

Market Analysis - November 24, 2004

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Corn started last week seeing a slight rally only to fall back towards the end of the week. Friday was a decidedly bearish day and the December contract tested the \$2 resistance level. On Monday the export inspection numbers were neutral to bearish, with 36.3 million bushels just above the low end of the industry estimates. The funds sold accordingly. By Wednesday nearby corn was sitting at \$1.98 but there is basically nothing of interest for this market to grab onto. Prices are just hovering around the lows and even the funds are buying (and then selling) in small quantities. In fact the daily ranges this week have been 1 ¼ cents. Some supportive news came in today from the USDA that the suspected BSE case was a false alarm. The markets closed at noon on Wednesday so there was no reaction. Will people recall this fact when the market reopens? I doubt it because this market continues to see pressure from the record 2004 harvest. Soybeans were bullish last week prompted mainly by the rust reports. Chinese and fund buying added to that momentum and this caught most people by surprise. On Monday trader's continued to discuss the rapid spread of Asian soybean rust in the U.S – now in five states. Fund buying continued on Tuesday and Wednesday and basis also started to improve nationwide. Demand remains strong and producer selling is very light. On Wednesday all the gains were given back. The negative USDA mad cow test had the prices lower, but we are still holding strong. We have had a 60 cent rally this month but the 'rust' buyers are losing enthusiasm. Wheat futures were mixed last week after a wild week. The dollar's weakness continues to support the market and export sales were excellent last week coming in at 503 thousand tons. This week however wheat came under a massive speculative attack prompted, most think, by Australia's sales to China. Whilst that shows export demand is out there, traders were very pessimistic about the fact the U.S. did not supply. On a bullish note – Australian grain firms have publicly announced that their wheat estimates are down.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Dec04)	NEW (Dec04)	CASH (Jan05)	NEW(Nov05)	CASH(Dec04)	NEW(Jul05)
Western MD	+10	n/a	-51	n/a	Even	n/a
Central MD	-10	n/a	-45	n/a	-9	-14
Southern MD	-10	n/a	-33	n/a	-29	-29
Upper E. Sh	Even	n/a	-28	n/a	n/a	-25
Lower E. Sh	+15	+15	-24	n/a	-19	-24

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

There were 5.1 days suitable for field work for the week ending November 21, 2004. Soybean harvest was 81 percent complete, 6 percent above last year and slightly above the five-year average. Winter wheat was 94 percent planted, 3 percent above last year and the five-year average. Pasture was rated 24 percent excellent, 44 percent good, 25 percent fair and 8 percent poor.

THIS IS OUR LAST WEEKLY CROP WEATHER REPORT. WE WILL PICK UP AGAIN NEXT YEAR IN APRIL 2005.

WE WISH TO EXPRESS OUR SINCERE THANKS TO ALL OF THE CROP WEATHER REPORTERS WHO MADE THIS YEAR A SUCCESS.

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	11/16	11/23	11/16	11/23	11/16	11/23	11/16	11/23
Western Md	2.10	2.08	4.83	5.03	3.03	3.00	1.82	1.83
Central MD	1.89	1.88	4.88	5.09	3.01	2.91	2.15	2.15
Southern MD	1.93	1.88	5.01	5.21	2.81	2.71	---	---
Upper E. Shore	2.03	1.98	5.04	5.26	---	---	---	---
Lower E. Shore	2.42	2.13	5.11	5.30	2.96	2.81	1.85	1.85

Soybean Meal		Lower Eastern Shore		Dealer's Average Cash quotes (\$/ton)	
Date	11/16	11/23	Date	11/16	11/23
48% Soybean Meal	186.00	198.00	44% Soybean Meal	174.00	181.00

FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer's Avg Quotes								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	11/16	11/23	11/16	11/23	11/16	11/23	11/16	11/23
Western Md	---	---	---	---	---	---	---	---
Central MD	---	---	---	---	3.22	3.11	---	---
Southern MD	---	---	---	---	3.07	2.96	1.65	1.65
Upper E Shore	---	---	---	---	3.11	3.00	1.65	1.65
Lower E Shore	2.42	2.13	---	---	3.10	3.01	1.70	1.70

GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Nov 23, 2004							
Corn		Soybeans		Wheat		Soybean Meal ¹	
04Dec	198.00	05Jan	561.20	04Dec	300.40	04Dec	162.60
05Mar	208.20	05Mar	564.40	05Mar	311.10	05Jan	163.90
05May	215.60	05May	570.20	05May	318.20	05Mar	165.80
05Jul	223.20	05Jul	577.20	05Jul	325.60	05May	168.60
05Sep	231.00	05Aug	580.00	05Sep	332.40	05Jul	172.10
05Dec	240.20	05Sep	582.00	05Dec	344.00	05Aug	173.50

¹ \$/ton

HAY AND STRAW							
New Holland, PA - \$/ton - Nov 22, 2004 - 115 Loads							
Alfalfa	Mixed Hay	Timothy	Orchardgrass	Straw	Corn Fodder	Soybean Stacks	
70.00-170.00	50.00-240.00	100.00-172.00	95.00-152.00	140.00-215.00	52.00-85.00	35.00-70.00	
Westminster, MD - \$/bale - Nov 23, 2004 - 123 Lots							
Alfalfa	Alfalfa Mix	Timothy	Timothy Mix	Grass Mix	Straw	Mulch	Grd Corn Feed
2.10-4.00	2.00-4.50	1.10-4.40	1.30-2.55	1.10-4.10	2.50-3.60	.35-.90	4.00-5.00/bg
POULTRY (Grade A) - Week Ending - Nov 27, 2004							
	<u>Current Week</u>		<u>Week Ago</u>		<u>Month Ago</u>		<u>Year Ago</u>
NY Wtd Avg. (Fryers)	63.08		62.02		62.59		61.46
12 City Composite	68.36		68.50		67.90		64.79
LAMBS - Westminster, MD - \$/cwt - Nov 23, 2004							
20- 30 lbs	102.50-130.00	90-110 lbs	85.00-125.00	Sheep			
60- 80 lbs	115.00-130.00	120-130 lbs	75.00-112.50	All weights		43.00-71.00	
TERMINAL MARKETS HOGS - Nov 23, 2004				DIRECT MARKET HOGS - Westminster, MD - Nov 23, 2004			
Base Price Range (\$/cwt)	Carcass Basis	Sows (1-3)	Heavy		290-375 lbs	47.50-52.75	
a.m.	Base 185 lb Hog	300-449 lbs	Sows			46.00-49.00	
			Thin			35.00-39.00	
Iowa, Minn	64.25-77.70	N/A					
Eastern Cornbelt	N/A	N/A	Millsboro, DE Market Hogs - (\$/cwt) - Next Sale Dec 21, 2004				
FEEDER PIGS - (\$/cwt) -							
Gumboro, DE -				New Holland, PA - Nov 24, 2004			
Head:	Trend:			Head:	Trend:		
	Next Sale Dec 21, 2004				N/A		
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Nov 23, 2004				HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Nov 23, 2004			
Nov04	85.00	Apr05	84.35	Dec04	76.10	May05	70.65
Dec04	87.25	Jun05	79.90	Feb05	74.43	Jun05	74.23
Feb05	87.85	Aug05	79.75	Apr05	70.90	Jul05	70.45
STOCKER-FEEDER CATTLE - (\$/cwt)							
Winchester, VA - Nov 22, 2004				Westminster, MD - Nov 22, 2004			
Steers	300- 400 lbs	102.50-118.00		Steers (M&L)	300- 400 lbs	86.00-106.00	
	400- 500 lbs	95.00-117.00			500- 600 lbs	77.00-104.00	
	500- 600 lbs	95.00-110.00			700- 800 lbs	64.00-90.000	
	600- 700 lbs	86.00- 94.00		Heifers (M&L)	200- 300 lbs	84.00-110.00	
	700- 800 lbs	86.50- 93.25			400- 500 lbs	75.00-100.00	
	800- 900 lbs	84.00- 86.50			600- 700 lbs	65.00- 79.00	
	900-1100 lbs	80.00- 84.00			800- 900 lbs	72.00- 74.00	
Heifers	300- 400 lbs	93.00-103.25		Hols Calves	80- 90 lbs	80.00-115.00	
	400- 500 lbs	89.00-106.00		Returned to feed	100- 110 lbs	100.00-147.50	
	500- 600 lbs	87.00- 98.00			115- 120 lbs	112.50-130.00	
	600- 700 lbs	84.50- 88.00		Hols	600-1800 lbs	60.50- 69.25	
	800- 900 lbs	74.00- 81.50					
Lancaster, New Holland & Vintage - Week Ending - Nov 27, 2004							
Bull, Holstein	N/A			Plainer	N/A		
Heifers, Hols				Plainer			
SLAUGHTER CATTLE (\$/cwt)							
Westminster, MD - Nov 23, 2004							
Fed Steers				Fed Heifers			
Ch	80.00-84.50			Ch	77.00-80.00		
L-Ch	75.00-78.25			Too Small & Too Short	51.50-66.50		
Select	70.50-75.00			Calves			
Cows				Slaughter Calves	50.00- 90.00		
High Dressing	47.75-51.00			Hols Heifers #2	175.00-250.00		
Breakers	42.25-47.00			Beef X Calves	87.50-120.00		
Boners	38.25-42.00						
Weak & Thin	35.00-Down						
Lancaster, New Holland & Vintage - Week Ending - Nov 27, 2004							
Steers, Choice 2-3				N/A			
Heifers, Choice							
Cows, Breakers 75-80 pct Lean							
Bulls, YG-1							

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

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