	3	194
10/17/02 Oct 03	5175	5200	5175	5195	+25	1	29
10/17/02 Dec 03	5000	5000	5000	5000	unch	0	0

Composite Volume	Open_Int
10/16/02	5480 35378

Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
10/16/02 *CASH*	0	6300	6300	6300	unch	0	0
10/17/02 Oct 02	6880	6880	6840	6845	-40	3019	6047
10/17/02 Dec 02	7175	7177	7135	7137	-50	5804	55267
10/17/02 Feb 03	7335	7342	7315	7320	-32	2765	25090
10/17/02 Apr 03	7370	7370	7345	7367	-23	1510	15574
10/17/02 Jun 03	6935	6935	6905	6920	-25	692	9212
10/17/02 Aug 03	6905	6922	6895	6922	-23	419	1201
10/17/02 Oct 03	7000	7010	6990	7010	-25	0	78

Composite Volume	Open_Int
10/16/02	14209 112469

Pork Bellies


Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
10/16/02 *CASH*	0	8100	8100	8100	unch	0	0
10/17/02 Feb 03	7450	7450	7320	7362	-123	208	1149
10/17/02 Mar 03	7320	7350	7297	7297	-138	15	56
10/17/02 May 03	7500	7500	7440	7440	-160	10	19
10/17/02 Jul 03	7400	7400	7375	7375	-145	1	13
10/17/02 Aug 03	7365	7365	7270	7270	-130	0	5

Composite Volume	Open_Int
10/16/02	235 1242

Oats

	Open	High	Low	Last	Chge
10/16/02 *CASH*		2122	2122	2122	-50
10/17/02 DEC 02	1972	2010	1970	1972	-4
10/17/02 MAR 03	1960	1990	1950	1950	-14
10/17/02 MAY 03	1940	1940	1940	1940	-14
10/17/02 JUL 03	1800	1800	1800	1800	-40
10/17/02 SEP 03	1610	1610	1610	1610	-20
10/17/02 DEC 03	1600	1600	1600	1600	+10
10/17/02 MAR 04	1600	1600	1600	1600	unch

Total	Volume	Open_Int
10/16/02	1802	9228



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**Oct. 14, 2002
RETAIL DAIRY PRICES
RELATIVELY HIGH**

- Cheese, ice cream prices above year ago.
- Whole milk, butter down some.
- Milk ingredient costs down 30-40 percent.

Dairy farmers are noticing that retail prices for many dairy prod-

ucts have not fallen nearly as much as their milk checks. In fact, some dairy products such as cheese and ice cream are actually higher than a year ago.

I have often been asked to explain this and have for the most part avoided it. Here's why. First, many dairy farmers did not go back into the grocery stores last year to compare retail prices. Ice

cream, for example, went up in price, but not nearly as high as butterfat prices. Remember \$2.44-per-pound butterfat prices? Many ice cream processors saw their margins squeezed because they could not fully pass along all of their costs.

Retail milk prices have followed a pattern over the years. They haven't always gone up as high as the increase in raw milk costs (Class I prices) when milk prices are rising, and they don't go down as fast either when milk prices are plummeting. That may be because consumers don't like big swings in their milk prices (neither do farmers).

Another reason why I haven't focused on retail milk prices is because the year-to-year changes in those prices have often been at or below the rate of inflation. And besides, we live in a country with a capitalist economy. Processors and retailers can sell their products (farmers don't own it at

this point) at whatever price they can get away with. They just have to make their customers happy.

But not everyone is happy at the moment. Dairy farmers are facing three crushing blows: 1) low milk prices, 2) rising feed costs, and 3) drought conditions that have limited their feed production.

Also not happy are consumers. They are facing a tough economy right now and are worried about their economic futures. In addition, they are paying more for milk and dairy products than the ingredient costs would suggest.

For example, during the period June-August 2002, retail prices for ice cream and natural cheese rose 1.4 and 6.7 percent, respectively. That is a modest increase in retail prices for ice cream, until you consider two things. First, ice cream prices last year were ex-

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 — 3.05 bu., 5.46 cwt.
- Wheat, No.2 — 3.79 bu., 6.33 cwt.
- Barley, No.3 — 1.88 bu., 4.02 cwt.
- Oats, No.2 — 1.84 bu., 5.75 cwt.
- Soybeans, No.1 — 5.42 bu., 9.06 cwt.
- Ear Corn — 76.76 ton, 3.84 cwt.
- Alfalfa Hay — 142.50 ton, 7.13 cwt.
- Mixed Hay — 146.25 ton, 7.31 cwt.
- Timothy Hay — 128.75 ton, 6.44 cwt.