



GRAIN & LIVESTOCK REPORT

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Market Analysis - June 24, 2004

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A very bullish week for beans this time around. The beans started off quietly active on Monday with the old crop contracts gaining about 20 cents with most of the strength coming from tight supplies and realistic hopes of Chinese demand. Export inspections helped out enormously when they came in above expectations at 6 million bushels. However there are only 10 weeks left in this marketing year and we will have to export about 8 million a week (on average) to hit the USDA forecast of 900 million. Doubtful. In the middle of the week strong domestic basis added support and the expectation that the May census crush report will show an increase will further add to the thought that we have very tight supplies. The funds bought up a boatload of contracts in response. The only negative right now is technical – the charts for nearby futures suggest a turn back on this rally we are experiencing. Corn traders started out looking for bullish news even though there were plenty of bear signals last week. The good aspect of the lower futures prices meant that Argentine basis numbers firmed making exports less attractive out of there. Demand is likely to continue to be strong all year so production has to be good to keep prices where they are. There have been several million acres that have been treated very badly by weather this spring, so it is extremely questionable that a 10.4 billion bushel crop could be achieved. Hedging Translation: don't completely cover your expected production – leave some open for upward move. By the middle of this week corn did trade higher on the basis that traders finally considered the recent sell off to leave the market oversold. Both nearby and harvest contracts posted reversal trading days – highs being higher than previous session, lows being lower but with a higher close. This week wheat started off being supported by what is basically a standstill in the winter wheat harvest. Weekend rain and cooler temperatures prompted a discussion of yield damage and even disease. Basis levels remain firm and farmer selling is still very light and support is spilling over from the neighboring pits. A return to normal temperatures in the near future could see some of these gains put back.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Jul04)	NEW (Dec04)	CASH (Jul04)	NEW(Nov04)	CASH(Jul04)	NEW(Jul04)
Western MD	+61	n/a	-49	n/a	-5	n/a
Central MD	+36	+8	+16	-30	-45	-45
Southern MD	+20	-5	-8	-25	-30	-30
Upper E. Sh	+25	+5	-4	-25	-27	-27
Lower E. Sh	+35	+14	+4	-24	-22	n/a

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

Warm temperatures brought the area scattered thunderstorms which occurred quite frequently throughout the week. There were 5.0 days suitable for field work for the week ending June 20, 2004. Air temperatures averaged in the mid 70's and average precipitation was anywhere from .20 inches to reports of 4 inches in some areas of the state. The rain slowed harvesting progress and kept farmers out of the fields for a few days, but **barley** was 67% harvested compared to 36% the previous week. The moisture and humidity combined to make it difficult to harvest and decreased test weights for **barley** and **winter wheat**. Rains have slowed the **hay** harvest as well as the planting of double crop **soybeans**. The **corn** and **soybeans** already emerged were looking good compared to last year. **Topsoil moisture** was 5% short, 75 % adequate, and 20% surplus.

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

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	6/16	6/23	6/16	6/23	6/16	6/23	6/16	6/23
Western Md	3.44	3.36	8.40	8.69	3.30	3.40	2.38	2.38
Central MD	3.19	3.11	9.10	9.34	3.57	3.00	1.98	1.98
Southern MD	3.02	2.95	8.70	9.09	3.22	3.15	1.70	1.70
Upper E. Shore	3.07	3.00	8.75	9.14	3.26	3.18	1.80	1.80
Lower E. Shore	3.16	3.10	8.85	9.22	3.29	3.23	1.83	1.83

Soybean Meal

Lower Eastern Shore

Dealer's Average Cash Quotes (\$/ton)

Date	6/16	6/23	Date	6/16	6/23
48% Soybean Meal	315.00	340.00	44% Soybean Meal	303.00	328.00

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	
	6/16	6/23	6/16	6/23	6/16	6/23	6/16	6/23
Western Md	----	----	----	----	----	----	----	----
Central MD	2.94	2.92	6.34	6.64	3.57	3.00	1.90	1.80
Southern MD	2.81	2.79	6.43	6.69	3.22	3.15	1.70	1.70
Upper E Shore	2.94	2.92	6.43	6.69	3.26	3.18	1.80	1.80
Lower E Shore	2.99	2.98	6.49	6.70	3.29	3.23	1.83	1.83

GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Jun 23, 2002

Corn		Soybeans		Wheat		Soybean Meal ¹	
Jul	274.50	Jul	917.50	Jul	345.24	Jul	304.60
Sep	279.25	Aug	843.50	Sep	354.25	Aug	287.60
Dec	284.25	Sep	737.50	Dec	365.00	Sep	257.00
Mr05	289.75	Nov	694.00	Mr05	373.00	Oct	226.00
May	295.00	Ja05	694.50			Dec	220.20
Dec	269.50	Mar	693.50			Ja05	218.60

¹ \$/ton

HAY AND STRAW					
New Holland, PA - \$/ton - Jun 21, 2004 - 38 Loads					
Alfalfa	Mixed	Timothy	Straw		
140.00-187.00	77.00-275.00	135.00-175.00	75.00-215.00		
Westminster, MD - \$/bale - Jun 21, 2004 - 136 Lots					
Alfalfa	Mixed	Timothy	Mixed	Straw	Mulch
2.60-3.90	2.00-3.00	2.30-3.70	1.00-2.70	3.25-3.95	.25-.90
POULTRY (Grade A) - Week Ending June 26, 2004					
	<u>Current Week</u>	<u>Week Ago</u>	<u>Month Ago</u>	<u>Year Ago</u>	
NY Wtd Avg. (Fryers)	83.29	83.36	82.25	59.55	
12 City Composite	82.40	81.52	80.50	61.38	
LAMBS - Westminster, MD - \$/cwt - Jun 22, 2004					
40- 50 lbs	90.00-117.00	Sheep	75- 100 lbs	35.00- 53.00	
60- 70 lbs	95.00-112.50		105- 200 lbs	34.00- 63.00	
80- 90 lbs	90.00-120.00		200-300 lbs	25.00- 56.00	
100-110 lbs	105.00-120.00	Yearlings		83.00-120.00	
TERMINAL MARKETS HOGS - Jun 24, 2004			DIRECT MARKET HOGS - Westminster, MD - Jun 22, 2004		
Base Price Range (\$/cwt)	<u>Carcass Basis</u>	<u>Sows (1-3)</u>	Sows	500 & Up	38.00-47.25
a.m.	Base 185 lb Hog	300-449 lbs		300-400 lbs	26.00-41.00
Eastern Cornbelt	74.50-81.00	44.00-55.76			
Iowa, Minn	70.25-81.75	48.00-53.00	Millsboro, DE Market Hogs - (\$/cwt) - Next Sale Jul 20, 2004		
FEEDER PIGS - (\$/cwt) -					
Gumboro, DE - Jun 22, 2004			New Holland, PA - June 24, 2004 -		
Head:	Trend:		Head:	Trend:	Mostly slaughter
	None			None	
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Jun 23, 2004			HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Jun 23, 2004		
Jun	88.57	Oct	88.85	Jul	78.12
Aug	89.17	Dec	88.67	Aug	76.42
				Oct	65.70
				Dec	60.70
STOCKER-FEEDER CATTLE - (\$/cwt)					
Winchester, VA - Jun 23, 2004			Westminster, MD - Jun 23, 2004		
Steers	300- 400 lbs	123.00-124.00	Steers	200- 300 lbs	105.00-189.00
	400- 500 lbs	113.00-118.00		400- 500 lbs	80.00-111.00
	600- 700 lbs	112.00-114.50		600- 700 lbs	71.00- 96.00
	700- 800 lbs	103.00-108.00	Heifers	400- 500 lbs	70.00- 85.00
Heifers	300- 400 lbs	115.00-127.00		Poor Quality	600 lbs
	400- 500 lbs	110.00-121.00			46.00- 56.00
	500- 600 lbs	106.50-116.00	Returned to farm		
	600- 700 lbs	95.00-106.00	Bull Calves	#1	80- 90 lbs
	700- 800 lbs	96.50-104.75			130.00-180.00
	800- 900 lbs	94.00- 95.75			147.50-195.00
					110- 115 lbs
					132.50-192.50
			Heifers	#1	90- 110 lbs
					325.00-510.00
			Weaned	#2	290- 300 lbs
					115.00-190.00
			Beef X Bulls		80.00-202.50
			Cull & Slaughter		30.00- 87.50
			Beef Heifers		112.50-127.50
Lancaster, New Holland & Vintage - Week Ending - Jun 26, 2004					
Bull, Holstein	90-125 lbs	130.00-190.00	Plainer	90-125 lbs	100.00-175.00
Heifers, Hols	90-125 lbs	500.00-600.00	Plainer	90-125 lbs	410.00-520.00
SLAUGHTER CATTLE (\$/cwt)					
Westminster, MD - Jun 22, 2004			Fed Heifers		
Fed Steers			4HD Open Dairy Heifers		
Ch	1270-1460 lbs	84.75-88.00	1090-1140 lbs	54.00-73.00	
Select	1250-1350 lbs	76.00-79.50			
Cows					
Breakers	1400-1920 lbs	50.00-57.50			
Boners	1300-1600 lbs	39.50-50.00			
Slow Cows		39.00-DOWN			
Lancaster, New Holland & Vintage - Week Ending - Jun 26, 2004					
Steers, Ch 2-3		1090-1495 lbs	85.50-91.75	Steady - \$3 higher	
Cows, Breakers 75-80 pct lean			53.00-58.00	Steady - \$1 higher	
Bulls, YG 1		1050-2450 lbs	60.50-67.25	Steady	

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

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