



GRAIN & LIVESTOCK REPORT

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MARKET ANALYSIS - May 13, 2004

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“You could hear the panic in the voices of those traders who were short and trying to get out when they found themselves staring down the barrel of large commercial buyers” said one soybean floor analyst last week watching prices spiral upwards. Those same traders might have kicked themselves if they did get out of the market as soybeans experienced massive selling due to fund selling (8000 contracts) on Monday. Wednesday of this week was the day that traders were really waiting for, as the USDA was to release its monthly report. The USDA stated that soybean projections for old crop would remain unchanged, with a 115 million bushel carryover. The average annual price was projected up a nickel to \$7.65. However, traders ignored this information. They focused on a report that the world’s largest oilseed processor, Bunge, was planning to import soybean meal and oil from Brazil. The huge cash basis differential between the locations was just too much for them to resist and this rocked the bean complex with prices falling through the floor. In fact, prices fell 50c. Corn bent but certainly did not break due to the complex in the soybean complex. In this market traders did focus on the USDA report. Exports were hiked up 50 million bushels with a corresponding reduction in ending stocks. At the same time, the USDA cut its estimate for the annual price to be received by 5c because of the higher than expected yield of 145 bushels an acre. Acreage is also higher but bear in mind that weather is going to have to be spot on perfect for this yield to be seen! Total U.S. winter wheat is set at 1.55 billion bushels – slap bang in the middle of expectations but down 9% from last year. In fact, estimates of all classes were in the middle of estimates so this element of the report was considered to be fairly neutral but the higher export number gave it a general bullish feel. Remember however that the winter wheat crop has deteriorated since this data was collected! Wheat harvest will be advancing rapidly in the next two weeks here in the U.S.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH(Mav04)	NEW(Dec04)	CASH(Mav04)	NEW(Nov04)	CASH(Mav04)	NEW(Jul04)
Western MD	+50	N/A	-50	N/A	-29	N/A
Central MD	+22	+2	-35	-35	-2	-12
Southern MD	+23	-5	-25	-25	N/A	-30
Upper E. S	+28	+8	-27	-25	N/A	-26
Lower E. S	+35	+13	-13	-16	-26	-23

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

There were 5.3 days suitable for field work. Field corn was over 60 percent planted and 25 percent has begun to emerge. Farmers are starting to plant full-season soybeans and harvest a small amount of hay. Winter wheat was in good condition with 26 percent excellent, 54 percent good, 17 percent fair, and 3 percent poor. Grain heads have formed in over 30 percent of the winter wheat fields. Barley was in good condition with 36 percent excellent, 45 percent good, 14 percent fair and 5 percent poor. Over 85 percent of the barley fields have headed and a few fields are beginning to turn color. Pasture was in good condition with 30 percent excellent, 49 percent good, 15 percent fair, 4 percent poor and 2 percent very poor. Hay supplies was rated 53 percent adequate, 31 percent short, and 16 percent very short.

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	5/05	5/12	5/05	5/12	5/05	5/12	5/05	5/12
Western Md	3.52	3.46	9.64	9.42	3.53	3.33	2.63	2.58
Central MD	3.30	3.17	9.88	9.57	3.98	3.60	2.70	2.70
Southern MD	3.40	3.18	10.15	9.67	----	----	----	----
Upper E. Shore	3.45	3.23	10.14	9.69	----	----	1.60	----
Lower E. Shore	3.52	3.30	10.28	9.79	3.76	3.38	1.60	1.60

Soybean Meal

Lower Eastern Shore

Dealer's Average Cash Quotes (\$/ton)

Date	5/05	5/12	Date	5/05	5/12
48% Soybean Meal	350.00	344.00	44% Soybean Meal	344.00	332.00

FORWARD CONTRACT PRICE-REGIONAL (\$/bu) For Harvest delivery Dealer's Avg Quote

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	5/05	5/12	5/05	5/12	5/05	5/12	5/05	5/12
Western Md	----	----	----	----	----	----	----	----
Central MD	3.18	2.93	7.52	6.96	3.96	3.58	----	----
Southern MD	3.10	2.86	7.62	7.06	3.78	3.40	1.50	1.50
Upper E Shore	3.23	2.99	7.62	7.06	3.82	3.44	1.60	1.60
Lower E Shore	3.28	3.04	7.71	7.15	3.85	3.47	1.66	1.66

GRAIN FUTURES - Chicago Board of Trade (cents/bu) -May 12, 2004

Corn		Soybeans		Wheat		Soybean Meal ¹	
May	294.50	May	991.50	May	362.00	May	314.00
Jul	297.50	Jul	972.25	Jul	369.50	Jul	309.00
Sep	293.00	Aug	904.50	Sep	375.75	Aug	293.80
Dec	290.75	Sep	783.00	Dec	386.00	Sep	268.80
Mr05	295.25	Nov	730.50	Mr05	392.00	Oct	236.50
May	298.50	Ja05	732.50			Dec	231.00

¹\$/ton

HAY AND STRAW								
New Holland, PA - \$/ton - May 10, 2004 -83 loads								
Alfalfa 85.00-127.00		Mixed 25.00-190.00		Timothy 60.00-185.00		Orchardgrass 67.00-175.00		
Straw 100.00-200.00								
Westminster, MD - \$/bale - May 10, 2004 - 200 Lots								
Alfalfa 3.10-4.60		Mixed 1.20-3.20		Timothy 1.00-4.00		Mixed 1.70-1.80		
Grass Mix 1.00-2.90		Straw 1.50-4.30						
POULTRY (Grade A) - Week Ending May 15, 2004 - Negotiated Price, (\$/cwt)								
	Current Week		Week Ago		Month Ago		Year Ago	
NY Wtd Avg. (Fryers)	78.10		76.85		76.04		52.39	
12 City Composite	78.12		77.83		76.96		57.89	
LAMBS - Westminster, MD - \$/cwt - May 11, 2004								
H-Ch-Pr	90-110 lbs	120.00-132.00	Good	40- 60 lbs	125.00-137.00	Sheep 36 Hd	45.00-82.00	
Good Ch	60- 85 lbs	120.00-133.00		20- 40 lbs	105.00-125.00	Heavy Weight	41.00-47.50	
TERMINAL MARKETS HOGS - May 13, 2004				DIRECT MARKET HOGS - Westminster, MD- May 12, 2004				
Base Price Range (\$/cwt)		Carcass Basis		Sows (1-3)		#1 & 2		
a.m.		Base 185 lb Hog		300-449 lbs		230-260 lbs 53.00-54.00		
						290-310 lbs 46.25-49.25		
Eastern Cornbelt		79.00-82.00		39.00-49.90		Sows 350-575 lbs 40.00-42.00		
Iowa, Minn		73.75-83.00		39.00-50.00		Millsboro, DE Market Hogs - (\$/cwt) - Next Sale May 18, 2004		
FEEDER PIGS - (\$/cwt) -								
Gumboro, DE - May 11, 2004				New Holland, PA -May 12, 2004				
Head:		Trend:		Head: 256		Trend: Mostly slaughter		
		Next Sale May18, 2004		31-33 lbs		110.00-115.00		
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - May 12, 2004				HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - May 12, 2004				
May	87.90	Oct	84.12	May	82.25	Aug	72.70	
Jun	82.77	Dec	83.70	Jun	75.17	Oct	61.60	
Aug	85.10			Jul	75.62	Dec	57.17	
STOCKER-FEEDER CATTLE - (\$/cwt)								
Winchester, VA - May 12, 2004				Westminster, MD - May 12, 2004				
Steers	300- 400 lbs	120.00-129.00		Steers	200- 400 lbs	111.00-123.00		
	400- 500 lbs	120.00-129.50			400- 500 lbs	102.00-123.00		
	500- 600 lbs	114.00-130.00			500- 650 lbs	102.00-112.00		
	600- 700 lbs	105.50-109.50			700- 950 lbs	80.00- 93.00		
	700- 800 lbs	90.00- 96.00		Hols	900-1100 lbs	68.00- 71.00		
	800- 900 lbs	90.00- 94.00		Heifers	200- 300 lbs	95.00-115.00		
Heifers	300- 400 lbs	118.50-121.00			300- 500 lbs	88.00-106.00		
	400- 500 lbs	105.00-115.00			500- 700 lbs	86.00- 99.00		
	500- 600 lbs	98.50-109.50			700- 900 lbs	80.00- 89.50		
	600- 700 lbs	96.00- 98.00		Bulls returning to farm				
	700- 800 lbs	87.00- 91.00			#1	95- 115 lbs	175.00-192.00	
						115- 125 lbs	150.00-152.00	
						80- 94 lbs	150.00-185.00	
					#2	95- 110 lbs	150.00-170.00	
						80- 94 lbs	100.00-140.00	
				Young			50.00- 85.00	
				Heifers	#1	80- 110 lbs	500.00-640.00	
					#2	75- 100 lbs	300.00-450.00	
				Beef X Bulls & Heifers	#1	80- 110 lbs	150.00-195.00	
					#2	70- 90 lbs	120.00-150.00	
Lancaster, New Holland & Vintage - Week Ending - May 15, 2004								
Bull, Holstein	90-120 lbs	165.00-200.00		Plainer	90- 120 lbs	160.00-203.00		
Heifers, Hols	90-120 lbs	600.00-700.00		Plainer	90- 120 lbs	450.00-575.00		
SLAUGHTER CATTLE (\$/cwt)								
Westminster, MD - May 11, 2004								
Fed Steers				Fed Heifers				
H-Ch-Pr	1250-1500 lbs	93.50-98.25		H-Ch Pr	1300-1400 lbs	94.00- 97.50		
Ch 1-3		83.00-87.00						
H-Ch-Pr Hol	1200-1500 lbs	80.00-87.00		Calves				
L-Ch		74.00-78.00		Ch	200- 280 lbs	97.00-111.00		
Cows								
Breakers		54.00-62.00						
Mainly		55.00-59.50						
Boners		54.00-58.00						
Lean		49.00-54.00						
Thin & Light		49.00-DOWN						
Lancaster, New Holland & Vintage - Week Ending - May 15, 2004								
Steers, Ch 2-3		1180-1450 lbs		89.25-93.50		Down \$4		
Heifers, Ch		1295-1480 lbs		78.00-81.75		Lower undertone		
Cows, Breakers 75-80 pct lean				56.75-60.00		Firm to \$3 higher		
Bulls, YG 1		1225-2365 lbs		63.00-67.50		Steady to weak		
Calves, Good & Choice		65- 130 lbs		47.00-60.00		\$15-\$20 higher		

For more information about this report, call 410-841-5740 or write:

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