



# MARYLAND



## GRAIN & LIVESTOCK REPORT

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MARKET ANALYSIS - February 19 2004

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There is a saying in the options pits "Volatility is the rising tide that lifts all boats" meaning more volatility - higher option prices. Well, it was the soybean traders that have experienced this huge burst in volatility with last week completely reversing the bearish week before. March soybeans closed at \$8.51 on Tuesday of this week, up a staggering 22 cents from Friday, (Monday was a holiday). The Bulls had been waiting for a surge in prices based on concerns about South America weather and the fundamentals associated with tight U.S. stocks. A lack of any new reports associated with avian flu in the U.S. also helped things considerably. Wednesday was also another joyful day for the bean traders with more depreciation in the dollar, and more export inspections than anticipated making the nearby bean futures poised to test contract highs. By the middle/end of the week the bulls had somewhat of a bittersweet session with nearby contracts gaining and distant (harvest) declining. We did some more positive demand news with the NOPA January crush number coming out at 138 million bushels which was 2 to 4 million above most guesses. The corn pit was nowhere near as exciting as the neighboring soybean pit. One of the big issues there however is the record long fund position. This can only mean that we will experience a setback at some point but the funds seem to have their eyes firmly focused on the huge 1995/96-price move, which paid huge dividends back then. This will make it hard for the funds to reverse their positions in the next few months ahead and that is where the support is going to come from. Export inspections were disappointing this week drooping corn prices a tad but the soybeans strength held things up. Double-digit losses in wheat finally took its toll on the corn pit and we saw lower prices by the end of the week. In fact, the long wheat traders took a huge beating all week starting on Tuesday when prices could not make up their mind which direction they wanted to go. After rallying early because of support from soybeans there was a huge sell off when news came out that Australia had raised its wheat crop estimate from last month. Also, the Chinese delegation said that they were interested in buying "if the price was competitive" - which, quiet frankly, panicked the bulls. However, better than expected export inspections distracted them slightly. But, as ever, the funds took the bulls by their horns (so to speak) and dragged them down by offloading about 8 thousand contracts midweek. To make matters worse, an Egyptian purchase of 300 thousand tons was from Australia and zero from U.S., and talk of greater world production the year ahead basically put the nail in the coffin for the longs. USDA's weekly export sales report, usually published on Thursday, will be delayed until Friday this week because of the Monday holiday.

### BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH(Mar04)	NEW(Dec04)	CASH(Mar04)	NEW(Nov04)	CASH(Mar04)	NEW(Jul04)
Western MD	+22	N/A	-75	N/A	-40	N/A
Central MD	+18	Even	-55	-30	-25	-15
Southern MD	+20	Even	-20	-25	N/A	N/A
Upper E. S	+28	+5	-15	-25	N/A	-26
Lower E. S	+35	+11	-6	-16	N/A	-28

### WEEKLY CROP WEATHER SUMMARY

### MARYLAND AGRICULTURAL STATISTICS SERVICE

*The Weekly Crop Weather Summary will resume in April 2004*

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	02/11	02/18	02/11	02/18	02/11	02/18	02/11
Western Md	3.03	3.02	7.74	7.80	3.35	3.25	2.58	2.58
Central MD	3.00	2.98	7.96	8.00	3.79	3.40	2.55	2.55
Southern MD	3.04	3.00	8.18	8.35	----	----	----	----
Upper E. Shore	3.12	3.08	8.20	8.40	----	----	----	----
Lower E. Shore	3.19	3.15	8.32	8.49	----	----	----	----
Soybean Meal		Lower Eastern Shore		Dealer's Average Cash Quotes (\$/ton)				
Date	02/11	02/18	Date	02/11	02/18	Date	02/11	02/18
48% Soybean Meal	276.00	287.00	44% Soybean Meal	264.00	275.00			
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	
	Date	02/11	02/18	02/11	02/18	02/11	02/18	02/11
Western Md	----	----	----	----	----	----	----	----
Central MD	2.90	2.81	6.21	6.28	3.68	3.56	----	----
Southern MD	2.84	2.81	6.30	6.33	3.55	----	1.45	1.45
Upper E Shore	2.89	2.86	6.30	6.33	3.59	3.45	1.55	1.55
Lower E Shore	2.96	2.92	6.39	6.42	3.57	3.43	1.57	1.57
GRAIN FUTURES - Chicago Board of Trade (cents/bu) -Feb 18 2004								
Corn		Soybeans		Wheat		Soybean Meal <sup>1</sup>		
Mar	279.75	Mar	854.50	Mar	364.50	Mar	259.00	
May	286.25	May	852.00	May	372.00	May	258.90	
Jul	289.00	Jul	833.75	Jul	370.50	Jul	254.20	
Sep	282.75	Aug	795.50	Sep	372.50	Aug	242.60	
Dec	280.50	Sep	733.00	Dec	381.75	Sep	228.00	
Mr05	283.25	Nov	657.50			Oct	196.50	

<sup>1</sup> \$/ton

<b>HAY AND STRAW (\$/cwt)</b>							
<b>New Holland, PA - \$/ton - Feb 16,2004 -186 Loads</b>							
<b>Alfalfa</b>	<b>Mixed</b>	<b>Timothy</b>	<b>Orchardgrass</b>	<b>Straw</b>			
75.00-150.00	30.00-210.00	77.00-205.00	70.00-195.00	90.00-190.00			
<b>Westminster, MD - \$/bale - Feb 17 2004 - 283 Lots</b>							
<b>Alfalfa</b>	<b>Alfalfa Mixed</b>	<b>Timothy</b>	<b>Timothy Mixed</b>	<b>Grass</b>	<b>Mulch</b>	<b>Straw</b>	
1.60-7.00	2.30-4.00	1.00-4.00	1.00-3.30	1.00-3.80	.20- .90	1.50-3.00	
<b>Southern, MD - Regional Farmers' Market - \$/bale - February 14,2004</b>							
Southern Maryland Prices Not Available							
<b>POULTRY (Grade A) - Week Ending Feb 21, 2004 - Negotiated Price, (\$/cwt)</b>							
	<b>Current Week</b>	<b>Week Ago</b>	<b>Month Ago</b>	<b>Year Ago</b>			
NY Wtd Avg. (Fryers)	76.36	76.67	67.58	54.74			
12-City Composite	74.51	75.41	67.70	60.86			
<b>LAMBS - Westminster, MD - \$/cwt - Feb 16, 2004</b>							
<b>Good Ch</b>	90-115 lbs	97.00-110.00	<b>Sheep</b>				
	140-170 lbs	95.00-112.00	12 HD	45.00-68.00			
<b>TERMINAL MARKETS HOGS - Feb 19, 2004</b>				<b>DIRECT MARKET HOGS - Westminster, MD- Feb 17, 2004</b>			
<b>Base Price Range</b>	<b>Carcass Basis</b>	<b>Sows (1-3)</b>	280-350 lbs		48.00-57.00		
<b>a.m.</b>	<b>Base 185 lb Hog</b>	<b>300-449 lbs</b>					
<b>Eastern Cornbelt</b>	52.50-63.01	28.50-38.00					
<b>Iowa, Minn</b>	52.75-62.00	28.50-42.30	<b>Millsboro, DE Market Hogs - (\$/cwt) - Next Sale 2/17/04</b>				
<b>FEEDER PIGS - (\$/cwt) -</b>							
<b>Gumboro, DE -</b>				<b>New Holland, PA - (Week-ending Feb 20, 2004)</b>			
<b>Head:</b>	<b>Trend:</b>			<b>Head:</b> 241	<b>Trend:</b> 61-92 lbs	\$55.00-\$72.00	
		Next Sale 2/17/04					
<b>CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Feb 18, 2004</b>				<b>HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Feb 18, 2004</b>			
<b>Feb</b>	77.15	<b>Aug</b>	72.70	<b>Apr</b>	58.52	<b>July</b>	60.42
<b>Apr</b>	72.82	<b>Oct</b>	75.77	<b>May</b>	59.75	<b>Aug</b>	57.25
<b>Jun</b>	70.57	<b>Dec</b>	77.52	<b>June</b>	63.87	<b>Oct</b>	50.45
<b>STOCKER-FEEDER CATTLE - (\$/cwt)</b>							
<b>Winchester, VA - Feb 16, 2004</b>				<b>Westminster, MD - Feb 17, 2004</b>			
<b>Steers</b>	200-300 lbs	124.00	<b>Steers</b>	300-400 lbs	94.00- 114.00		
	300-400 lbs	101.00- 119.50		400-600 lbs	82.00- 96.00		
	400-500 lbs	100.00- 114.00		600-700 lbs	75.00- 90.00		
	500-600 lbs	86.50- 111.25	<b>Heifers</b>	300-500 lbs	70.00- 80.00		
	600-700 lbs	84.00- 99.00		500-700 lbs	70.00- 79.00		
	700-800 lbs	81.00	<b>Bulls returning to farm</b>				
			<b>#1</b>	95-120 lbs	180.00-210.00		
<b>Heifers</b>	300-400 lbs	95.50-115.00	<b>#2</b>	84- 94 lbs	120.00-150.00		
	400-500 lbs	94.00-102.50		95-120 lbs	140.00-175.00		
	500-600 lbs	88.00- 95.75		80- 94 lbs	85.00- 115.00		
	600-700 lbs	80.00- 89.00	<b>Hol Heifers #1</b>	80- 95 lbs	350.00-395.00		
	700-800 lbs	71.00- 76.00	<b>Hol Heifers #2</b>	70- 95 lbs	200.00-325.00		
<b>Lancaster, New Holland &amp; Vintage - Week Ending - Feb 14, 2004</b>							
<b>Bull, Holstein</b>	90-120 lbs	155.00-190.00	<b>Plainer</b>	90-120 lbs	150.00-197.00		
<b>Heifers, Hols</b>	90-120 lbs	380.00-450.00	<b>Plainer</b>	90-120 lbs	270.00-350.00		
<b>SLAUGHTER CATTLE (\$/cwt)</b>							
<b>Westminster, MD - Feb 17, 2004</b>							
<b>Fed Steers</b>			<b>Fed Steers</b>				
<b>Hi-Ch-Pr</b>	1200-1475 lbs	79.00-82.00	<b>Hi-Ch-Pr</b>	1200-1475 lbs	79.00-82.00		
	1500-1575 lbs	79.00-81.75		1500-1575 lbs	79.00-81.75		
<b>L-Ch</b>		74.00-78.00	<b>L-Ch</b>		74.00-78.00		
<b>H-Ch Hols</b>	1200-1600 lbs	65.00-68.50	<b>Calves</b>				
<b>Cows</b>			<b>Good Slaughter</b>	90- 120 lbs	70.00-80.00		
<b>Breakers</b>		43.00-48.50	<b>Fed Heifers</b>	70- 90 lbs	50.00-70.00		
<b>Boners</b>		42.00-48.00	<b>HCh-Pr</b>	1150-1450 lbs	78.00-81.00		
<b>Lean</b>		38.00-44.50	<b>Lch</b>	1025-1150 lbs	75.00-76.75		
<b>Thin &amp; Light</b>		38.00-DOWN			70.00-74.50		
<b>Lancaster, New Holland &amp; Vintage - Week Ending - Feb 21, 2004</b>							
<b>Steers, Choice, 2-3</b>		1230-1480 lbs	78.00-87.50	<b>Trend</b>	\$2 Higher		
<b>Vealers, Standard &amp; Good</b>		60- 110 lbs	49.00-82.00		Sharp		
<b>Cows, Breakers 75-80 pct lean</b>			50.00-54.00		Lower steady to \$.50 lower		
<b>Bulls, YG 1</b>		1160-1850 lbs	58.50-63.25		Steady to firm		
<b>Calves, Good &amp; Choice</b>		285- 330 lbs	84.00-87.00		None		

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

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