

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, July 24, 2003

Corn

Month	Opening	High	Low	Closing	Settle	Net Chg	
03Aug	205	208 1/2	205	205 1/2	205 3/4	205 1/2	Unch
03Sep	211	214 3/4	210 1/2	211 1/2	211 3/4	211 1/2	Unch
03Oct	220	223 1/4	219 1/2	220 1/4	220 3/4	220 1/2	+2
03Nov	225 1/2	229 1/4	225 1/2	226 3/4	226 1/2	226 1/2	Unch
03Dec	230	233 1/2	230	231	230 3/4	230 3/4	Unch
04Jan	233 1/2	235	231 1/2	231 1/2	231 1/2	231 1/2	-4
04Mar	235	237 1/2	235	235	235 1/4	235 1/4	-2
04Jul	242 1/2	242 1/2	241 1/4	241 1/4	241 1/4	241 1/4	-2
05Jul				246 n	246	246	Unch
05Aug				238 n	238	238	Unch

Soybeans

Month	Opening	High	Low	Closing	Settle	Net Chg	
03Aug	556 1/2	559	547 1/2	547 1/2	548 5/8	547 3/4	-90
03Sep	530	535 1/2	526	527	527 1/2	527 1/4	-16
03Nov	510 1/4	517	509 1/2	510	511	510 1/2	+2
04Jan	514	520 1/2	514	515 1/2	516	515 3/4	+10
04Mar	520	523 1/2	518 1/2	520	518 1/2	519 1/4	+16
04May	520	523 1/2	518 1/2	520	519 1/2	519 3/4	+2
04Jul	523 3/4	527 1/2	522 1/4	523	522 1/4	522 3/4	Unch
05Jul	527	527	523 1/2	523 1/2	523 1/2	523 1/2	-22
05Aug	526	528	525	528	528	528	+30

Soybean Meal

Month	Opening	High	Low	Closing	Settle	Net Chg	
03Aug	175.0	175.8	171.5	171.7	171.5	171.6	-29
03Sep	166.5	168.1	165.1	165.3	165.1	165.2	-9
03Oct	157.9	159.8	157.8	158.2	158.3	158.2	+6
03Dec	156.8	158.7	156.5	157.0	157.3	157.1	+8
04Jan	157.4	159.3	157.4	157.6	157.6	157.6	+5
04Mar	159.1	161.5	159.1	159.3 b	159.7 a	159.5	+7
04May	159.5	161.2	159.5	160.2	160.2	160.2	+14
04Jul	161.5	163.2	161.5	162.0	162.0	162.0	+10
04Aug	162.0	163.0	161.8	161.8 b	162.0 a	161.9	+9
04Sep	162.0	162.0	161.5	161.8 b	162.0 a	161.9	+10
04Oct	159.0	159.0	158.5	157.5 b	158.5 a	158.5	+5
04Nov	160.0	160.0	159.8	159.5 b	159.8 a	159.8	+10

Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
07/23/03	*CASH*	0	5843	5843	5843	-103	0
07/24/03	Aug 03	5760	5842	5650	5825	+25	3987
07/24/03	Oct 03	5200	5335	5170	5292	+50	4529
07/24/03	Dec 03	5105	5230	5085	5182	+62	968
07/24/03	Feb 04	5457	5565	5450	5545	+88	402
07/24/03	Apr 04	5750	5820	5750	5790	+33	163
07/24/03	May 04	6030	6095	6010	6095	-2	5
07/24/03	Jun 04	6190	6210	6180	6190	unch	20
07/24/03	Jul 04	6040	6050	6037	6040	unch	0
07/24/03	Aug 04	5925	5925	5925	5925	+5	7

Composite Volume Open_Int

07/23/03 10081 40324

Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
07/23/03	*CASH*	0	7651	7651	7651	+1	0
07/24/03	Jul 03	7750	7830	7735	7830	+150	16
07/24/03	Aug 03	7570	7667	7540	7610	+40	5432
07/24/03	Sep 03	7655	7655	7565	7570	-65	18
07/24/03	Oct 03	7642	7697	7585	7587	-55	9156
07/24/03	Dec 03	7640	7685	7600	7610	-47	3263
07/24/03	Feb 04	7730	7772	7695	7715	-27	1494
07/24/03	Apr 04	7685	7727	7670	7700	unch	1365
07/24/03	Jun 04	7105	7132	7085	7105	+18	163
07/24/03	Aug 04	7090	7090	7090	7090	+50	3

Composite Volume Open_Int

07/23/03 20910 113762

Pork Bellies


Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
07/23/03	*CASH*	0	9900	9900	9900	unch	0
07/24/03	Jul 03	9350	9735	9200	9735	+300	187
07/24/03	Aug 03	8550	8950	8425	8880	+155	687
07/24/03	Feb 04	7890	8000	7760	7975	+60	81
07/24/03	Mar 04	7900	7900	7790	7900	-20	0
07/24/03	May 04	8025	8125	8025	8125	-200	0

Composite Volume Open_Int

07/23/03 955 2328

Oats

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	132 3/4	133	130 1/2	131 1/2	131 1/2	+10
03Dec	132	134 1/4	130 1/2	132 1/2	132 1/2	+16
04Mar	138 1/2	139	137	139	139	+30
04May				143 a	143	+24
04Jul				144 n	144	+20
04Aug	144	144	144	144	144	Unch
04Nov	149	149	149	149	149	Unch



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

July 18, 2003
**MILK PRODUCTION
REPORT BULLISH**

- June milk production down 0.1 percent
- June cheese inventories up 1 percent
- Why "Other Solids" price is negative
- The June Milk Production report was released on Thursday

(July 17) and has already contributed to higher milk prices. Today's Class III futures contracts in Chicago traded 9-11 cents per hundredweight higher for August 2003 through February 2004. Clearly the market reacted bullishly to this USDA report.

The June Milk Production report indicated that milk produc-

tion for 20 select states was down 0.1 percent. Yield per cow was even with a year ago at 1,587 pounds per cow, but cow numbers dropped 11,000 head from the month before. The revised figures for May indicate that milk production for 20 select states was down 0.4 percent. And milk production for the entire U.S. during the quarter April through June was down 0.3 percent.

This report is significant in that it shows a continued decline in the nation's dairy herd. Cow numbers continue to decline month after month. Cow numbers in California actually dropped 1,000 head in June from the month before. And June milk per cow for California was down from a year ago.

What this report does not tell us is what will happen with milk production for the rest of the year. I expect cow numbers will continue a very modest decline throughout the remainder of the

year. But yield per cow could rebound. We simply don't know at this stage.

The Cold Storage report came out today. It indicates how much butter and cheese are in cold storage warehouses. The report indicates that at the end of June 2003, butter inventories were 20 percent ahead of a year ago, American cheese was one percent ahead of a year ago, and Other Natural Cheese was down 5 percent. Except for butter, this report is also bullish on milk prices.

I have received a lot of questions about the negative price for "other solids" that was reported on producer milk checks for June deliveries. This is only for those producers who are in a federal order and are priced on milk components (butterfat, protein, other solids). To the untrained eye, a negative number looks like a deduction from the milk check. Unfortunately, to an economist, this does make sense.

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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 — 2.83 bu., 5.07 cwt.
- Wheat, No.2 — 3.02 bu., 5.04 cwt.
- Barley, No.3 — 1.83 bu., 3.91 cwt.
- Oats, No.2 — 1.94 bu., 6.05 cwt.
- Soybeans, No.1 — 5.86 bu., 9.79 cwt.
- Ear Corn — 88.04 ton, 4.40 cwt.
- Alfalfa Hay — 108.75 ton, 5.44 cwt.
- Mixed Hay — 103.75 ton, 5.19 cwt.
- Timothy Hay — 110.00 ton, 5.5 cwt.