



MARYLAND GRAIN & LIVESTOCK REPORT

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| October 31, 2008 | MDA #117 | VOLUME 33 | No. 44 | PUB. Weekly |
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WEEKLY GRAIN COMMENTARY **Kevin McNew** **Adjunct Professor, UMD-College Park**

Grain prices were mostly mixed this week, as revised crop numbers and strong exports did little to keep bullish enthusiasm the momentum it needed. USDA unexpectedly offered up new crop numbers after finding some errors in reporting by FSA that led them to revise their crop estimates lower for corn and soybeans. Although this provided some buying, prices failed to hold the gains by the end of the week. Weekly export numbers for corn were at 413,100 MT, well below the trades' expectations of 700-900 MT as well as 50% below last week as well as the previous four-week average. Year-to-date sales of 656 million bushels are still running well below expectations at only 60% of last year's pace with the USDA projecting only a 20% decline. We would expect that if next week's number doesn't rebound substantially after putting in the recent low of \$4.16 it will be a major blow to the bulls. It is expected that U.S. corn continues to see ample competition from South American corn as well as feed wheat and barley from the Black Sea region of the World at the present time and that could provide competition well into the first quarter of 2009. For soybeans, sales were substantially stronger at 1,457,300 MT, well above estimates that ranged from 800,000 to 1,000,000 MT. China continues to be the best buyer with weekly purchases of 788,700 MT followed by unknown destinations (which usually prove to be China) at 380,000 MT. Year-to-date accumulated sales total 523.5 million bushels, 51% of USDA's projected export demand at 1,020 million bushels. There was talk on the street today that the Chinese government may raise the import tariff on beans from 3% to 9% to prevent local markets from getting flooded with cheaper US beans. The Chinese government has been buying domestic beans for state reserves to support local prices while the domestic processor has turned to the US market to secure supplies as cheaper values. This may be coming to a halt at least for the short term with China year-to-date purchases well ahead of last year's pace.

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

| Grade and Commodity | #2 Y Shelled Corn | | #2 Yellow Soybeans | | #2 Red Winter Wheat | | #3 Barley | | | |
|-------------------------|----------------------------|-------|--------------------|-------|--|-------|--------------|-------|--------------|--|
| | 10/21 | 10/28 | 10/21 | 10/28 | 10/21 | 10/28 | 10/21 | 10/28 | | |
| Western, MD | 4.40 | 4.25 | 7.92 | 8.43 | 3.40 | 2.95 | 3.38 | 3.25 | | |
| Central, MD | 3.65 | 3.80 | 7.89 | 7.89 | 3.18 | 3.31 | ---- | ---- | | |
| Southern, MD | 4.01 | 3.86 | 8.38 | 8.19 | 3.14 | 2.79 | ---- | ---- | | |
| Upper E. Shore | 4.24 | 4.04 | 8.63 | 8.34 | 3.14 | 2.79 | ---- | ---- | | |
| Lower E. Shore | 4.28 | 4.21 | 8.68 | 8.52 | 3.14 | 2.79 | ---- | ---- | | |
| Soybean Meal | Lower Eastern Shore | | | | Dealer's Average Cash Quotes (\$/ton) | | | | | |
| Date | 10/21 | | 10/28 | | Date | | 10/21 | | 10/28 | |
| 48% Soybean Meal | ---- | | ---- | | 44% Soybean Meal | | ---- | | ---- | |

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 | |
|---------------------|-------------------|-------|--------------------|-------|---------------------|-------|-----------|-------|
| | 10/21 | 10/28 | 10/21 | 10/28 | 10/21 | 10/28 | 10/21 | 10/28 |
| Western MD | 4.30 | ---- | 8.00 | ---- | 4.00 | ---- | 3.50 | ---- |
| Central MD | ---- | ---- | ---- | ---- | 3.64 | 3.24 | ---- | ---- |
| Southern MD | 4.30 | 4.16 | ---- | ---- | 4.37 | 4.01 | 2.63 | 2.51 |
| Upper E Shore | 4.43 | 4.29 | 8.77 | 8.45 | 4.47 | 4.11 | 2.68 | 2.56 |
| Lower E Shore | 4.52 | 4.51 | 8.85 | 8.67 | 4.39 | 4.11 | 2.95 | 2.83 |

GRAIN FUTURES – CME Group - Settle - October 30, 2008 (Cents & Quarter – cents/bushel)

| Corn | | Soybeans | | Wheat | | Soybean Meal ^{1/} | |
|-------|-------|----------|-------|-------|-------|----------------------------|-------|
| DEC08 | 420'6 | NOV08 | 937'2 | DEC08 | 561'2 | DEC08 | 283'0 |
| MAR09 | 438'2 | JAN09 | 947'0 | MAR09 | 581'2 | JAN09 | 285'3 |
| MAY09 | 450'0 | MAR09 | 959'2 | MAY09 | 595'0 | MAR09 | 289'0 |
| JUL09 | 460'6 | MAY09 | 969'4 | JUL09 | 608'2 | MAY09 | 292'1 |
| SEP09 | 469'4 | JUL09 | 977'4 | SEP09 | 626'0 | JUL09 | 294'6 |
| DEC09 | 480'2 | AUG09 | 979'0 | DEC09 | 645'6 | AUG09 | 295'0 |

1/ Price Unit: Dollars and cents/ton (100 tons (2,000 lbs/ton))

HAY AND STRAW

New Holland, PA - \$/ton – October 27, 2008

| Alfalfa | Mixed Hay | Timothy | Grass | Straw |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| 160.00 - 290.00 | 130.00 - 300.00 | 155.00 - 270.00 | 125.00 - 270.00 | 120.00 - 170.00 |

Westminster, MD - October 28, 2008 - \$/bale

| Alfalfa | Alfalfa Mix | Timothy | Timothy Mix | Grass Mix | Straw |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 2.70 - 3.40 | 3.00 - 3.10 | 4.00 - 4.90 | 3.20 - 4.10 | 1.50 - 5.00 | 1.60 - 2.50 |

| POULTRY | | | | | | | |
|--|------------------------|---------------------|---------------------|--|---------------------|----------------------|-------|
| Negotiated price for truck lot of ready-to-cook, ice-pack, Grade A Fryers (\$ per CWT) – Week Ending – November 1, 2008 | | | | | | | |
| | | Current Week | Prev. Week | Prev. Month | Prev. Year | | |
| N.Y. Weighted Avg. | | 72.90 | 73.00 | 68.70 | 68.45 | | |
| 12 City Composite | | 79.75 | 78.67 | 77.22 | 71.21 | | |
| SHEEP & LAMBS - Westminster, MD - October 28, 2008 - \$/cwt | | | | | | | |
| Sheep | 40.00 - 70.00 | Lambs | Under 50 lbs | | | | |
| Too Fat | 30.00 - 37.50 | | 50 - 80 lbs | | 100.00 - 120.00 | | |
| | | | 90 - 130 lbs | | 95.00 - 112.50 | | |
| | | | Feeders | | 80.00 - 97.50 | | |
| TERMINAL MARKETS HOGS - October 30, 2008 | | | | DIRECT MARKET HOGS - Westminster, MD - October 28, 2008 | | | |
| * Base Price Range | Carcass Basis | Weighted | Butcher Hogs | | Sows | | |
| | Base 185 lb Hog | Average | | | Heavy Weights | 55.00 - 60.00 | |
| Iowa, Minn | 52.00 - 57.70 | 55.91 | #2 | 57.00 | Light Weights | 49.00 - 50.00 | |
| Eastern Corn belt | 50.00 - 55.41 | 52.95 | Heavy Weights | 67.50 - 75.00 | Boars | | |
| | | | | | Heavy Weights | 20.00 | |
| | | | | | Light Weights | 25.00 | |
| * Base price is the price from which no discounts are subtracted and no premiums are added. | | | | | | | |
| MARKET HOGS - Millsboro, DE - (\$/CWT) - October 14, 2008 40.00 - 41.50 Next sale date - November 11, 2008 | | | | | | | |
| FEEDER PIGS - Gumboro, DE - (\$/CWT) - October 14, 2008 Next sale date - November 11, 2008 | | | | | | | |
| 30 - 39 lbs | 100.00 | 40 - 49 lbs | 65.00 - 100.00 | 60 - 69 lbs | 50.00 - 59.00 | | |
| | | 50 - 59 lbs | 50.00 - 71.00 | 80 - 89 lbs | 50.00 - 51.00 | | |
| CHICAGO MERCANTILE EXCHANGE GROUP (cwt) - October 30, 2008 | | | | | | | |
| CATTLE –LIVE FUTURES | | | | HOGS-LEAN FUTURES | | | |
| OCT08 | 91.65 | APR09 | 93.20 | DEC08 | 57.58 | MAY09 | 78.25 |
| DEC08 | 91.00 | JUN09 | 89.60 | FEB09 | 64.33 | JUN09 | 80.78 |
| FEB09 | 92.53 | AUG09 | 89.80 | APR09 | 70.48 | JUL09 | 79.20 |
| STOCKER – FEEDER CATTLE – (\$/cwt) | | | | | | | |
| Winchester, VA – October 28, 2008 | | | | Westminster, MD - October 28, 2008 | | | |
| Steers | 400 - 500 lbs | 85.00 - 105.00 | | | | | |
| | 500 - 600 lbs | 85.00 - 106.00 | | Steers | 400 - 500 lbs | 79.00 - 97.00 | |
| | 600 - 700 lbs | 74.50 - 87.50 | | | 600 - 700 lbs | 65.00 - 68.00 | |
| | 700 - 800 lbs | 76.50 - 80.00 | | | | | |
| | 800 - 900 lbs | 79.50 - 85.00 | | | | | |
| | 900 - 1000 lbs | 77.50 | | | | | |
| Heifers | 300 - 400 lbs | 75.50 - 87.50 | | Heifers | 200 - 300 lbs | 58.00 - 72.50 | |
| | 400 - 500 lbs | 73.75 - 82.00 | | | 400 - 500 lbs | 48.00 - 67.50 | |
| | 500 - 600 lbs | 70.00 - 84.75 | | | 800 - 1000 lbs | 63.50 - 70.50 | |
| | 600 - 700 lbs | 65.00 - 76.00 | | | | | |
| | 700 - 800 lbs | 75.00 - 81.50 | | | | | |
| SLAUGHTER CATTLE (\$/cwt) | | | | | | | |
| Westminster, MD - October 28, 2008 | | | | Fed Heifers | | | |
| Sltr. Cows | | | | Choice | 83.75 - 87.00 | | |
| Breakers | 57.00 - 63.50 | | | Select - 1700 lbs | 80.00 | | |
| Boners | 51.75 - 56.50 | | | Holsteins | 68.00 - 75.00 | | |
| Thin/Slow | 50.50 & Down | | | Hols. Bull Calves to Feed | | | |
| | | | | #1 | 80.00 - 100.00 | | |
| | | | | #2 | 65.00 - 67.50 | | |
| Fed Steers | | | | Culls | 20.00 - 35.00 | | |
| Choice & Prime | 85.50 - 89.25 | | | Jerseys | 10.00 - 20.00 | | |
| Low Choice | 80.00 - 85.00 | | | Beef Cross | 70.00 - 100.00 | | |
| Holsteins | 76.75 - 81.25 | | | Heifers:Jerseys | 180.00 | | |
| | | | | Hols. Heifers #2 | 130.00 - 255.00 | | |
| Lancaster, New Holland & Vintage – October 30, 2008 | | | | | | | |
| Sltr. Steers: | | | | Sltr. Heifers: | | | |
| Hi Ch & Pr 2-3 | 1145 - 1485 lbs | 86.50 - 90.75 | | Hi Ch & Pr 2-3 | 1155 - 1370 lbs | 84.75 - 87.50 | |
| | 1500 - 1555 lbs | 85.75 - 87.25 | | Choice 2- 3 | 1035 - 1430 lbs | 80.00 - 84.75 | |
| Choice 2- 3 | 1160 - 1470 lbs | 83.75 - 87.00 | | | | | |
| | 1565 - 1605 lbs | 85.00 - 85.50 | | | | | |
| Hi Sel & Lo Ch 2-3 | 1035 - 1420 lbs | 80.00 - 84.00 | | | | | |
| | | | | Sltr. Cows: | Percent Lean | Avg. Dressing | |
| Hols. Steers: | | | | Premium White | 65 - 75 | 56.50 - 57.00 | |
| Hi Ch & Pr 2-3 | 1340 - 1545 lbs | 76.75 - 80.75 | | Breakers | 75 - 80 | 52.00 - 55.50 | |
| | 1600 - 1745 lbs | 76.50 - 80.25 | | Boners | 80 - 85 | 47.50 - 52.00 | |
| Choice 2- 3 | 1285 - 1480 lbs | 74.00 - 75.00 | | Lean | 88 - 90 | 43.50 - 48.50 | |
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Compiled by USDA, NASS, Maryland Field Office

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