

GRAIN, CATTLE, HOG, & MILK BFP

FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, November 13, 2003

Corn

Month	Opening	High	Low	Closing	Settle	Net Chg	
03Dec	242 1/2	244 1/4	239	241	240 1/2	240 3/4	+4
04Mar	249 1/2	250 1/4	245 1/2	247 1/2	246 3/4	247	+2
04May	252	253 3/4	249 1/2	251 1/2	250 1/2	251	+4
04Jul	255 1/2	256 1/2	252 1/4	253 1/4	254	253 1/2	Unch
04Sep	249	251	248	248 3/4		248 3/4	+16
04Dec	247 1/4	248 1/2	246 3/4	248 1/4	247 1/2	247 3/4	+24
05Mar	252	252 1/2	251 1/2	252		252	+20
05May				254 1/2 n		254 1/2	+20
05Jul	257	257	257	257		257	+2
05Dec				245 3/4 n		245 3/4	+6
Month	Opening	High	Low	Closing	Settle	Net Chg	

Soybeans

Month	Opening	High	Low	Closing	Settle	Net Chg	
03Nov	771	775	762	770	772	771	+20
04Jan	776	779	766	775	777	776	+60
04Mar	768	772	760	768 1/2	770 1/2	769 1/2	+66
04May	734	740	731	736	738	737	+64
04Jul	718	721 1/2	714	718	719	718 1/2	+52
04Aug	696	697	691	693	694	693 1/2	+34
04Sep	641	646 1/2	640	641 1/4		641 1/4	+46
04Nov	578 1/2	583	577 1/2	580 1/2	582	581 1/4	+36
05Jan	580	580	580	580		580	-20
05Mar				582 n		582	-30
Month	Opening	High	Low	Closing	Settle	Net Chg	

Soybean Meal

Month	Opening	High	Low	Closing	Settle	Net Chg	
03Dec	245.7	247.0	241.8	244.5	244.8	244.7	Unch
04Jan	243.3	244.9	239.7	242.5	242.3	242.4	-1
04Mar	240.3	242.2	237.3	240.2	240.0	240.1	+4
04May	229.0	231.5	228.5	231.2		231.2	+25
04Jul	223.3	225.5	222.5	225.5		225.5	+27
04Aug	215.5	216.5	213.7	216.0	216.5	216.2	+19
04Sep	204.0	204.5	202.2	204.0	204.5	204.2	+17
04Oct	177.3	177.3	176.0	176.5 b	176.6 a	176.5	+5
04Dec	173.8	173.8	171.5	173.0		173.0	+7
05Jan				171.5 b	172.0 a	171.7	+7
05Mar				171.5 b	172.0 a	171.7	+7
Month	Opening	High	Low	Closing	Settle	Net Chg	

Lean Hogs

Date	Open	High	Low	Last Chg	Previous Volume	Previous Open_Int		
11/12/03	*CASH*	0	4750	4750	4750	-163	0	0
11/13/03	Dec 03	5020	5075	4985	5005	-2	6204	16117
11/13/03	Feb 04	5620	5730	5605	5662	+17	7033	16853
11/13/03	Apr 04	5925	6030	5922	6002	+55	846	5687
11/13/03	May 04	6130	6180	6115	6180	+40	27	830
11/13/03	Jun 04	6380	6480	6380	6465	+75	175	1871
11/13/03	Jul 04	6200	6265	6200	6240	+50	67	623
11/13/03	Aug 04	5945	6020	5945	6020	+50	72	415
11/13/03	Oct 04	5350	5355	5330	5330	+15	16	275
11/13/03	Dec 04	5295	5297	5275	5295	+5	0	69

Composite Volume Open_Int

11/12/03	14440	42742
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Live Cattle

Date	Open	High	Low	Last Chg	Previous Volume	Previous Open_Int		
11/12/03	*CASH*	0	10427	10427	10427	-4	0	0
11/13/03	Nov 03	10075	10190	10020	10030	-90	85	394
11/13/03	Dec 03	9440	9600	9410	9482	-50	7530	39616
11/13/03	Jan 04	9330	9415	9275	9380	+5	31	1241
11/13/03	Feb 04	8995	9140	8980	9105	+43	4928	38955
11/13/03	Apr 04	8160	8290	8147	8287	+102	2511	18083
11/13/03	Jun 04	7440	7550	7440	7522	+72	736	11054
11/13/03	Aug 04	7295	7385	7282	7352	+70	283	4008
11/13/03	Oct 04	7540	7590	7520	7542	+67	87	594
11/13/03	Dec 04	7675	7695	7675	7695	+45	15	28

Composite Volume Open_Int

11/12/03	16206	113973
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Pork Bellies

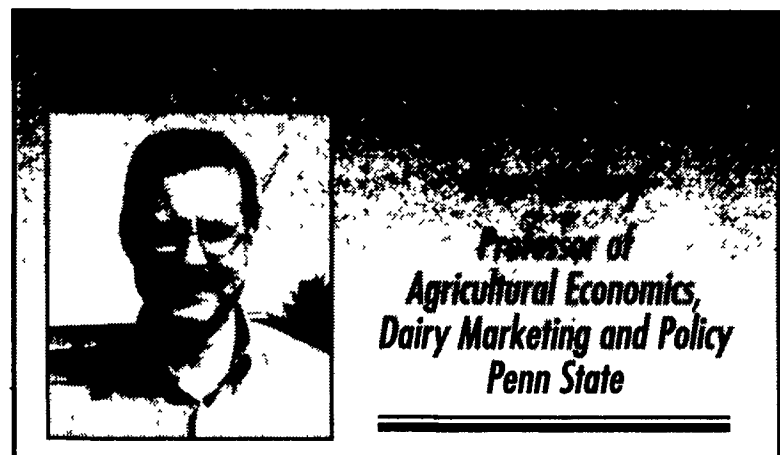
Date	Open	High	Low	Last Chg	Previous Volume	Previous Open_Int		
11/12/03	*CASH*	0	7800	7800	7800	-200	0	0
11/13/03	Feb 04	8600	8805	8575	8745	+183	369	1690
11/13/03	Mar 04	8560	8750	8560	8630	+138	2	139
11/13/03	May 04	8800	8800	8800	8800	+160	4	104
11/13/03	Jul 04	8900	8900	8870	8900	+125	0	48
11/13/03	Aug 04	8850	8850	8850	8850	+100	0	9

Composite Volume Open_Int

11/12/03	375	1991
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Oats

Month	Opening	High	Low	Closing	Settle	Net Chg	
03Dec	145 1/2	145 3/4	142 1/2	145 1/4	145	145	+2
04Mar	148 1/4	149	146 1/2	148 3/4	149	148 3/4	+2
04May	150 1/2	150 1/2	148 3/4	150 b		150	+4
04Jul	151	153 1/2	151	153 1/2		153 1/2	+24
04Sep				150 n		150	Unch
04Dec				151 n		151	Unch
Month	Opening	High	Low	Closing	Settle	Net Chg	



Professor of
Agricultural Economics,
Dairy Marketing and Policy
Penn State

Nov. 7, 2003 DAIRY PRODUCTS REPORT RELEASED

- Dairy components allocated to cheese.
- Butter production down.
- Cash cheese prices weaken.

USDA released the Dairy Products report this week. It shows how milk components were allocated to the production

of dairy products for the month of September 2003. Overall it shows more components were allocated to cheese production and less to butter and nonfat dry milk. If this trend continues, expect lower stocks of butter in early 2004 and more of cheese.

One would expect overall dairy processing to be down relative to a year ago since milk production

is lower. For the month of September, USDA estimated U.S. milk production was 13.4 billion pounds. On a daily average basis, the September U.S. milk supply fell 0.5 percent relative to a year ago.

According to my calculations for the month of September, the Dairy Products report shows a one percent growth in the amount of protein and other dairy solids components going into manufactured dairy products, and a 4.2 percent drop in butterfat use.

Butter and nonfat dry milk for September 2003 fell 21.6 and 8.9 percent, respectively, from a year ago. This is the second month of significant declines in butter and nonfat dry milk production. For the period January through September, cumulative butter and nonfat dry milk production fell 7.9 and 6.3 percent, respectively.

On the other hand, total cheese production in September grew 3.3 percent relative to a year ago. Cumulative total cheese produc-

tion through September 2003 grew 0.4 percent. In the cheese category, growth is mainly coming from the production of Italian cheeses, which was up 4.7 percent in September. Cumulative Italian cheese production grew 2.1 percent.

It does not take a rocket scientist to figure out what's going on here. Milk used for Class IV purposes has fetched a butter and nonfat dry milk price of just \$1.18 and \$0.80 per pound, respectively. On the other hand, milk used for Class III purposes got a cheese price of \$1.60 per pound for blocks and slightly lower for barrels. That has moved milk from butter/powder production into the more lucrative cheese production. Since market prices will respond, this could have the effect of "equalizing" cheese and butter/powder prices.

Cheese prices at the Chicago Mercantile Exchange continued to fall this week. Block cheese prices fell a nickel per pound this week from \$1.48 per pound on

Monday to \$1.43 per pound by week's end. Barrel cheese prices fell from \$1.4550 on Monday to \$1.3950 per pound by Friday. Grade AA butter prices strengthened slightly from \$1.1850 per pound on Monday to \$1.20 per pound by Friday. These price directions made sense, given the Dairy Products report.

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 — 2.67 bu., 4.78 cwt.
- Wheat, No.2 — 3.31 bu., 5.53 cwt.
- Barley, No.3 — 1.98 bu., 4.23 cwt.
- Oats, No.2 — 1.83 bu., 5.70 cwt.
- Soybeans, No.1 — 7.32 bu., 12.22 cwt.
- Ear Corn — 65.38 ton, 3.27 cwt.
- Alfalfa Hay — 121.75 ton, 6.09 cwt.
- Mixed Hay — 129.25 ton, 6.46 cwt.
- Timothy Hay — 128.00 ton, 6.4 cwt.