

# GRAIN, CATTLE, HOG, & MILK BFP

## FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange  
Closing Bids: Thursday, April 3, 2003

### Corn

	Open	High	Low	Last	Chge
04/02/03 *CASH*		2532	2532	2532	+6
04/03/03 MAY 03	2386	2394	2366	2386	-14
04/03/03 JUL 03	2390	2400	2374	2392	-12
04/03/03 SEP 03	2386	2396	2380	2386	-16
04/03/03 DEC 03	2394	2410	2394	2396	-24
04/03/03 MAR 04	2446	2462	2446	2450	-24
04/03/03 MAY 04	2480	2490	2480	2484	-16
04/03/03 JUL 04	2504	2510	2496	2502	-20
04/03/03 SEP 04	2420	2420	2420	2420	-12
04/03/03 DEC 04	2400	2404	2394	2400	-12
04/03/03 DEC 05	2374	2374	2374	2374	-6

Total	Volume	Open_Int
04/02/03	97136	424683

### Soybeans

	Open	High	Low	Last	Chge
04/02/03 *CASH*		5810	5810	5810	+130
04/03/03 MAY 03	5870	5916	5824	5852	-14
04/03/03 JUL 03	5834	5884	5800	5826	-16
04/03/03 AUG 03	5700	5754	5674	5700	-10
04/03/03 SEP 03	5400	5430	5390	5400	unch
04/03/03 NOV 03	5164	5186	5150	5164	-4
04/03/03 JAN 04	5190	5210	5180	5190	-10
04/03/03 MAR 04	5210	5234	5204	5214	-14
04/03/03 MAY 04	5204	5204	5204	5204	-24
04/03/03 JUL 04	5214	5214	5214	5214	-10
04/03/03 NOV 04	5070	5070	5070	5070	unch

Total	Volume	Open_Int
04/02/03	80917	237474

### Soybean Meal

	Open	High	Low	Last	Chge
04/02/03 *CASH*		17500	17500	17500	+300
04/03/03 MAY 03	1736	1745	1715	1718	-21
04/03/03 JUL 03	1722	1730	1708	1711	-16
04/03/03 AUG 03	1673	1678	1665	1666	-9
04/03/03 SEP 03	1599	1604	1593	1594	-7
04/03/03 OCT 03	1525	1530	1518	1520	-7
04/03/03 DEC 03	1520	1523	1512	1514	-7
04/03/03 JAN 04	1524	1527	1514	1514	-7
04/03/03 MAR 04	1538	1540	1525	1525	-10
04/03/03 MAY 04	1550	1550	1535	1535	-10
04/03/03 JUL 04	1560	1560	1545	1545	-7
04/03/03 AUG 04	1550	1550	1535	1535	-7
04/03/03 SEP 04	1545	1545	1535	1535	-5
04/03/03 OCT 04	1510	1514	1501	1501	-5
04/03/03 DEC 04	1505	1514	1501	1501	unch

Total	Volume	Open_Int
04/02/03	24459	150288

### Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
04/02/03 *CASH*	0	4471	4471	4471	-23	0	0
04/03/03 Apr 03	4970	4995	4930	4985	+23	2888	6378
04/03/03 May 03	5630	5670	5590	5630	-20	234	2507
04/03/03 Jun 03	5870	5900	5790	5885	+50	6111	21126
04/03/03 Jul 03	5890	5910	5810	5882	+50	1174	3968
04/03/03 Aug 03	5825	5875	5790	5820	-7	534	4471
04/03/03 Oct 03	5132	5190	5130	5160	+30	324	2224
04/03/03 Dec 03	5152	5190	5145	5155	+5	203	908
04/03/03 Feb 04	5660	5662	5660	5660	unch	1	358
04/03/03 Apr 04	5955	5990	5955	5980	unch	3	141

### Composite Volume Open\_Int

04/02/03	11473	42082
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### Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
04/02/03 *CASH*	0	7800	7800	7800	unch	0	0
04/03/03 Apr 03	7740	7745	7670	7687	-25	7681	23461
04/03/03 May 03	7460	7485	7385	7440	-7	380	2327
04/03/03 Jun 03	7190	7190	7100	7130	-15	10108	44134
04/03/03 Jul 03	6840	6870	6840	6840	-10	6	58
04/03/03 Aug 03	6835	6845	6780	6802	-10	2623	13175
04/03/03 Oct 03	6997	7010	6965	6972	-15	960	9592
04/03/03 Dec 03	7150	7160	7120	7130	-2	320	4485
04/03/03 Feb 04	7280	7285	7245	7250	-10	157	1951
04/03/03 Apr 04	7370	7370	7350	7350	-10	9	137

### Composite Volume Open\_Int

04/02/03	22245	99322
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### Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
04/02/03 *CASH*	0	9100	9100	9100	+200	0	0
04/03/03 May 03	9085	9085	8950	8970	-95	924	2280
04/03/03 Jul 03	9120	9130	8985	9045	-75	254	913
04/03/03 Aug 03	8785	8845	8785	8785	-40	0	31
04/03/03 Feb 04	7992	7992	7992	7992	-8	1	4
04/03/03 Mar 04	8000	8000	8000	8000	unch	0	1


### Composite Volume Open\_Int

04/02/03	1179	3229
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### Oats

	Open	High	Low	Last	Chge
04/02/03 *CASH*		2020	2020	2020	-2
04/03/03 MAY 03	1846	1870	1840	1842	-2
04/03/03 JUL 03	1630	1630	1612	1620	-6
04/03/03 SEP 03	1514	1514	1504	1504	-12
04/03/03 DEC 03	1480	1480	1480	1480	unch
04/03/03 MAR 04	1550	1550	1550	1550	unch
04/03/03 MAY 04	1580	1580	1580	1580	unch

Total	Volume	Open_Int
04/02/03	485	6101



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#### March 28, 2003 DAIRY PRODUCTS HEAD FOR THE CCC

- Butter entering the CCC.
- Cheese still below support.
- Market outlook.

This week marks a turning point in the dairy price support program. For the first time in many years, surplus butter, nonfat dry milk, and cheese — all

three dairy products — are moving into Commodity Credit Corporation (CCC) storage. For the week ending March 28, the CCC purchased 1,134,611 pounds of butter, 2,734,876 pounds of cheese, and 10,635,864 pounds of nonfat dry milk.

The good news is that this movement of surplus inventory into the CCC will help support

Class III and IV milk prices. The bad news is that this inventory in government storage will overhang the market, extending the period of low milk prices.

Market cheese prices in Chicago continued to fall below support levels. For the week of March 24-28, the block cheese price averaged \$1.0840 per pound, below the support price of \$1.1314 per pound. This of course frustrates dairy producers who understand that the dairy price support program is designed to return a Class III value above \$9.80 per CWT. The dairy futures contracts for Class III are estimating a Class III price of \$9.10 per CWT for March 2003.

The reason for these low cash market prices is because most cheese processors are set up to furnish cheese to real commercial customers. It is a significant change to their operations to suddenly ship dairy products to a USDA storage cite. The packaging, inspection, transportation,

and financing are all different. Hence many processors try to avoid this transaction. The result has been falling wholesale prices for cheese.

Butter prices remain a nickel a pound above support, however. Grade AA butter averaged \$1.0908 per pound for the week ending March 28. This is a bit surprising given the enormous inventory of butter in commercial warehouses. Nonetheless, we are approaching the Easter/Passover Holidays and demand for butter strengthens.

The outlook still looks uncertain. It appears that March will be the low point for Class III prices for the year. One must identify the bottom before prices will improve. The Chicago Mercantile Exchange futures markets are expecting milk prices to improve thereafter. Still, there are many uncertainties, including:

- What impact will the Iraqi conflict have on the dairy industry?

• How long before this conflict will be resolved?

• Will consumer confidence improve thereafter?

• Will U.S. business activity improve?

This industry needs growth in the general economy.

#### 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 — 2.92 bu., 5.22 cwt.
- Wheat, No.2 — 3.09 bu., 5.16 cwt.
- Barley, No.3 — 2.22 bu., 4.74 cwt.
- Oats, No.2 — 2.11 bu., 6.57 cwt.
- Soybeans, No.1 — 5.66 bu., 9.46 cwt.
- Ear Corn — 88.41 ton, 4.42 cwt.
- Alfalfa Hay — 158.00 ton, 7.9 cwt.
- Mixed Hay — 151.25 ton, 7.56 cwt.
- Timothy Hay — 148.75 ton, 7.44 cwt.