



Profit Profiles

Agriculture Economics Series
 Alabama Cooperative Extension System, Auburn University, AL 36849-5639
<http://www.aces.edu/dept/profitprofiles/>

8/6/2008
 3:00 p.m.

"CURRENT" PRICING INDICATORS

VOL. 19 No. 40

05-Aug-08

Livestock

| Cattle: Type | | | Unit | Price Range | |
|---|-----------------------|-------------|------|-------------|---------------|
| Slaughter Cow Classes: | | | | | |
| Locations: Ala. Livestock Auctions Held Tuesday 05-Aug-08 | Breakers 75-80 % Lean | 1055 - 1545 | .lbs | \$/cwt. | 54.00 - 59.00 |
| | Breakers 75-80 % Lean | 1610 - 1705 | .lbs | \$/cwt. | 57.00 - 62.00 |
| | Boners 80-85 % Lean | 700 - 850 | .lbs | \$/cwt. | #N/A - #N/A |
| | Boners 80-85 % Lean | 875 - 1180 | .lbs | \$/cwt. | 54.00 - 59.00 |
| | Boners 80-85 % Lean | 1200 - 1690 | .lbs | \$/cwt. | 56.00 - 61.00 |
| | Lean 85-90% | 650 - 675 | .lbs | \$/cwt. | #N/A - #N/A |
| | Lean 85-90% | 740 - 840 | .lbs | \$/cwt. | 44.00 - 49.00 |
| | Lean 85-90% | 865 - 1335 | .lbs | \$/cwt. | 48.00 - 53.00 |
| | | | | | |
| | | | | | |

STEERS, Med.& Lg. Frame #2

| | | |
|--------------|---------|-----------------|
| 3.0-3.5 .cwt | \$/cwt. | #N/A - #N/A |
| 3.5-4.0 .cwt | \$/cwt. | 110.00 - 120.00 |
| 4.0-4.5 .cwt | \$/cwt. | 109.00 - 115.00 |
| 4.5-5.0 .cwt | \$/cwt. | 103.00 - 110.00 |
| 5.0-5.5 .cwt | \$/cwt. | 96.00 - 105.00 |
| 5.5-6.0 .cwt | \$/cwt. | 94.00 - 104.00 |
| 6.0-6.5 .cwt | \$/cwt. | 93.00 - 103.00 |
| 6.5-7.0 .cwt | \$/cwt. | 98.00 - 102.00 |
| 7.0-7.5 .cwt | \$/cwt. | 91.00 - 101.00 |
| 7.5-8.0 .cwt | \$/cwt. | 98.00 - 101.00 |
| 8.0-8.5 .cwt | \$/cwt. | #N/A - #N/A |
| #N/A .cwt | \$/cwt. | #N/A - #N/A |

HEIFERS, Med.& Lg. Frame #2

| | | |
|--------------|---------|-----------------|
| 3.0-3.5 .cwt | \$/cwt. | 103.00 - 107.00 |
| 3.5-4.0 .cwt | \$/cwt. | 93.00 - 103.00 |
| 4.0-4.5 .cwt | \$/cwt. | 92.00 - 102.00 |
| 4.5-5.0 .cwt | \$/cwt. | 90.00 - 99.00 |
| 5.0-5.5 .cwt | \$/cwt. | 88.00 - 97.00 |
| 5.5-6.0 .cwt | \$/cwt. | 86.00 - 96.00 |
| 6.0-6.5 .cwt | \$/cwt. | 85.00 - 95.00 |
| 6.5-7.0 .cwt | \$/cwt. | 82.00 - 91.00 |
| 7.0-7.5 .cwt | \$/cwt. | 83.00 - 89.00 |
| 7.5-8.0 .cwt | \$/cwt. | #N/A - #N/A |
| #N/A .cwt | \$/cwt. | #N/A - #N/A |

County Extension Agent:

Max W Runge

Extension Economist

ALABAMA A&M AND AUBURN UNIVERSITIES, AND TUSKEGEE UNIVERSITY, COUNTY GOVERNING BODIES AND USDA COOPERATING

The Alabama Cooperative Extension System offers educational programs, materials, and equal opportunity employment to all people without regard to race, color, national origin, religion, sex, age, veteran status, or disability.

**PRICES RECEIVED BY ALABAMA FARMERS
CASH or SPOT PRICES**

| Region | North | | Central | | South | | State |
|---------------|-----------------------|-------|---------------|-------|---------------|-------|-------|
| | Range | Ave. | Range | Ave. | Range | Ave. | Ave. |
| Commodity | ----- \$/bushel ----- | | | | | | |
| Soybeans-Cash | 11.17 - 12.32 | 11.75 | 10.97 - 11.03 | 11.00 | 10.97 - 10.97 | 10.97 | 11.24 |
| Corn-Cash | 4.53 - 4.83 | 4.68 | 4.52 - 4.73 | 4.63 | 4.78 - 4.78 | 4.78 | 4.70 |
| Sorghum-Cash | #N/A - #N/A | #N/A | N/A - N/A | N/A | N/A - N/A | N/A | #N/A |
| Wheat-Cash | 4.51 - 5.16 | 4.83 | 4.85 - 4.96 | 4.90 | 4.51 - 4.51 | 4.51 | 4.75 |

"FORWARD" PRICING INDICATORS

06-Aug-08

Cash Contracts (Crops)

| Region | North | | Central | | South | | State |
|-------------------|-----------------------|-------|---------------|-------|---------------|-------|-------|
| | Range | Ave. | Range | Ave. | Range | Ave. | Ave. |
| Commodity | ----- \$/bushel ----- | | | | | | |
| Soybeans-New Crop | 11.27 - 11.77 | 11.52 | 10.97 - 11.13 | 11.05 | 10.02 - 10.97 | 10.50 | 11.02 |
| Corn-New Crop | 4.73 - 5.03 | 4.88 | 4.72 - 4.93 | 4.82 | 4.58 - 4.98 | 4.78 | 4.83 |
| Sorghum-New Crop | #N/A - #N/A | #N/A | N/A - N/A | N/A | N/A - N/A | N/A | #N/A |
| Wheat-New Crop | 4.61 - 4.91 | 4.76 | 4.60 - 4.71 | 4.65 | 4.71 - 4.71 | 4.71 | 4.71 |

PRICES "PAID" BY ALABAMA FARMERS

06-Aug-08

| Item | Unit | Price Range | Average Price |
|--|--------|-----------------|---------------|
| Corn (>100 bu.) | \$/bu. | 5.65 - 5.75 | 5.70 |
| Soy Hull Pellets (Very Limited Supply) | \$/ton | 150.00 - 150.00 | 150.00 |
| S.B. Meal (48%) | \$/ton | 397.00 - 397.00 | 397.00 |

06-Aug-08

"FUTURES" CONTRACTS

| Commodity | Contract Month | Unit | Close | Since Coming on Board: | |
|--|----------------|---------|---------|------------------------|--------|
| | | | | Min. | Max. |
| Corn | Sep | \$/bu. | 5.0800 | 3.54 | 7.68 |
| Corn | Dec | \$/bu. | 5.2775 | 3.80 | 7.88 |
| Corn | Mar | \$/bu. | 5.4725 | 3.87 | 8.05 |
| Soybeans | Sep | \$/bu. | 12.1350 | 8.50 | 16.37 |
| Soybeans | Nov | \$/bu. | 12.2200 | 7.89 | 16.31 |
| Soybeans | Jan | \$/bu. | 12.3975 | 8.48 | 16.45 |
| S.B. Meal | Aug | \$/ton | 334.00 | 235.00 | 445.90 |
| S.B. Meal | Sep | \$/ton | 329.00 | 260.00 | 441.10 |
| Wheat | Sep | \$/bu. | 7.6575 | 5.57 | 12.52 |
| Wheat | Dec | \$/bu. | 7.9075 | 6.02 | 12.58 |
| Cotton | Oct | \$/cwt. | 67.46 * | 57.67 | 93.51 |
| Cotton | Dec | \$/cwt. | 69.56 * | 65.97 | 95.53 |
| Cotton | Mar | \$/cwt. | 74.77 * | 73.45 | 97.57 |
| Note: * Last available quote. May not be closing price. | | | | | |
| Feeder Cattle | Aug | \$/cwt. | 115.50 | 103.50 | 116.02 |
| Feeder Cattle | Sep | \$/cwt. | 117.20 | 104.73 | 117.82 |
| Feeder Cattle | Oct | \$/cwt. | 117.52 | 105.15 | 118.65 |
| Live Cattle | Aug | \$/cwt. | 102.35 | 85.22 | 105.10 |
| Live Cattle | Oct | \$/cwt. | 108.55 | 96.30 | 114.20 |
| Lean Hogs | Aug | \$/cwt. | 84.40 | 69.93 | 84.40 |
| Lean Hogs | Oct | \$/cwt. | 76.90 | 64.90 | 78.15 |

06-Aug-08

"OPTIONS" CONTRACTS

| Commodity | Unit | Strike Price | -----"Put" Premiums ----- | | | Strike Price | -----"Call" Premiums ----- | | |
|---------------|---------|--------------|---------------------------|-------|-------|--------------|----------------------------|-------|-------|
| | | | Month | Month | Month | | Month | Month | Month |
| | | | Oct | Dec | Mar | | Oct | Dec | Mar |
| Cotton | \$/cwt. | 70.00 | 4.69 | 5.22 | 4.61 | 70.00 | 2.16 | 4.79 | 9.28 |
| | | 72.00 | 6.20 | 6.37 | 5.51 | 72.00 | 1.67 | 3.95 | 8.22 |
| Wheat | \$/bu. | 7.90 | 0.41 | 0.63 | #N/A | 7.90 | 0.17 | 0.64 | #N/A |
| | | 8.00 | 0.48 | 0.69 | 0.79 | 8.00 | 0.14 | 0.60 | #N/A |
| Corn | \$/bu. | 5.10 | 0.22 | 0.34 | 0.31 | 5.10 | 0.20 | 0.51 | #N/A |
| | | 5.20 | 0.28 | 0.38 | 0.42 | 5.20 | 0.16 | 0.46 | #N/A |
| Soybeans | \$/bu. | 12.20 | 0.84 | 0.92 | 0.90 | 12.20 | 0.86 | 1.12 | 1.26 |
| | | 12.40 | 0.95 | 1.03 | 1.00 | 12.40 | 0.77 | #N/A | #N/A |
| Lean Hog | \$/cwt. | 76.00 | 0.05 | 2.80 | 5.13 | 76.00 | #N/A | 3.70 | 3.50 |
| | | 78.00 | 0.03 | 3.75 | 6.28 | 78.00 | #N/A | 2.65 | 2.65 |
| Live Cattle | \$/cwt. | 106.00 | 1.93 | 3.55 | 4.15 | 106.00 | 4.48 | 4.80 | 6.08 |
| | | 108.00 | 2.65 | 4.53 | 5.00 | 108.00 | 3.20 | 3.78 | 4.95 |
| Feeder Cattle | \$/cwt. | 114.00 | 0.95 | 1.63 | 2.40 | 114.00 | 2.45 | #N/A | 5.90 |
| | | 116.00 | 1.85 | 2.30 | 3.18 | 116.00 | 1.35 | 3.50 | 4.70 |

Price Offerings

| Enterprise/Yield | Unit | Futures Price | Strike Price | Cash Contract Price | Contract Month | Put Pre- mium | Estimated | | Cost of Production | | Potential Returns Above Cost | |
|------------------|---------|---------------|--------------|---------------------|----------------|------------------|-----------|-----------|--------------------|-------|------------------------------|--------|
| | | | | | | | Basis | Net Price | Cash | Total | Cash | Total |
| Soybeans 37 bu. | | | | | | | | | | | | |
| Futures Mkt. | \$/bu. | 12.22 | xx | xx | Nov | xx | -0.20 | 12.02 | 4.87 | 8.37 | 7.15 | 3.65 |
| Options Mkt. | \$/bu. | xx | 12.20 | xx | Nov | 0.84 | 0.15 | 11.51 | 4.87 | 8.37 | 6.65 | 3.14 |
| Cash Contract | \$/bu. | xx | xx | 11.02 | Nov | xx | xx | 11.02 | 4.87 | 8.37 | 6.15 | 2.65 |
| Corn 126 bu. | | | | | | | | | | | | |
| Futures Mkt. | \$/bu. | 5.08 | xx | xx | Sep | xx | -0.05 | 5.03 | 3.18 | 3.95 | 1.85 | 1.08 |
| Options Mkt. | \$/bu. | xx | 5.10 | xx | Sep | 0.22 | -0.05 | 4.83 | 3.18 | 3.95 | 1.65 | 0.88 |
| Cash Contract | \$/bu. | xx | xx | 4.83 | Sep | xx | xx | 4.83 | 3.18 | 3.95 | 1.65 | 0.88 |
| Wheat 58 bu. | | | | | | | | | | | | |
| Futures Mkt. | \$/bu. | 7.66 | xx | xx | Sep | xx | -0.25 | 7.41 | 4.02 | 5.27 | 3.39 | 2.14 |
| Options Mkt. | \$/bu. | xx | 7.70 | xx | Sep | 0.29 | -0.25 | 7.16 | 4.02 | 5.27 | 3.14 | 1.89 |
| Cash Contract | \$/bu. | xx | xx | 4.71 | Sep | xx | xx | 4.71 | 4.02 | 5.27 | 0.69 | -0.57 |
| Cotton* 806 lbs. | | | | | | | | | | | | |
| Futures Mkt. | \$/cwt. | 69.56 | xx | xx | Dec | xx | -3.00 | 66.56 | 60.29 | 76.79 | 6.27 | -10.23 |
| Options Mkt. | \$/cwt. | xx | 70.00 | xx | Dec | 5.22 | -3.00 | 61.78 | 60.29 | 76.79 | 1.49 | -15.01 |
| Cash Contract | \$/cwt. | xx | xx | 67.06 | Dec | xx | xx | 67.06 | 60.29 | 76.79 | 6.77 | -9.73 |

Note:* Last available quote. May not be closing price.

Feeder Cattle-Summer Grazing; Placed in June at:

450 # @ #N/A /cwt.;

Sell @ 600 #

approximately 15-Sep-08

| | | | | | | | | | | | | |
|--------------|---------|--------|--------|----|-----|------|-------|------|------|------|------|------|
| Futures Mkt. | \$/cwt. | 117.20 | xx | xx | Sep | xx | -1.00 | #N/A | #N/A | #N/A | #N/A | #N/A |
| Options Mkt. | \$/cwt. | xx | 116.00 | xx | Sep | 2.30 | -1.00 | #N/A | #N/A | #N/A | #N/A | #N/A |

NOTE: PER UNIT COST OF PRODUCTION ESTIMATES FOR LIVESTOCK VARY BASED ON FEED COST AND/OR PURCHASE PRICES. COST OF PRODUCTION FOR CROP ENTERPRISES ARE PER UNIT ESTIMATES AT THE INDICATED YIELD LEVELS. YIELD ESTIMATES REFLECT A 5 YR. AVERAGE ADJUSTED UPWARD 25 PERCENT. COST OF PRODUCTION AND POTENTIAL RETURN ESTIMATES DO NOT INCLUDE CHARGES FOR LAND OR MANAGEMENT.