



Market Watch



M-4 Vol. XXXI, No. 28

July 10, 2008

FUTURES MARKET WATCH

<u>Month</u>	<u>Commodity</u>	<u>7/4</u>	<u>7/7</u>	<u>7/8</u>	<u>7/9</u>	<u>7/10</u>
July	Corn		7.16	6.93	6.83	6.75
September	Corn		7.28	7.04	6.95	6.86
July	Soybeans		15.89	15.61	15.78	16.09
November	Soybeans		15.61	15.29	15.57	15.87
July	Wheat	Independence	8.22	8.23	8.14	8.06
December	Wheat	Day	8.59	8.60	8.49	8.42
July	Soybean Meal		432.60	425.10	435.50	445.80
July	Cotton		69.64	69.64	70.33	70.40
December	Cotton		72.60	72.60	73.38	73.30
August	Feeder Cattle		111.02	111.52	112.90	112.65
October	Feeder Cattle		114.75	115.05	116.17	116.20
June	Live Cattle		102.30	102.10	102.55	102.05
October	Live Cattle		109.67	108.82	109.65	109.45
July	Lean Hogs		72.40	71.80	72.67	73.95
December	Lean Hogs		72.80	73.05	74.77	75.80

OPTIONS MARKET WATCH (7/10/08)

<u>Commodity</u>	<u>Strike</u>	<u>Put Premiums</u>			<u>Call Premiums</u>		
Cotton	.72/lb.	Oct	Dec	Mar	Oct	Dec	Mar
		5.00	5.70	4.83	3.64	6.86	1.14
Wheat	8.20/bu.	Sep	Dec.	Mar	Sep	Dec	Mar
		.440	.644	----	.440	.934	-----
Soybeans	15.60/bu.	Nov	Jan.	Mar	Nov	Jan	Mar
		.129	.154	----	.133	.166	----
Corn	7.00/bu.	Sep	Dec	Mar	Sep	Dec	Mar
		.430	.580	.640	.284	.620	.610
Hogs	72.00/cwt.	Jly	Aug	Oct	Jly	Aug	Oct
		0.50	1.02	3.78	2.00	3.90	3.40
Fed Cattle	102.00/cwt	Aug	Oct	Dec	Aug	Oct	Dec
		1.85	1.22	1.58	1.90	----	-----
Feeder Cattle	112.00/cwt.	Aug	Sep	Oct.	Aug	Sep.	Oct.
		1.70	2.00	2.55	2.90	5.90	7.60

FUTURE MARKET TREND ANALYSIS* Corn- Down; Soybeans - Up; Cattle - Up; Hogs -Down

*The trend analysis is based on moving averages. For detailed information on the moving trends and their use contact the Extension Ag. Economics Department.

LIVESTOCK & GRAIN STATISTICS

<u>Grain Exports</u> <u>(1000Bu.)</u>	<u>This Week</u>	<u>Last Week</u>	<u>Year</u> <u>Ago</u>	<u>Total to Date</u> <u>For Mktg.</u> <u>Year</u>	<u>Total to Date</u> <u>Last Year</u>	<u>% This Year</u> <u>Of Last</u>
<u>Week Ending 7/7/08</u>						
Corn	32,422	39,615	23,669	2,024,584	1,738,088	116%
Soybeans	9,095	18,616	5,703	1,032,146	1,026,290	101%
Wheat	18,411	17,708	12,348	86,811	80,678	108%
<u>Week Ending 7/5/08</u>						
Cattle	591	711	582	17,501	17,312	101%
Hogs	1702	2130	1646	58,374	53,368	109%

PROFIT SCOREBOARD

ENTERPRISE, YIELD AND MARKETING SYSTEM	THURSDAY'S CLOSING FUTURES PRICE	LESS ESTIMATED BASIS EQUALS	FORWARD PRICING OPPORTUNITY ON THURSDAY	OUT OF POCKET AND TOTAL PRODUCTION COSTS	POTENTIAL (RETURNS TO ND & MGT.)	CHANCE OF POSITIVE RETURN TO LAND AND MGT. *
Wheat 55 .bu./acre	July 8.06	-.90	7.16/bu.	3.11/bu. 3.75/bu.	4.05/bu. 3.41/bu.	99% 99%
Corn - Irrigated 180 bu./acre	Dec. 7.04	.05	7.09/bu.	3.16/bu. 4.02/bu.	3.93/bu. 3.07/bu.	99% 99%
Soybeans - Dry land 30 bu./acre	Nov. 15.87	-.20	15.67/bu.	4.71/bu. 7.01/bu.	10.96/bu. 8.66/bu.	96% 92%
BR Cotton - Dry land 700 lb./acre	Dec. .73	-.03	.70/lb.	.54/lb. .72/lb.	.16/bu. .02lb.	79% 36%
BR Cotton - Irrigated 1100 lb./acre	Dec. .73	-.03	.70/lb.	.44/lb. .65/lb.	.26/lb. .05/bu.	99% 79%
Fed Cattle Placed in this week sell at 1200 lbs.	Feb. 112.05	-1.50	110.55/cwt	109.87/cwt. 109.875/cwt	.68/cwt .68/cwt	30% 30%
Hogs Farrow to Finish* Farrowing this week	Feb. 55.33	-1.70	53.63/cwt.	68.99/cwt 77.12/cwt.	-15.36/cwt -23.49/cwt	1% 1%
Feeder Pig Finishing* Placed this week	Dec. 55.33	-.3.60	51.73/cwt.	56.18/cwt. 59.28/cwt.	-4.45/cwt -7.54/cwt	6% 1%
*Total Confinement						

Cost of production figures may be obtained upon request. Each cost of production is an estimate of cost for a Georgia producer at the indicated yield. Participation in Government commodity programs can greatly affect the level of profitability for the various crop enterprises. Land and management cost are not included in the crop and livestock cost estimates. * Excludes LDP for crops.

GRAIN PRICE PROFILE

Cash Bids and New Crop Contracts

Location	CORN		WHEAT		SOYBEANS	
	Cash	Contract*	Cash	Contract**	Cash	Contract***
Southwest Ga.						
Southeast Ga.						
Central Ga.						
North						
Brunswick						
*Aug-Sept Delivery **May-June Delivery ***Oct-Dec Delivery						

FEED CASH PRICE

Cash Wheat Mill Direct - Macon -----

	<u>MID WESTERN CORN</u>		<u>SOYBEAN MEAL 48%</u>	
	<u>This week</u>	<u>Last week</u>	<u>This week</u>	<u>Last week</u>
<u>FOB NORTH GA.</u>	-----	-----	-----	-----
<u>FOB SOUTH GA.</u>	-----	-----	-----	-----
<u>FOB EAST GA.</u>	-----	-----	-----	-----

Georgia ASCS Posted Adjusted Market Price:

Adjusted World Price Cotton

LIVESTOCK PRICE PROFILE

GEORGIA AUCTION

July 10, 2008

*Prices furnished by Federal State Market News, Thomasville, GA. For up-to-date prices call (1-800-342-1440)

Medium Frame #1 Steers: 2-250 cwt \$128-140; 250-3 cwt \$113-146; 3-350 cwt \$104-124; 340-4 cwt \$100-111; 4-450 cwt \$96-108; 450-5 cwt \$93-104; 5-550 cwt \$90-105; 550-6 cwt \$88-101; 6-650 cwt \$86-101; 650-7 cwt \$85-100; 7-750 cwt \$80-95; 750-8 cwt \$90.

Medium Frame#1 Heifers: 2-250 cwt \$105-106; 250-3 cwt \$104-111; 3-350 cwt \$94-107; 350-4 cwt \$88-103; 4-450 cwt \$85-97; 450-5 cwt \$85-96; 5-550 cwt \$84-94; 550-6 cwt \$84-90; 6-650 cwt \$78-88; 650-7 cwt \$82-89.

Slaughter Classes: Breakers \$58-63; Boners \$54-66; Boners Hi Yield \$65-69; Lean \$55-58.

Live and Carcass Hog Price -Eastern Cornbelt Direct Barrows & Gilts - Live Basis 240-300 lbs.\$49.50-56.39
Average 53.78; Carcass 185 lbs.\$64-69 Average 67.43.

Sows 500 lbs.-up :20-28.05 Average - 24.78.

Georgia and US 2008 Acres Planted

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Cotton. In March, Georgia farmers said they intended to plant 1.05 million acres of cotton. USDA's June 30 estimate of acres actually planted was only 900,000 acres— 13% less than last year, 36% below 2006, and the lowest cotton acres in the state since 1994. Loss of acres over the past 2 years has been due to high prices and competition from corn, soybeans, and peanuts. Cotton remains the state's number one row crop in acres but could lose the top spot in farm income to peanuts this year depending on yields and prices. US cotton acres planted are expected to drop almost 15% from 2007. The June 30 acreage estimate of 9.25 million acres was actually higher than what most analysts expected. Therefore, the cotton market has since reacted downward.

Peanuts. Georgia peanut acres are expected to increase 23% this year to 650,000 acres. Acreage was down in 2006 and '07 but rebounded this year due to expected higher prices and favorable net returns compared to other crops. US acres are expected to increase 19% with the largest increases in Alabama, Texas, and Georgia. Mississippi now has 23,000 acres of peanuts— on par with Oklahoma and Virginia.

Grains and Soybeans. After a big increase in 2007, Georgia's corn acres are down 27% this year. Despite high corn prices, farmers reduced acres— likely on risky non-irrigated land. Non-irrigated corn did poorly in 2007. In contrast, soybean acres increased 47% and the largest acreage in the state since 1994.

Wheat acres are up by 120,000 acres. Typically, this should signal an increase in double-crop acres of soybeans, cotton, and grain sorghum. USDA estimates that 61% of the state's soybeans are double-crop. This is actually down from 77% last year but when considering the large increase in soybean acres, double-crop soybeans are estimated at 256,000 acres this year compared to 219,000 last year.

US corn acres planted are down 7% from last year but acres actually to be harvested will be down significantly more due to recent rains and flooding. US soybean acres planted are up 17% from last year but acres to be harvested are again in question. New crop futures prices are almost \$8/bushel for corn and over \$16/bushel for soybeans.

Georgia Acres Planted to Major Row Crops ¹

	2006	2007	2008	
			Intentions ²	Actual ³
Corn	280	510	370	370
Cotton	1,400	1,030	1,050	900
Grain Sorghum	40	65	55	45
Peanuts	580	530	650	650
Soybeans	155	285	410	420
Wheat	230	360	480	480
TOTAL	2,685	2,780	3,015	2,865

1/ All numbers are 1,000 acres

2/ *Prospective Plantings*, USDA, March 31, 2008.

3/ *Acreage*, USDA, June 30, 2008.

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