



# Market Watch



M-4 Vol. XXXI, No. 37

September 11 2008

## FUTURES MARKET WATCH

| <u>Month</u> | <u>Commodity</u> | <u>9/5</u> | <u>9/8</u> | <u>9/9</u> | <u>9/10</u> | <u>9/11</u> |
|--------------|------------------|------------|------------|------------|-------------|-------------|
| September    | Corn             | 5.31       | 5.33       | 5.29       | 5.22        | 5.22        |
| December     | Corn             | 5.48       | 5.49       | 6.44       | 5.37        | 5.33        |
| September    | Soybeans         | 11.80      | 11.94      | 12.09      | 11.81       | 12.16       |
| November     | Soybeans         | 11.77      | 11.92      | 12.01      | 11.78       | 11.76       |
| September    | Wheat            | 7.30       | 7.23       | 7.11       | 7.07        | 7.07        |
| December     | Wheat            | 7.51       | 7.44       | 7.30       | 7.26        | 7.26        |
| September    | Soybean Meal     | 341.00     | 334.60     | 341.20     | 336.80      | 350.00      |
| October      | Cotton           | 63.80      | 63.52      | 61.71      | 61.76       | 61.48       |
| December     | Cotton           | 65.95      | 65.80      | 64.08      | 64.03       | 63.90       |
| September    | Feeder Cattle    | 111.12     | 111.30     | 110.85     | 110.85      | 109.65      |
| October      | Feeder Cattle    | 110.67     | 111.30     | 110.42     | 110.42      | 108.57      |
| October      | Live Cattle      | 102.95     | 103.05     | 102.65     | 102.65      | 102.05      |
| December     | Live Cattle      | 104.95     | 104.95     | 104.12     | 104.12      | 103.25      |
| October      | Lean Hogs        | 69.42      | 68.85      | 66.90      | 66.90       | 68.62       |
| December     | Lean Hogs        | 68.17      | 67.45      | 66.17      | 66.17       | 66.97       |

## OPTIONS MARKET WATCH (9/11/08)

| <u>Commodity</u> | <u>Strike</u> | <u>Put Premiums</u> |      |      | <u>Call Premiums</u> |      |       |
|------------------|---------------|---------------------|------|------|----------------------|------|-------|
|                  |               |                     |      |      |                      |      |       |
| Cotton           | .64/lb.       | Oct                 | Dec  | Mar  | Oct                  | Dec  | Mar   |
|                  |               | 2.10                | 3.30 | 3.20 | 0.13                 | 3.35 | 7.85  |
| Wheat            | 7.20/bu.      | Dec                 | Mar. | May  | Dec                  | Mar  | May   |
|                  |               | .510                | .697 | ---- | .540                 | ---- | ----  |
| Soybeans         | 11.80/bu.     | Nov                 | Jan. | Mar  | Nov                  | Jan  | Mar   |
|                  |               | .660                | .950 | .111 | .670                 | ---- | ----  |
| Corn             | 5.40/bu.      | Dec                 | Mar  | May  | Dec                  | Mar  | May   |
|                  |               | .390                | .374 | .444 | .334                 | .580 | .721  |
| Hogs             | 68.00/cwt.    | Oct                 | Dec  | Feb  | Oct                  | Dec  | Feb   |
|                  |               | 1.70                | 4.20 | 6.65 | 3.60                 | 3.18 | ----- |
| Fed Cattle       | 102.00/cwt    | Oct                 | Dec  | Feb  | Oct                  | Dec  | Feb   |
|                  |               | 1.40                | 2.30 | 2.70 | 1.45                 | 3.55 | 5.43  |
| Feeder Cattle    | 110.00/cwt.   | Sep                 | Oct  | Nov  | Sep                  | Oct. | Nov   |
|                  |               | 1.15                | 3.13 | 3.40 | 8.00                 | 1.70 | 1.98  |

FUTURE MARKET TREND ANALYSIS\* Corn-Up; Soybeans - Down; Cattle - Down; 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><br><u>(1000Bu.)</u> | <u>This Week</u> | <u>Last Week</u> | <u>Year</u><br><u>Ago</u> | <u>Total to Date</u><br><u>For Mktg.</u><br><u>Year</u> | <u>Total to Date</u><br><u>Last Year</u> | <u>% This Year</u><br><u>Of Last</u> |
|--|------------------|------------------|---------------------------|---|--|--------------------------------------|
| <u>Week Ending 9/4/08</u>                |                  |                  |                           |   |  |                                      |
| Corn                                     | 15,792           | 35,487           | 48,260                    | 8766  | 39,969                                   | 22%                                  |
| Soybeans                                 | 1407             | 9917             | 7337                      | 433   | 6494                                     | 7%                                   |
| Wheat                                    | 21,407           | 31,188           | 32,206                    | 345,365   | 344,092                                  | 100%                                 |
| <u>Week Ending 9/6/08</u>                |                  |                  |                           |   |  |                                      |
| Cattle                                   | 590              | 680              | 606                       | 23,518  | 23,347                                   | 101%                                 |
| Hogs                                     | 2055             | 2218             | 1932                      | 77,629  | 71,322                                   | 109%                                 |

## PROFIT SCOREBOARD

| ENTERPRISE, YIELD<br>AND MARKETING<br>SYSTEM           | THURSDAY'S<br>CLOSING<br>FUTURES PRICE | LESS<br>ESTIMATED<br>BASIS EQUALS | FORWARD<br>PRICING<br>OPPORTUNITY<br>ON THURSDAY | OUT OF POCKET<br>AND TOTAL<br>PRODUCTION<br>COSTS | POTENTIAL<br>(RETURNS TO<br>ND & MGT.) | CHANCE OF<br>POSITIVE<br>RETURN TO<br>LAND AND<br>MGT. * |
|--|--|-----------------------------------|--|---|--|--|
| Wheat<br>55 .bu./acre                                  | July 7.74                              | -.90                              | 6.84/bu.   | 3.11/bu.<br>3.75/bu.                              | 3.73/bu.<br>3.09/bu.                   | 99%<br>99%   |
| Corn - Irrigated<br>180 bu./acre                       | Dec. 5.33                              | .05                               | 5.38/bu.   | 3.16/bu.<br>4.02/bu.                              | 2.22/bu.<br>1.36/bu.                   | 99%<br>99%   |
| Soybeans - Dry land<br>30 bu./acre                     | Nov. 11.76                             | -.20                              | 11.56/bu.  | 4.71/bu.<br>7.01/bu.                              | 6.85/bu.<br>4.55/bu.                   | 91%<br>81%   |
| BR Cotton - Dry land<br>700 lb./acre                   | Dec. .64                               | -.03                              | .61/lb.  | .54/lb.<br>.72/lb.                                | .7/bu.<br>.- 11lb.                     | 61%<br>13%   |
| BR Cotton - Irrigated<br>1100 lb./acre                 | Dec. .64                               | -.03                              | .61/lb.  | .44/lb.<br>.65/lb.                                | .17/lb.<br>-4/bu.                      | 99%<br>24%   |
| Feeder Cattle<br>Winter Stockering<br>sell at 750 lbs. | Apr. 108.20                            | -3.00                             | 105.20/cwt                                       | 100.66/cwt<br>104.58/cwt                          | 4.54/cwt<br>.62/cwt                    | 76%<br>54%   |
| Fed Cattle<br>Placed in this week sell<br>at 1200 lbs. | Apr. 105.27                            | -1.50                             | 103.77/cwt                                       | 111.10/cwt.<br>111.10/cwt                         | -6.10/cwt<br>-6.10/cwt                 | 1%<br>1%   |
| Hogs<br>Farrow to Finish*<br>Farrowing this week       | Apr. 58.62                             | -2.80                             | 55.82/cwt.                                       | 58.42/cwt<br>66.54/cwt.                           | -83/cwt<br>-8.95/cwt                   | 39%<br>1%  |
| Feeder Pig<br>Finishing*<br>Placed this week           | Feb. 53.84                             | -1.70                             | 52.14/cwt  | 49.15/cwt.<br>52.24/cwt.                          | 4.04/cwt<br>.94/cwt                    | 90%<br>58%   |
| *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 Contacts

| 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

September 11, 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 \$135-136 up \$1 from last week; 250-3 cwt \$122-140 up \$2 from last week; 3-350 cwt \$115-137 same as last week; 350-4 cwt 109-119 up \$2 from last week; 4-450 cwt \$100-120 up \$4 from last week; 450-5 cwt 97-107 up \$1 from last week; 5-550 cwt \$94-104 same as last week; 550-6 cwt \$88-104 down \$2 from last week; 6-650 cwt \$90-99 down \$3 from last week; 650-7 cwt \$88-98 down \$2 from last week; 7-750 cwt \$85-97 down \$2 from last week.

Medium Frame#1 Heifers: 2-250 cwt \$120-130 up \$2 from last week; 250-3 cwt \$105-118 up \$9 from last week; 3-350 cwt \$103-120 up \$16 from last week; 350-4 cwt \$93-110 up \$4 from last week; 4-450 cwt \$85-99 down \$2 from last week; 450-5 cwt \$86-97 down \$1 from last week; 5-550 cwt \$85-95 down \$1 from last week; 550-6 cwt \$85-92 same as last week; 6-650 cwt \$83-89 down \$2 from last week; 650-7 cwt \$82-88 up \$6 from last week,..

Slaughter Classes: Breakers \$55-61 up \$1 from last week; Boners \$54-61 same as last week; Boners Hi Yield \$61-63 same as last week; Lean \$44-48 down \$7 from last week.

Live and Carcass Hog Price -Eastern Cornbelt Direct 9/10/08: Barrows & Gilts - Live Basis 240-300 lbs.\$49.17-56.17 Average \$54.41; Carcass 185 lbs. \$62.50-71.50 Average - \$67.92

Sows 500 lbs.-up : N/A

John C. McKissick

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COUNTY EXTENSION AGENT OR DIRECTOR