

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

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, January 30, 2003

## Corn

	Open	High	Low	Last	Chge
01/29/03 *CASH*		2440	2440	2440	-24
01/30/03 MAR 03	2350	2372	2336	2370	+14
01/30/03 MAY 03	2372	2400	2364	2396	+14
01/30/03 JUL 03	2402	2424	2394	2420	+6
01/30/03 SEP 03	2400	2414	2400	2412	+4
01/30/03 DEC 03	2402	2422	2394	2416	+12
01/30/03 MAR 04	2454	2474	2454	2470	+10
01/30/03 MAY 04	2480	2490	2480	2490	+10
01/30/03 JUL 04	2494	2500	2494	2496	+2
01/30/03 DEC 04	2410	2410	2392	2394	-10

Total	Volume	Open_Int
01/29/03	44171	460270

## Soybeans

	Open	High	Low	Last	Chge
01/28/03 *CASH*		5660	5660	5660	+60
01/29/03 MAR 03	5710	5710	5604	5612	-120
01/29/03 MAY 03	5664	5664	5564	5572	-112
01/29/03 JUL 03	5630	5630	5540	5542	-110
01/29/03 AUG 03	5544	5544	5470	5472	-104
01/29/03 SEP 03	5384	5384	5344	5346	-92
01/29/03 NOV 03	5290	5300	5240	5246	-60
01/29/03 JAN 04	5300	5300	5264	5272	-52
01/29/03 MAR 04	5280	5300	5280	5300	-54
01/29/03 NOV 04	5020	5024	5000	5000	-22

Total	Volume	Open_Int
01/28/03	44104	196797

## Soybean Meal

	Open	High	Low	Last	Chge
01/28/03 *CASH*		17300	17300	17300	+400
01/29/03 MAR 03	1720	1722	1683	1687	-37
01/29/03 MAY 03	1710	1710	1671	1676	-36
01/29/03 JUL 03	1692	1693	1660	1661	-34
01/29/03 AUG 03	1655	1655	1630	1630	-35
01/29/03 SEP 03	1625	1625	1600	1601	-29
01/29/03 OCT 03	1585	1592	1565	1567	-23
01/29/03 DEC 03	1577	1579	1555	1558	-21
01/29/03 JAN 04	1573	1573	1560	1560	-16
01/29/03 MAR 04	1590	1590	1570	1570	-22
01/29/03 MAY 04	1590	1590	1575	1575	-22
01/29/03 JUL 04	1595	1595	1575	1575	-30
01/29/03 AUG 04	1595	1600	1595	1600	-17
01/29/03 SEP 04	1595	1605	1595	1605	-20
01/29/03 DEC 04	1600	1600	1600	1600	-30

Total	Volume	Open_Int
01/28/03	24353	160971

## Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
01/29/03 *CASH*	0	4749	4749	4749	-101	0	0
01/30/03 Feb 03	5055	5080	5007	5025	-35	4567	8319
01/30/03 Apr 03	5700	5730	5615	5652	-43	6024	17976
01/30/03 May 03	6085	6090	6015	6037	-50	273	2854
01/30/03 Jun 03	6360	6397	6307	6362	-35	702	7407
01/30/03 Jul 03	6170	6180	6090	6122	-48	431	2236
01/30/03 Aug 03	5875	5890	5810	5845	-32	245	2012
01/30/03 Oct 03	5197	5200	5135	5140	-55	120	814
01/30/03 Dec 03	5085	5090	5022	5022	-33	4	247
01/30/03 Feb 04	5390	5390	5350	5372	+22	2	48

Composite Volume	Open_Int
01/29/03	12368 41914

## Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
01/29/03 *CASH*	0	7754	7754	7754	+254	0	0
01/30/03 Feb 03	8142	8217	8140	8207	+82	9128	26201
01/30/03 Apr 03	7965	8005	7940	7977	-5	10819	55159
01/30/03 Jun 03	7180	7210	7162	7202	+5	3255	20343
01/30/03 Aug 03	6902	6945	6900	6915	-7	910	6657
01/30/03 Oct 03	7110	7147	7105	7127	-3	450	2839
01/30/03 Dec 03	7200	7225	7200	7210	-2	275	1874
01/30/03 Feb 04	7340	7365	7340	7360	+10	48	291

Composite Volume	Open_Int
01/29/03	24885 113364

## Pork Bellies

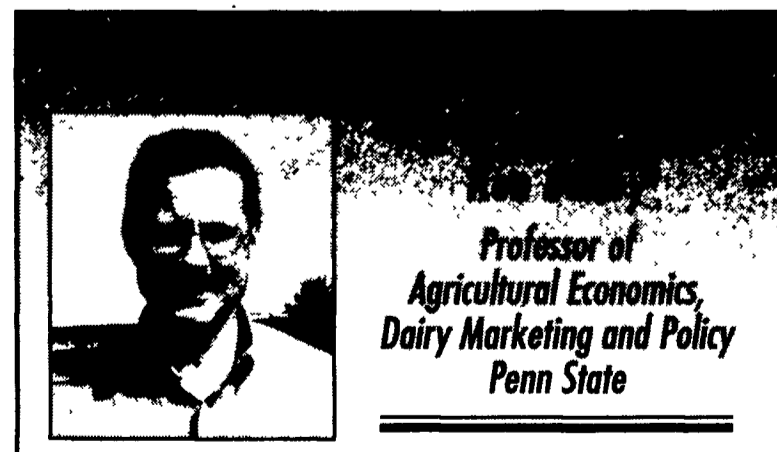
Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
01/29/03 *CASH*	0	7600	7600	7600	+400	0	0
01/30/03 Feb 03	8275	8310	8165	8255	+10	453	1326
01/30/03 Mar 03	8250	8320	8195	8260	+38	398	967
01/30/03 May 03	8405	8420	8302	8320	+10	79	492
01/30/03 Jul 03	8400	8470	8380	8440	+20	26	267
01/30/03 Aug 03	8140	8165	8140	8165	+65	4	26

Composite Volume	Open_Int
01/29/03	960 3079

## Oats

	Open	High	Low	Last	Chge
01/29/03 *CASH*		2184	2184	2184	-70
01/30/03 MAR 03	1994	2024	1994	2020	+30
01/30/03 MAY 03	1942	1966	1942	1960	+24
01/30/03 JUL 03	1840	1854	1840	1854	+14
01/30/03 SEP 03	1660	1670	1660	1670	+14
01/30/03 DEC 03	1640	1640	1640	1640	+20
01/30/03 MAR 04	1650	1650	1650	1650	+10

Total	Volume	Open_Int
01/29/03	2564	6751



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short, so end-of-year inventories were likely distorted. However, the five-year average for commercial butter inventories is 57.7 billion pounds. Anyway you look at it, there is a lot of butter on hand.

The story isn't so distorted for cheese. American cheese inventories at the end of 2002 were at 495.8 million pounds, compared to inventory of 449.1 million pounds at the end of 2001. Turns out the five-year average for the end of December was 466.6 million pounds. So, for American cheese, end-of-year inventories for 2002 were just 6.2 percent ahead of the five-year average. That's not too bad.

Total cheese inventories at the end of 2002 were 733.4 million pounds, compared to 660 million pounds in 2001. The five-year average was 648 million pounds. Thus, total cheese inventories at the end of 2002 were 11.1 percent ahead of a year ago, and 13.2 percent ahead of the 5-year average. Most of this was likely due to higher inventory levels of Italian cheeses.

The category "other natural cheese," which is mainly Italian cheese, was up 27.8 percent in De-

ember 2002 relative to the five-year average. Clearly consumers were less interested in pizza in 2002 than in prior years.

This week marks another bad milestone. Butter entered the U.S. price support program for the first time since 1995. During the week Jan. 20-24 of this year, about 380,835 pounds of butter from the West entered the Commodity Credit Corporation. Butter wasn't alone. Cheese and nonfat dry milk also entered the dairy price support program. For the first time in many years, all three dairy commodities are being purchased under the support price program.

So what does this mean for milk prices in 2003? Class III futures on the Chicago Mercantile Exchange sank under the cold storage news. September 2003 Class III futures, which were about \$13.38 per CWT as we entered this year, are now just \$12.87 per CWT. And the average Class III price for all of 2003 at the CME about a month ago was \$11.90 per CWT. This week the annual average Class III CME price fell to \$11.31 per CWT, down almost \$0.60 per CWT for the year.

## 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 — 2.94 bu., 5.26 cwt.
- Wheat, No.2 — 3.24 bu., 5.39 cwt.
- Barley, No.3 — 2.16 bu., 4.63 cwt.
- Oats, No.2 — 2.03 bu., 6.33 cwt.
- Soybeans, No.1 — 5.55 bu., 9.26 cwt.
- Ear Corn — 88.91 ton, 4.45 cwt.
- Alfalfa Hay — 155.00 ton, 7.75 cwt.
- Mixed Hay — 140.50 ton, 7.03 cwt.
- Timothy Hay — 155.00 ton, 7.75 cwt.

## Jan. 24, 2003 MORE BAD NEWS

- Inventory is up!
  - Butter entering the CCC.
  - Cash prices weak.
- End-of-the-year accounting has been done and it does not look good. The cold storage numbers out this week indicate that inventories for both butter and cheese are well ahead of year-ago numbers. Of course, a year ago wasn't ex-

actly a boom time for milk production. Let's compare the Dec. 31, 2002 inventory numbers with a five-year average of end-of-year inventory numbers. That way we can get a more accurate read on where things stand.

Butter inventory at the end of 2002 stood at 157.5 million pounds. December inventory for 2001 was 55.9 million pounds. But recall that butter production in 2001 was