

Market Analysis - April 06, 2005

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Even though we have seen a decent soybean rally, beans are still 37 percent (not cents!) cheaper than they were one year ago. Why? Those pesky world ending stocks are keeping a lid on bullish moves. Brazil's crop is still big and U. S. supplies are very decent. Smaller planting intentions from a year ago are already factored into the market. Last week ended with beans down about 15 cents (in the old crop). The USDA numbers were mixed on Thursday with quarterly stocks coming in lower but with planting intentions coming in higher. The market is showing lots of signs of uncertainty with trading having a 50 cent trading range on Thursday and Friday. This range might continue as we go into planting season – so, as usual, expect volatility. Soybeans did bounce up a bit mid week and it was considered to be more than just a technical correction and some analysts believe soybean stocks may be cut further. Producer selling in the cash market still remains light, improving basis numbers nationwide. Corn slipped just about 2 cents last month. The huge crop of 2004 refuses to disappear, with March 1st stocks being the highest we have seen since the 1980's. The smaller than expected planting intentions shown on March 31st gave us some support heading into planting season. Like beans, the USDA corn numbers did not give us any clear direction, and we could see lower acreage over the year as the planting intentions report was supportive with estimates at 81.4 million acres v an average trade guess of 82.4 million. The situation is viewed as this: The U.S. has huge corn stocks but the large demand base (and still growing) means that we would need a near perfect growing year to meet that demand. Despite this apparent optimistic view, the funds sold mid week driving prices down about 4 cents. Wheat had good losses last week with lack of bullish news and technical selling pressure and on Monday the bearish pressure continued but it got a bit worse when the CBOT 10 day moving average triggered more selling. Moreover, weekly export numbers were below what was needed to hit the USDA projected numbers and the stronger dollar didn't change anybody's mind about which position to take. On Wednesday the weekly crop rating at 68% good to excellent was termed negative by traders. The dollar weakened a bit due to inflation worries and concerns about U. S. growth but that won't stop a bearish move.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (May05)	NEW(Dec05)	CASH (May05)	NEW(Nov05)	CASH(May05)	NEW(Jul05)
Western MD	+29	n/a	-41	n/a	-3	n/a
Central MD	+25	+1	-50	-51	-41	-6
Southern MD	-1	-16	-40	-36	-28	-24
Upper E. Sh	+14	+3	-27	-31	n/a	-14
Lower E. Sh	-21	-6	-16	-22	-13	-24

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

Planting of spring crops is behind normal by about two weeks due to rain and cooler than normal temperatures. Small grains were beginning to develop and were reported in fair to good condition. **Barley** was rated 10 percent excellent, 55 percent good, 31 percent fair, and 4 percent poor. **Winter wheat** was rated 10 percent excellent, 59 percent good, 27 percent fair, and 4 percent poor. Wet field conditions made it difficult to apply fertilizer applications to small grains. **Pasture** was rated 21 percent excellent, 37 percent good, 12 percent fair, 23 percent poor, and 7 percent very poor. **Hay supplies** were rated 3 percent surplus, 63 percent adequate, 24 percent short, and 10 percent very short. Maryland farmers have received more precipitation than normal with **topsoil moisture** rated 71 percent surplus and 29 percent adequate. **Subsoil moisture** was rated 52 percent surplus and 48 percent adequate.

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

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	3/29	4/5	3/29	4/5	3/29	4/5	3/29	4/5
Western Md	2.36	2.36	5.88	5.82	3.23	3.11	1.83	1.83
Central MD	2.39	2.32	5.81	5.73	3.91	3.66	2.05	2.40
Southern MD	2.13	2.06	5.89	5.83	3.10	2.86	----	----
Upper E. Shore	2.28	2.21	6.02	5.96	----	----	----	----
Lower E. Shore	2.36	2.28	6.13	6.07	3.27	3.01	1.60	1.55

Soybean Meal Lower Eastern Shore Dealer's Average Cash quotes (\$/ton)

Soybean Meal	3/29	4/5	44% Soybean Meal	3/29	4/5
48% Soybean Meal	217.00	214.00	44% Soybean Meal	205.00	202.00

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	
	3/29	4/5	3/29	4/5	3/29	4/5	3/29	4/5
Western Md	----	----	----	----	----	----	----	----
Central MD	2.38	2.33	5.56	5.61	3.43	3.19	----	----
Southern MD	2.25	2.16	5.68	5.76	3.24	3.01	1.55	1.55
Upper E Shore	2.38	2.29	5.73	5.81	3.23	3.00	1.55	1.55
Lower E Shore	2.45	2.38	5.84	5.90	3.26	3.01	1.60	1.60

GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Apr 05, 2005

Corn		Soybeans		Wheat		Soybean Meal ¹	
05May	205.40	05May	617.40	05May	311.20	05May	184.10
05Jul	213.60	05Jul	624.60	05Jul	321.20	05Jul	186.20
05Sep	221.40	05Aug	623.60	05Sep	327.00	05Aug	187.00
05Dec	230.40	05Sep	611.60	05Dec	335.40	05Sep	186.00
06Mar	237.00	05Nov	606.20	06Mar	344.00	05Oct	185.20
06May	240.20	06Jan	608.60	06May	344.00	05Dec	185.60

¹ \$/ton

HAY AND STRAW					
New Holland, PA - \$/ton - Apr 04, 2005 - 124 Loads					
Alfalfa 50.00-190.00	Mixed Hay 25.00-225.00	Timothy 55.00-202.00	Orchardgrass 40.00-185.00	Ballage 27.00-37.00	Straw 65.00-230.00
Westminster, MD - \$/bale -					
N/A					
Southern, MD - Regional Farmers' Market - \$/bale - Apr 02, 2005					
Product	Lo/Hi	Avg Price	Product	Lo/Hi	Avg Price
Alfalfa	4.10-4.10	4.10	Alfalfa Mixed	2.30-5.10	4.00
Lespedeza	2.00-5.20	4.21	Mixed Grass	1.00-3.80	2.05
Orchard Grass	1.00-4.80	3.00	Orchard Grass Mixed	1.50-4.10	2.48
Timothy	2.80-3.70	3.22	Timothy Mixed	2.00-2.30	2.20
POULTRY (Grade A) - Week Ending - Apr 09, 2005					
	Current Week	Week Ago	Month Ago	Year Ago	
NY Wtd Avg. (Fryers)	72.65	72.75	69.78	76.33	
12 City Composite	73.75	73.65	71.52	76.77	
LAMBS - Westminster, MD - \$/cwt - Apr 05, 2005					
Lambs 20-40 lbs	125.00-152.50		Sheep	60.00-100.00	
60-90 lbs	127.50-167.50		Fat or Thin	32.00- 50.00	
TERMINAL MARKETS HOGS - Apr 05, 2005			DIRECT MARKET HOGS - Westminster, MD - Apr 05, 2004		
Base Price Range a.m.	Carcass Basis Base 185 lb Hog	Sows (1-3) 300-449 lbs	Butcher Hogs 265-296 lbs	46.00-46.75	
			Sows	41.50-44.25	
Iowa, Minn	57.00-69.75	----	Boars	22.00-25.00	
Eastern Cornbelt	56.50-69.00	----	Millsboro, DE Market Hogs - (\$/cwt) - Next Sale Apr 19, 2005		
FEEDER PIGS - (\$/cwt) -					
Gumboro, DE -			New Holland, PA -		
Head:	Trend:		Head:	Trend:	
	Next Sale Apr 19, 2005			N/A	
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Apr 06, 2005			HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Apr 06, 2005		
Apr05	88.95	Aug05	83.55	Apr05	68.68
May05	85.20	Oct05	84.45	May05	76.23
Jun05	84.48	Dec05	85.68	Jun05	78.23
				Jul05	78.28
				Aug05	75.55
				Oct05	64.33
STOCKER-FEEDER CATTLE - (\$/cwt)					
Winchester, VA - Apr 04, 2005			Westminster, MD - Apr 05		
Steers	300-400 lbs	134.00-144.00	Steers	200-300 lbs	105.00-132.00
	400-500 lbs	129.00-142.50		400-500 lbs	96.00-130.00
	500-600 lbs	125.50-137.50		600-800 lbs	81.00-110.00
	600-700 lbs	109.50-125.00	Heifers	200-300 lbs	94.00-130.00
	700-800 lbs	101.50-113.50		400-500 lbs	90.0-111.000
	800-900 lbs	95.50-100.50		600-700 lbs	75.00- 91.00
Heifers	300-400 lbs	133.00-143.00		800-900 lbs	68.00- 78.00
	400-500 lbs	115.00-129.00	Farm Calves		
	500-600 lbs	105.00-121.75	Holstein Bulls #1		162.50-181.00
	600-700 lbs	104.00-114.00	#2		107.50-147.50
	700-800 lbs	94.00- 99.50	Beef Cross		145.00-180.00
	800-900 lbs	89.00- 93.25			
Lancaster, New Holland & Vintage - Week Ending - Apr 09, 2005					
Bull,	N/A		Plainer	N/A	
Heifers,			Plainer		
SLAUGHTER CATTLE (\$/cwt)					
Westminster, MD - Apr 5, 2005					
Fed Steers			Fed Heifers		
Ch	93.50-98.75		Ch	92.00-97.00	
Heavy Feeders	78.00-79.00		LCh	86.50-92.00	
Cows			Calves		
Utility	51.50-57.00		Culls	67.50-95.00	
High Dressing	58.50-62.00		Weak/Rough/Thin	10.00-35.00	
Canners	43.00-49.75				
Shelly	40.00-Down				
Lancaster, New Holland & Vintage - Week Ending - Apr 09, 2005					
Steers, Choice 2-3					
Heifers, Choice	N/A				
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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