



MARYLAND GRAIN & LIVESTOCK REPORT

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WEEKLY GRAIN COMMENTARY Kevin McNew Adjunct Professor, UMD-College Park

Grain futures moved lower this week, taking time to correct from lofty gain over the last month. Since the 2nd week of December corn futures have gained a \$1 while soybean futures have shot up \$2. For corn, a combination of overbought ideas, Index Fund re-balancing along with a weak fundamental demand outlook for the current crop year is weighing on prices. Technical short covering that has been given credit for the recent upward momentum through the month of December has begun to stall and without it, it's not conceivable that the commercial will be there to carry the market higher from the current level. The bulls will need supportive numbers from Monday's USDA report and or a continued dry weather pattern in the Southern Hemisphere to maintain upward momentum. Crude oil that has also stalled on its recovery just below its December highs and has slipped back under the \$50 level will also need to find some support to help the overall commodity complex recover. For beans, strong export demand along with concerns of dryness in Argentina provided underlying support with the trade starting to square positions ahead of Monday's USDA reports which are expected to have a bullish bias for beans with a tight carryout forecast. Weekly export sales for beans at 551,100 (old and new crop) were in line with trade expectations of 400,000 to 600,000 MT, while corn and wheat disappointed analyst with marketing-year lows. USDA will release final 2008 crop production estimates next Monday and revise 08/09 supply and demand tables. Analysts are expecting a downward revision in production based on historical tendencies for declining estimates in the fall to continue to decline in the January report. Along with the smaller production estimate, analysts are looking for the USDA to increase exports and cut domestic crush demand with the net result a tighter carryout forecast. Also look for USDA to make adjustments to Brazilian production with the Brazilian government cutting its estimate to 57.8 million from 58.8 in December.

CASH GRAINS – REGIONAL – (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	12/29/08	01/06/09	12/29/08	01/06/09	12/29/08	01/06/09	12/29/08	01/06/09
Western, MD	4.10	4.20	8.43	9.17	4.13	4.60	3.23	3.20
Central, MD	3.97	4.08	8.61	9.05	4.84	5.08	----	----
Southern, MD	----	4.38	----	9.66	----	----	----	----
Upper E. Shore	----	4.56	----	9.81	----	----	----	----
Lower E. Shore	4.38	4.61	9.06	9.92	----	----	----	----

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	
Date	12/29/08	01/06/09	12/29/08	01/06/09	12/29/08	01/06/09	12/29/08	01/06/09
Western MD	----	4.20	----	9.25	----	4.60	----	3.20
Central MD	4.12	4.45	8.87	9.31	5.16	5.36	----	----
Southern MD	----	4.51	----	9.60	----	5.38	----	2.62
Upper E Shore	----	4.64	----	9.75	----	5.48	----	2.67
Lower E Shore	4.51	4.68	9.28	9.84	4.79	5.35	----	2.94

GRAIN FUTURES – CME Group - Settle - January 9, 2009 (Cents & Quarter – cents/bushel)							
Corn		Soybeans		Wheat		Soybean Meal ^{1/}	
MAR09	411'2	JAN09	1020'0	MAR09	620'0	JAN09	308'7
MAY09	423'0	MAR09	1015'4	MAY09	627'0	MAR09	306'0
JUL09	432'0	MAY09	1022'0	JUL09	642'4	MAY09	300'2
SEP09	443'6	JUL09	1036'0	SEP09	661'0	JUL09	312'0
DEC09	454'4	AUG09	1013'4	DEC09	683'0	AUG09	308'9
MAR10	463'0	SEP09	1006'4	MAR10	691'2	SEP09	306'5

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

HAY AND STRAW					
New Holland, PA - \$/ton – January 5, 2009					
Alfalfa	Mixed Hay	Timothy	Grass	Straw	
117.00 - 280.00	75.00 - 285.00	105.00 - 200.00	95.00 - 180.00	65.00 - 175.00	

Westminster, MD - January 6, 2009 - \$/bale					
Alfalfa	Alfalfa Mix	Timothy	Timothy Mix	Grass Mix	Straw
3.40 - 5.70	3.50 - 5.00	1.00 - 4.20	1.00 - 5.00	1.00 - 4.00	1.25 - 2.30

POULTRY								
Negotiated price for truck lot of ready-to-cook, ice-pack, Grade A Fryers (\$ per CWT) – Week Ending – January 10, 2009								
	Current Week		Prev. Week		Prev. Month		Prev. Year	
N.Y. Weighted Avg.	80.71		78.70		77.86		70.86	
12 City Composite	82.58		82.03		82.36		74.60	
SHEEP & LAMBS - Westminster, MD - January 6, 2009 - \$/cwt								
		Lambs	50 - 80 lbs	130.00				
Sheep	42.50 - 45.00		140 lbs	80.00				
TERMINAL MARKETS HOGS - January 8, 2009				DIRECT MARKET HOGS - Westminster, MD - January 6, 2009				
* Base Price Range	Carcass Basis	Weighted	Butcher Hogs		Boars			
	Base 185 lb Hog	Average	Heavy Weights	42.00 - 47.00	Heavy Weights	6.50		
Iowa, Minn	44.00 - 59.90	56.40			Light Weights	31.00		
Eastern Corn belt	44.00 - 56.76	53.69						
* Base price is the price from which no discounts are subtracted and no premiums are added.								
MARKET HOGS - Millsboro, DE - (\$/CWT) - December 16, 2008 34.00 Next sale date - January 13, 2009								
FEEDER PIGS - Gumboro, DE - (\$/CWT) - December 16, 2008 Next sale date - January 13, 2009								
Under 30 lbs	50.00 - 200.00	40 - 49 lbs	60.00 - 73.00	60 - 69 lbs	50.00 - 61.00			
30 - 39 lbs	60.00 - 120.00	50 - 59 lbs	58.00 - 64.00					
CHICAGO MERCANTILE EXCHANGE GROUP (cwt) - January 9, 2009								
LIVE CATTLE – FUTURES				LEAN HOGS – FUTURES				
FEB09	83.40	AUG09	86.15	FEB09	62.75	JUN09	81.38	
APR09	87.03	OCT09	89.55	APR09	69.48	JUL09	81.33	
JUN09	85.25	DEC09	91.80	MAY09	80.13	AUG09	79.75	
STOCKER – FEEDER CATTLE – (\$/cwt)								
Winchester, VA – January 5, 2009				Westminster, MD - January 6, 2009				
Steers	300 - 400 lbs	110.00						
	400 - 500 lbs	107.00		Steers	400 - 500 lbs	87.00 - 92.00		
	500 - 600 lbs	90.00 - 95.00						
	600 - 700 lbs	84.00 - 90.00						
	800 - 900 lbs	82.00 - 84.00						
Heifers	300 - 400 lbs	78.00 - 84.00		Heifers	200 - 300 lbs	70.00 - 78.00		
	400 - 500 lbs	79.00 - 88.00			400 - 500 lbs	70.00 - 76.00		
	500 - 600 lbs	78.50 - 88.00			Thin	600 - 700 lbs	44.00 - 49.00	
	600 - 700 lbs	68.00 - 78.50						
SLAUGHTER CATTLE (\$/cwt)								
Westminster, MD - January 6, 2009								
Sltr. Cows			Fed Heifers					
			Choice	84.25 - 86.75				
			Heiferettes	61.50 - 62.00				
Breakers	47.50 - 51.00							
Boners	40.50 - 46.75			Hols. Bull Calves to Feed				
Thin/Slow	39.75 & Down			#1	45.00 - 60.00			
				#2	20.00 - 42.50			
Fed Steers								
Choice & Prime	84.25 - 86.25		Culls	5.00 - 11.50				
Low Choice	82.00							
Select	75.75							
Lancaster, New Holland & Vintage – January 8, 2009								
Sltr. Steers:			Sltr. Heifers:					
Hi Ch & Pr 2-3	1270 - 1550 lbs	87.00 - 89.50	Hi Ch & Pr 2-3	1174 - 1345 lbs	84.75 - 86.00			
Choice 2- 3	1220 - 1555 lbs	84.00 - 87.00	Choice 2- 3	1095 - 1453 lbs	81.75 - 83.75			
Hi Sel & Lo Ch 2-3	1165 - 1465 lbs	82.00 - 84.00						
Hols. Steers:			Sltr. Cows:	Percent Lean	Avg. Dressing			
Hi Ch & Pr 2-3	1495 - 1655 lbs	75.00 - 78.50	Premium White	65 - 75	50.00 - 53.00			
Choice 2- 3	1270 - 1685 lbs	72.00 - 75.00	Breakers	75 - 80	47.00 - 50.00			
Hi Sel & Lo Ch 2-3	1260 - 1713 lbs	68.00 - 72.00	Boners	80 - 85	44.00 - 47.00			
			Lean	88 - 90	41.00 - 44.00			

Compiled by USDA, NASS, Maryland Field Office
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