

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, August 21, 2003

Corn

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	229 3/4	230 1/4	222 1/2	224 1/4	224 3/4	-22
03Dec	238 3/4	239 1/4	230 1/2	232 1/4	232 3/4	-36
04Mar	245 1/2	246	237 1/4	239	239 1/2	-40
04May	249	249 1/4	240 3/4	242 1/2	242	-46
04Jul	249 3/4	250	241 1/4	242 1/2	243	-50
04Sep	244	244	237	238	238	-34
04Dec	244	244	239 3/4	240 3/4	241	-20
05Mar				247 n	247	-20
05Jul				252 n	252	-20
05Dec	240	240	238	238	238	-10
Month	Opening	High	Low	Closing	Settle	Net Chg

Soybeans

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	586 1/2	591	576 1/2	579	578 1/2	+20
03Nov	586 1/2	590	575	578 1/2	580	+24
04Jan	588 1/2	592	578	582 1/2	583	+30
04Mar	586	587 1/2	575	578	579	+12
04May	577	579 3/4	569	572	573	+6
04Jul	578	580	569 1/2	572 1/2	572 1/2	+10
04Aug	575	575	566	566	568	-4
04Sep				555 n	555	-20
04Nov	558	558	551	552	551 1/2	-22
Month	Opening	High	Low	Closing	Settle	Net Chg

Soybean Meal

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	189.0	192.0	187.2	189.5	189.8	+31
03Oct	183.5	185.8	180.5	182.8	183.3	+22
03Dec	183.5	185.8	179.8	182.0	182.5	+14
04Jan	184.0	185.3	180.3	181.5	181.7	+9
04Mar	183.5	184.8	180.2	182.0	182.0	+10
04May	182.5	183.4	178.7	180.0	180.0	Unch
04Jul	183.5	183.5	179.0	180.0	180.0	-5
04Aug	183.0	183.0	178.0	177.5 b	178.0 a	-6
04Sep	181.0	181.0	177.0	177.0	177.0	-10
04Oct	175.0	175.0	173.0	173.5 b	173.6 a	-4
04Dec	173.0	174.0	173.0	173.5	173.5	-7
Month	Opening	High	Low	Closing	Settle	Net Chg

Lean Hogs

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
08/20/03	*CASH*	0	8075	8075	8075	+187	0
08/21/03	Aug 03	8110	8172	8100	8172	+150	496
08/21/03	Sep 03	8115	8175	8075	8175	+135	55
08/21/03	Oct 03	8035	8100	7995	8072	+92	3537
08/21/03	Nov 03	7980	8015	7980	8015	+35	2
08/21/03	Dec 03	7980	8010	7935	7992	+12	4478
08/21/03	Feb 04	7930	7950	7902	7935	unch	2460
08/21/03	Apr 04	7752	7752	7702	7722	-30	2042
08/21/03	Jun 04	7265	7275	7230	7240	-25	280
08/21/03	Aug 04	7225	7225	7225	7225	-25	7

Composite Volume Open_Int
08/20/03 13357 116943

Live Cattle

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
08/20/03	*CASH*	0	5308	5308	5308	-71	0
08/21/03	Oct 03	5355	5370	5285	5292	-83	3407
08/21/03	Dec 03	5160	5175	5120	5165	-12	1229
08/21/03	Feb 04	5440	5460	5400	5432	-23	322
08/21/03	Apr 04	5755	5810	5750	5802	-3	116
08/21/03	May 04	6065	6085	6065	6085	unch	0
08/21/03	Jun 04	6250	6260	6220	6250	-10	23
08/21/03	Jul 04	6020	6020	6010	6010	-25	5
08/21/03	Aug 04	5855	5885	5855	5885	-7	0
08/21/03	Oct 04	5250	5260	5240	5260	+10	5

Composite Volume Open_Int
08/20/03 5108 35820

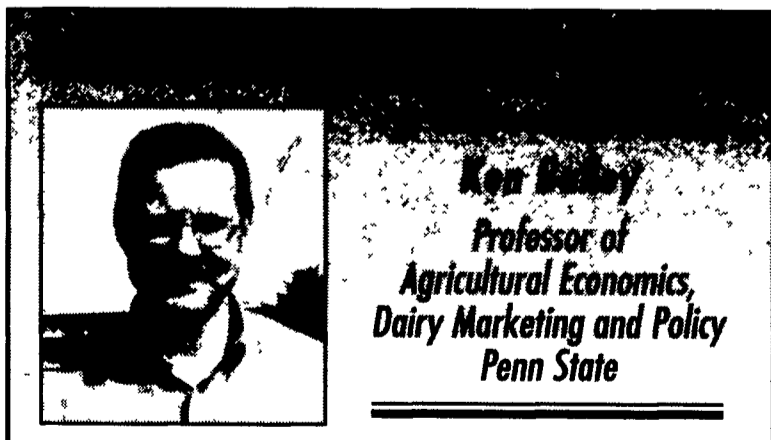
Pork Bellies

Date	Open	High	Low	Last	Chge	Previous Volume	Previous Open_Int
08/20/03	*CASH*	0	8000	8000	8000	unch	0
08/21/03	Aug 03	8320	8590	8255	8370	+55	161
08/21/03	Feb 04	8310	8350	8242	8267	-5	235
08/21/03	Mar 04	8055	8055	8055	8055	unch	0
08/21/03	May 04	8300	8300	8300	8300	unch	5
08/21/03	Jul 04	8325	8325	8325	8325	unch	5

Composite Volume Open_Int
08/20/03 407 1480

Oats

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	140 3/4	141 1/2	139 1/2	140	140	+2
03Dec	144	145	143	143 1/2	143 1/4	+2
04Mar	149 1/4	150	148	148	148	-4
04May				154 n	154	Unch
04Jul				150 n	150	Unch
04Sep				145 n	145	Unch
04Dec				150 n	150	Unch
Month	Opening	High	Low	Closing	Settle	Net Chg



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Aug. 15, 2003
**CALIFORNIA REPORTS
'OVERBLOWN'**

- July milk production up 0.6 percent.
- California milk production down 0.6 percent.
- 20-state yield per cow above a year ago.

Speculative reports that California milk production was severely damaged by a heat wave may have been a bit "overblown."

The milk production report issued today by USDA had milk production for 20 select states up 0.6 percent relative to a year ago. In California, milk production was down just 18 million pounds from a year ago, or 0.6 percent. Cow numbers for the month grew 2,000 head.

But no worries. If California needs more milk, they should give Wisconsin a ring. Milk production

in that state grew 54 million pounds, more than enough to cover any losses from California. And that wasn't the only state to show production growth. Idaho milk production in July was up 8 percent and New Mexico production was up 3.5 percent.

Reports that milk production in the Golden State was drying up and cows were dropping appear to be incorrect. Of course the reporting could also be wrong. USDA has another month in which to change their mind and make corrections. So I could be eating my words next month (it's not the first time).

My sense is that the "market" overreacted to the news that California was in trouble. After all, we have a modern multistate market where milk can travel thousands of miles if need be. So we should be able to shift milk around from one state to another, thus maintaining cheese production and back to school fluid needs.

It is unclear how the markets will react to the Milk Production

Report. They could assume that the worse is yet to come. Some may look to the August report to get the full story. Others may think, as I did, that the market overreacted. That could bring down lofty futures prices for September though December a quarter or more. Either way, those producers who locked in future milk prices will benefit by maintaining solid prices for the fall months.

Prices remained firm this week at the Chicago Mercantile Exchange. Block cheese prices were fixed at \$1.60 per pound, whereas barrel cheese prices lost a half a penny, dropping to \$1.5750 per pound. Grade AA butter prices lost ground this week, falling from \$1.1825 per pound on Monday, Aug. 11 to \$1.16 per pound by Aug. 15.

Dairy Market News reported this week that the heat wave in Europe is maintaining temperatures of 90-100 degrees Fahrenheit. However, the impact on the milk supply appears to be slight. In New

Zealand and Australia, the new milk production season is getting under way. New Zealand is projecting a 1-2 percent increase in milk production, whereas Australia is projecting a 0-1 percent increase.

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 — 2.68 bu., 4.79 cwt.
- Wheat, No.2 — 3.26 bu., 5.44 cwt.
- Barley, No.3 — 1.86 bu., 3.98 cwt.
- Oats, No.2 — 1.88 bu., 5.87 cwt.
- Soybeans, No.1 — 5.19 bu., 8.66 cwt.
- Ear Corn — 87.61 ton, 4.38 cwt.
- Alfalfa Hay — 112.50 ton, 5.63 cwt.
- Mixed Hay — 120.00 ton, 6.0 cwt.
- Timothy Hay — 117.50 ton, 5.88 cwt.