

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, August 28, 2003

Corn

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	230	230 1/2	228 1/2	230 1/2	229 3/4	+10
03Dec	238	239 1/4	236	238 3/4	239 238 3/4	+16
04Mar	243 3/4	245 1/2	242 1/2	245 1/4	245	+14
04May	246 1/2	248 1/4	245 1/4	247 3/4	248 1/4	+14
04Jul	247	249	246	248 1/2	249 248 3/4	+16
04Sep	242	242 1/2	241	242	242 1/2 242 1/4	+22
04Dec	241 1/4	244	241	243 1/2	244 243 3/4	+24
05Mar	247 1/2	249 1/2	247 1/2	249 1/2	249 1/2	+22
05Jul				254 3/4 n	254 3/4	+24
05Dec				240 n	240	+20

Month	Opening	High	Low	Closing	Settle	Net Chg
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Soybeans

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	584	591 1/4	584	590	591 590 1/2	+80
03Nov	582 3/4	588 3/4	581 1/2	587 3/4	588 3/4 588 1/4	+74
04Jan	584 1/2	590	583 1/4	589	590 589 1/2	+72
04Mar	581 1/2	585 1/2	579 3/4	585 1/2	584 584 3/4	+56
04May	574	578	572 1/2	577	578 577 1/2	+52
04Jul	575	577 1/2	573	577	577 1/2 577 1/4	+46
04Aug	570	571	570	570 1/2 b	572 a 571	+70
04Sep				545 n	545	Unch
04Nov	540	541	534	538	536 1/2 537 1/4	-14

Month	Opening	High	Low	Closing	Settle	Net Chg
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Soybean Meal

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	196.7	200.5	196.3	200.3	200.5 200.4	+54
03Oct	185.3	186.8	184.0	186.5	186.8 186.6	+27
03Dec	183.5	184.7	182.0	184.7	184.5 184.6	+25
04Jan	183.5	184.7	182.4	184.3	184.3	+21
04Mar	182.3	184.0	181.9	183.7	183.7	+21
04May	180.0	181.5	179.3	181.5	181.5	+23
04Jul	179.5	181.5	179.5	181.5	181.5	+22
04Aug	177.5	179.0	177.5	179.0 b	179.1 a 179.0	+23
04Sep	177.0	177.5	175.5	177.0 b	177.1 a 177.0	+23
04Oct				171.0 b	171.1 a 171.0	+5
04Dec	170.0	170.8	170.0	170.5 b	170.6 a 170.5	+5

Month	Opening	High	Low	Closing	Settle	Net Chg
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Lean Hogs

Date	Open	High	Low	Last Chge	Previous Volume	Previous Open_Int
08/27/03	*CASH*	0	481248124812	-181	0	0
08/28/03	Oct 03	5435	551053805420	-15	3327	23133
08/28/03	Dec 03	5330	536052705307	-10	1637	9612
08/28/03	Feb 04	5550	555055055537	+2	466	3255
08/28/03	Apr 04	5775	585057755847	+15	222	1458
08/28/03	May 04	6150	618561206185	+50	18	307
08/28/03	Jun 04	6307	639563006387	+67	70	494
08/28/03	Jul 04	6100	614560926140	+45	32	214
08/28/03	Aug 04	5895	592058905920	+3	29	74
08/28/03	Oct 04	5365	536553405340	-25	22	28

Composite Volume Open_Int
08/27/03 5823 38575

Live Cattle

Date	Open	High	Low	Last Chge	Previous Volume	Previous Open_Int
08/27/03	*CASH*	0	819481948194	+94	0	0
08/28/03	Aug 03	8490	849083808405	unch	762	941
08/28/03	Sep 03	8370	838582678330	+40	63	619
08/28/03	Oct 03	8265	832081858205	-25	5430	57728
08/28/03	Nov 03	8100	810081008100	-30	0	16
08/28/03	Dec 03	8095	811580108020	-97	6127	30901
08/28/03	Feb 04	7980	798579157930	-57	2760	17651
08/28/03	Apr 04	7765	778077107715	-67	1973	11568
08/28/03	Jun 04	7275	727572207240	-42	271	2646
08/28/03	Aug 04	7250	725072007210	-15	1	73

Composite Volume Open_Int
08/27/03 17387 122144

Pork Bellies


Date	Open	High	Low	Last Chge	Previous Volume	Previous Open_Int
08/27/03	*CASH*	0	800080008000	unch	0	0
08/28/03	Feb 04	8515	853583508417	-98	225	1538
08/28/03	Mar 04	8350	835083508350	-100	1	30
08/28/03	May 04	8480	848084808480	unch	0	11
08/28/03	Jul 04	8650	865086508650	unch	1	21
08/28/03	Aug 04	8497	849784978497	-3	0	0

Composite Volume Open_Int
08/27/03 227 1600

Oats

Month	Opening	High	Low	Closing	Settle	Net Chg
03Sep	134	136 1/2	134	135 3/4	135 3/4	+4
03Dec	139 1/2	141 1/4	138 3/4	140 1/4	140	+12
04Mar	145 1/4	146 3/4	145 1/4	146 1/4 a	146 1/4	+10
04May	151	151	151	151	151	+34
04Jul				150 n	150	Unch
04Sep				149 n	149	+40
04Dec				150 n	150	Unch

Month	Opening	High	Low	Closing	Settle	Net Chg
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Aug. 22, 2003
CHEESE STOCKS LOWER
• American cheese down 4 percent.
• Butter stocks still growing.
• Cash and futures markets holding.

This week I attended a dairy industry conference and had a chance to speak with my fellow dairy economists and get the

"scoop" on what is happening in California. Some said there has been significant heat damage to the milk supply and that this will show up in next month's Milk Production report. Others said they did not notice any difference in milk shipments.

The market appears just as confused as my survey. That said, the dairy futures and the

cash markets for butter and cheese at the Chicago Mercantile Exchange are still pretty firm.

Block and barrel cheese averaged \$1.60 and \$1.5675 per pound, respectively, at the Chicago Mercantile Exchange. Grade AA butter dropped a penny a pound by Friday, but averaged \$1.1467 per pound. Only one carload of barrel cheese and six carloads of 40-pound block cheese traded hands this week. The market is taking a "wait-and-see" approach to market uncertainty.

USDA's Cold Storage report may be adding more mystery to the outlook. As of July 31, 2003, butter inventories were up 12 percent over a year ago to 275.3 million pounds. American cheese inventories were down 4 percent to 550.4 million pounds. Total cheese was down 3 percent to 809.1 million pounds.

Recall that milk production

and cheese production were very strong last year. So these slight drops may not represent much of a shortfall. Put another way, it may not suggest we have been selling lots and lots of cheese.

The futures market is still convinced that cheese prices will rise through the fall months. As of Aug. 22, 2003, Class III futures are expected to be \$13.77 per CWT for August, \$14.20 per CWT for September, \$13.95 per CWT for October, \$12.80 per CWT for November, and \$12.23 per CWT in December.

While the futures prices have dropped a bit, they are still averaging \$0.95 per CWT above the 5-year average prices for August-December. It is always a good idea to consider locking in milk prices when they rise above the 5-year average.

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 — 2.71 bu., 4.85 cwt.
Wheat, No.2 — 3.37 bu., 5.62 cwt.
Barley, No.3 — 1.88 bu., 4.02 cwt.
Oats, No.2 — 1.81 bu., 5.64 cwt.
Soybeans, No.1 — 5.44 bu., 9.08 cwt
Ear Corn — 87.69 ton, 4.39 cwt
Alfalfa Hay — 114.25 ton, 5.71 cwt.
Mixed Hay — 112.50 ton, 5.63 cwt.
Timothy Hay — 132.50 ton, 6.63 cwt.