



## **REPORT ON CATTLE FUTURES TRADING DURING MARCH/APRIL 2002**

**Prepared by CFTC Market Surveillance, April 19, 2002**

### **EXECUTIVE SUMMARY**

On its own initiative, as well as in response to inquiries and requests from the NCBA and other industry groups, the CFTC's Market Surveillance staff has reviewed fundamental market data and conducted an intensive review of large-trader activity relative to the CME's live cattle futures and options markets from March 1 to April 12, 2002. These efforts were initially prompted by a market reaction to news of tests for foot-and-mouth disease (FMD) in Kansas, but have since expanded to include a significant price decrease in cattle over a period of several weeks. Commission staff has analyzed cattle futures and options data, which include the positions and activity of commodity funds, local traders, packers, and cattle feeders, and questioned a number of persons in the futures industry and the cattle industry who may have had information about the FMD tests. Commission staff has also worked closely with staff of the CME and the USDA. Conclusions drawn from the Market Surveillance review are as follows:

- Uncertainties concerning news of the tests for FMD in Kansas were in the futures market for one trading day—March 13. The staff is examining the sources, timing, and content of that news. Staff is also closely examining futures price movements—both with respect to the events around March 13 and in the broader context of the sharp downtrend in prices that has persisted for several weeks since then.
- The April 2002 live cattle futures price fell nearly \$10 per hundredweight (about 13 percent) from March 12 through April 12. Cash prices have also fallen over this 1-month period, but this sharp, downward move is not unprecedented in recent years.

- Market fundamentals, particularly those released during this period, have generally shown increasing cattle placements on feed, higher beef production, large beef cold-storage stocks, record total meat production, lower beef exports, higher beef imports, and much lower prices for pork and chicken. Although no one of these factors by itself shocked the market, all of them tend to depress cattle prices.
- Surveillance of the soon-to-expire April 2002 live cattle futures contract thus far reveals no evidence of unusual trading activity. Surveillance is ongoing.
- About 85 percent of all noncommercial reportable traders in live cattle futures and options held 600 or fewer contracts net long or short throughout this period. No more than six noncommercial traders held over 2000 net long or short contracts.
- During the price declines beginning on March 13, commodity funds, as a group, sold substantial numbers of futures contracts. Through March 26, the first 10 days of that decline, funds, as a group, were reducing a net long exposure. Eventually funds got net short in the futures market on March 27, as prices continued to trend downward.
- To the extent that individual “local” futures traders held overnight positions in cattle futures and options, they were fairly well balanced between long and short positions. As a group, locals were net long all through the entire period of March 1 to April 12. As prices trended down, locals, as a group, had net sells to reduce their net long exposure.
- Packers, as a group, were net long live cattle futures for most of this period and were buyers of futures and options on 4 of the 5 days beginning on March 13, when the April 2002 live cattle future fell by \$4.40 per cwt.
- On 7 trading days during this 6-week period, the April 2002 live cattle future closed down by \$1.00 or more per cwt. The packers, as a group, were a net buyer in April 2002 futures on all 7 days, a net buyer in June 2002 futures on 5 of the 7 days, and a net buyer across all live cattle futures and options on 6 of the 7 days.
- Cattle feeders had more reportable futures and option traders than packers, funds, and locals combined. Feeders, as a group, had a large net short futures and options exposure throughout this period, which is consistent with a risk management strategy of hedging their ownership of cattle on feed.

## **BACKGROUND**

The Commission's Market Surveillance staff routinely monitors all futures and option markets to detect and prevent price manipulation. A major source of information is derived from the large-trader reporting system (LTRS). Any trader that holds 100 or more live cattle futures or option contracts in a single futures month or option expiration is reported to the Commission on a daily basis. These "large traders" are identified and their business activities—both in futures and the underlying physical markets—are subject to inspection. These data are also used to monitor and enforce speculative position limits.<sup>1</sup>

Because of the sudden, dramatic downward price move in live cattle futures beginning on March 13, surveillance activities with respect to that market were intensified. The daily large-trader data were examined with respect to specific groups of similar traders, namely, commodity funds, local traders, beef packers, and cattle feeders. The Commissioners and senior staff were briefed on the latest developments in cattle at each of the weekly surveillance briefings held since March 13. The following information is a result of staff efforts to provide as many facts as possible as quickly as possible. Information concerning large traders is displayed in aggregate form to protect the confidentiality of individual trader's activity.

### **EVENTS SURROUNDING THE TESTING OF CATTLE IN KANSAS**

Based upon a timeline [Exhibit 1] provided by USDA's Animal and Plant Health Inspection Service (APHIS), a small number of cows at a public market in Holton, KS, were isolated for a possible disease on the afternoon of March 12. Biological samples were sent to a USDA lab in New York early the next day to test for foot-and-mouth disease (FMD). USDA announced that the test results were negative later that evening of March 13. News of the testing spread among the cattle and futures industry during the futures trading session (9:05am to 1:00pm Central) of March 13. The April 2002 future went into a "fast market" condition at midmorning, touched limit (150 points) down, and closed at a loss of 112 points. [Exhibit 2] On the morning of March 14, after the negative test results were announced, the April future initially traded as much as 35 points higher, but moved lower, and settled down 130 points. Since then cattle futures prices have been sharply lower well into April, with the April future closing at \$65.87 on April 12 for a loss of nearly \$10 per hundredweight and about 13 percent from March 12, before the news of testing at the Kansas market.

---

<sup>1</sup> Full descriptions of the Commission's market surveillance program, the large-trader reporting system, and the program for enforcing speculative position limits can be found in recently updated Backgrounders on the Commission's website [[www.cftc.gov](http://www.cftc.gov)].

The Commission staff is closely examining the circumstances surrounding these events. A number of persons in the cattle industry and futures industry have already been questioned—more will be questioned. If needed, the staff has broad record-inspection authorities to obtain records of cash and futures transactions. No final conclusions on any of these issues have been reached at this stage of the staff's ongoing examination.

### **PRICES**

Cattle prices usually rise to a seasonal peak sometime in the March/April period and then decline toward a seasonal low in the summer months. So far in 2002, cattle prices started out the year by rising more sharply than recent years, but have since fallen just as sharply. The decline, so far, has not been so different from other recent years. Moreover, cattle prices have fallen much less than hog prices. **[Exhibits 3-5]**

### **MARKET FUNDAMENTALS**

The Market Surveillance staff intensified its review of the fundamental market data, paying particular attention to any data and other types of news that appeared to have had an impact on prices, plus or minus, during the sharp downward price move that began on March 13. Clearly every day, in addition to actual data and the various forecasted statistics based upon estimates, there are various fundamental market forces at work in the cattle and beef markets the importance and accuracy of which are not yet known to the market and may not be known for weeks or months from now. Some of the potentially market-moving data and news that did surface during this period include the following.

On March 15, USDA released its monthly 7-states cattle-on-feed report. Based upon pre-report estimates and subsequent market commentary, some in the cattle industry were surprised by a larger-than-expected number of cattle placed on feed during February (over 1.5 million animals). Although a substantial increase over the anemic placements in February 2001 was anticipated, the 16 percent increase was reportedly much larger than expected and 5 percent above the 5-year average. Some of these placements were attributed to extremely poor forage-grazing conditions in drought-stricken western states, which forced more cattle, particularly heavyweight cattle, into feedlots. On the positive side, marketings in February were at the high end of pre-report estimates, but the potential positive impact of that number was tempered by the fact that on-feed numbers were also at the high end of forecasts. **[Exhibits 6-7]** (The next cattle-on-feed report is scheduled for release on April 19.)

In its release on March 22, 2002, the USDA showed total commercial red meat production for the United States at 3.50 billion pounds in February, up 3 percent from the 3.40 billion pounds produced in February 2001. Beef production, at 1.99 billion pounds, was 6 percent above the previous year. Cattle

slaughter totaled 2.61 million head, up 1 percent from February 2001. The average live weight was 1,255 pounds, up 38 pounds from February a year ago. January - February red meat production was 7.58 billion pounds, up 3 percent above the previous year. Beef production for those 2 months was up 6 percent from last year and pork was up 1 percent. These data are causing analysts to revise upward earlier forecasts that beef production would show a small decrease in 2002. Now USDA is forecasting higher year-over-year beef production for the first three quarter of 2002, with the potential for a significant fall-off in the fourth quarter. **[Exhibits 8-11]**

USDA commentary released on March 26 described the relative impact of declining exports and increasing imports on the U.S. beef market. U.S. exports were down 8 percent in 2001 and are expected to decline another 3-4 percent in 2002, due to a continuation of a strong dollar, worldwide economic weakness, and BSE concerns. The latter concern had a major impact on exports to Japan, which dropped by one-third in November and December of 2001. There is hope that some of these conditions may improve as the year progresses.<sup>2</sup> Adding to domestic production, beef imports were up 4 percent in 2001 to a record 3.16 billion pounds and are forecast to rise by another 2-3 percent this year. Increasing supplies of U.S. beef are also evident in the cold storage report released by USDA on March 20. Total beef in cold storage as of February 28 was 430 million pounds, the largest inventory on that date since at least 1990 and 19 percent higher than last year. **[Exhibit 12]** (Cold storage data as of March 31 will be released on April 19.)

In the pork complex, hog prices over these past several weeks have fallen much more than cattle prices. Lean hog carcass prices (the CME's 2-day index) fell from over \$54 per hundredweight in early March to under \$42 on April 12, a drop of over \$12 or about 24 percent. The USDA reported the U.S. inventory of all hogs and pigs on March 1 at 58.7 million head. This was 2 percent above March 2001, but 1 percent below December 1, 2001. Breeding inventory, at 6.24 million head, was up slightly from both March 1, 2001, and last quarter. Market hog inventory, at 52.5 million head, was 2 percent above last year but 1 percent below last quarter. The December 2001-February 2002 U.S. pig crop, at 24.7 million head, was 3 percent more than 2001, and 1 percent more than 2000. Imports of hogs from Canada are large and increasing, the U.S. imported 5.3 million hogs (mostly feeder pigs) from Canada last year and USDA projects that 5.8 million will be imported this year, an increase of 9 percent. **[Exhibits 13-14]**

USDA projects broiler production in 2002 at 32.05 billion pounds, up nearly 3 percent from last year and above earlier forecasts. Recent news in the poultry market has focused primarily on news, on March 10, that Russia placed a ban on U.S. poultry imports purportedly because U.S. processors are using

---

<sup>2</sup> In fact, in a report released just this week, USDA is forecasting beef exports in 2002 as virtually unchanged from 2001—an improvement from earlier expectations that exports might decline.

certain antibiotics and other medications. News on April 1 that the ban had apparently been lifted may have contributed to a limit-up price move in live cattle futures that day—news of lifting the ban proved to be premature and markets for beef, pork, and poultry have reacted up and down to progress, or lack of progress, over the past several weeks.<sup>3</sup> Russia imported 2.3 billion pounds of broiler products in 2001, which represented over 7 percent of U.S. broiler production by weight. Price weakness in chicken leg quarters,<sup>4</sup> the primary product shipped to Russia, would put some pressure on beef and pork prices as they compete for the consumer's dollar. **[Exhibits 15-17]**

[A summary of how some key market fundamentals and forecasts changed after March 13, as prices were generally falling, is attached as **Exhibit 18.**]

### **LARGE-TRADER ACTIVITY**

**Expiration of April 2002 Live Cattle.** The Surveillance staff has closely monitored the liquidation of the April 2002 live cattle future—the spot futures month throughout this period. The spot futures month tends to get more attention because it has the closest connection with cash prices and can be the most susceptible to market pressures as traders exit the market or position themselves to make or take deliveries. Typically the Surveillance staff assesses the fundamental market situation and how the contract is liquidating in broad terms, as well as a daily examination of individual large traders—who they are and how they are conducting themselves, any relationships or commonalities among traders, the relationship between the futures and cash prices, and the reasons for deliveries or lack of deliveries, **[Exhibits 19-21]** Surveillance of the April 2002 future has detected no evidence of unusual activity thus far, but close monitoring will continue through its last trading day—April 30.

**Market Composition.** One method for examining trading in live cattle futures is to group reportable traders by similar interests or occupations. The Commission publishes a “Commitments of Traders” report each week that groups large traders as either Commercials or Non-Commercials. For the benefit of this report on live cattle futures, the Surveillance staff is providing far more detail by grouping large traders into the following six categories: cattle feeders, beef packers, other commercial traders, commodity funds, local traders, and other non-commercial traders. These groups of traders, together with the small, non-reportable traders (*i.e.*, traders that did not hold more than 100 contracts in a single future or option expiration) make up the total long and short contracts.

For a general comparison, market composition data were calculated for two dates—March 12, the day before the sharp price break, and April 12, the last

---

<sup>3</sup> On April 13, the Russian government notified the U.S. Government that the ban would be lifted as of April 15, saying that the U.S. had met all the demands put forward by the Russian veterinary control.

<sup>4</sup> For example, at least one Chicago-area grocery store featured chicken leg quarters at 17¢ per pound the week ending April 12.

day of this period examined. The charts show that 72 to 75 percent of the total open interest on either date is identified to the Commission through its large-trader reporting system.<sup>5</sup> There were some changes in the proportions of open interest held by the various large-trader groupings over this 1-month period. Cattle feeders reduced both their long and their short shares of the market from March 12 to April 12. Beef packers reduced their long share slightly and had a larger reduction in their short percentage of the market. Commodity funds reduced their long proportion of the market and had a significant increase in their share of the short side. Locals increased slightly their share of the total open interest on both sides of the market over this 1-month period. **[Exhibits 22-23]**

**Non-Commercial Accounts.** Non-Commercial (or speculative) traders in live cattle futures are subject to a single-month speculative position limit of 3,300 futures contract equivalents.<sup>6</sup> As an expiring future trades into the spot month, the limit is reduced to 600 contracts and then to 300 contracts for the last 5 trading days. Speculative limit levels have been set by the CME and approved by the Commission and are jointly enforced. A review of large-trader data shows that about 85 percent of all speculative traders held no more than 600 net long or short futures-equivalent contracts on any day from March 1 through April 12. No more than six traders held speculative positions of over 2000 contracts long or short in all live cattle futures and options combined on any day throughout this period. **[Exhibit 24]**

**Commodity Funds.** Over many years of observing the activity of commodity funds, the Surveillance staff has observed that, although a large number of funds may hold positions in a market, most of them do not trade on any given day. When funds do trade, however, they tend to trade in the same direction. Since many funds use technical, trend-following trading systems, it is not clear whether fund activity contributes to the magnitude or direction of the price change or whether they are reacting to the price change. Cattle futures are no different than any other market insofar as one can observe days when funds traded heavily in the same direction as a large price move.

During the period examined for this report, it is clear that funds had significant long and short futures positions, but, as a group, were net long cattle futures as the events of March 13 transpired. This is not surprising in light of the uptrend in prices through March 8. At the same time that prices broke sharply lower on March 13, funds, as a group, sold to reduce their net long position. For example, on March 14, the day the funds had their largest net sells, funds had

---

<sup>5</sup> Note that the total open interest for all futures and options combined, which is calculated on a futures-equivalent basis, was 109,768 contracts on March 12 and 114,743 contracts on April 12.

<sup>6</sup> "Futures equivalent" measures a trader's total market exposure by combining futures and option positions. Using delta factors supplied by the exchange, long-call and short-put open positions are converted to long futures-equivalent open positions. Likewise, short-call and long-put open positions are converted to short futures-equivalent open positions. For example, a trader holding a long put position of 300 contracts with a delta factor of 0.50 is considered to be holding a short futures-equivalent position of 150 contracts.

net sells of 3703 futures-equivalent contracts, of which 2570 represented a reduction in their long positions. Clearly, traders holding long positions in a declining market have no incentive to create additional downside momentum. The funds continued to sell as prices continued to decline. As they did so, as a group, they became net short cattle futures on March 27. As prices fell still further into April, funds reached their largest net short position of 2666 contracts on April 3. **[Exhibits 25-26]**

**Local Traders.** This category represents mostly traders on the exchange floor (registered as floor traders or floor brokers) and a few other futures professionals that carried large positions overnight.<sup>7</sup> Locals, as a group, tended to carry nearly balanced long and short futures and option positions, resulting in relatively small net exposure. That net futures exposure was long throughout the entire period, with small net buys on 5 of the 6 days beginning March 13, which increased their net long exposure to its highest level of 2623 futures-equivalent contracts on March 20. Beginning the next day, locals tended to reduce their net long position until they were only net long 193 contracts on April 11. **[Exhibits 27-28]**

**Beef Packers.** Some cattle feeders have expressed concerns that beef packers engaged in futures trading activity that, if not the cause, at the very least contributed to the sharp downtrend in prices. The Surveillance staff examined the activity of packers that held reportable futures positions at any time from March 1 through April 12. On any given day during this period, there were 7 or 8 packers with reportable futures and option positions, which included the five largest beef packers in the U.S. as well as some small packers. The data show that packers, as a group, were net long cattle futures and options on all but 4 days of the 6-week period. Moreover, packers were net buyers of futures on 4 of the first 5 days of the price decline that began on March 13, during which time the April cattle future dropped by \$4.40. **[Exhibits 29-30]**

During the remainder of the period, packers, as a group, began to sell to reduce their net long futures and option position on March 20 and continued to have net sells each day through March 27. As a result, their net long exposure was reduced to near zero on March 26 and became slightly net short on March 27. Beginning the next day, March 28, packers had net buys on 10 of the next 11 trading days through April 12, which increased their net long exposure until it reached the highest levels of the 6-week period.

Surveillance staff examined separately the trading by packers on days of large downward price moves. Specifically, we looked at packers trading in the April 2002 future (the spot month throughout this period), in the June 2002 future,

---

<sup>7</sup> Of course many so-called "locals" trade actively during the day without carrying significant positions overnight. Large-trader data do not show details of intraday activity, but that trading can be examined using transaction data. The transaction data can be too voluminous to study in a comprehensive manner over long periods of time but can be thoroughly examined either on many dates for specific traders or on certain specific dates for many traders.



and in all-futures-and-options-combined for each of the 7 days during the 6-week study period when the April future settled at 100 or more points (*i.e.*, \$1.00 per hundredweight) down from the previous day.<sup>8</sup> The data show that packers, as a group, were a net buyer in the April 2002 future on all 7 days, were a net buyer in the June 2002 future on 5 of the 7 days, and a net buyer across all live cattle futures and options on 6 of the 7 days of large price declines. **[Exhibit 31]**

**Cattle Feeders.** Cattle feeders during this period had more reportable traders than commodity funds, local traders, and packers combined. Cattle feeders, as a group, held a large net short futures and options exposure throughout this period, which is consistent with a risk management strategy of hedging their cattle on feed. Feeders, as a group, were a net buyer of futures and options on March 13 and 14—the first 2 days of the sharp price decline, a net sellers for 4 consecutive days after that, and a net buyer for 7 of the next 8 trading days through April 2. Since April 2, feeders tended to reduce their long positions and, to a lesser extent, reduce their short positions, so that, as a group, their net short exposure increased through April 12. The other three groups (funds, locals, and packers) had relatively slight changes in the numbers of reportable traders during the 6-week period, but the number of reportable cattle feeders declined from 122 on March 20 to 95 on April 12. **[Exhibits 32-33]**

### **WORK IN PROGRESS**

The Market Surveillance staff is continuing its close monitoring of the liquidation of the April 2002 live cattle future as well as large-trader activity in the cattle futures market as a whole. The CME has been conducting its own inquiry into these events. The USDA had also opened up a review of these matters, particularly with respect to the handling of the examination of cattle at Holton, KS, and the actions by the State and Federal officials that became involved.

---

<sup>8</sup> The 7 days during the period of March 1 through April 12, 2002, that the April 2002 live cattle future settled at 100 or more points below the previous day were as follows: March 13—112 points, March 14—130 points, April 4—150 points, April 5—145 points, April 8—100 points, April 10—150 points, and April 12—112 points.

# USDA TIMELINE FOR CATTLE EXAMINATION AT HOLTON, KS

(Provided by USDA's Animal and Plant Health Inspection Service (APHIS))

## Tuesday, March 12, 2002

**1:30pm** (all times are Central Standard Time) Market veterinarian at Holton, KS, reports a possible foreign animal disease (FAD) to Kansas Animal Health Department (KAHD). Market veterinarian reports oral lesions in a consignment of cows. APHIS office in Topeka, KS, is also notified.

**1:30pm-5:00pm** The cattle are isolated under the continuous supervision of market veterinarian.

**5:00pm** KAHD arrives at the Holton market and performs a visual inspection of the suspect animals. No outward clinical signs are apparent. The cattle are moved into the chute area for a complete physical examination. Eight of the nine cows that were examined have oral erosions and ulcerations. Their temperatures are also slightly elevated. The cattle have no foot or teat lesions characteristic of foot-and-mouth disease (FMD). Tissue, probang, and blood samples are collected.

**8:00pm** KAHD veterinarian talks about the results of the animal examination with Kansas Livestock Commissioner. He reports that the lesions were most likely foreign body induced (feed related) and not likely to be FMD. KAHD veterinarian had recently completed the FADD (foreign animal disease diagnostics) course and had spent 30 days in the UK last year. Based on his experience and the practical fact that most of the animals had already left the market before he arrived, KAHD, Kansas Livestock Commissioner, and APHIS decide not to order the market closed.

**9:00pm** The cattle are held in an isolation pen at the market.

**10:00pm** KAHD veterinarian arrives at APHIS office and along with APHIS begins to prepare the samples for shipment. During a telephone call that included APHIS, KAHD, and the Kansas Livestock Commissioner, options for delivering the samples to FADDL (Foreign Animal Disease Diagnostic Laboratory at Plum Island, NY) are discussed. Because it is too late to get the samples to FedEx, the decision is made to hand-deliver the samples to Plum Island the next day. While no one believes this is FMD, there is concern about the number of animals that had moved through the market that day and a desire to not delay the results an additional 24 hours. Arrangements are made to hand-deliver the samples and handle this case as a Priority 1 FAD investigation.

At this time another APHIS Veterinary Medical Officer is called and told to conduct an investigation at the farm-of-origin of the lesioned animals. This investigation is to be conducted the next morning.

## Wednesday, March 13, 2002

**6:30am** KAHD veterinarian departs for Plum Island, NY, with the samples.

**8:00am** Another official from KAHD leaves Kingman to conduct the farm-of-origin investigation.

**9:30am** APHIS' Kansas office informs APHIS' Western Regional office for Veterinary Services about the investigation. At this time an APHIS official is instructed to notify APHIS officials in Washington,DC.

**11:00am** State officials leave a message about the situation for Kansas Ag. Secretary Jamie Adams.

**11:15am** An APHIS official in Kansas receives a call from an individual in Oklahoma (he claimed to be a commodities trader/journalist) asking about an FMD investigation in Holton, KS. This is APHIS' first inkling that this investigation has "leaked" outside our normal regulatory loop. Thinking that this was an anomaly, APHIS officials discuss how to handle additional calls, i.e., tell the truth, namely that this is a routine investigation, USDA conducts hundreds of investigations per year, and we do not believe that we are dealing with FMD.

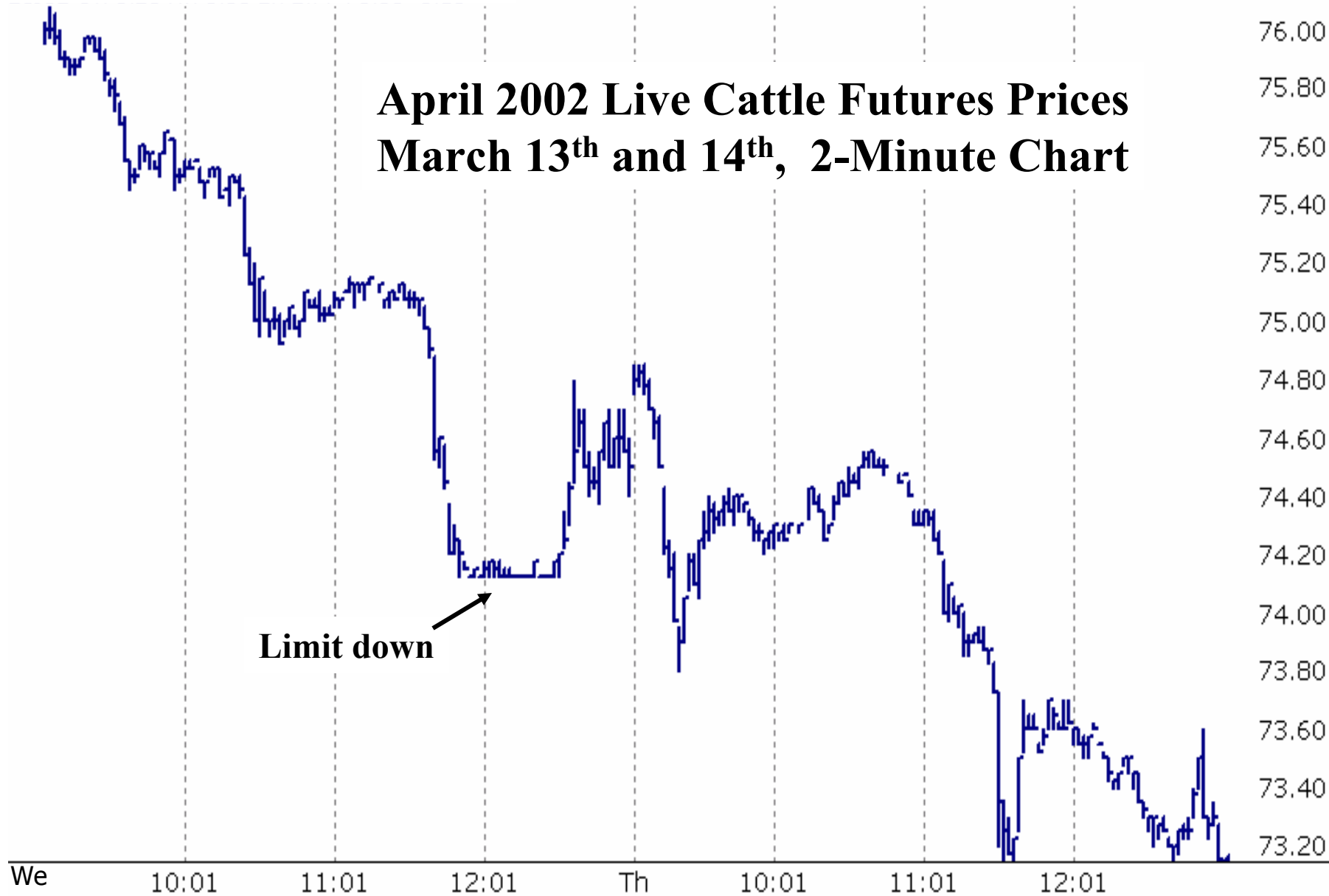
Around this time, the APHIS Veterinary Services offices are inundated with media calls. Instructions are issued to direct all media calls to APHIS' Legislative and Public Affairs (LPA) office. Calls from practitioners, producer groups, legislators, state and federal agencies, etc. (about 75 calls) come in and are returned by APHIS officials in Kansas that afternoon. An APHIS official in Kansas does talk to two media groups after the initial media call, but has no further media contacts after receiving instructions to refer all media calls to APHIS' LPA office.

**11:30am** State officials in Kansas implement a portion of Emergency Response plan and inform the Kansas Division of Emergency Management of what is transpiring.

**1:00pm** KAHD veterinarian arrives at the KAHD office after completing the on-farm investigation. He found additional evidence that the oral lesions were feed related (he observed that the Timothy hay being fed was full of "beards," noted similar lesions in a horse being fed the same hay, and was able to remove "beards" from the lesions). A KAHD veterinarian at this point begins to answer all phone calls to KAHD related to the investigation.

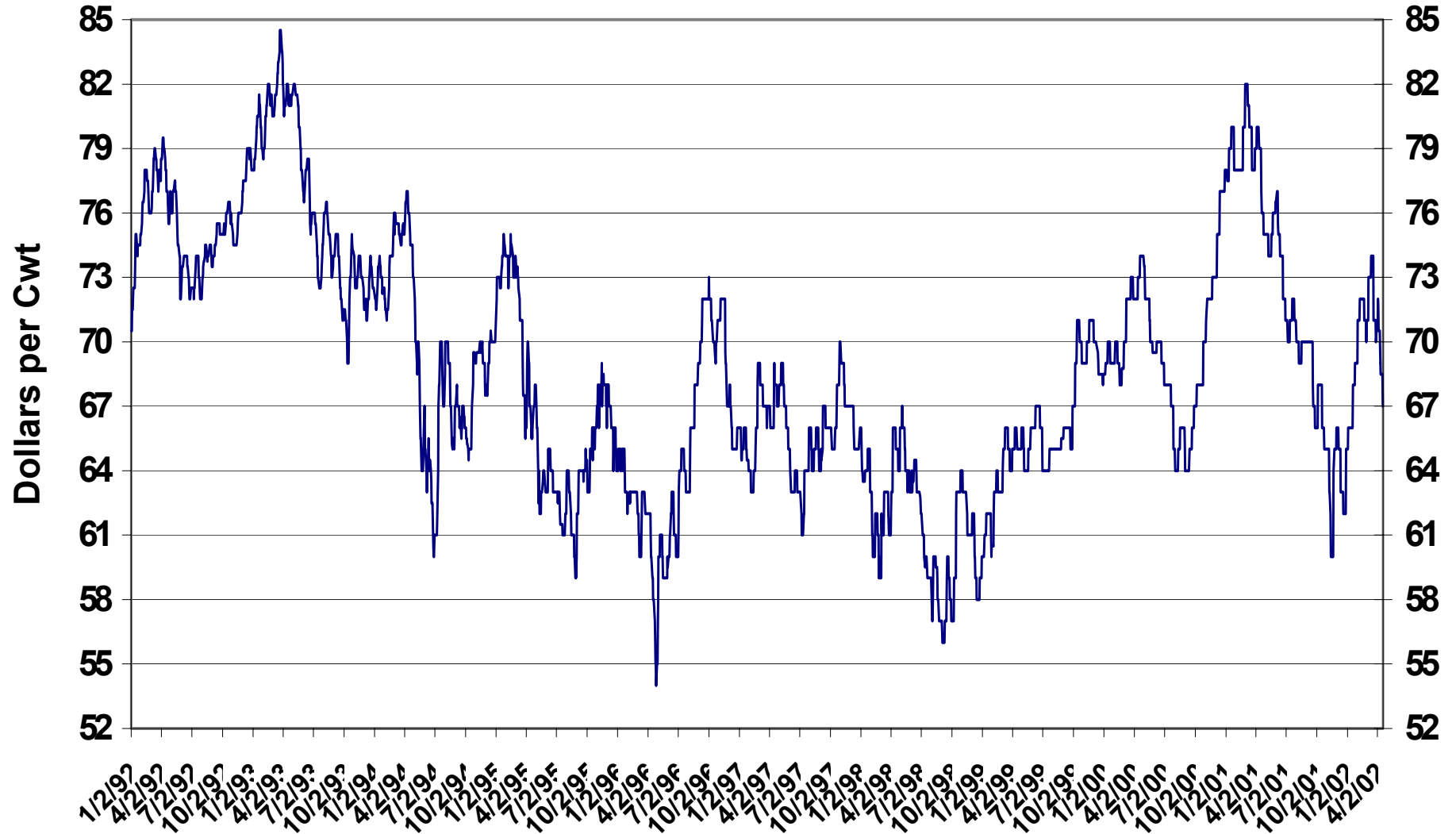
**8:15pm** APHIS lab at Plum Island reports that the samples are negative for FMD. A later report confirms the presence of feed-related foreign bodies.

# April 2002 Live Cattle Futures Prices March 13<sup>th</sup> and 14<sup>th</sup>, 2-Minute Chart



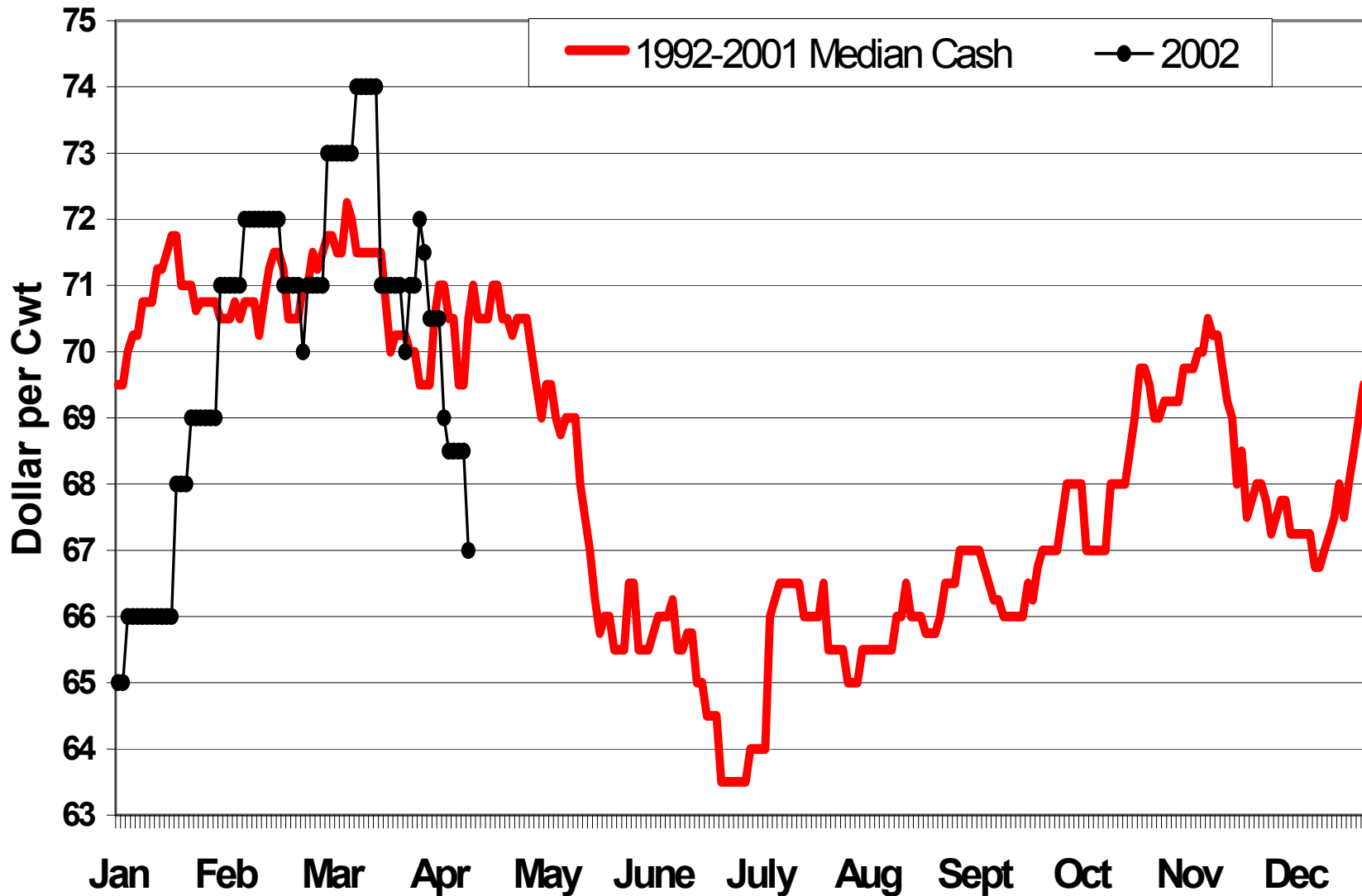
Source: Time & Sales Data

# Texas/Oklahoma Cash 1992-2002

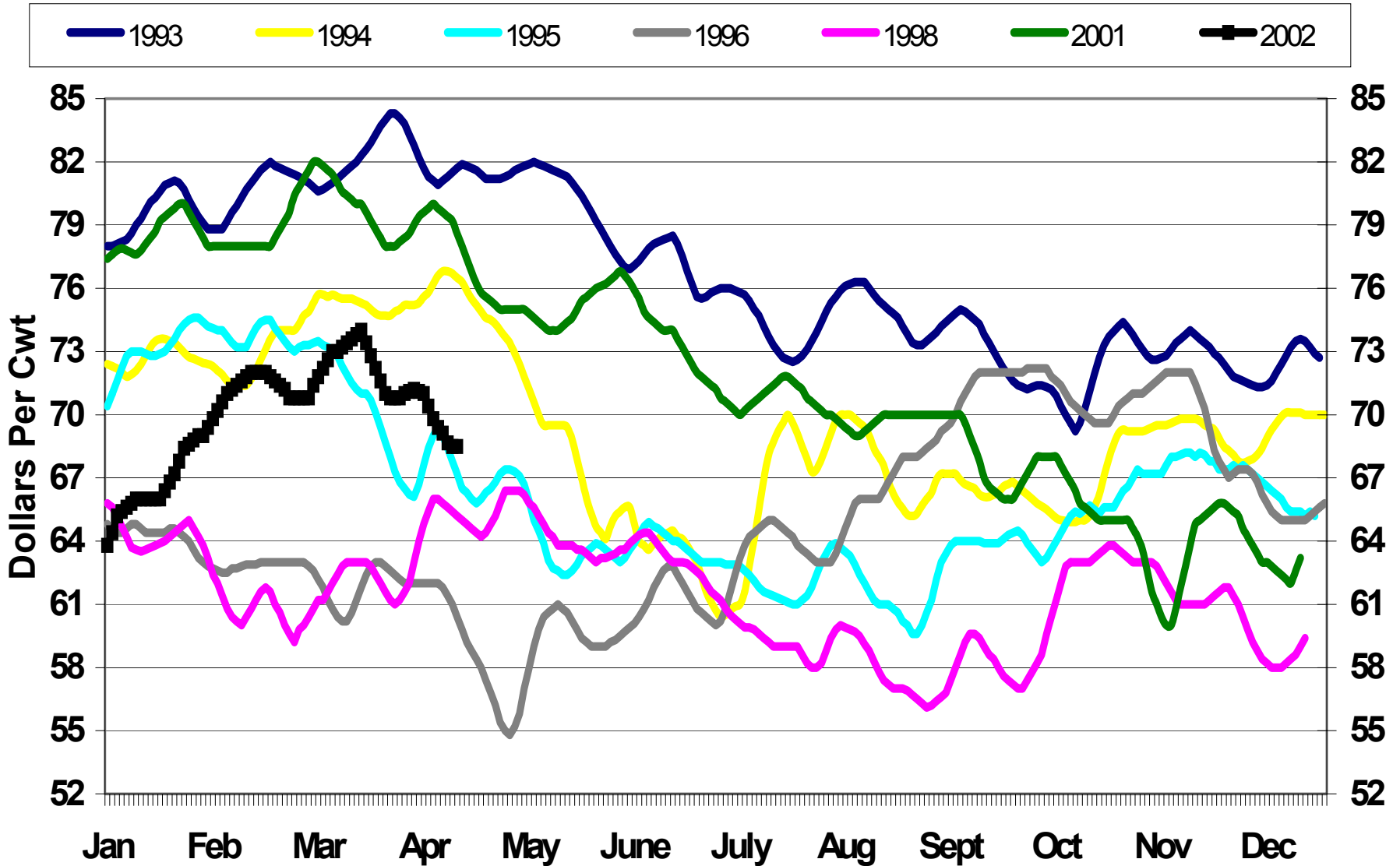


Source: USDA: 35 to 65% Choice Steers

# Texas/Oklahoma Median Cash 1992-2001 versus 2002

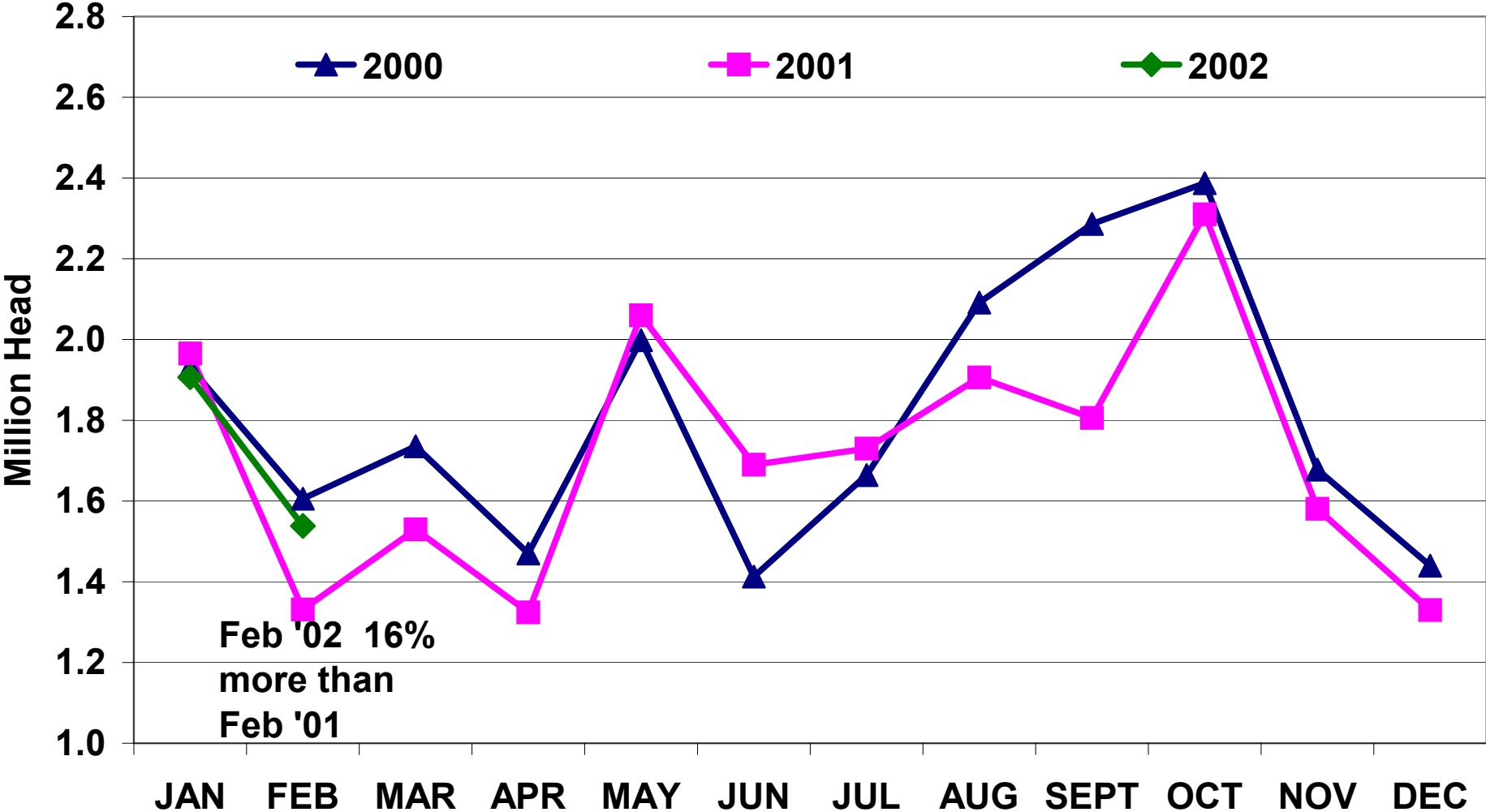


# Texas/Oklahoma Cash - Individual Selected Declining Price Years Five Day Moving Average



Source: USDA: 35 to 65% Choice Steers

# Cattle Placed On Feed In 7-States (1000+ Cap)

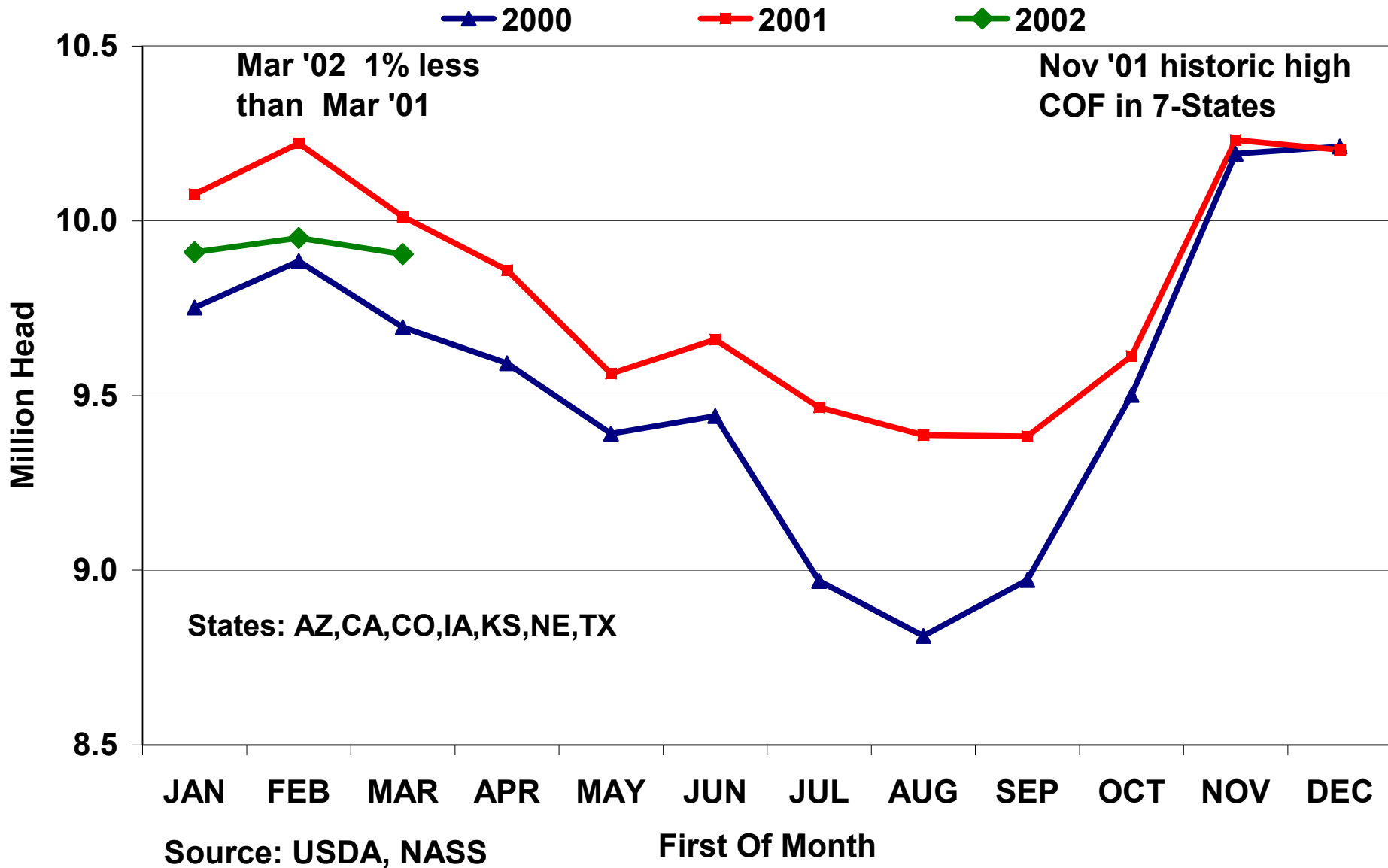


Source: USDA, NASS

Placed During The Month



# Cattle On Feed In 7-States (1000+ Cap)

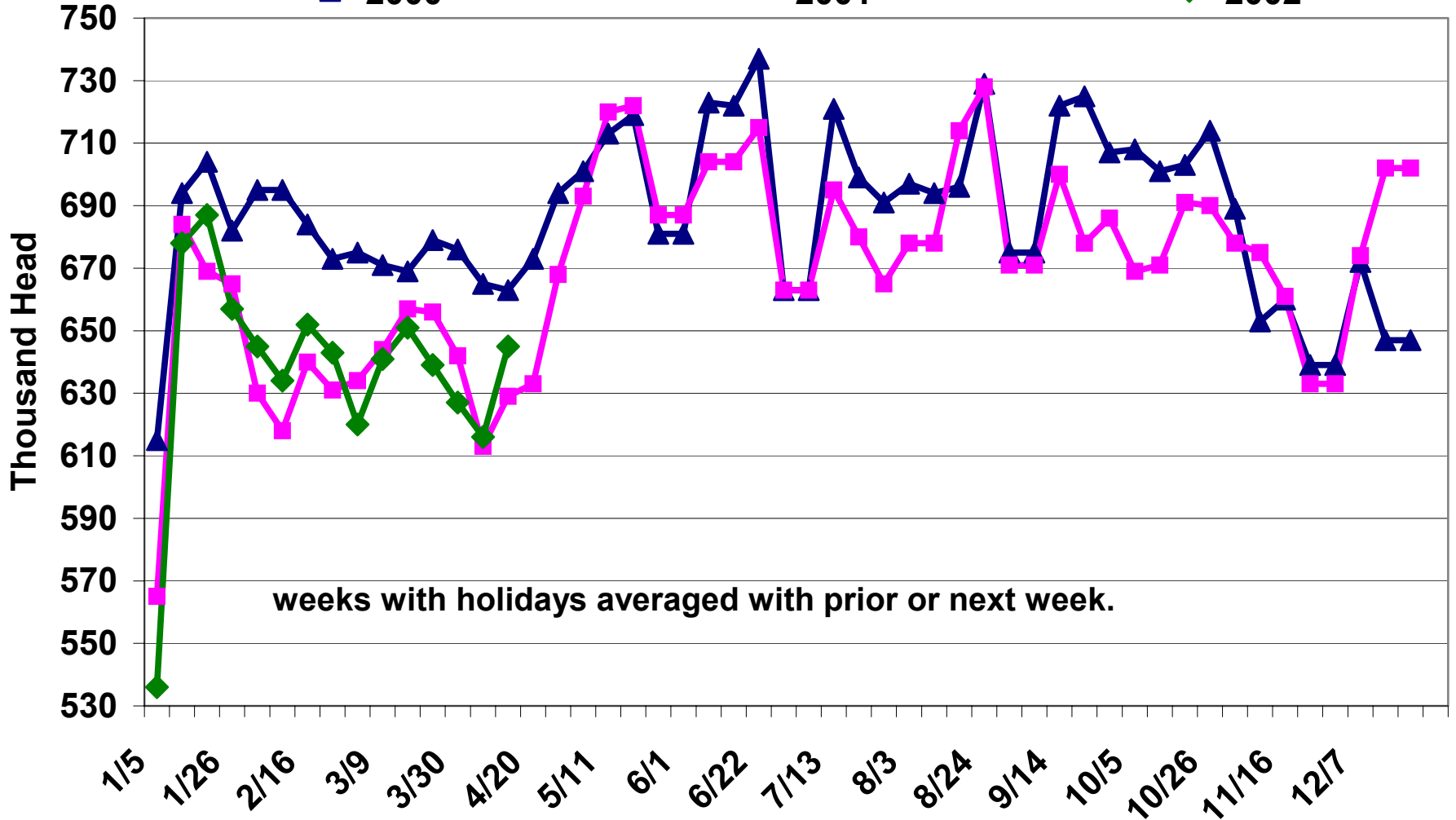


# Weekly F. I. Cattle Slaughter

▲ 2000

■ 2001

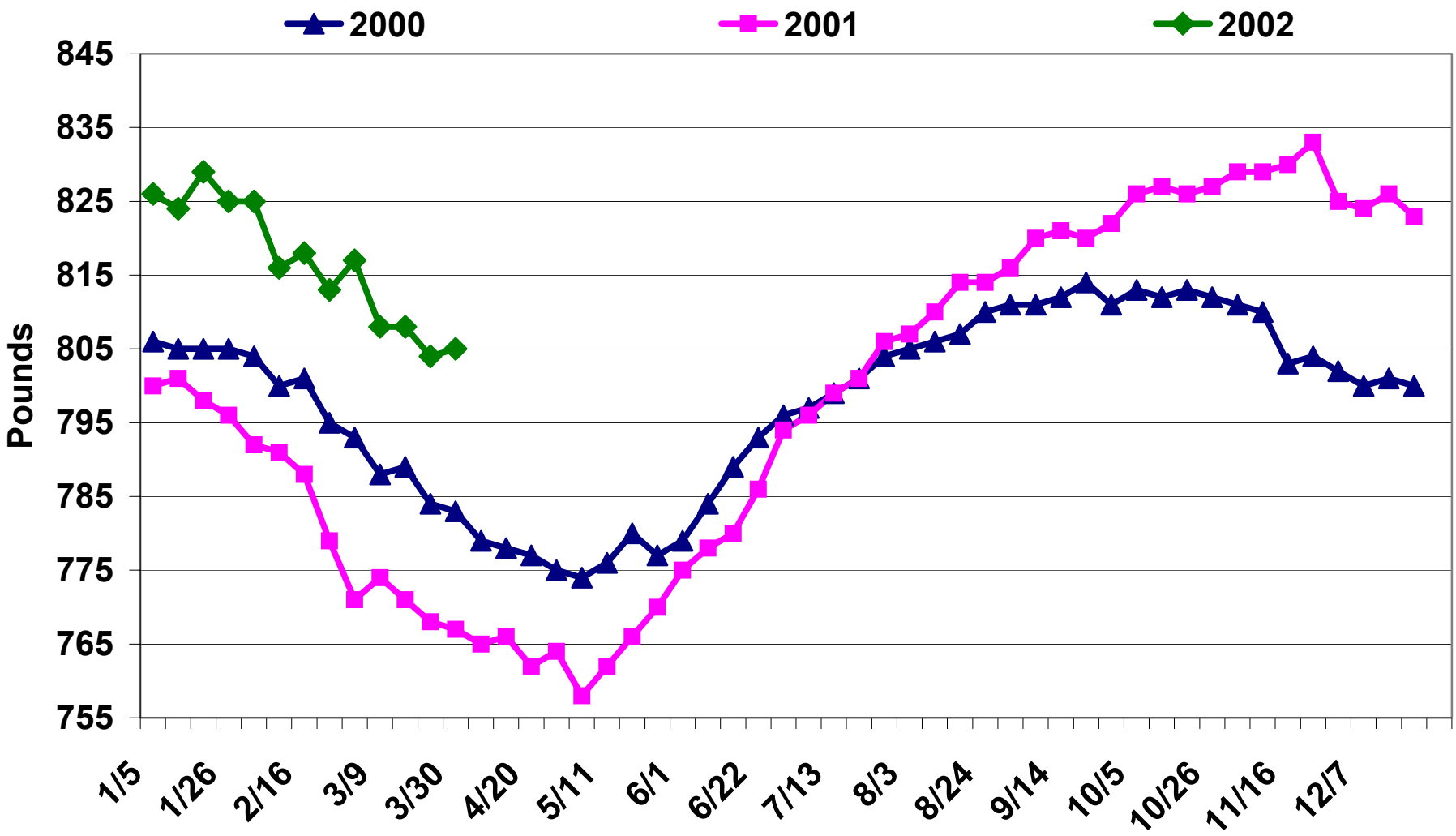
◆ 2002



Source: USDA, AMS

2002 Week-Ending Dates

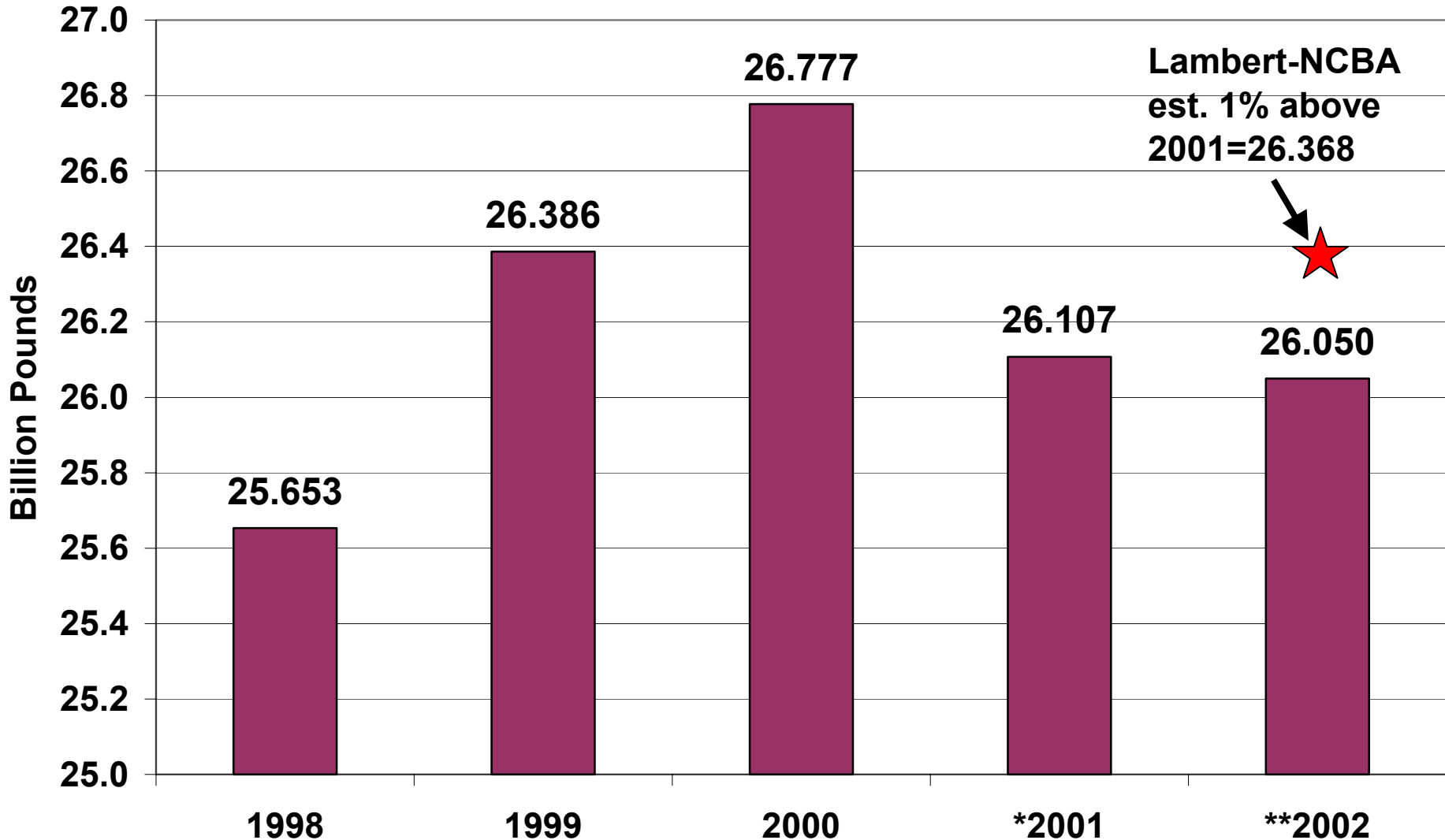
# F.I. Steer Weekly Average Dressed Weights



Source: USDA, AMS

2002 Week-Ending Dates

# Annual Commercial Beef Production



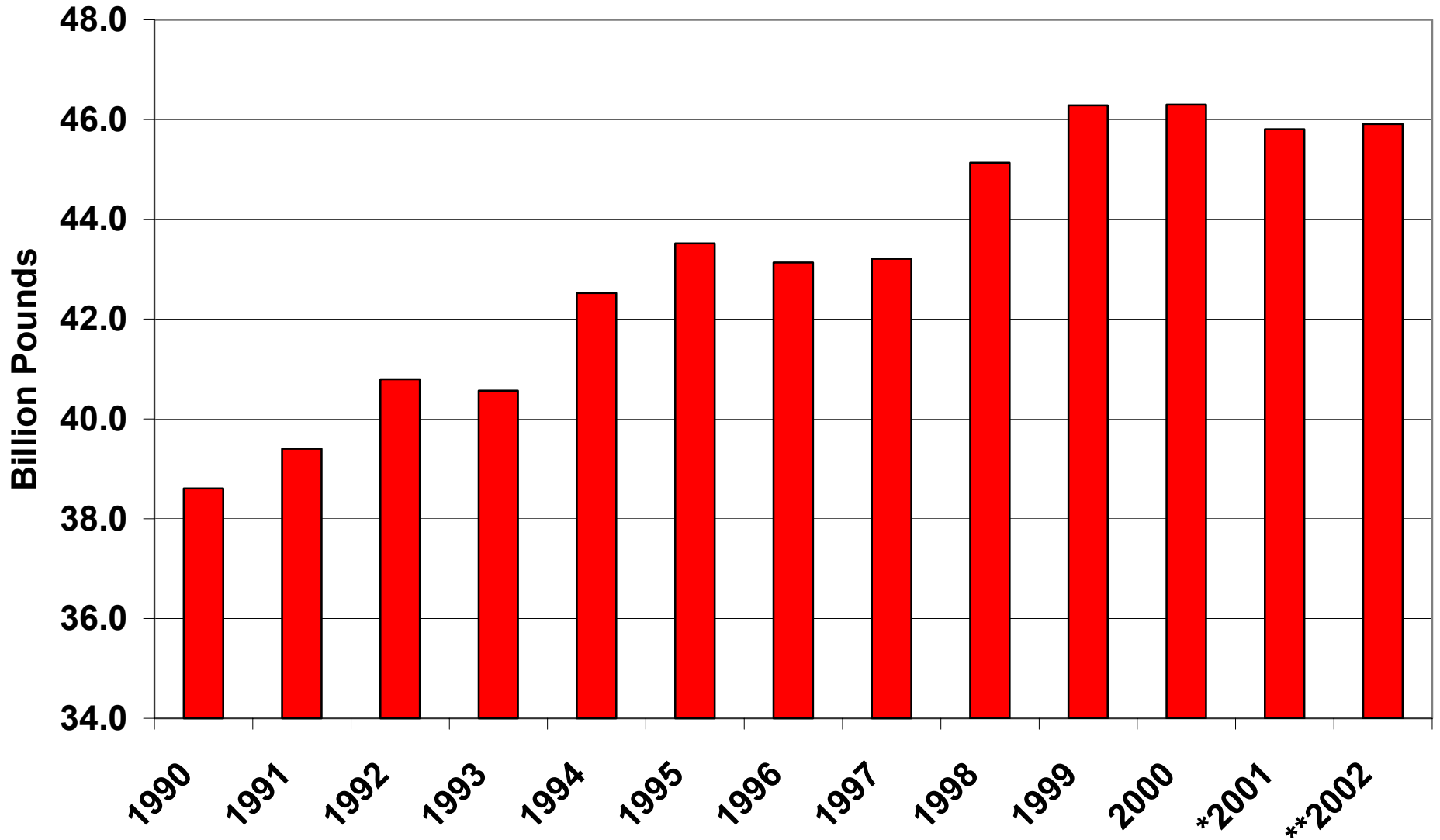
Source: USDA, WASDE

Annually

\*estimated

\*\* projected

# Total Red Meat Production



Source: USDA, WASDE

Annually

\* Estimated

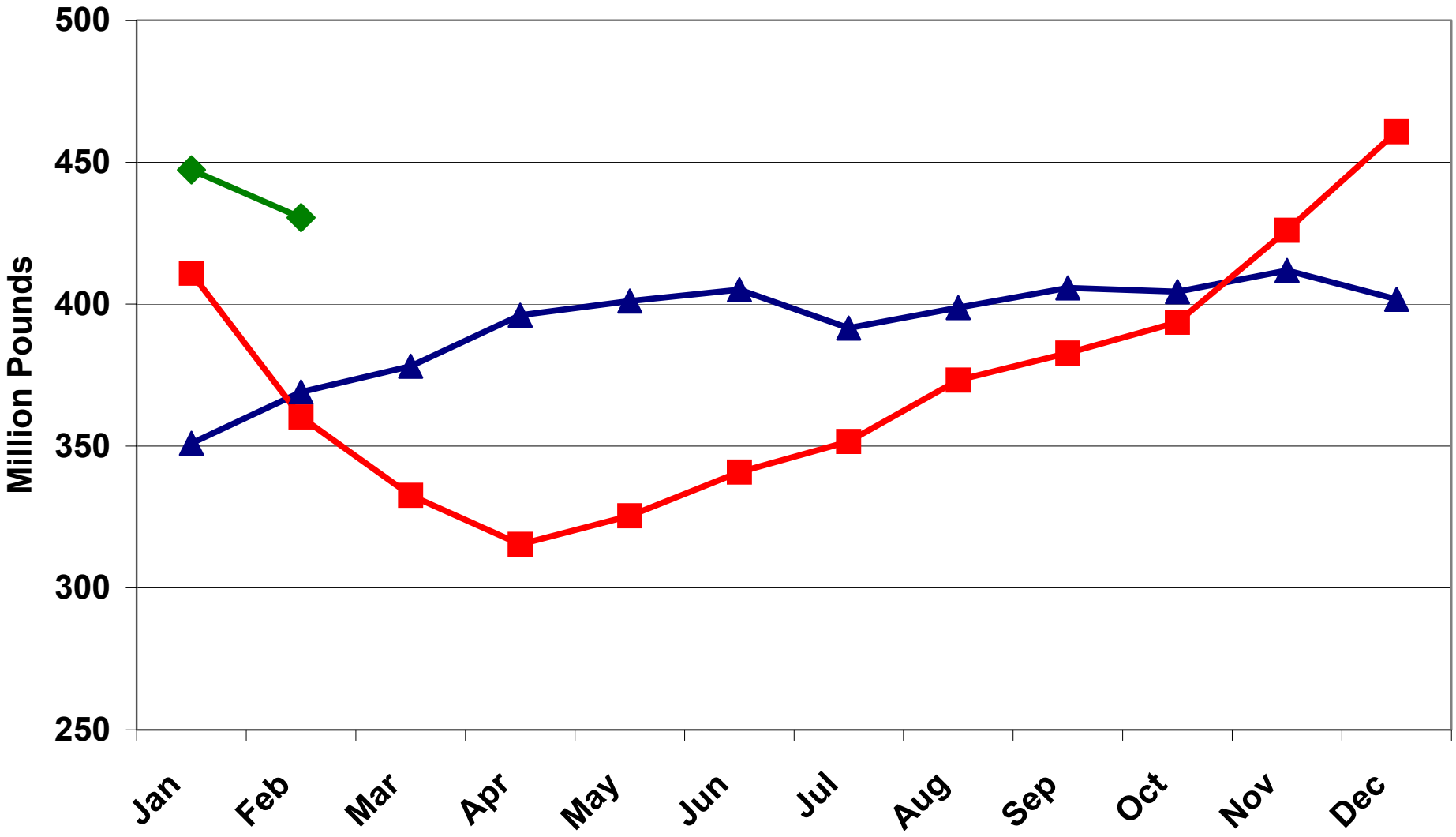
\*\* Projected

# Total Beef Stocks in Cold Storage, Monthend, 2000 To Present

▲ 2000

■ 2001

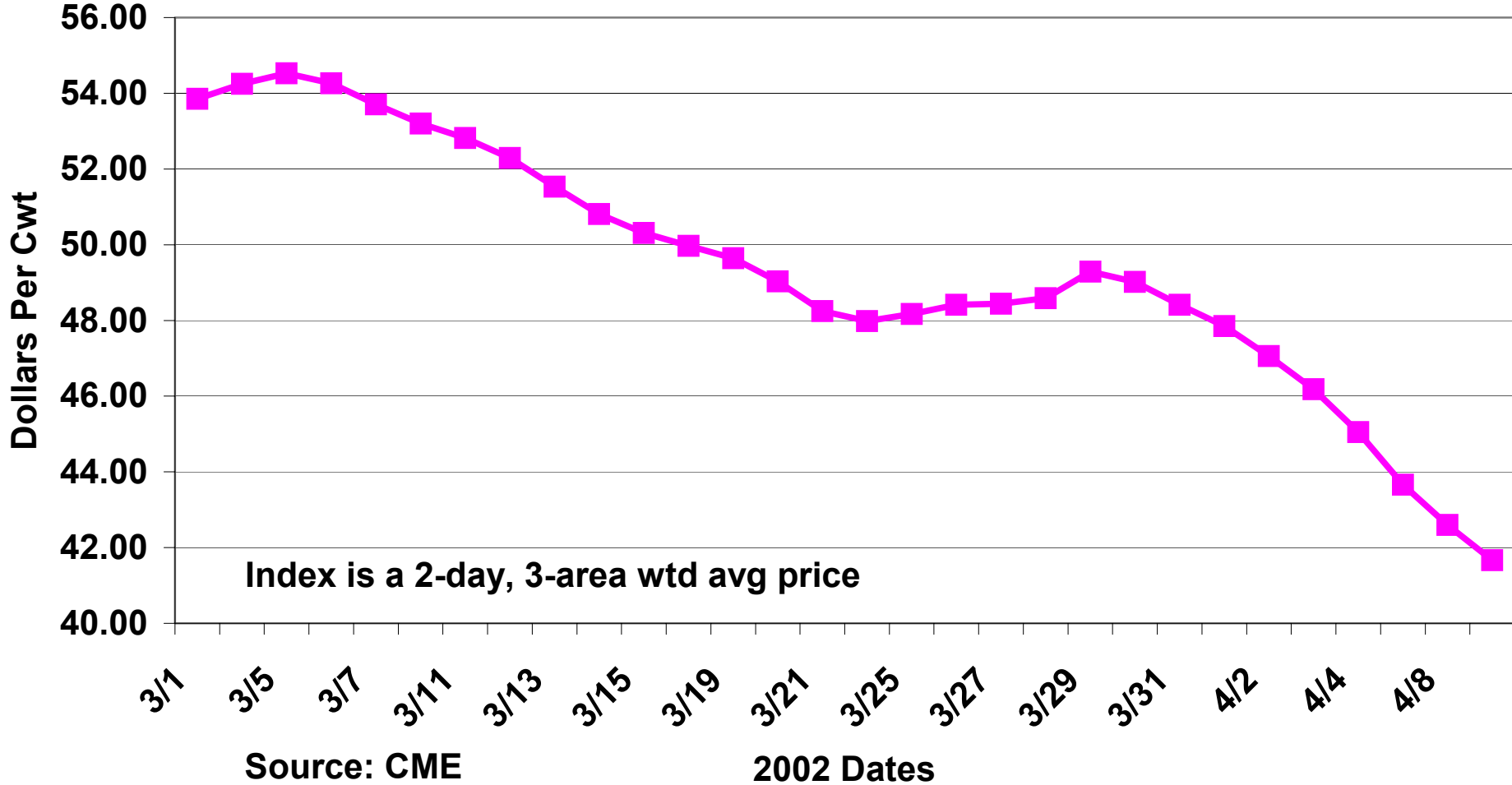
◆ 2002



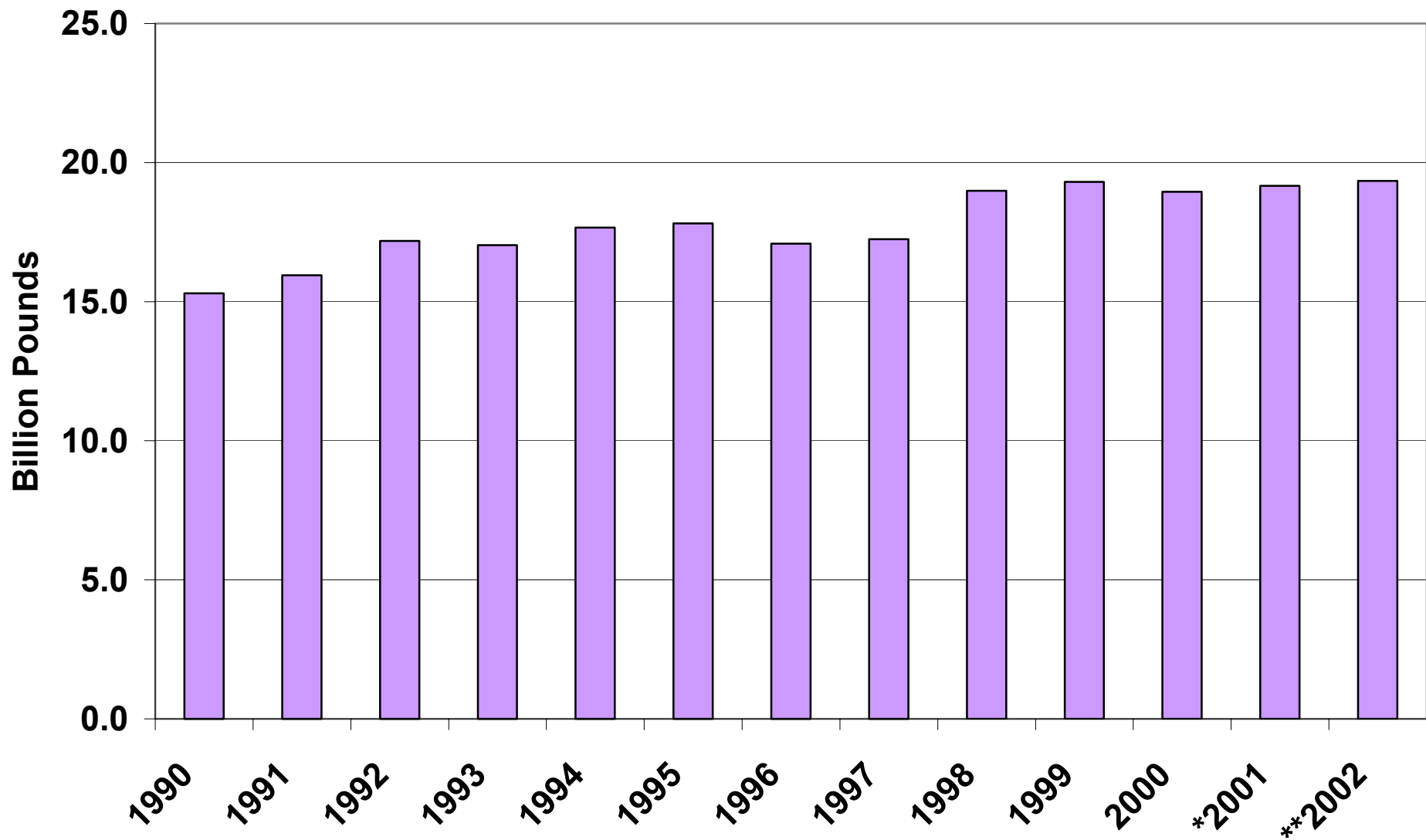
Source: USDA, NASS

Monthly

# CME Lean Hog Index



# Pork Production



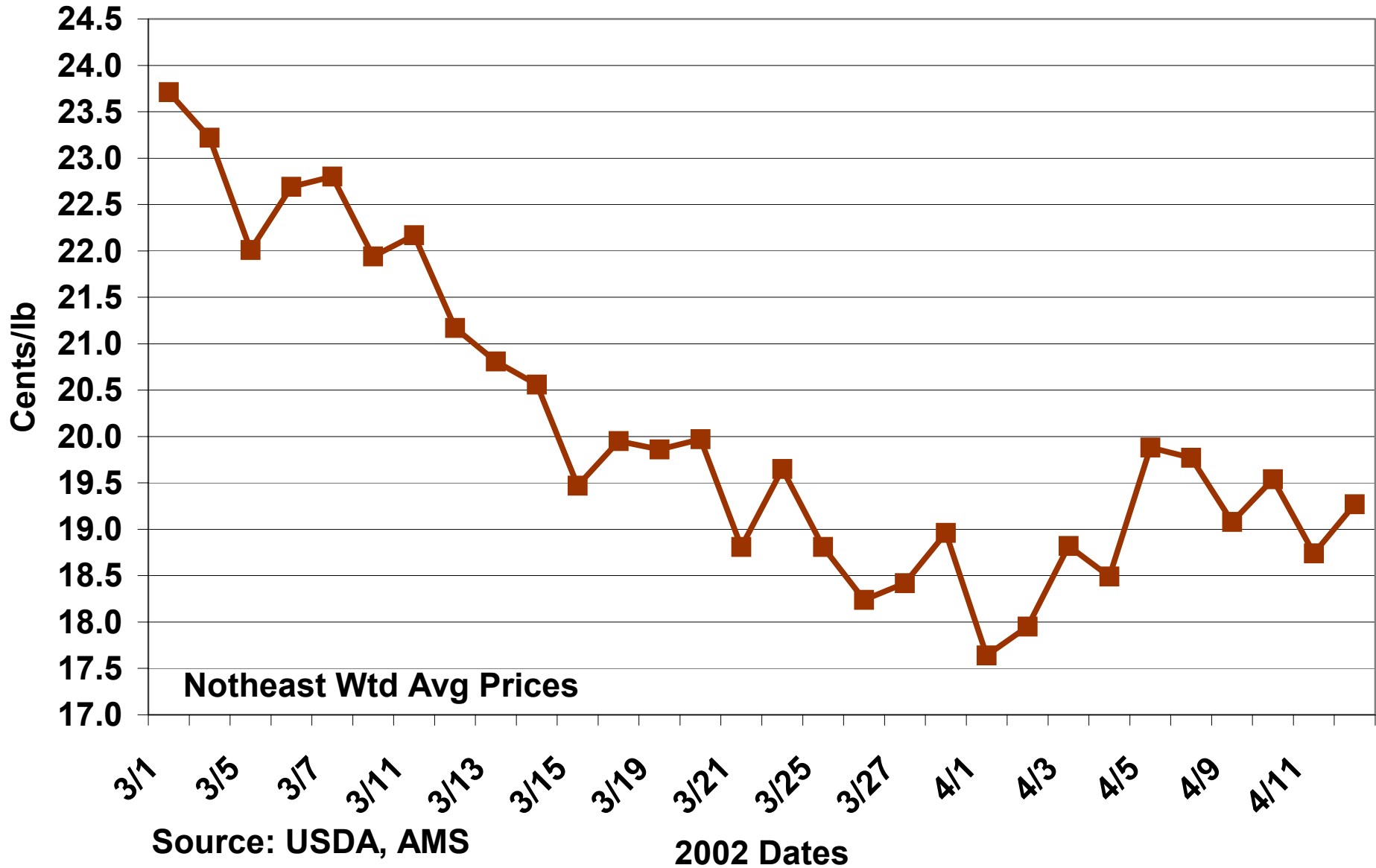
Source: USDA, WASDE

Annually

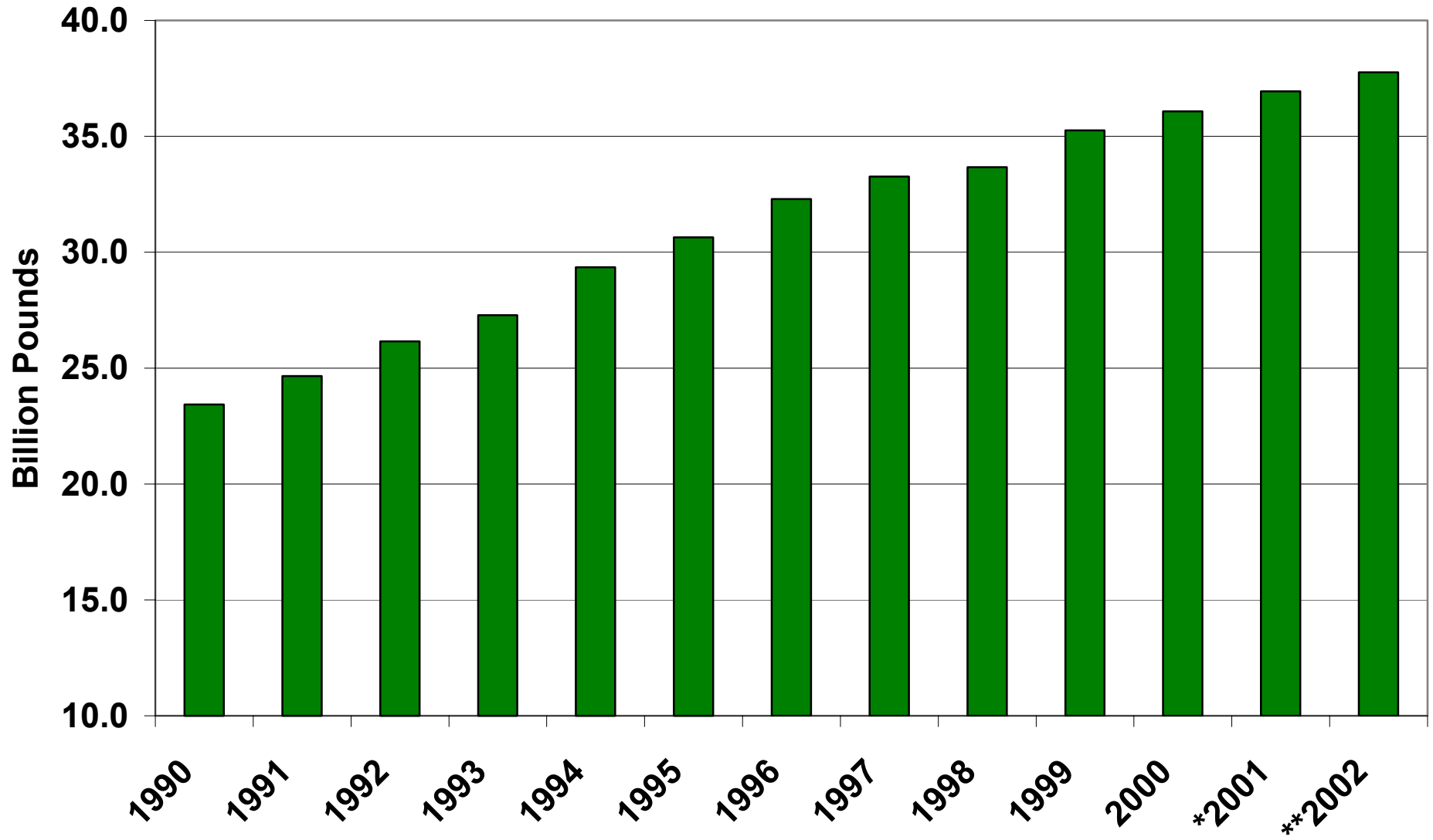
\* Estimated \*\* Projected



# Chicken Leg Quarters (Bulk)



# Total Poultry Production



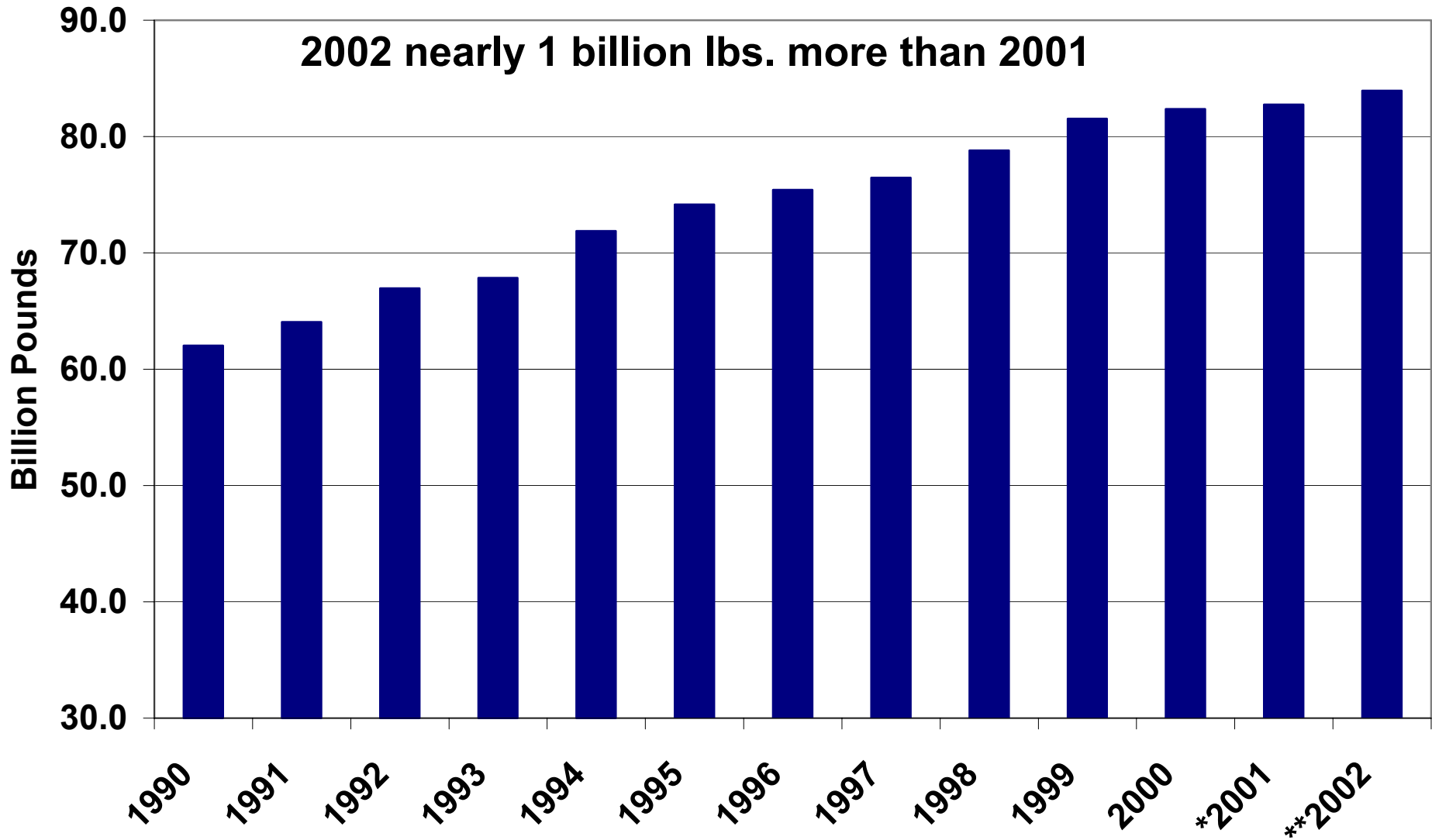
Source: USDA, WASDE

Annually

\* Estimated

\*\* Projected

# Total Red Meat And Poultry Production



Source: USDA, WASDE

Annually

\* Estimated \*\* Projected

# Cattle Fundamental Bullet Points

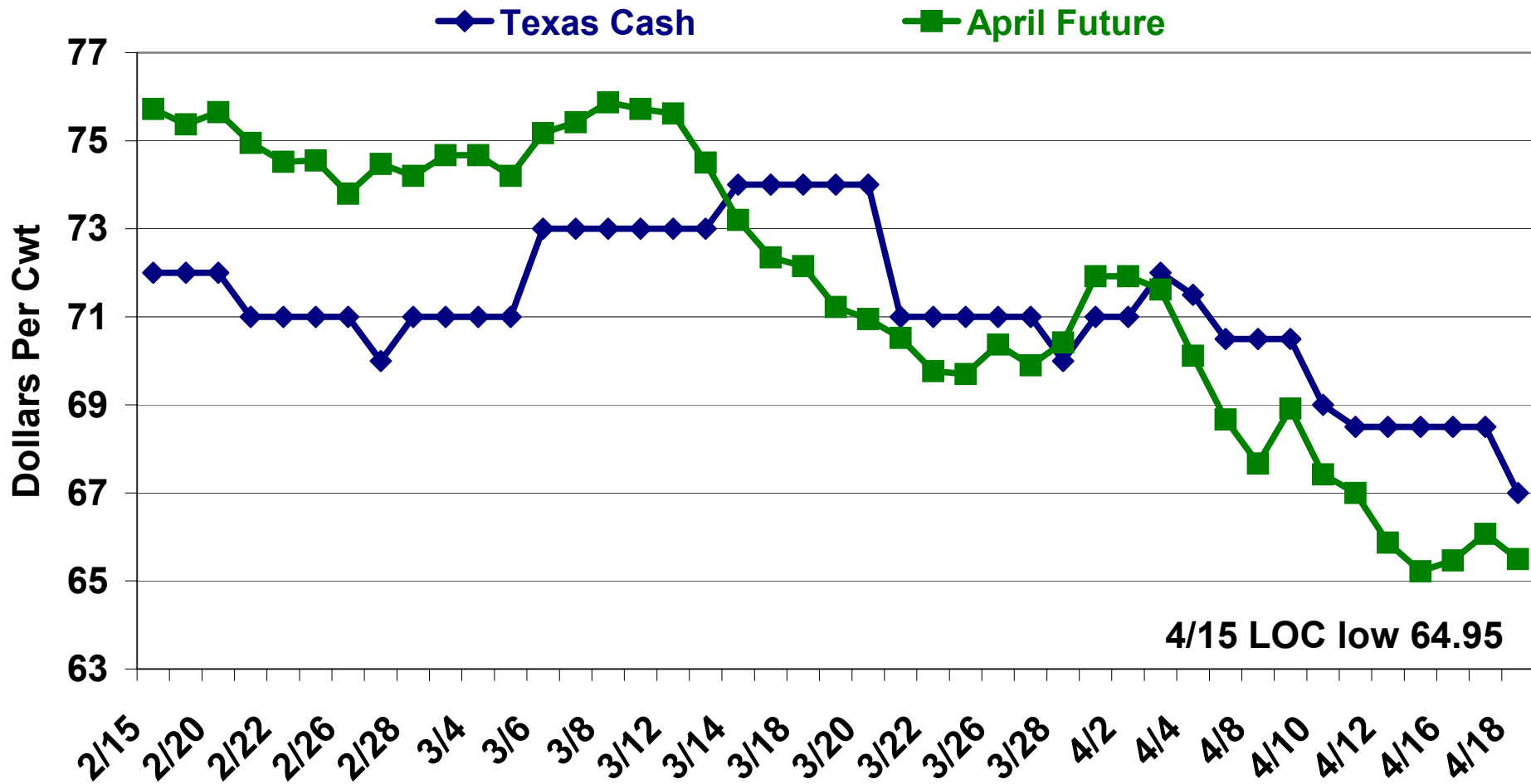
## Before March 13th

- \* Cattle inventory to decline 1% from LY
- \* Some winter **dryness**
- \* **Reduced placements**
  - help **rebuild herd**: hoped for good grazing
  - Jan placements 3% less than LY**
  - Feb COF 3% less than LY
- \* Fed beef supplies to remain large **'til mid-year**
  - production to decline 2% from LY**
- \* Beef **exports to decline 2.1%** from LY
- \* More poultry production than LY
  - broilers to increase 2.5% from LY
  - pork unchanged**
- \* Less pork exports and more poultry exports
  - pork to **decrease 6.0%** from LY
  - broilers to increase 2.8%** from LY
- \* **Meat production to increase 0.3%** from LY

## After March 13th

- \* Cattle inventory to decline 1% from LY
- \* Dryness turns to **serious drought** in some grazing areas
- \* **Increased placements**
  - no herd rebuilding**; much poorer grazing conditions
  - Feb placements 16% more than LY**
  - Mar placements, expectations, 9% more than LY**
  - Apr COF, expectations, 1% more than LY
- \* Fed beef supplies to remain large **'til year-end**
  - USDA, ERS, **production to be unchanged from LY**
  - some private analysts says about 1% increase from LY
- \* Beef **exports to be unchanged** from LY
- \* More pork and poultry production than LY
  - broilers to increase 2.5% from LY
  - pork to increase 0.9%** from LY
- \* Less pork and poultry exports
  - pork to **decrease 5.0%** from LY
  - broilers to decrease 1.4%** from LY
- \* **Meat production to increase about 1%** from LY

# April 2002 Live Cattle Futures And Texas Cash Steer Prices



4/15 LOC low 64.95

Source: Cash, USDA/AMS;  
Futures, CME

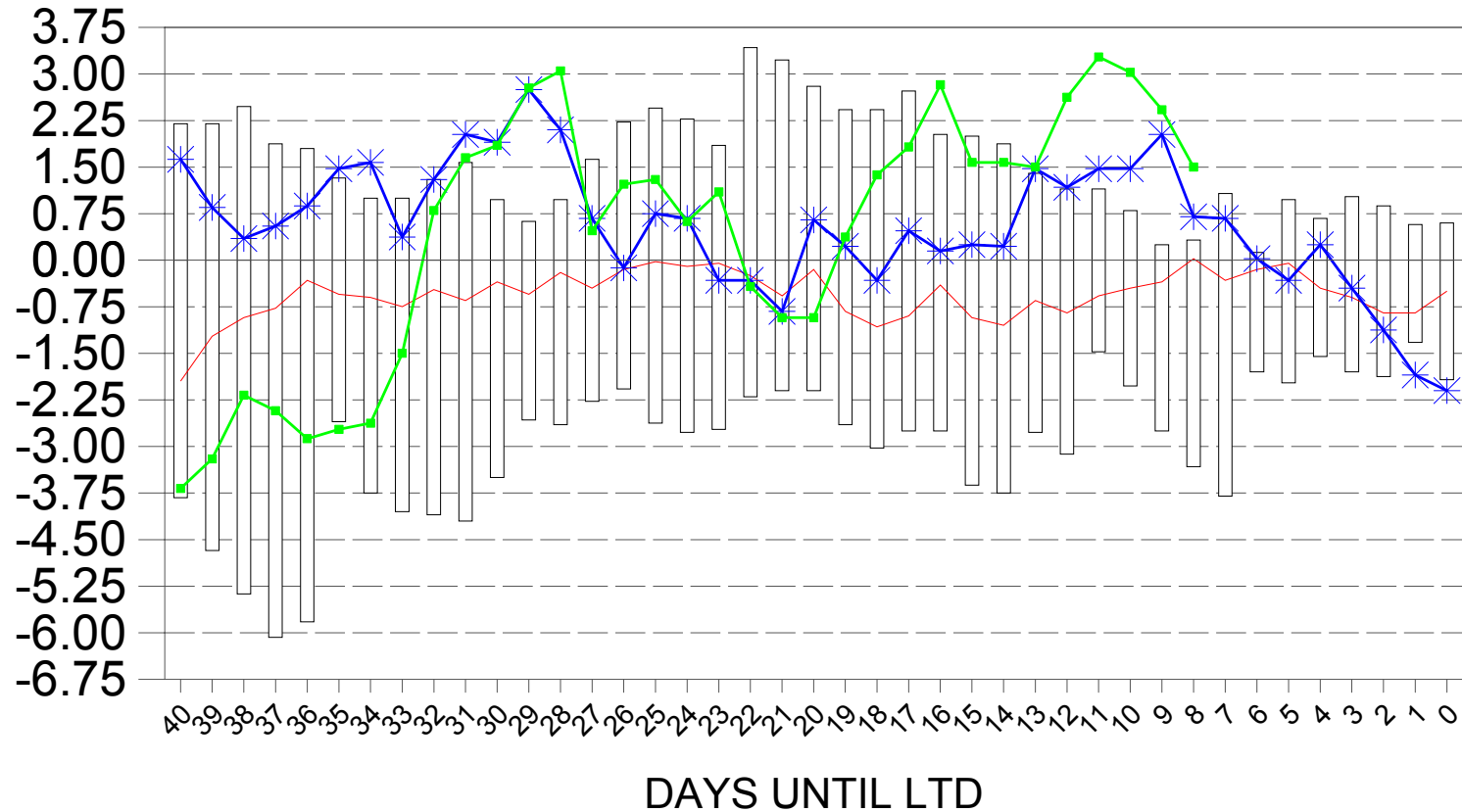
2002 Dates

# CME APRIL LIVE CATTLE BASIS COMPARISON

## 2002, 2001, AND 2000-1990 HIGH/LOW RANGE

■ 2002 
 ✱ 2001 
  HIGH/LOW 2000-1990 
 — MEDIAN 2000-1990

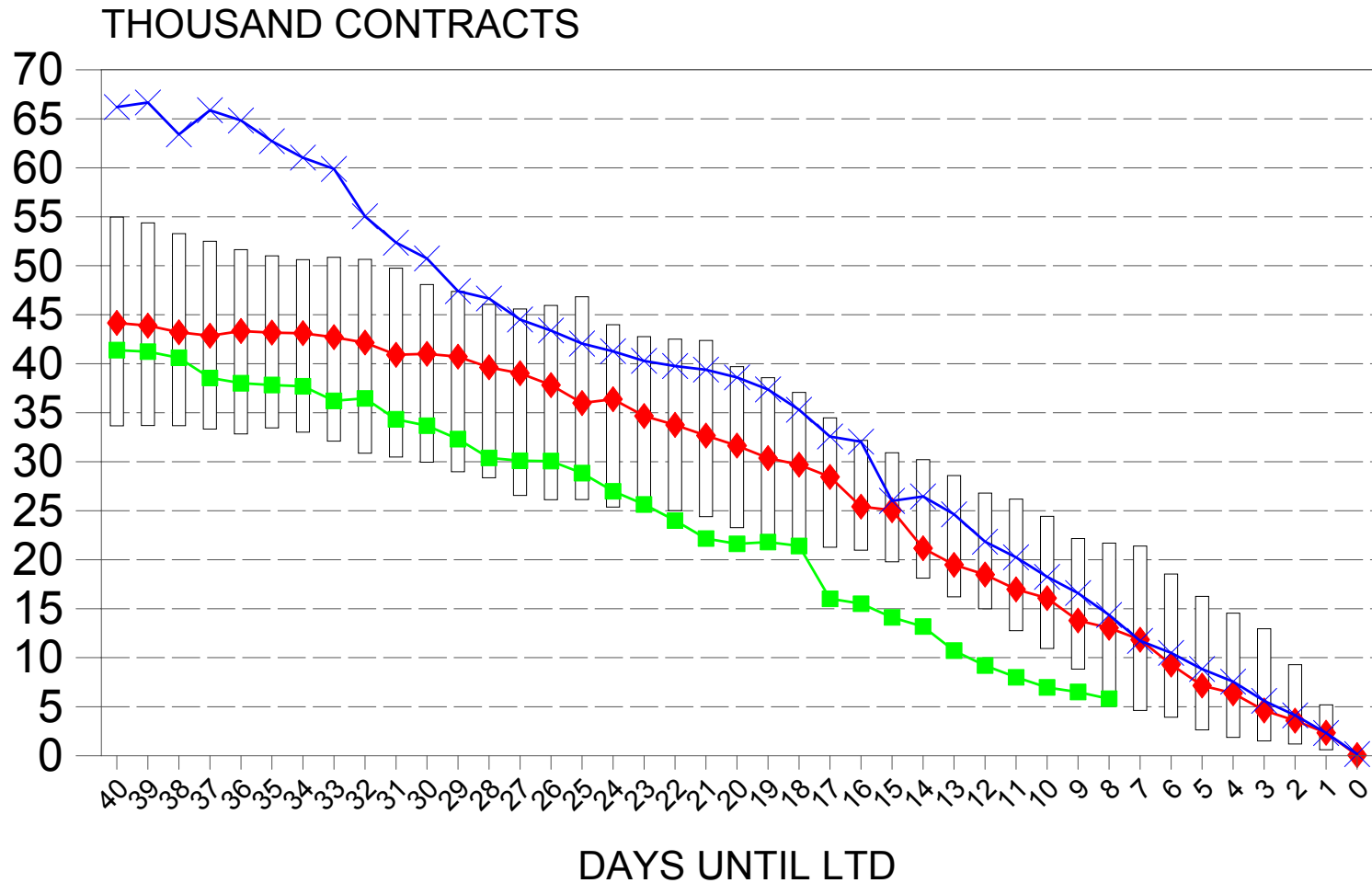
DOLLARS PER CWT.



BASIS: CASH MINUS NEARBY FUTURES  
 CASH: TEXAS/OKLAHOMA, 35 - 65% CHOICE STEERS  
 SOURCE: CFTC PERMANENT RECORDS

# CME APRIL LIVE CATTLE FUTURE OPEN INTEREST COMPARISON

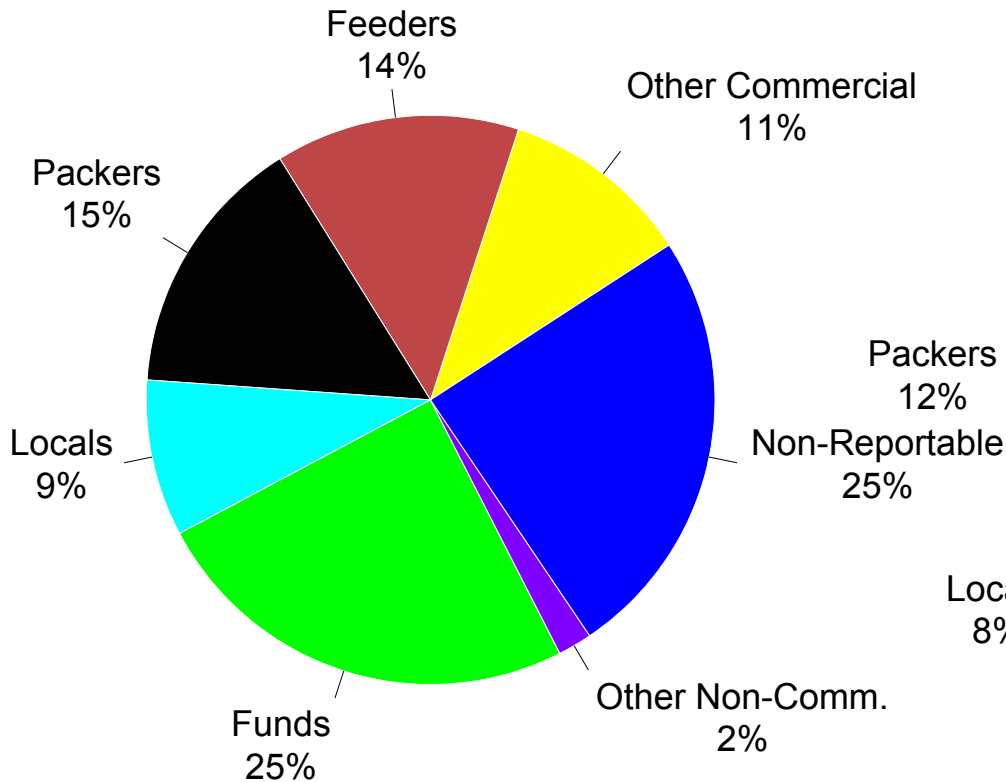
## 2002, 2001, AND 2000-1990 HIGH/LOW RANGE



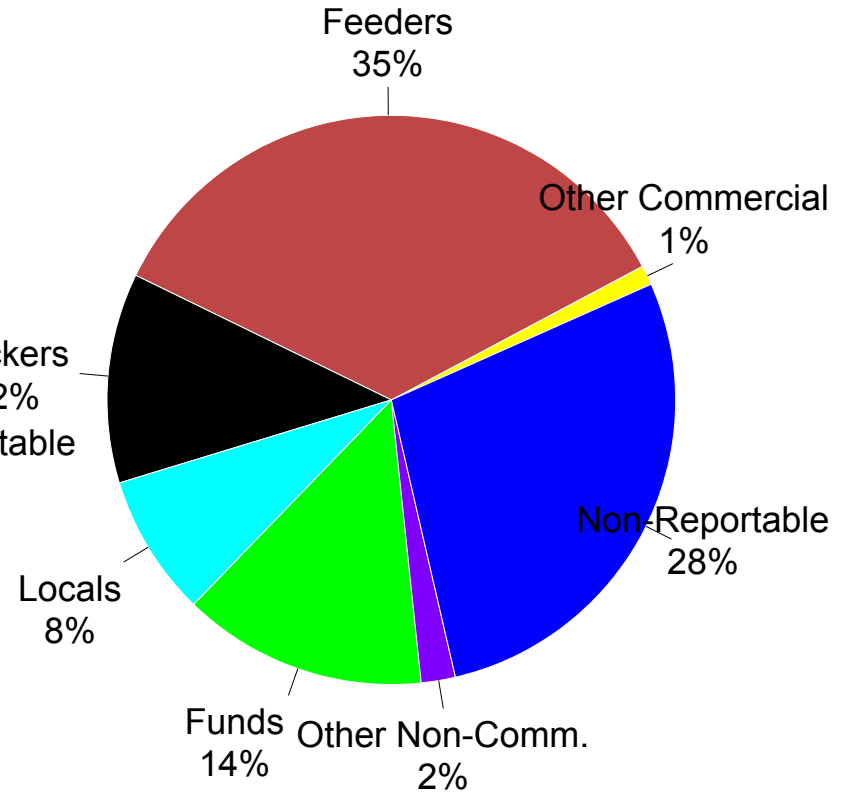
# CME Live Cattle Futures Market Composition

All Futures & Options Combined on 3/12/02

## Long Positions



## Short Positions



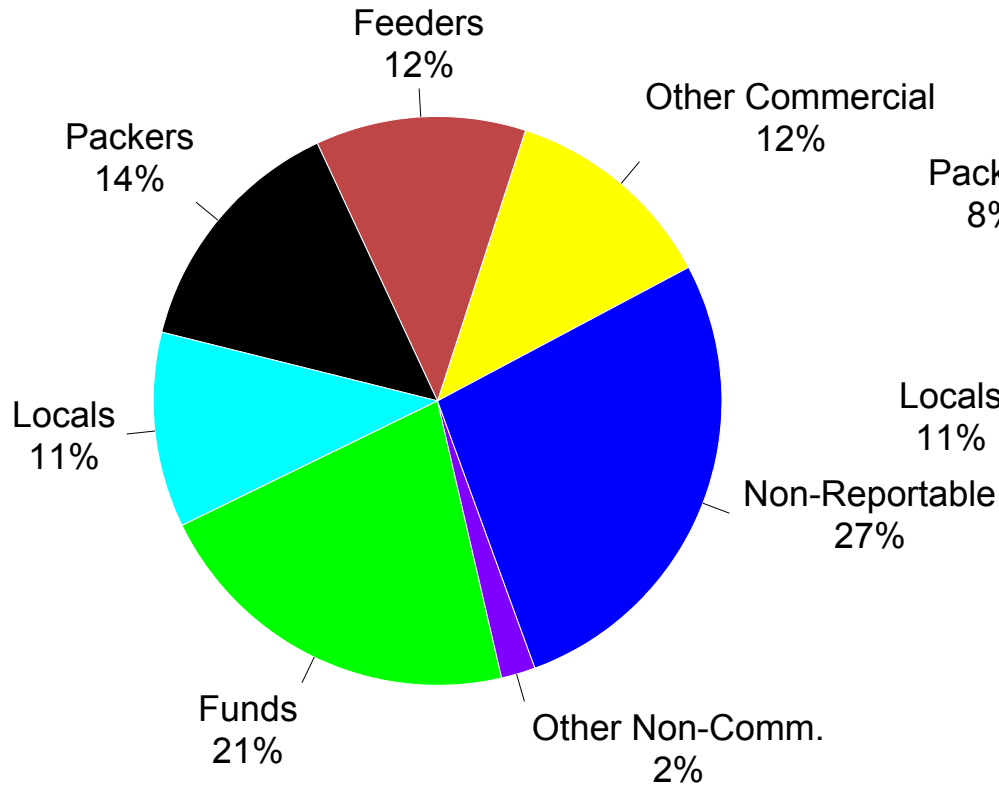


# CME Live Cattle Futures Market Composition

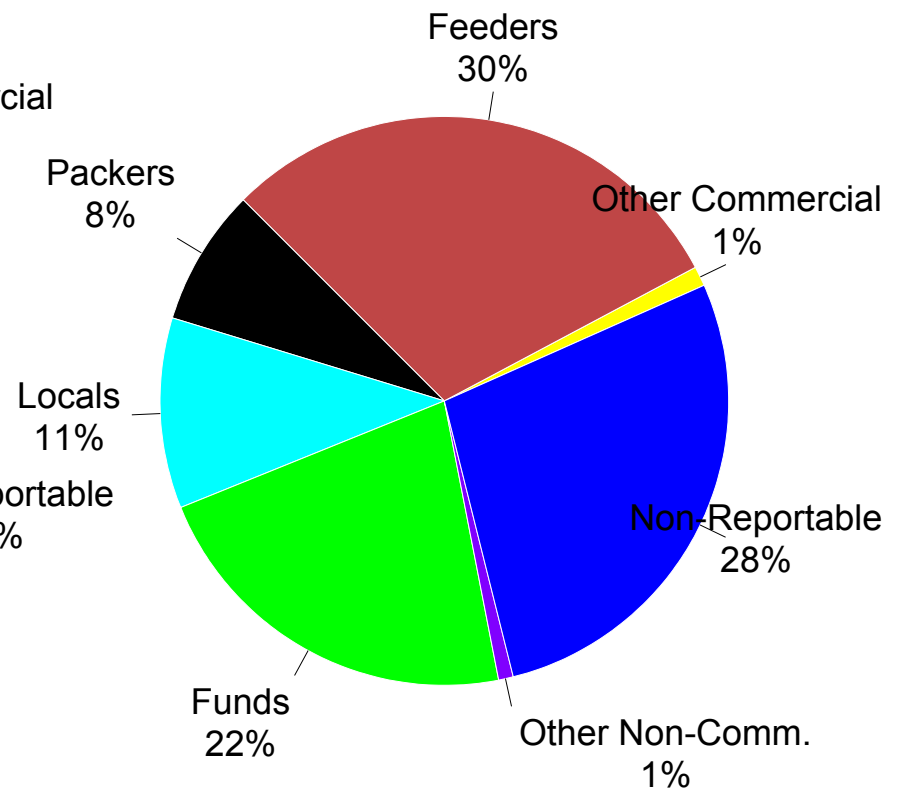
All Futures & Options Combined on 4/12/02

---

## Long Positions



## Short Positions



# Distribution of Reporting Non-Commercial Traders in CME Live Cattle by Size Net of Long and Short Futures and Options Positions, All Months Combined

## Net Position Size Classes (in contracts)

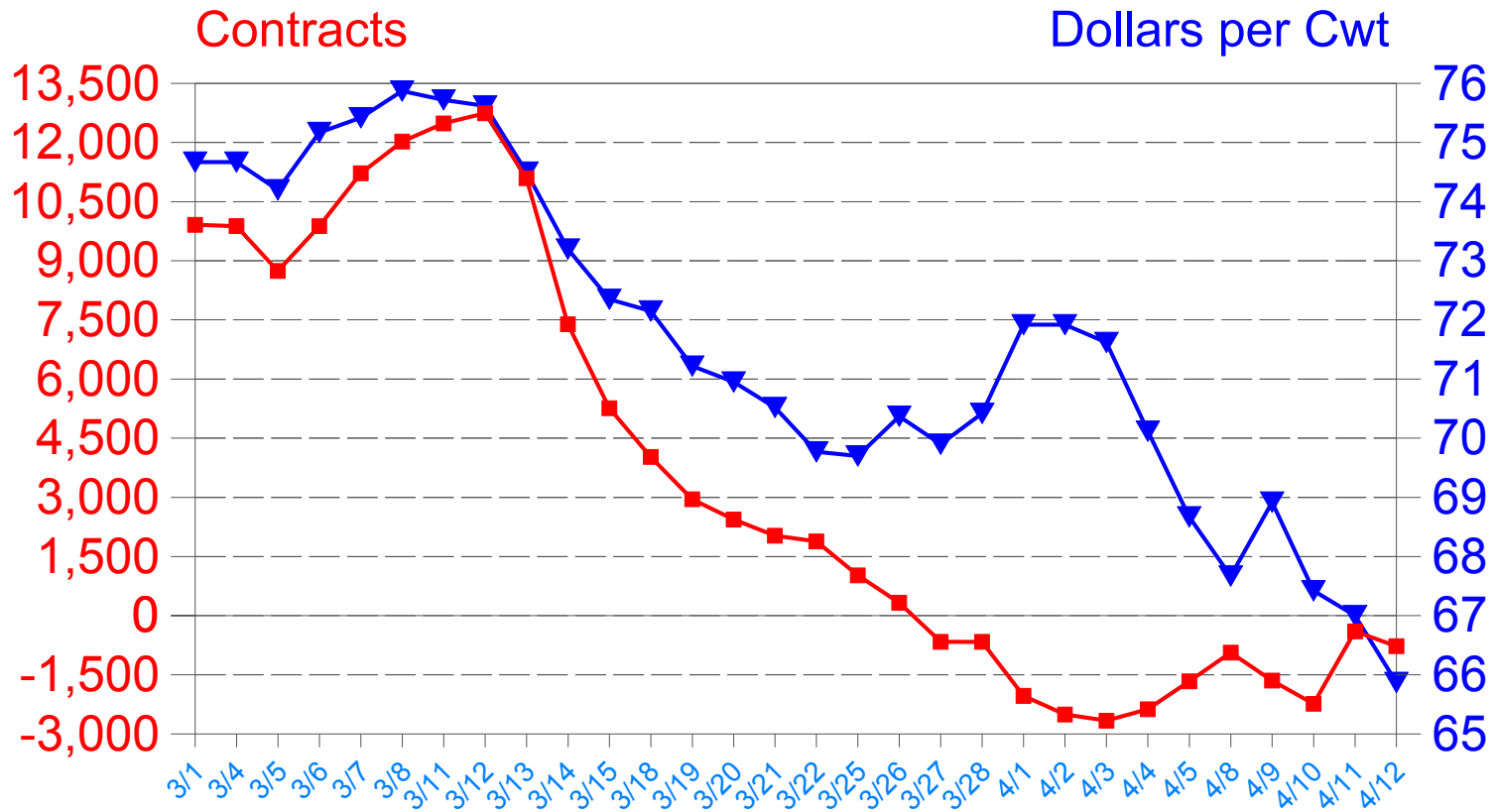
	0-300	301-600	601-1000	1001-1500	1501-2000	2001-2500	2501-3000	3001-3500	3501-4000	4001-4500	4501-5000	5001-5500	5501-6000	6001-7000	7001-8000	8001 & above
03/01/02	65	10	5	5	1		2					1				
03/04/02	66	11	5	5	1		2			1						
03/05/02	71	10	5	5	2		1			1						
03/06/02	76	11	4	5	3		1					1				
03/07/02	75	12	3	7	1		2					1				
03/08/02	76	12	3	7	1		1	1					1			
03/11/02	74	13	4	6	1		1		1				1			
03/12/02	76	13	5	5	1		1		1				1			
03/13/02	84	9	4	5	1		2		1				1			
03/14/02	80	14	5	4	1	1	2						1			
03/15/02	76	16	9	3	1		2						1			
03/18/02	73	13	7	5	1		2								1	
03/19/02	76	14	7	5	1	1	1								1	
03/20/02	81	14	6	4	3	1		1							1	
03/21/02	79	12	6	4	4	1	1								1	
03/22/02	80	12	7	4	4	1	1								1	
03/25/02	77	11	8	4	3	2	1								1	
03/26/02	79	10	7	4	4	2	1								1	
03/27/02	79	10	7	5	3	3	1								1	
03/28/02	81	10	6	5	3	2	2								1	
04/01/02	80	11	6	6	2	1	3								1	
04/02/02	81	13	6	6	2	2	2								1	
04/03/02	83	13	6	7	1	2	2								1	
04/04/02	85	13	9	7	1	1	2								1	
04/05/02	86	17	7	6	2	3									1	
04/08/02	82	14	8	5		5										1
04/09/02	75	13	9	3	1	3	1									1
04/10/02	70	12	9	2	2	3	1									1
04/11/02	68	10	9	3	1	2	2									1
04/12/02	67	10	7	3	3	2	1									1

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**FUNDS**

■ FUNDS ▼ APRIL FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

### COMPOSITION BY **COMMODITY FUNDS**

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	53	23,539	23%	13,624	13%	9,915
3/4	103,650	52	23,954	23%	14,073	14%	9,881
3/5	105,304	53	23,089	22%	14,350	14%	8,739
3/6	106,771	57	24,313	23%	14,435	14%	9,878
3/7	106,485	59	25,115	24%	13,895	13%	11,221
3/8	107,286	59	26,295	25%	14,270	13%	12,025
3/11	108,295	57	26,831	25%	14,347	13%	12,484
3/12	109,768	58	27,519	25%	14,776	13%	12,742
3/13	112,372	58	26,556	24%	15,464	14%	11,093
3/14	116,128	60	23,986	21%	16,596	14%	7,390
3/15	115,592	60	22,209	19%	16,947	15%	5,262
3/18	116,441	56	22,261	19%	18,237	16%	4,024
3/19	117,410	62	23,088	20%	20,136	17%	2,952
3/20	117,701	63	23,521	20%	21,081	18%	2,440
3/21	118,795	62	24,278	20%	22,251	19%	2,027
3/22	121,340	61	24,344	20%	22,462	19%	1,882
3/25	121,819	58	23,948	20%	22,927	19%	1,021
3/26	121,935	57	24,458	20%	24,130	20%	328
3/27	122,937	59	24,836	20%	25,502	21%	-666
3/28	121,267	61	24,814	20%	25,483	21%	-668
4/1	118,294	62	24,187	20%	26,223	22%	-2,035
4/2	118,813	62	24,407	21%	26,914	23%	-2,507
4/3	121,525	63	25,171	21%	27,837	23%	-2,666
4/4	124,166	64	24,821	20%	27,195	22%	-2,375
4/5	115,281	66	24,484	21%	26,150	23%	-1,666
4/8	114,419	64	24,422	21%	25,362	22%	-940
4/9	111,749	61	23,672	21%	25,321	23%	-1,649
4/10	114,853	60	24,739	22%	26,977	23%	-2,238
4/11	115,500	61	25,230	22%	25,631	22%	-401
4/12	114,743	59	24,456	21%	25,232	22%	-776

\* Minus sign indicates a net short position

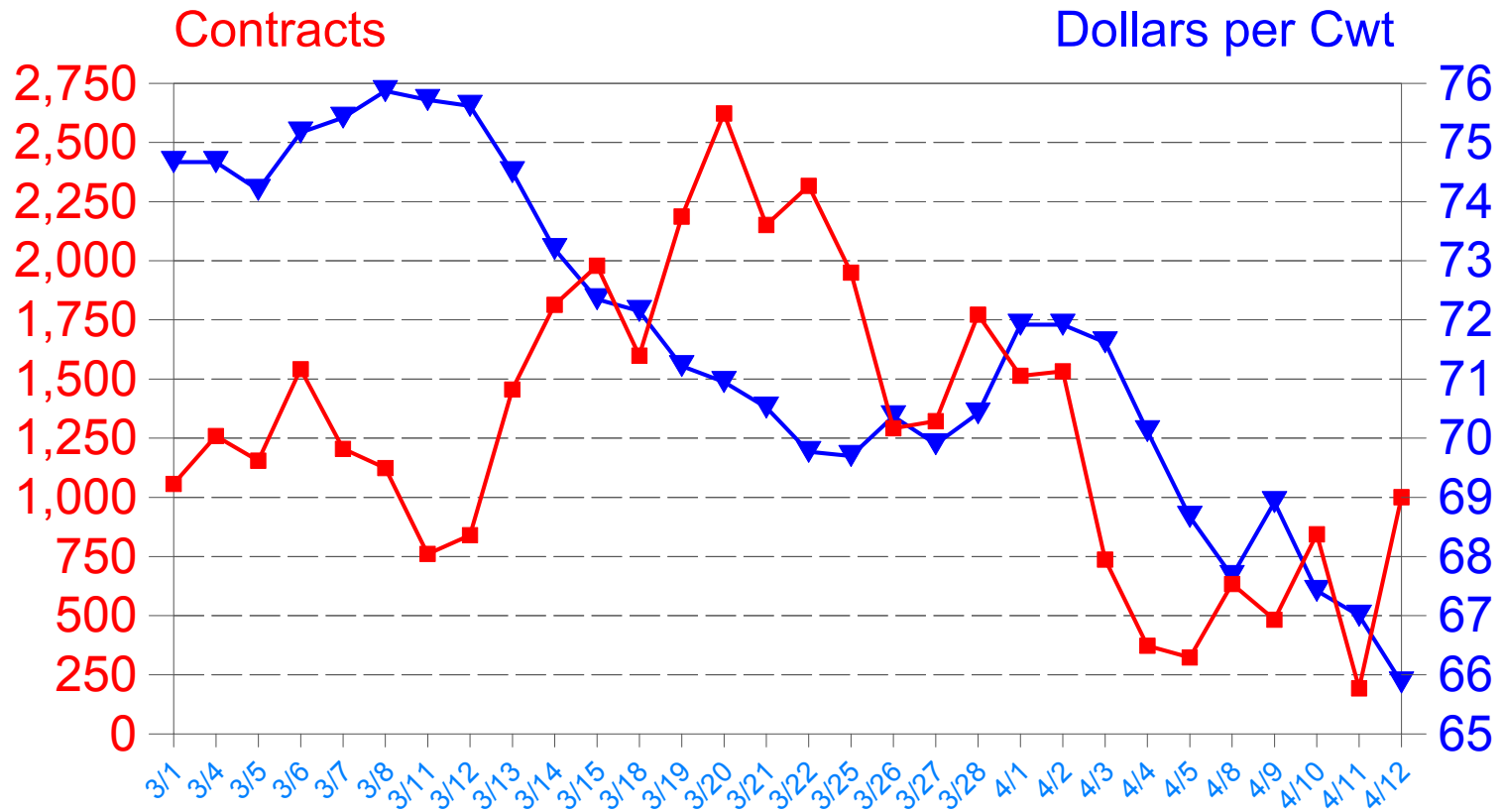
Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**LOCALS**

■ LOCALS ▼ APRIL FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

### COMPOSITION BY LOCALS

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	20	9,750	9%	8,693	8%	1,057
3/4	103,650	20	9,837	9%	8,578	8%	1,259
3/5	105,304	22	10,191	10%	9,035	9%	1,155
3/6	106,771	22	10,809	10%	9,267	9%	1,542
3/7	106,485	22	10,317	10%	9,112	9%	1,205
3/8	107,286	23	9,855	9%	8,730	8%	1,124
3/11	108,295	23	9,980	9%	9,219	9%	761
3/12	109,768	23	9,734	9%	8,894	8%	840
3/13	112,372	23	10,615	9%	9,159	8%	1,456
3/14	116,128	23	11,725	10%	9,911	9%	1,814
3/15	115,592	22	11,807	10%	9,828	9%	1,979
3/18	116,441	21	12,030	10%	10,431	9%	1,599
3/19	117,410	21	12,190	10%	10,003	9%	2,187
3/20	117,701	23	12,943	11%	10,320	9%	2,623
3/21	118,795	24	12,915	11%	10,763	9%	2,152
3/22	121,340	26	13,787	11%	11,471	9%	2,317
3/25	121,819	23	13,852	11%	11,902	10%	1,950
3/26	121,935	25	13,721	11%	12,429	10%	1,292
3/27	122,937	25	14,215	12%	12,893	10%	1,322
3/28	121,267	24	14,381	12%	12,609	10%	1,772
4/1	118,294	23	13,811	12%	12,297	10%	1,514
4/2	118,813	23	13,658	11%	12,125	10%	1,533
4/3	121,525	22	14,240	12%	13,503	11%	737
4/4	124,166	23	14,816	12%	14,443	12%	373
4/5	115,281	24	13,493	12%	13,170	11%	323
4/8	114,419	24	11,651	10%	11,017	10%	634
4/9	111,749	22	11,236	10%	10,754	10%	483
4/10	114,853	20	12,274	11%	11,429	10%	844
4/11	115,500	21	12,610	11%	12,417	11%	193
4/12	114,743	21	13,121	11%	12,120	11%	1,001

\* Minus sign indicates a net short position

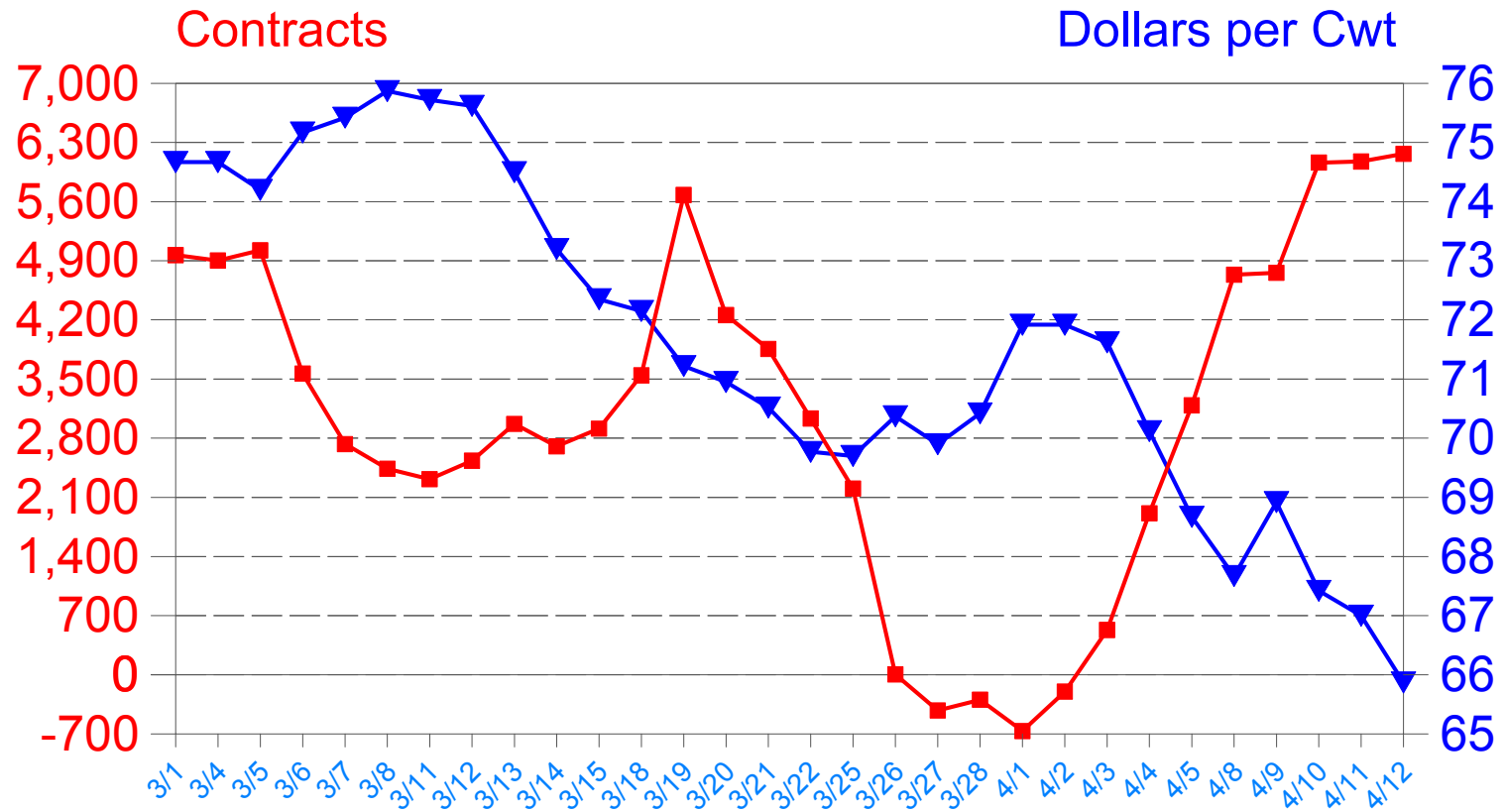
Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**PACKERS**

■ PACKERS ▼ APRIL FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

### COMPOSITION BY **PACKERS**

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	7	15,670	15%	10,701	10%	4,968
3/4	103,650	7	15,612	15%	10,709	10%	4,903
3/5	105,304	7	15,724	15%	10,701	10%	5,024
3/6	106,771	7	15,120	14%	11,553	11%	3,566
3/7	106,485	7	14,900	14%	12,169	11%	2,730
3/8	107,286	7	15,168	14%	12,728	12%	2,439
3/11	108,295	7	15,119	14%	12,805	12%	2,314
3/12	109,768	7	15,942	15%	13,409	12%	2,533
3/13	112,372	7	16,149	14%	13,180	12%	2,969
3/14	116,128	7	16,596	14%	13,892	12%	2,704
3/15	115,592	7	16,373	14%	13,460	12%	2,913
3/18	116,441	7	16,509	14%	12,965	11%	3,544
3/19	117,410	7	16,853	14%	11,174	10%	5,679
3/20	117,701	7	16,215	14%	11,957	10%	4,257
3/21	118,795	7	15,998	13%	12,141	10%	3,856
3/22	121,340	7	15,642	13%	12,609	10%	3,033
3/25	121,819	7	15,002	12%	12,798	11%	2,204
3/26	121,935	7	13,654	11%	13,649	11%	5
3/27	122,937	7	13,149	11%	13,571	11%	-422
3/28	121,267	7	11,933	10%	12,229	10%	-296
4/1	118,294	7	11,833	10%	12,499	11%	-666
4/2	118,813	7	12,113	10%	12,313	10%	-200
4/3	121,525	8	12,273	10%	11,743	10%	530
4/4	124,166	8	13,340	11%	11,427	9%	1,912
4/5	115,281	8	14,232	12%	11,043	10%	3,189
4/8	114,419	8	13,862	12%	9,128	8%	4,735
4/9	111,749	8	13,813	12%	9,054	8%	4,758
4/10	114,853	8	14,785	13%	8,722	8%	6,063
4/11	115,500	8	14,458	13%	8,383	7%	6,076
4/12	114,743	8	15,438	13%	9,273	8%	6,166

\* Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System



**Trading of Beef Packers on Days of Price Declines of \$1.00 or Greater in  
the April 2002 CME Live Cattle Future  
March 1 - April 12, 2002**

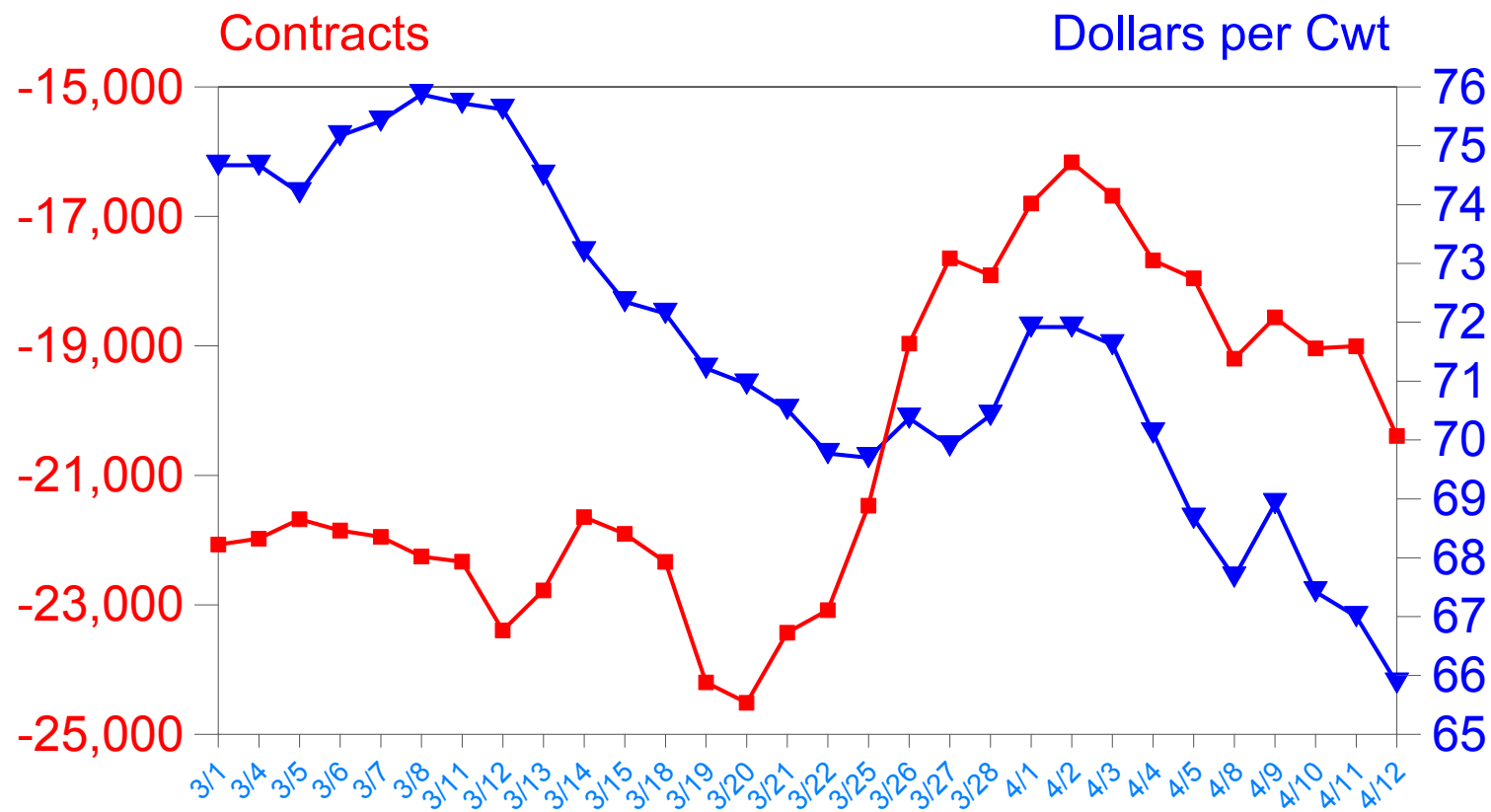
<b>Date</b>	<b>Price Decline</b>	<b>All Futures &amp; Options Combined</b>			<b>April '02</b>		<b>June '02</b>	
		<b>Buys</b>	<b>Sells</b>	<b>Net</b>	<b>Buys</b>	<b>Sells</b>	<b>Buys</b>	<b>Sells</b>
3/13	-1.12	807	361	Buy 446	560	0	129	190
3/14	-1.30	1048	1308	Sell 260	915	370	20	740
4/4	-1.50	1467	83	Buy 1384	675	30	777	41
4/5	-1.45	1556	290	Buy 1266	316	224	1137	29
4/8	-1.00	2975	1431	Buy 1544	1363	1114	875	276
4/10	-1.50	1563	255	Buy 1308	550	157	811	68
4/12	-1.12	1357	1268	Buy 89	496	0	817	83

Source: CFTC Large-Trader Reporting System. "Buys" and "Sells" represent the change in gross daily positions.

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**FEEDERS**



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED COMPOSITION BY FEEDERS

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	106	14,551	14%	36,619	35%	-22,068
3/4	103,650	109	14,540	14%	36,519	35%	-21,979
3/5	105,304	108	14,649	14%	36,328	34%	-21,678
3/6	106,771	112	14,647	14%	36,500	34%	-21,853
3/7	106,485	112	14,767	14%	36,719	34%	-21,952
3/8	107,286	113	15,076	14%	37,330	35%	-22,254
3/11	108,295	114	15,269	14%	37,603	35%	-22,334
3/12	109,768	115	15,333	14%	38,728	35%	-23,395
3/13	112,372	119	16,349	15%	39,126	35%	-22,777
3/14	116,128	119	17,359	15%	39,006	34%	-21,647
3/15	115,592	119	17,187	15%	39,094	34%	-21,906
3/18	116,441	118	16,864	14%	39,203	34%	-22,338
3/19	117,410	120	15,930	14%	40,129	34%	-24,199
3/20	117,701	122	15,818	13%	40,332	34%	-24,514
3/21	118,795	119	16,494	14%	39,926	34%	-23,432
3/22	121,340	115	17,145	14%	40,226	33%	-23,082
3/25	121,819	116	18,308	15%	39,777	33%	-21,469
3/26	121,935	117	18,877	15%	37,843	31%	-18,965
3/27	122,937	116	19,440	16%	37,087	30%	-17,648
3/28	121,267	114	19,384	16%	37,292	31%	-17,908
4/1	118,294	111	19,315	16%	36,116	31%	-16,801
4/2	118,813	115	19,581	16%	35,746	30%	-16,166
4/3	121,525	114	19,507	16%	36,188	30%	-16,681
4/4	124,166	115	19,581	16%	37,260	30%	-17,679
4/5	115,281	116	17,677	15%	35,634	31%	-17,957
4/8	114,419	110	16,260	14%	35,460	31%	-19,200
4/9	111,749	102	15,689	14%	34,249	31%	-18,560
4/10	114,853	101	15,983	14%	35,023	30%	-19,040
4/11	115,500	101	15,299	13%	34,305	30%	-19,005
4/12	114,743	95	13,963	12%	34,356	30%	-20,392

\* Minus sign indicates a net short position

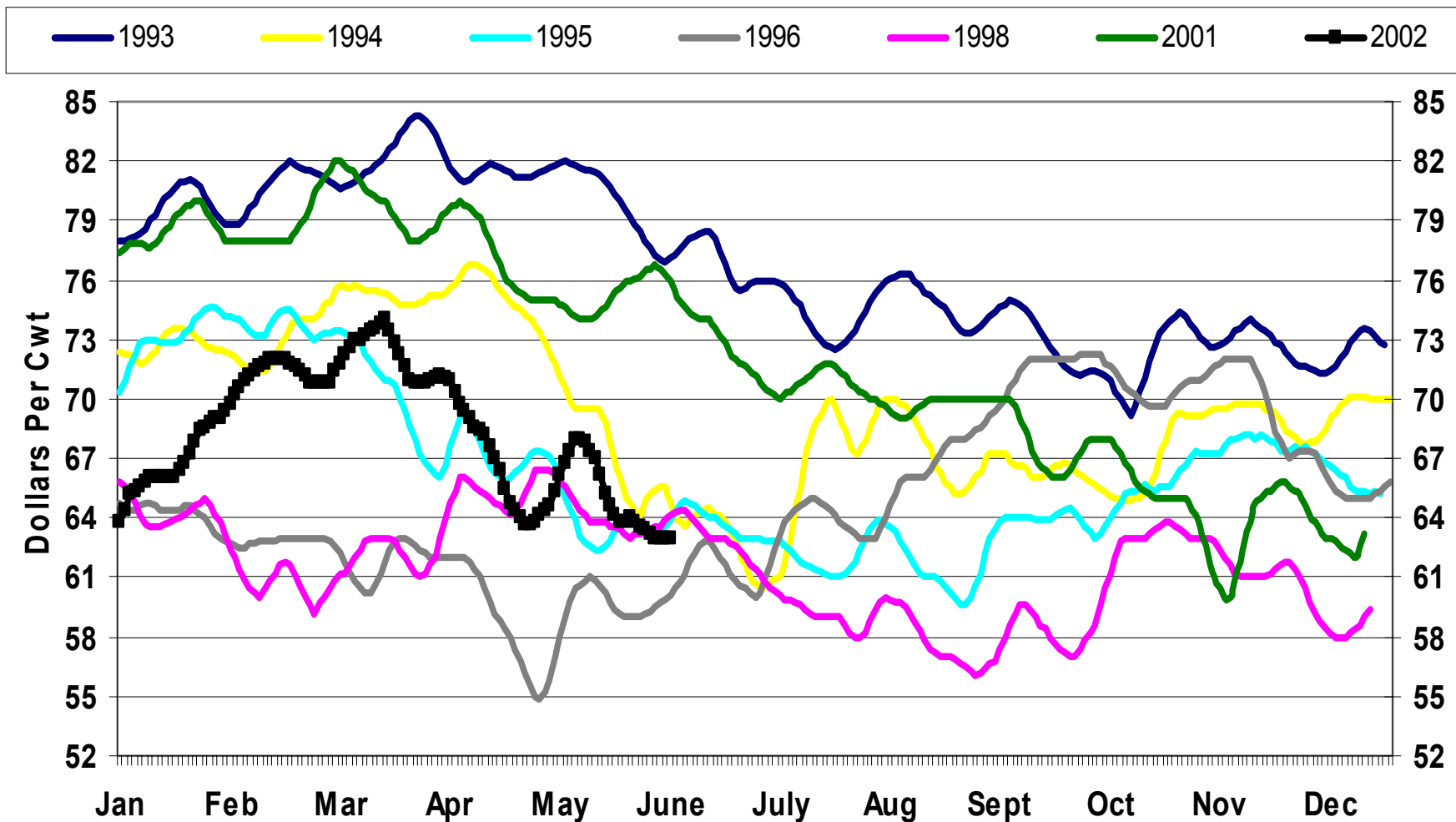
Source: CFTC Large-Trader Reporting System



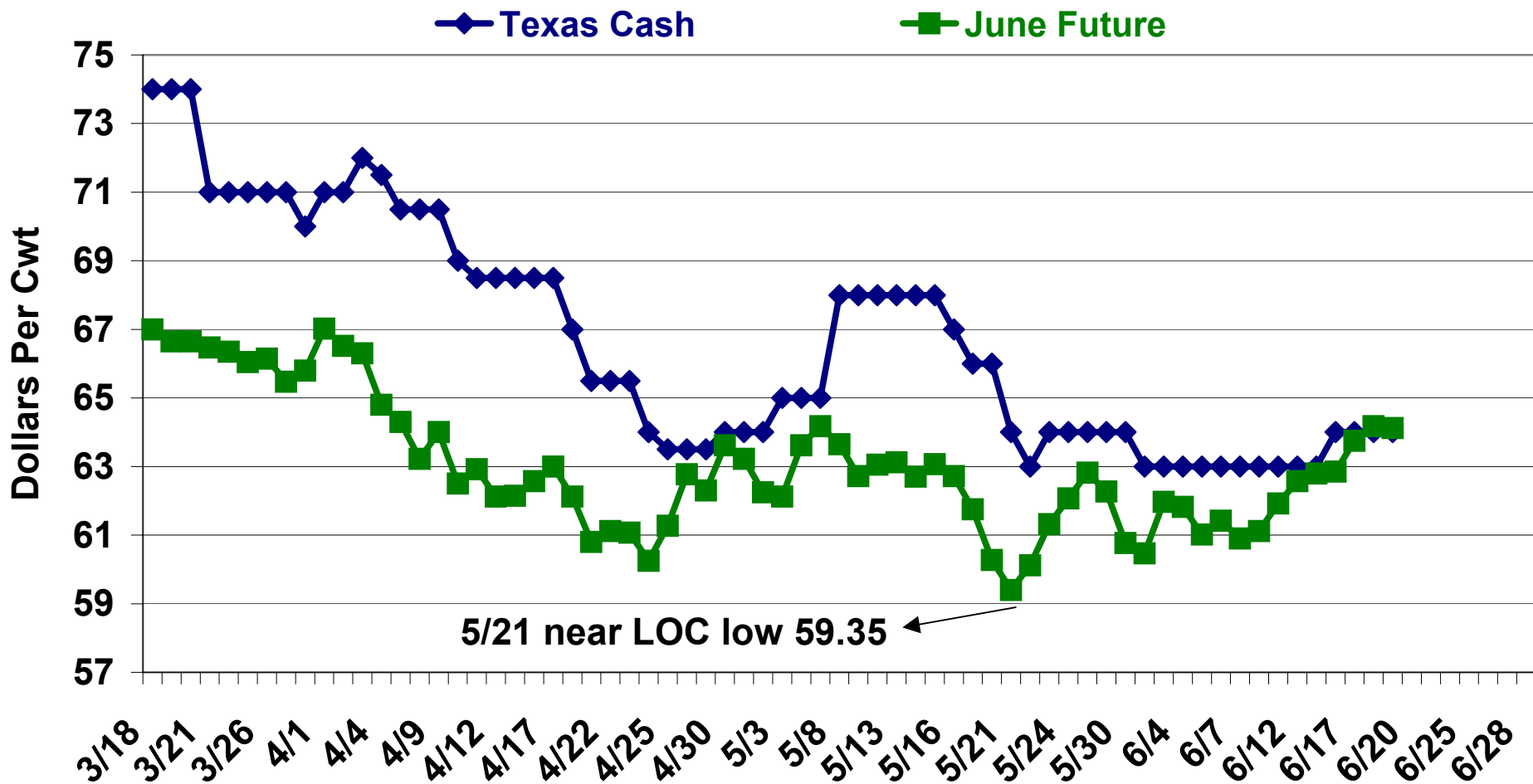
# Iowa Cattlemen's Association Briefing

June 21, 2002

# Texas/Oklahoma Cash - Individual Selected Declining Price Years Five Day Moving Average



# June 2002 Live Cattle Futures And Texas Cash Steer Prices

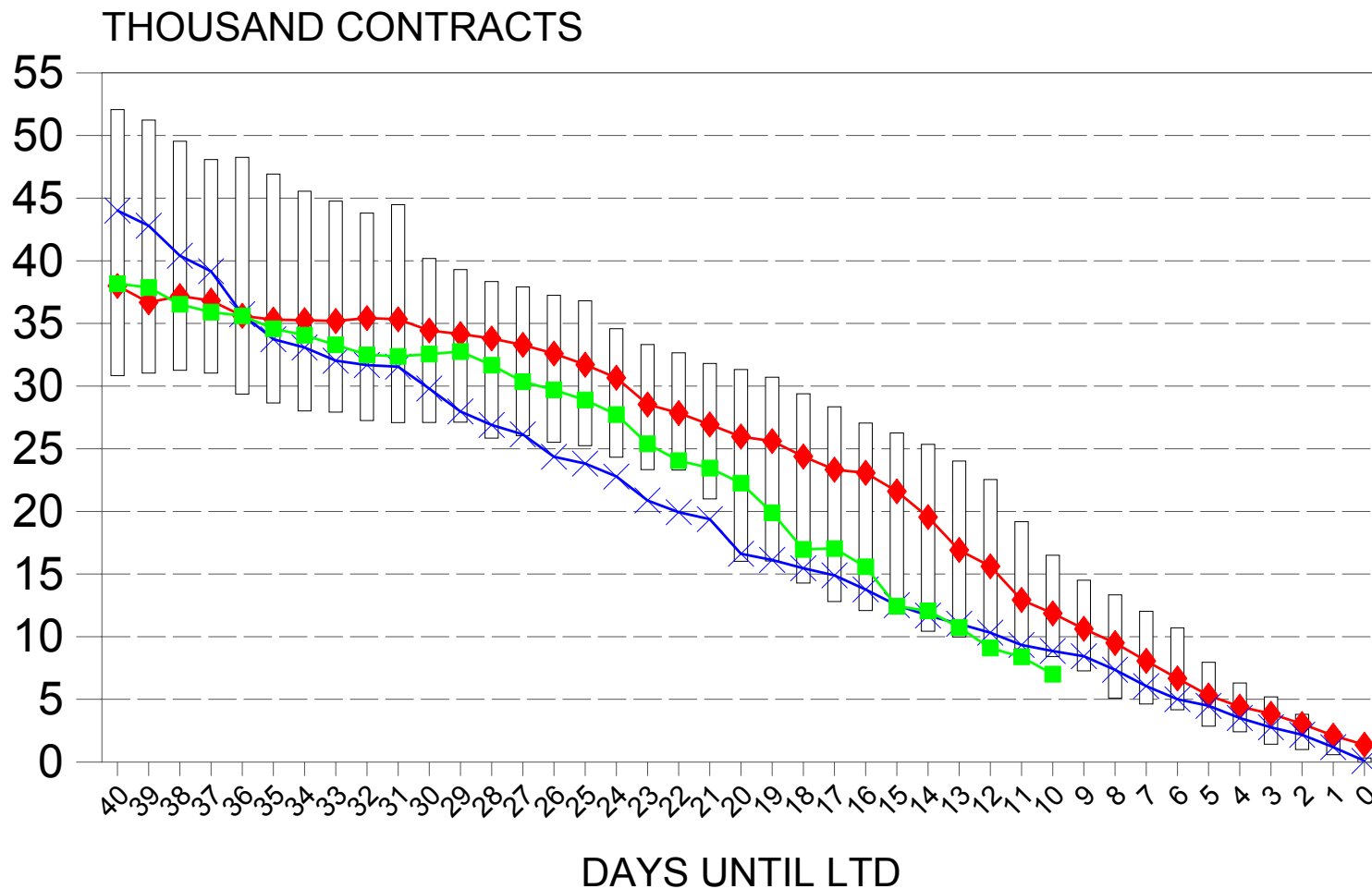


Source: Cash, USDA/AMS;  
Futures, CME

2002 Dates

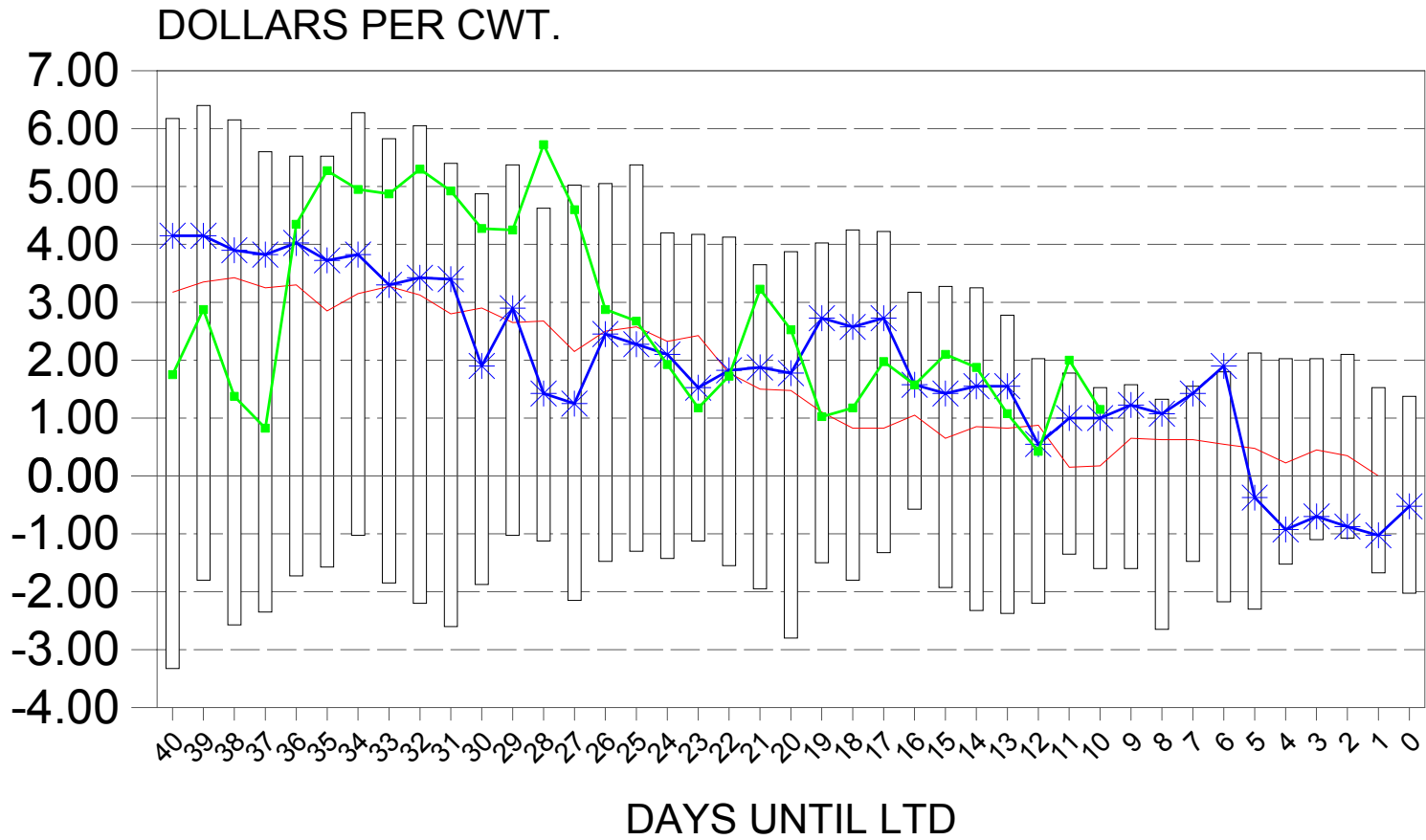
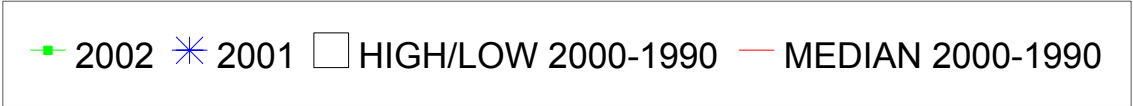
# CME JUNE LIVE CATTLE FUTURE OPEN INTEREST COMPARISON

## 2002, 2001, AND 2000-1990 HIGH/LOW RANGE



# CME JUNE LIVE CATTLE BASIS COMPARISON

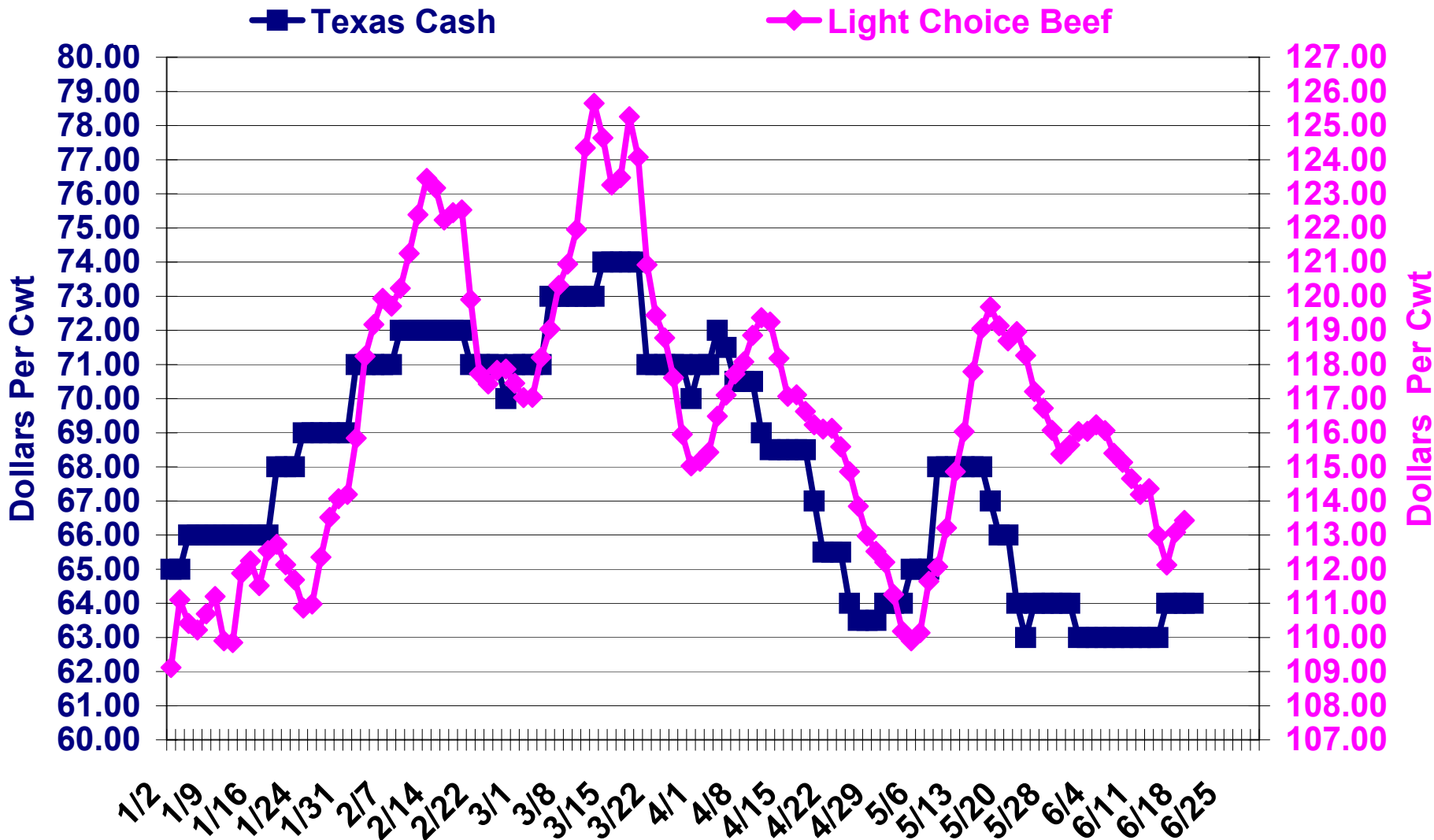
## 2002, 2001, AND 2000-1990 HIGH/LOW RANGE



BASIS: CASH MINUS NEARBY FUTURES  
 CASH: TEXAS/OKLAHOMA, 35 - 65% CHOICE STEERS  
 SOURCE: CFTC PERMANENT RECORDS



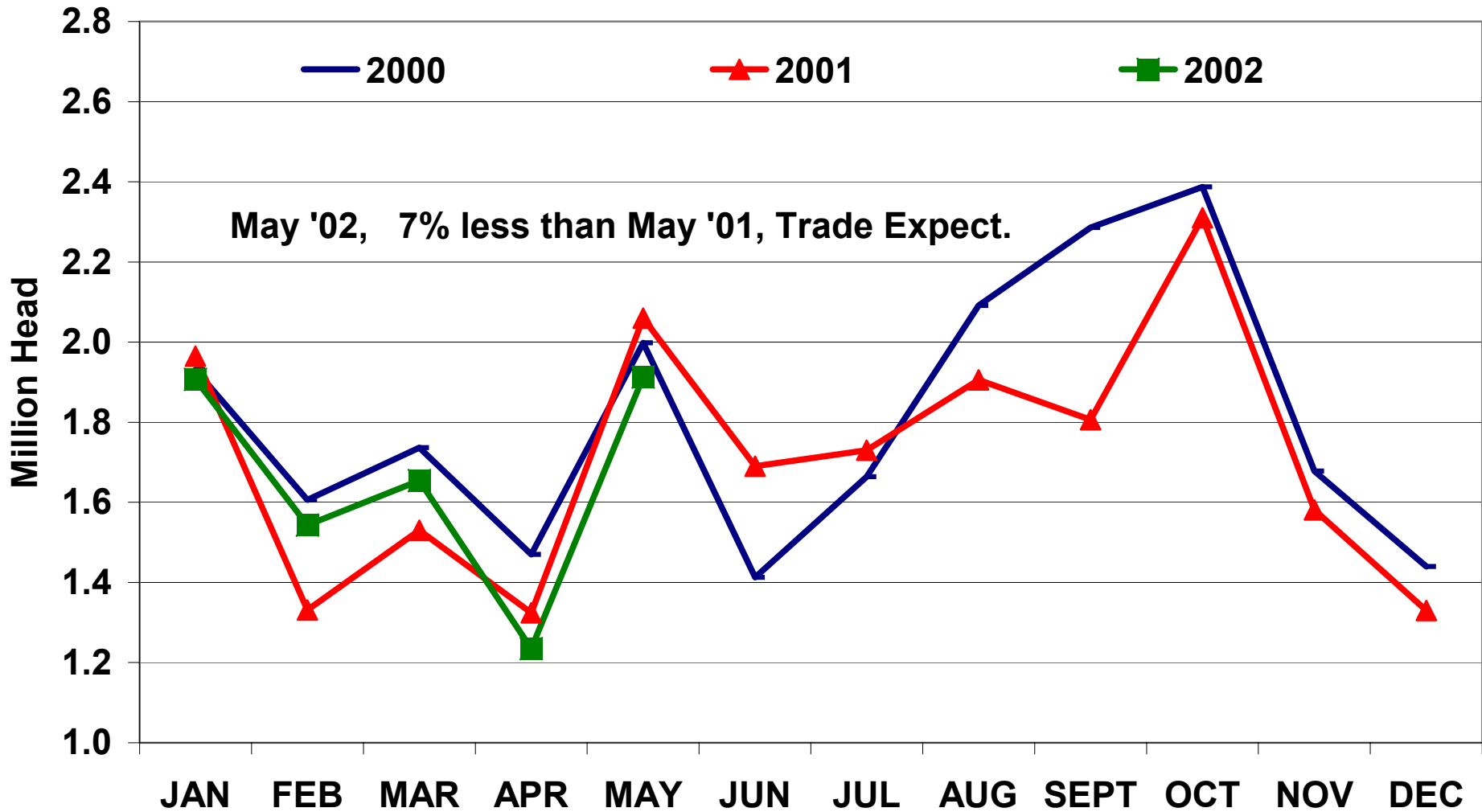
# Texas Cash Cattle And Light Choice Beef



Source: USDA, AMS

2002 Dates

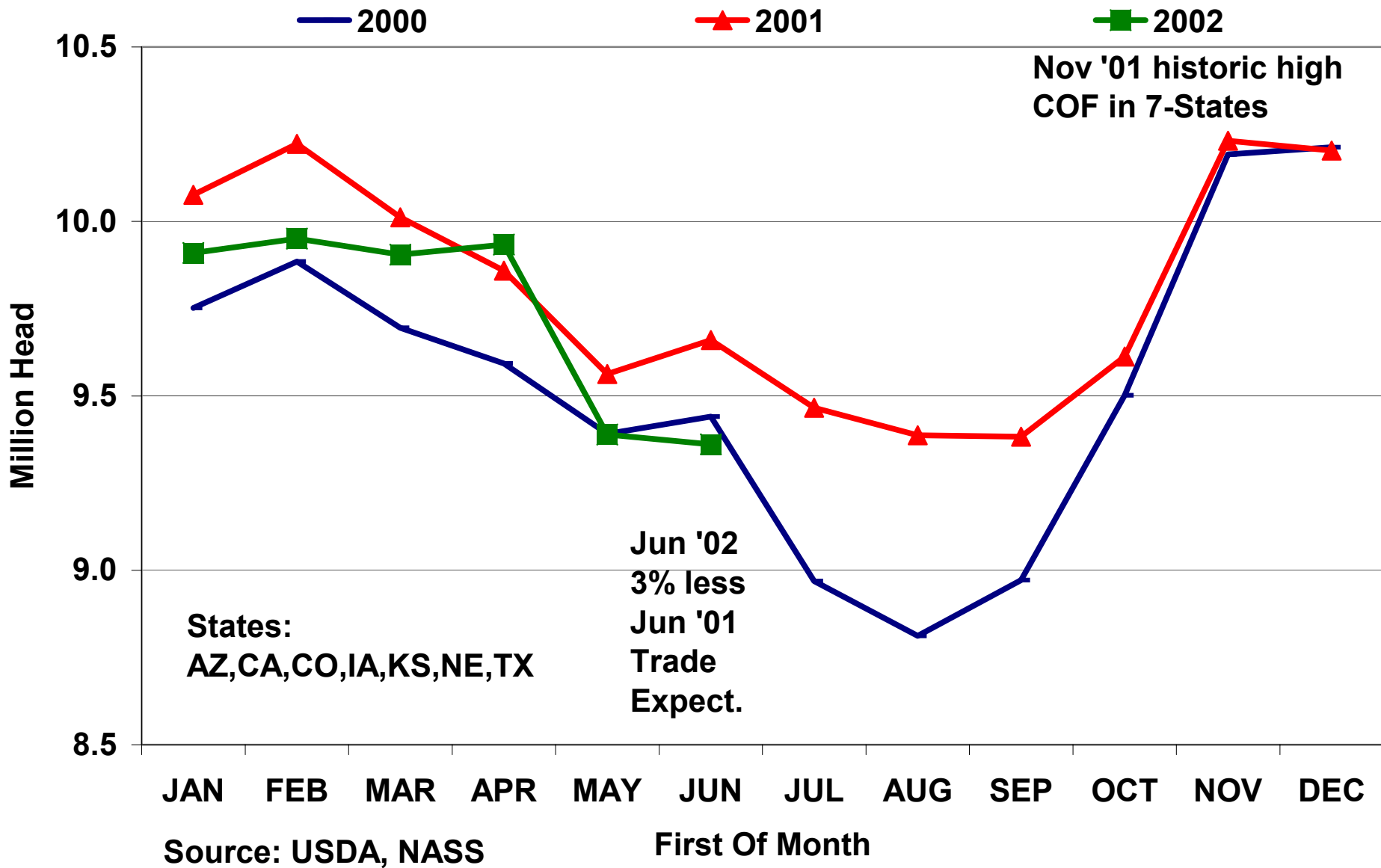
# Cattle Placed On Feed In 7-States (1000+ Cap)



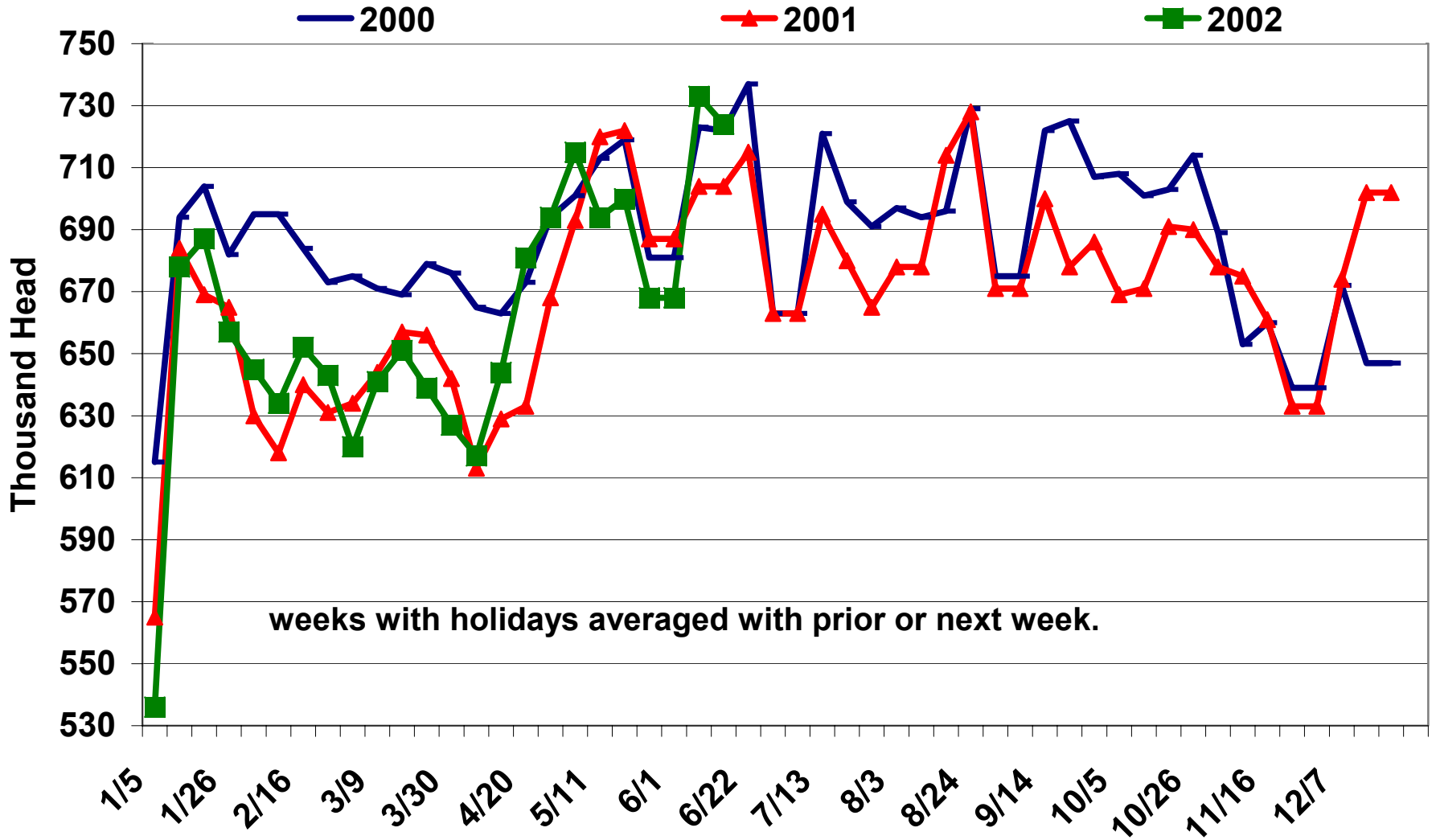
Source: USDA, NASS

Placed During The Month

# Cattle On Feed In 7-States (1000+ Cap)



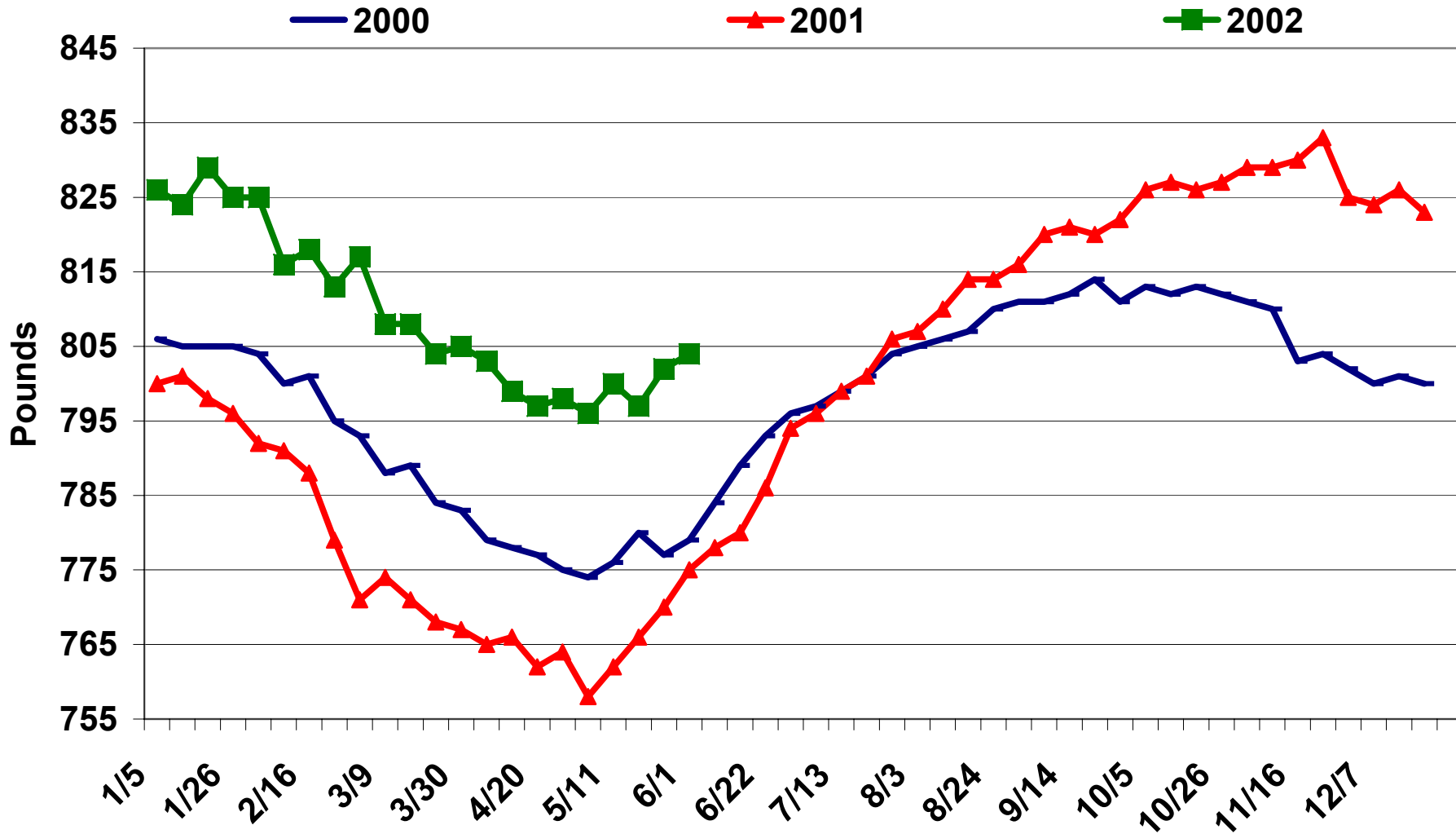
# Weekly F. I. Cattle Slaughter



Source: USDA, AMS

2002 Week-Ending Dates

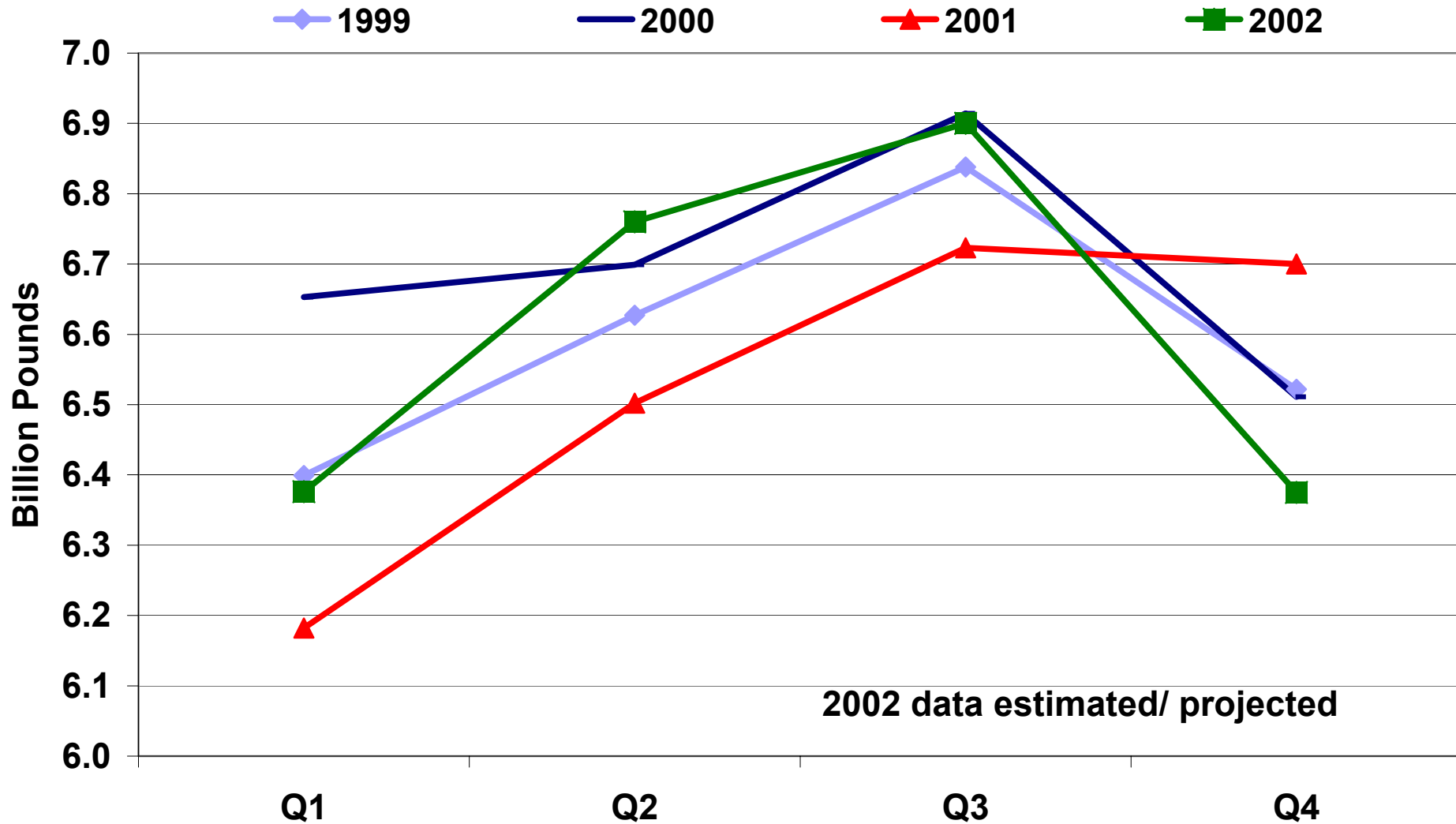
# F.I. Steer Weekly Average Dressed Weights



Source: USDA, AMS

2002 Week-Ending Dates

# Quarterly Beef Production

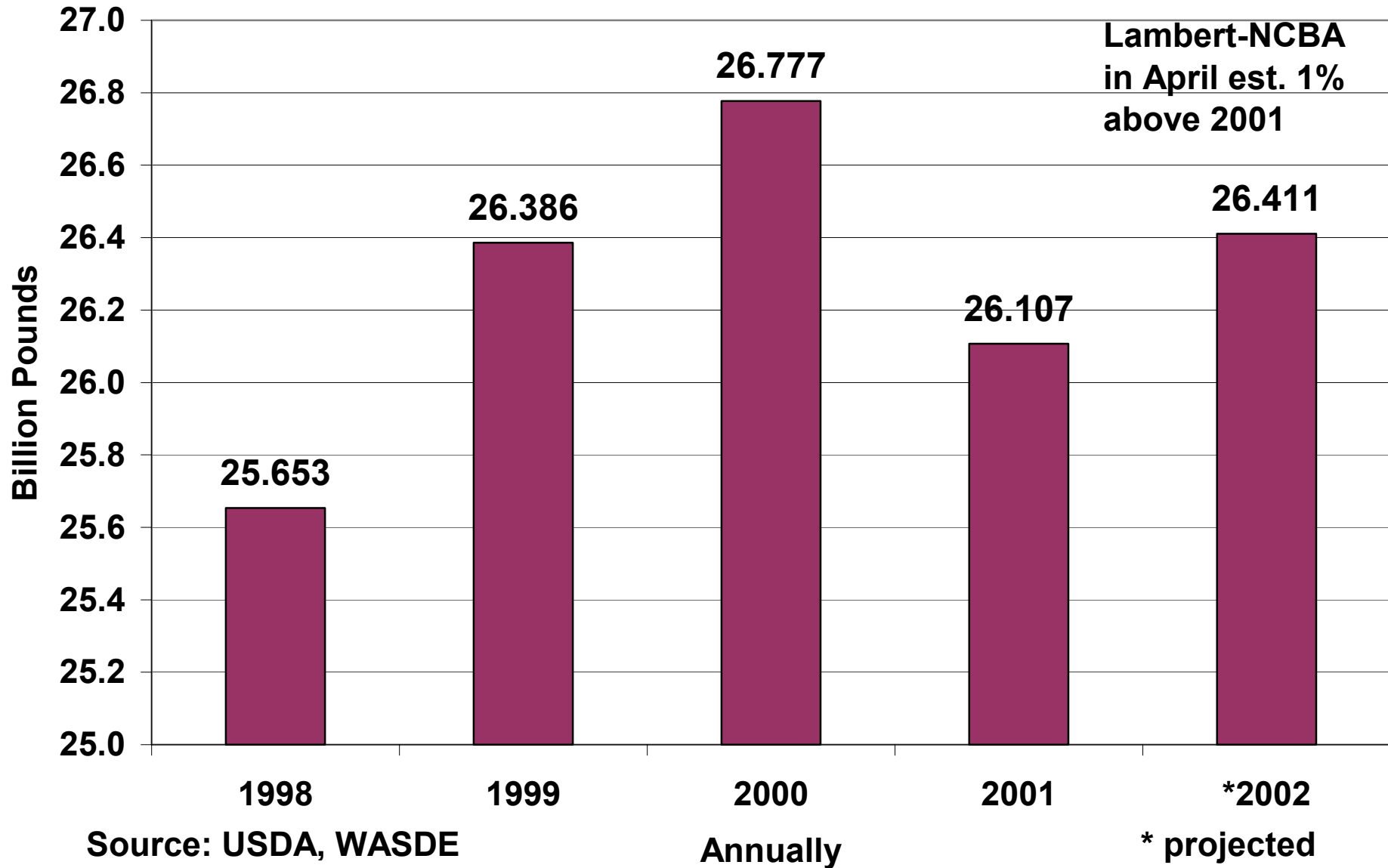


Source: USDA

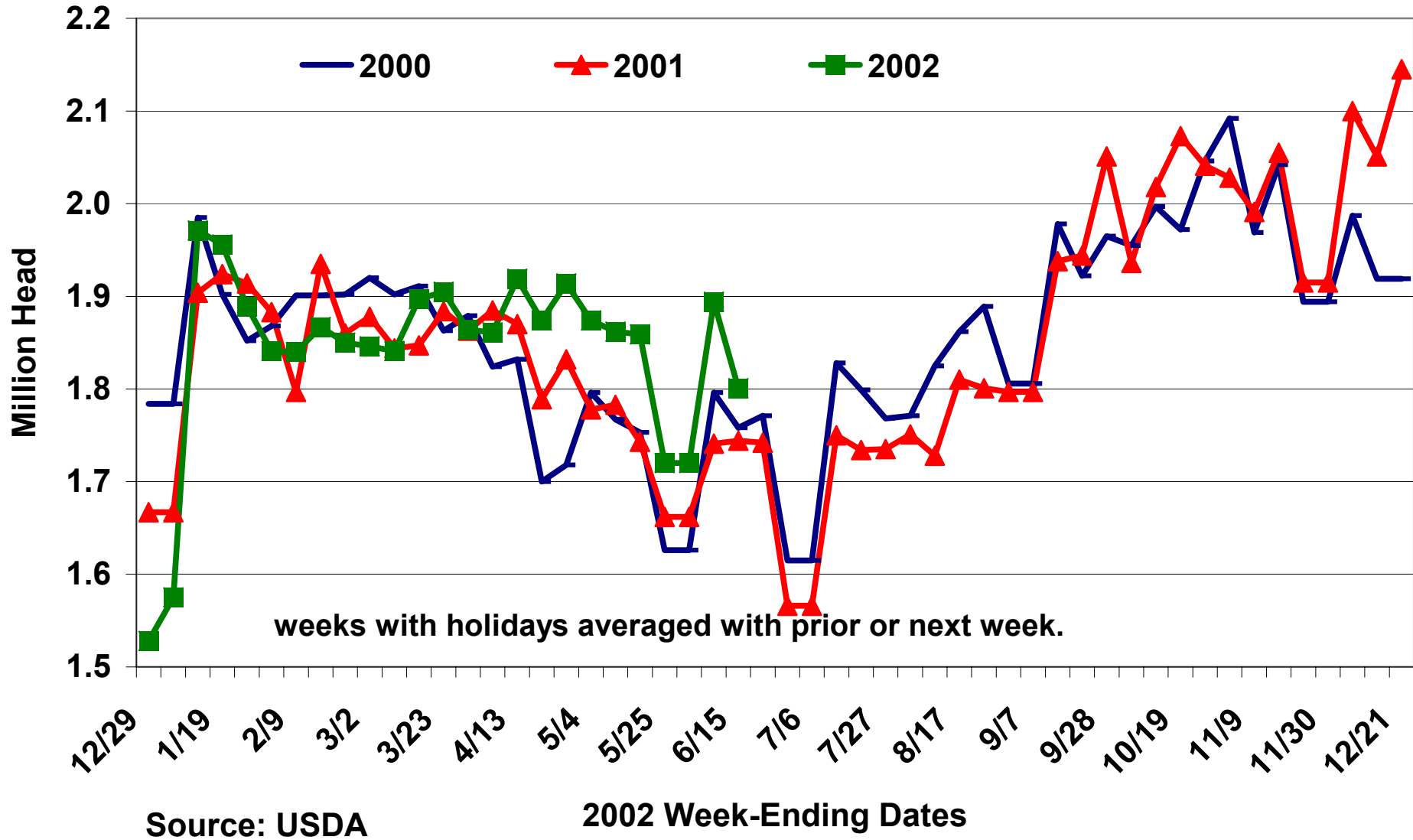
Quarters 1999 Through 2002

2002 data estimated/ projected

# Annual Commercial Beef Production

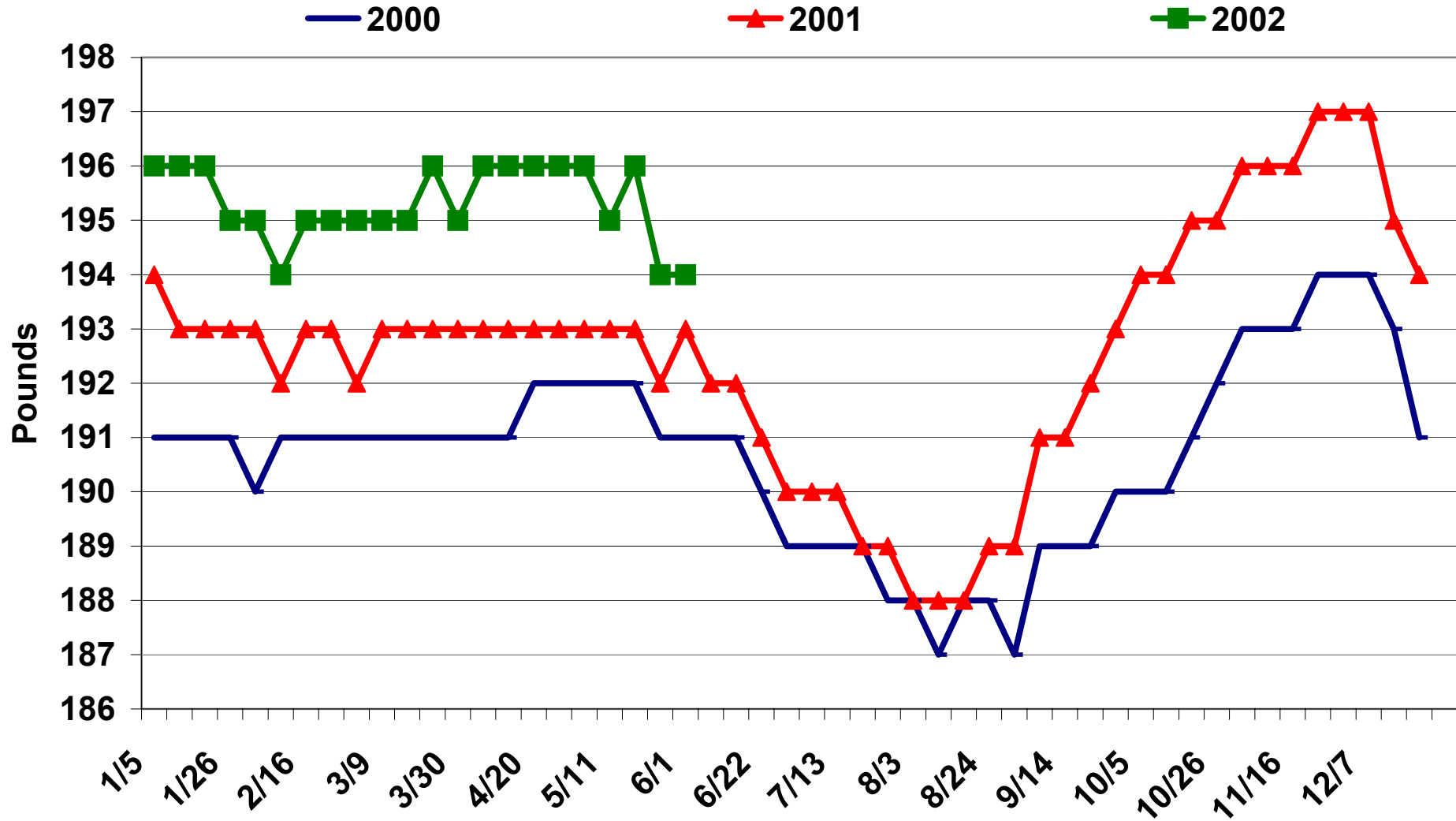


# Weekly F. I. Hog Slaughter





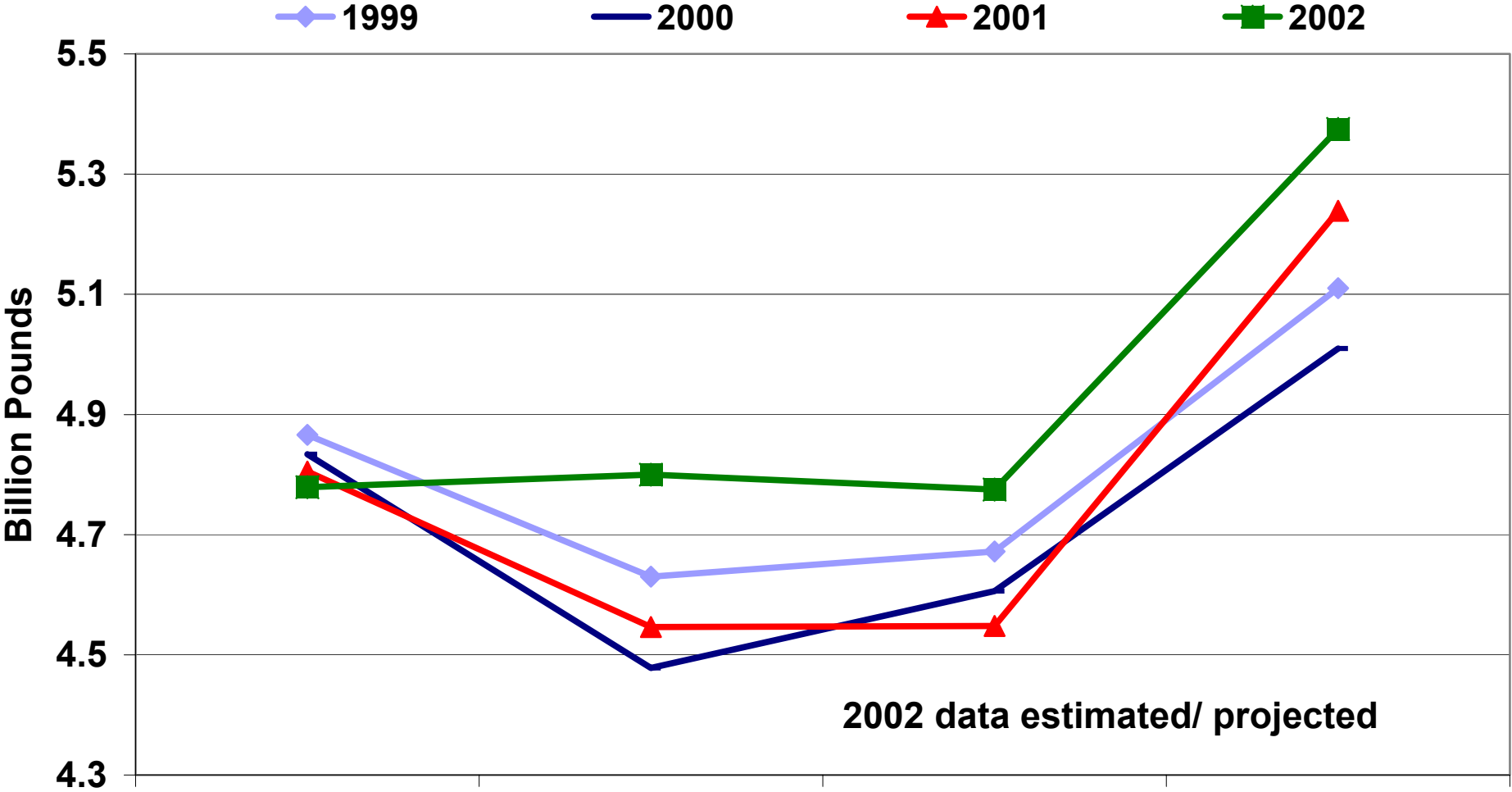
# F.I. Barrow And Gilt Dressed Weights



Source: USDA

2002 Week-Ending Dates

# Quarterly Pork Production



2002 data estimated/ projected

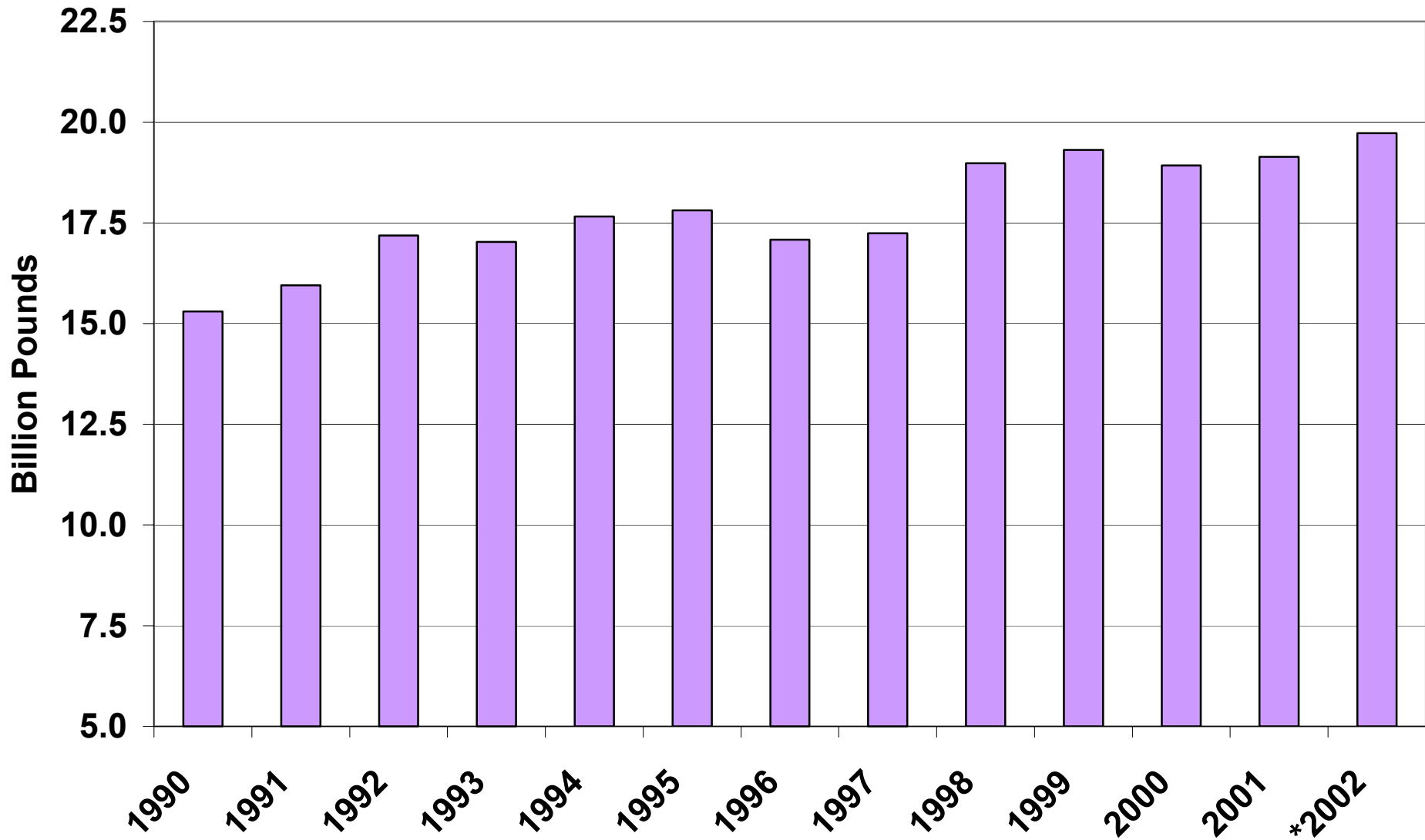
Q1  
Source: USDA

Q2  
Quarters 1999 Through 2002

Q3

Q4

# Annual Commercial Pork Production

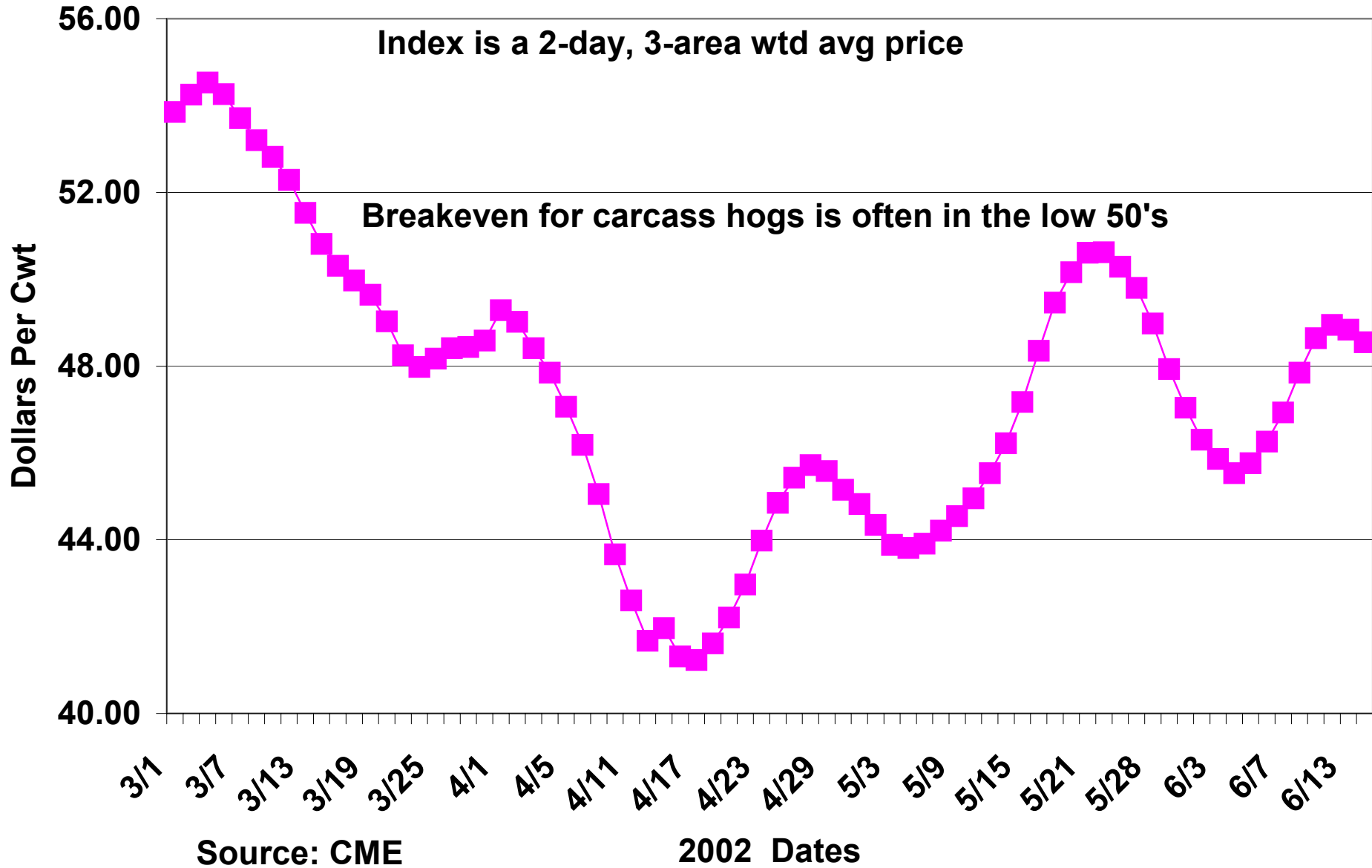


Source: USDA, WASDE

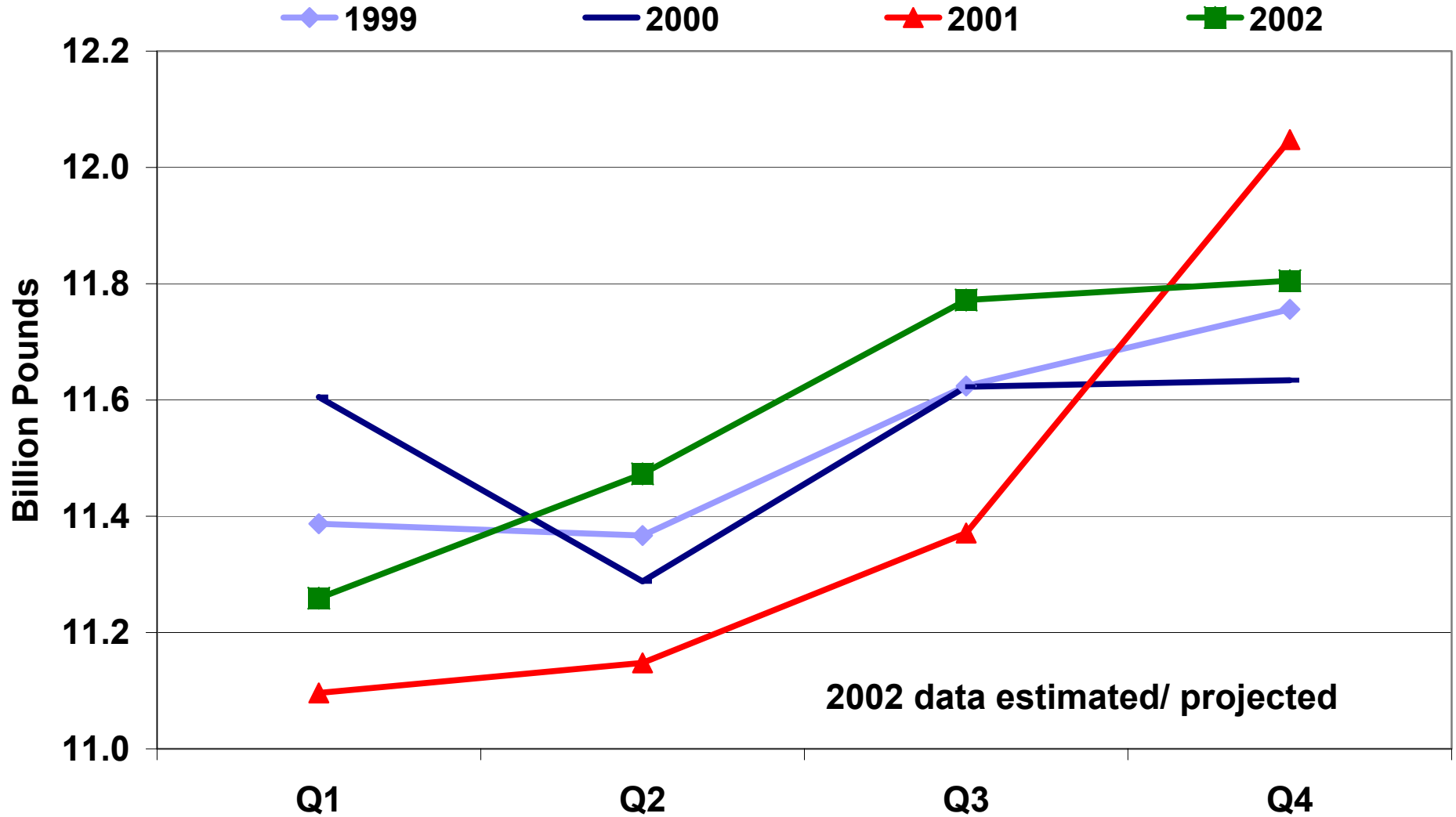
Annually

\* Projected

# CME Lean Hog Index



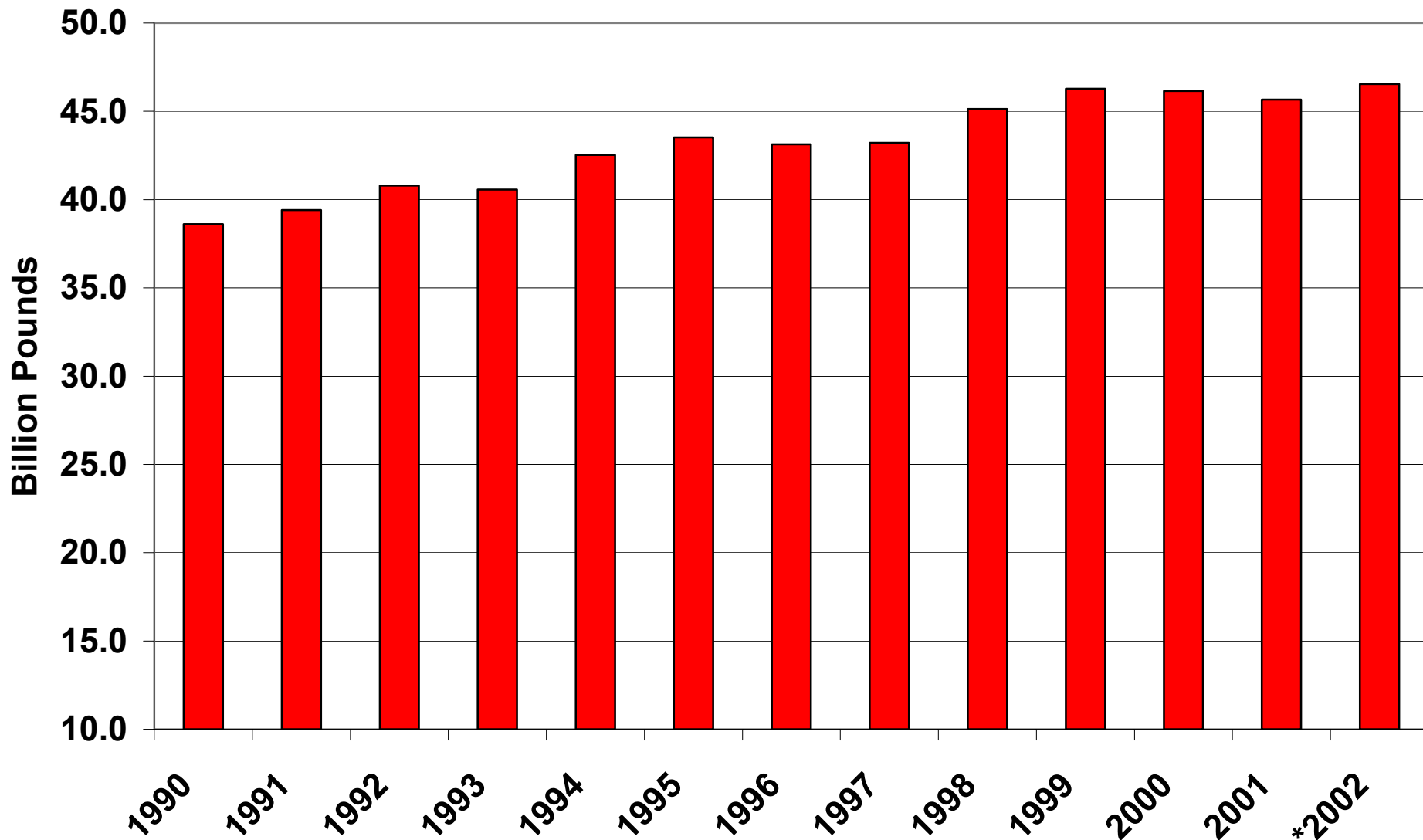
# Quarterly Red Meat Production



Source: USDA

Quarters 1999 Through 2002

# Annual Total Red Meat Production

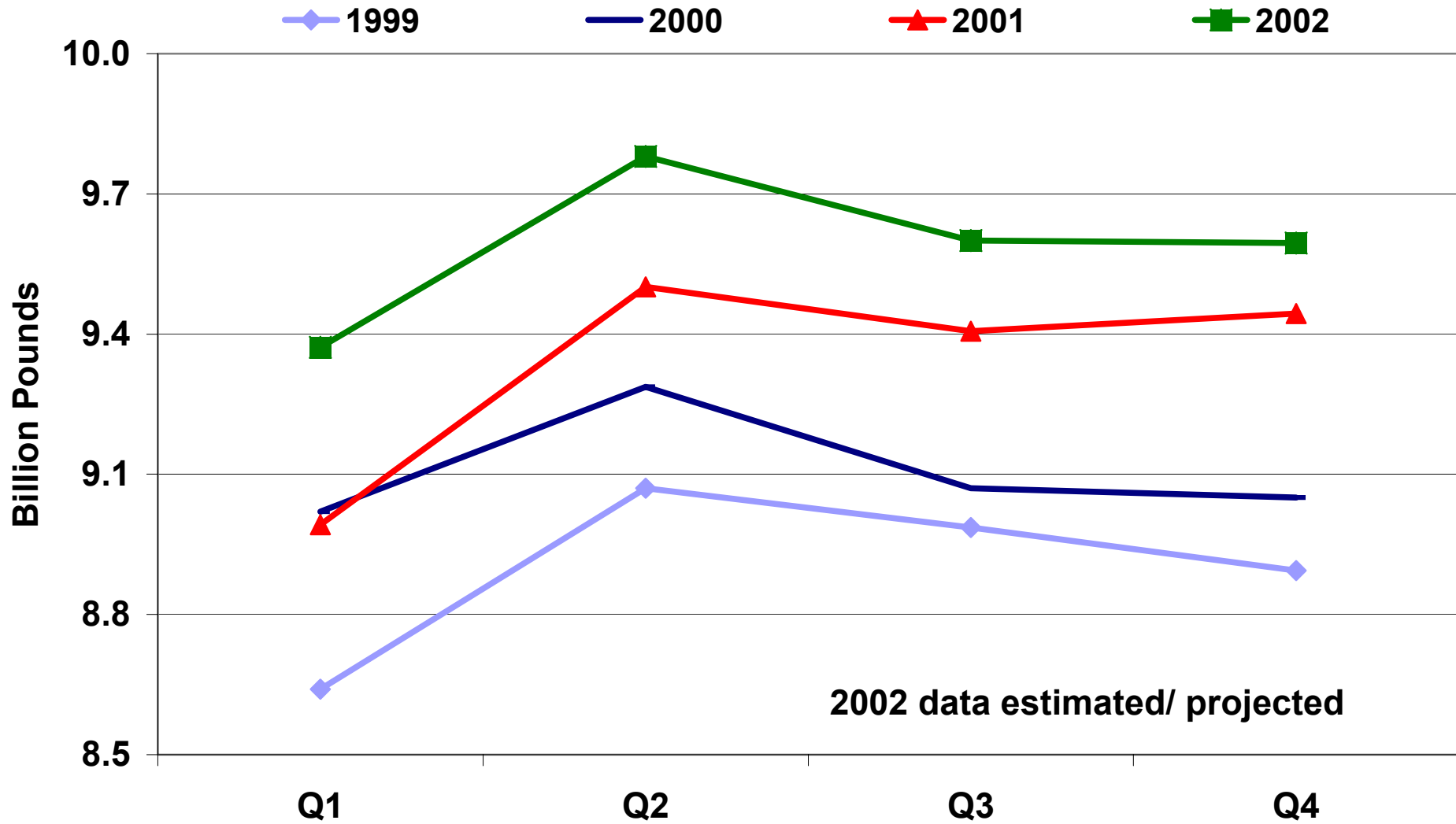


Source: USDA, WASDE

Annually

\* Projected

# Quarterly Poultry Production

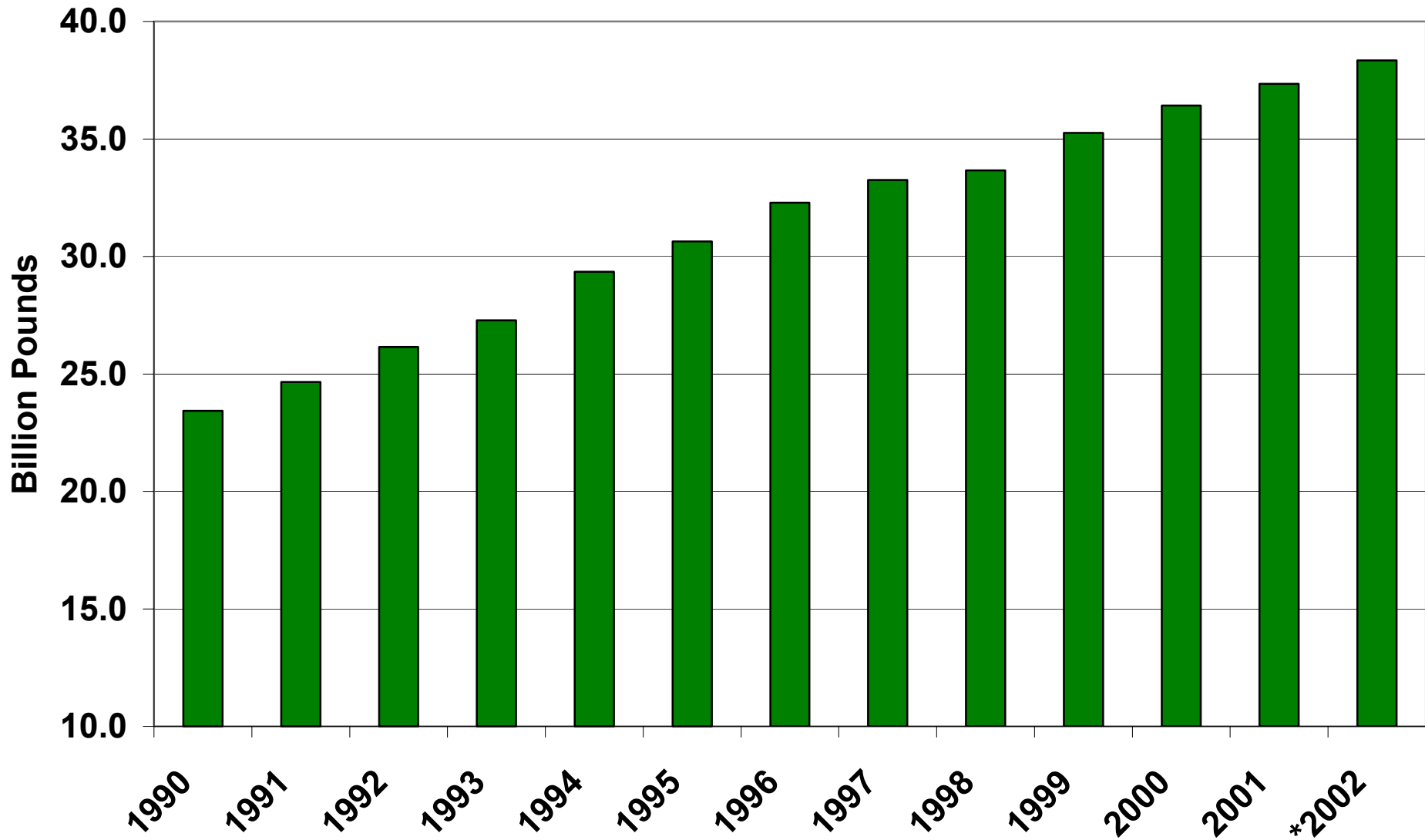


Source: USDA

Quarters 1999 Through 2002

2002 data estimated/ projected

# Annual Total Poultry Production



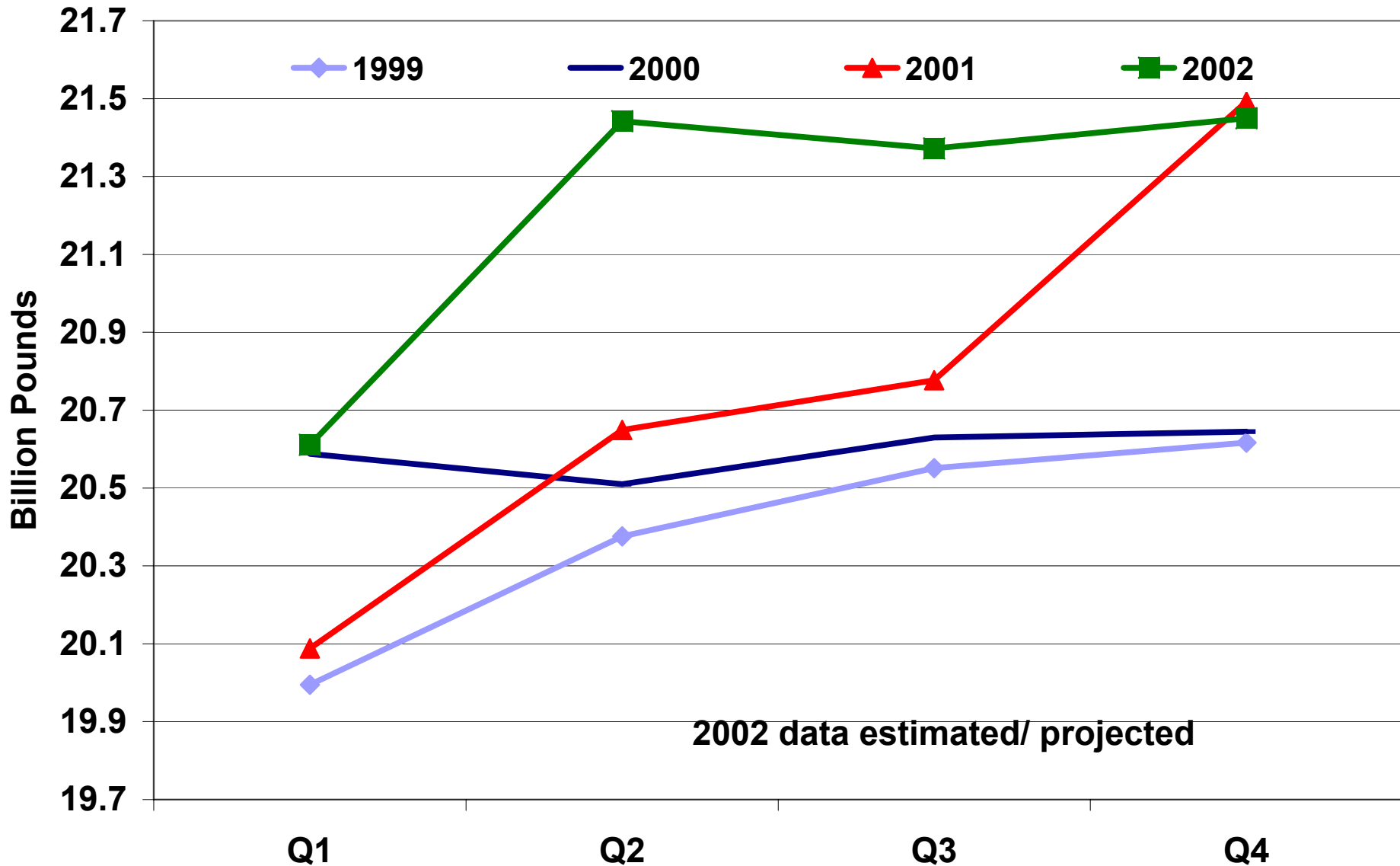
Source: USDA, WASDE

Annually

\* Projected



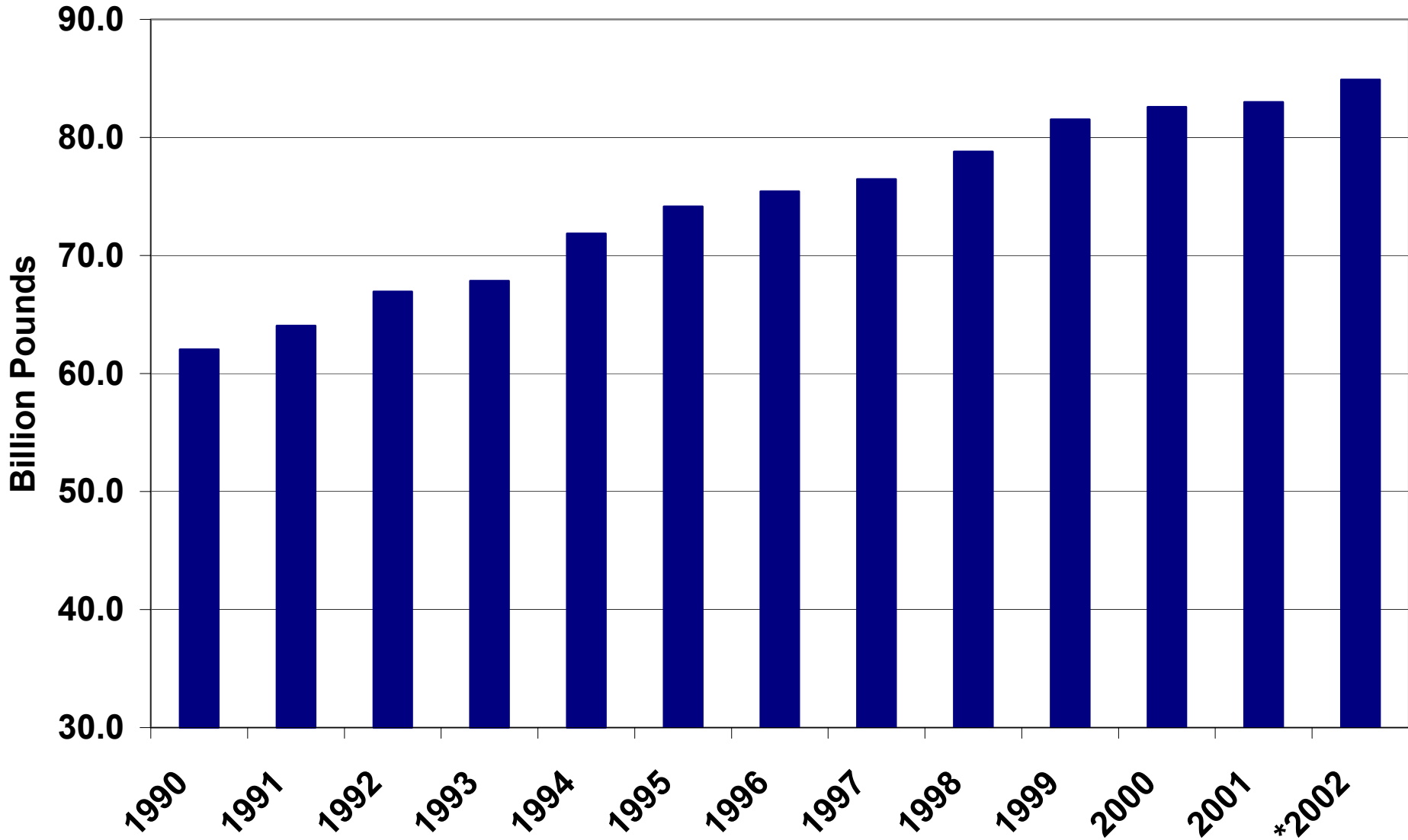
# Quarterly Red Meat and Poultry Production



Source: USDA

Quarters 1999 Through 2002

# Annual Total Red Meat And Poultry Production

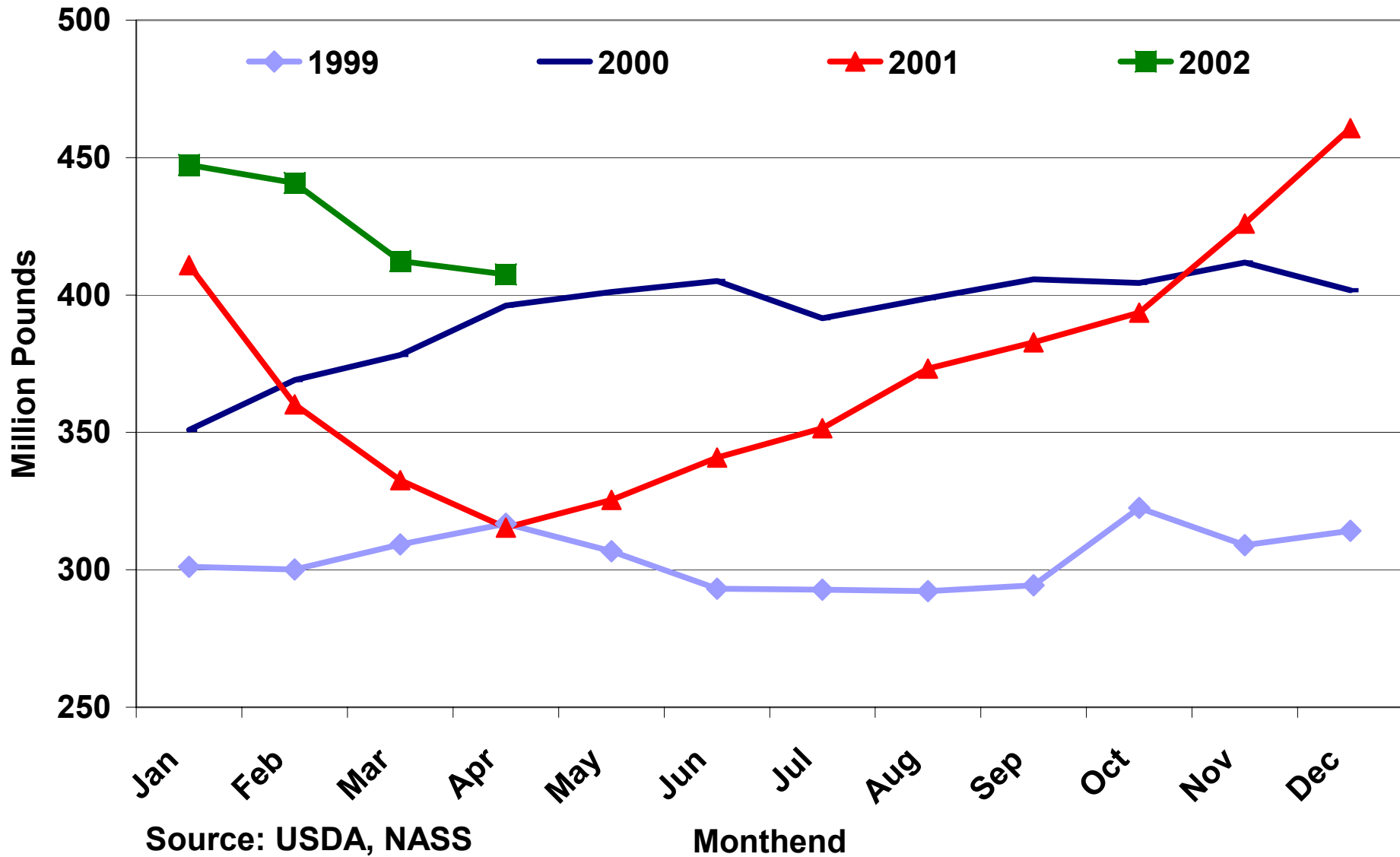


Source: USDA, WASDE

Annually

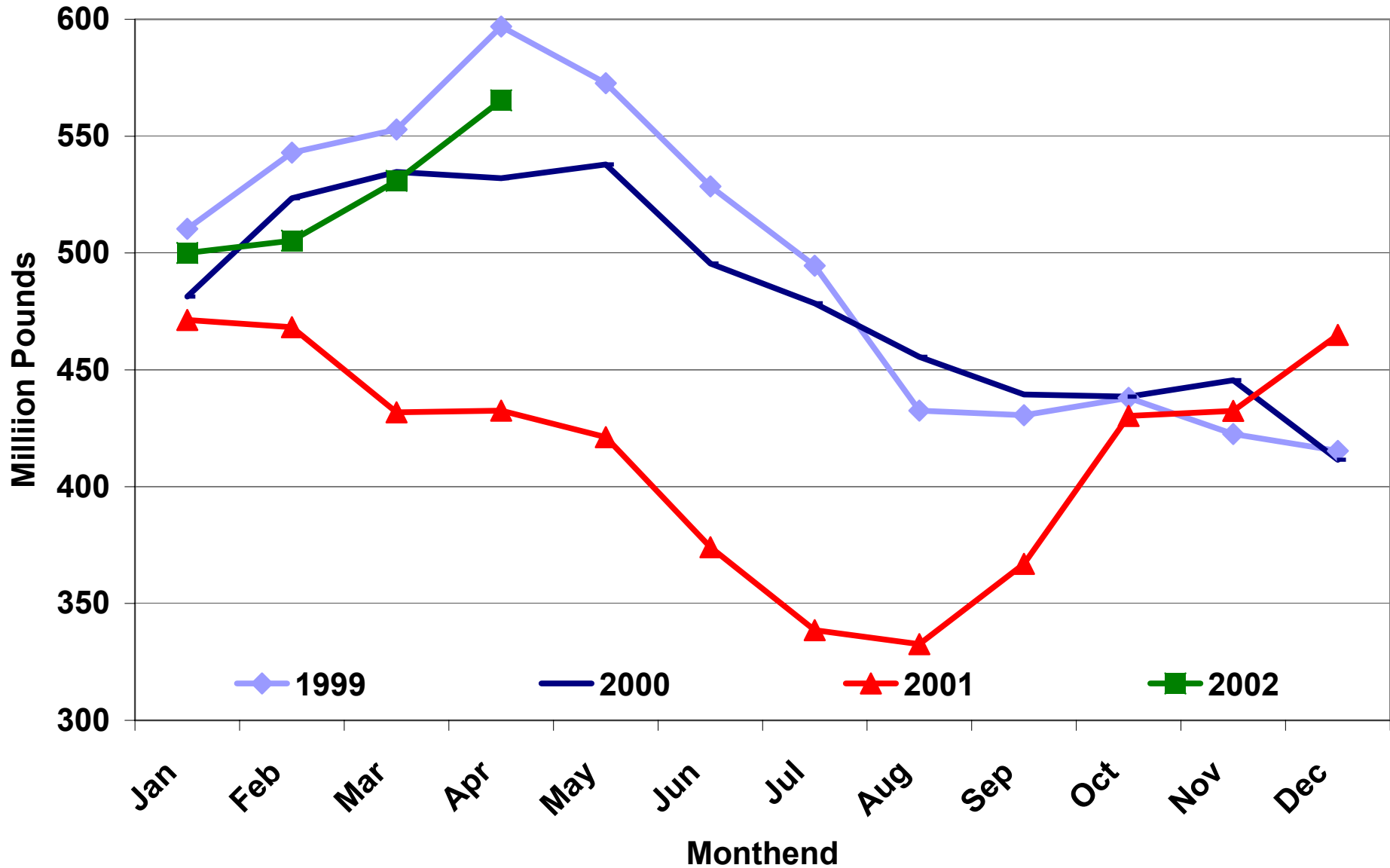
\* Projected

# Total Beef Stocks in Cold Storage, Monthend, 1999 To Present

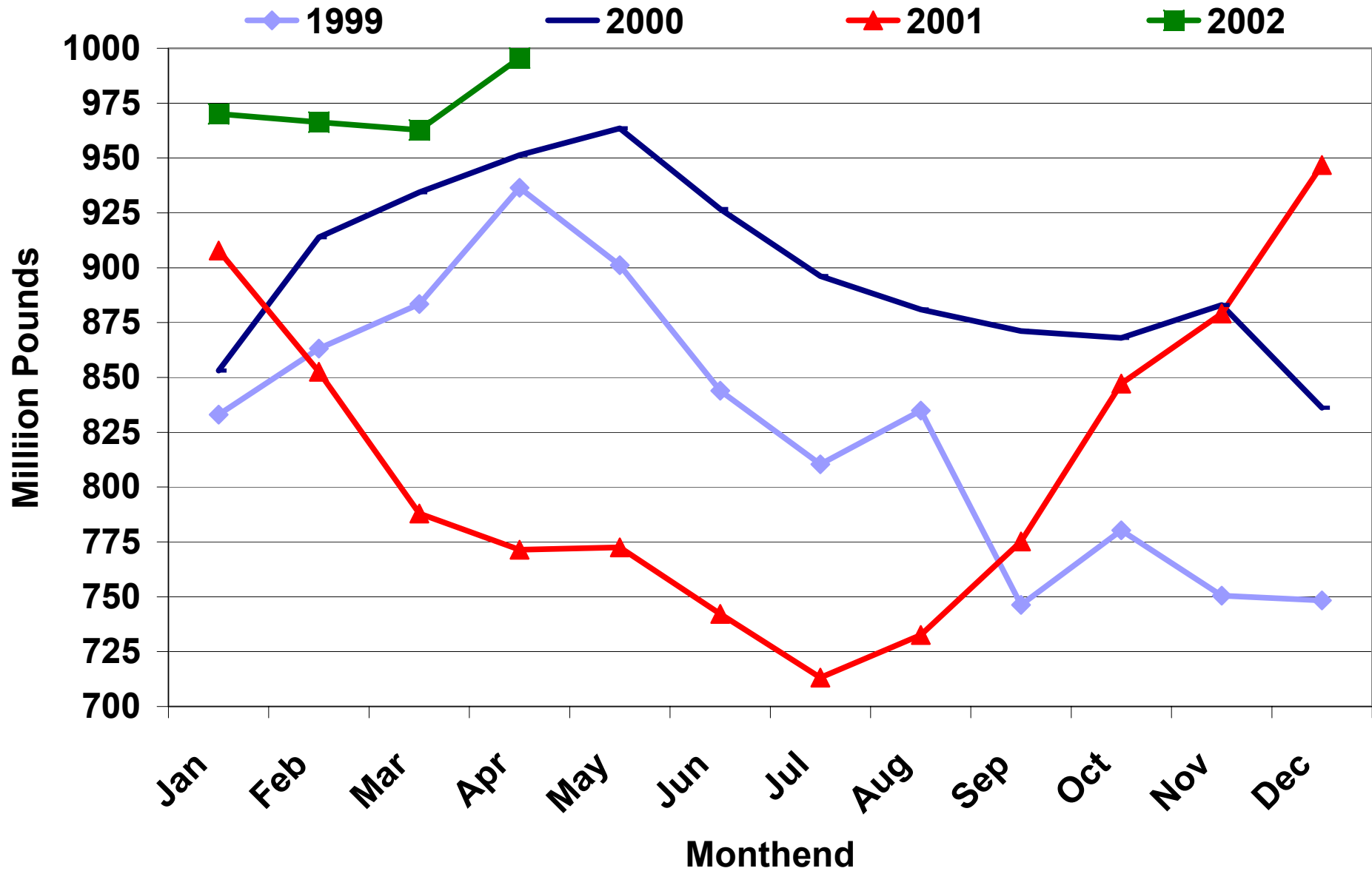


Source: USDA, NASS

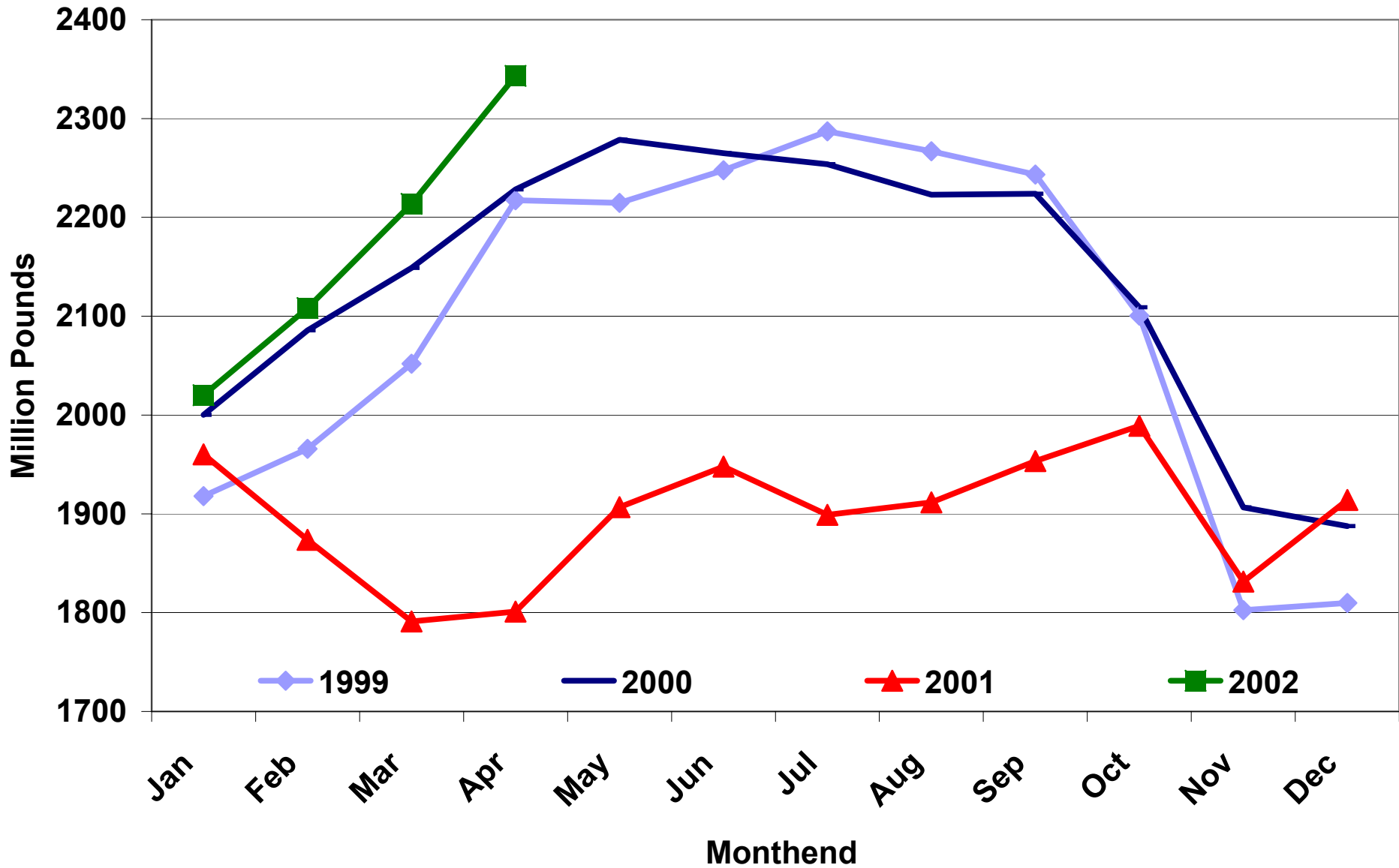
# Total Pork In Cold Storage, Monthend, 1999 To Present



# Total Red Meat In Cold Storage, Monthend, 1999 To Present



# Total Red Meat & Poultry In Cold Storage Monthend, 1999 To Present



# Cattle Fundamental Bullet Points (Source: USDA, ERS)

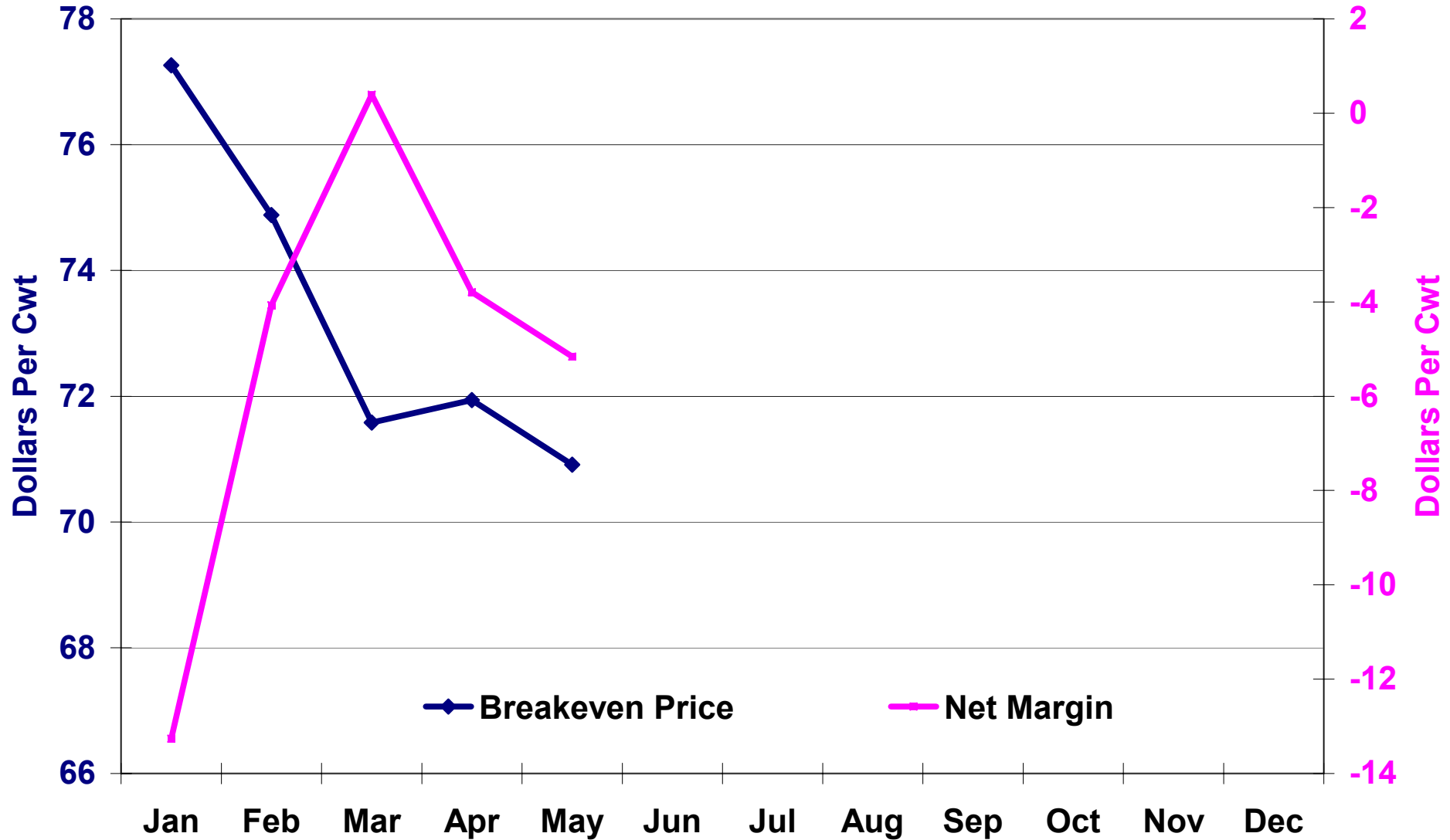
## By Mid March

- \* Cattle inventory to decline 1% from LY
- \* Some winter **dryness**
- \* **Reduced placements**
  - help rebuild herd: good grazing
  - Jan placements 3% less than LY**
  
  - Feb COF 3% less than LY
- \* Fed beef supplies to remain large **'til mid-year**
  - production to decline 2% from LY**
- \* Beef **exports to decline 2.1%** from LY
- \* More poultry and pork production than LY
  - broilers to increase 2.5% from LY
  - pork unchanged**
- \* Less pork exports and more poultry exports
  - pork to decrease 6.0% from LY
  
  - broilers to increase 2.8%** from LY
- \* **Meat production to increase 0.3%** from LY

## By Mid June

- \* Cattle inventory to decline 1% from LY
- \* Dryness turns to **serious drought** in some grazing areas
- \* **Increased placements followed by reduced placements**
  - no herd rebuilding; much poorer grazing conditions
  - Feb placements increased 16% from LY**
  - Mar placements increased 8% from LY**
  - April placements reduced 6% from LY**
  - May placements, trade expectations, reduced 7% from LY**
  - Apr COF, about even with LY
  - May COF, reduced 2% from LY
  - June COF, trade expectations, reduced 3% from LY
- \* Fed beef supplies to remain large **'til year-end**
  - **production to increase 1% from LY**
- \* Beef **exports to remain unchanged** from LY
- \* More pork and poultry production than LY
  - broilers to increase 3.0%** from LY
  - pork to increase 3.0%** from LY
- \* Less pork and poultry exports
  - pork to decrease 5.0%** from LY, European FMD and Japanese BSE, key factors
  - broilers to decrease about 12%** from LY; Russian export ban on chicken followed by disruptions, slowdown in shipments to China, key factors
- \* **Meat production to increase about 2.3%** from LY

# Great Plains Cattle: Breakevens And Net Margins During 2002

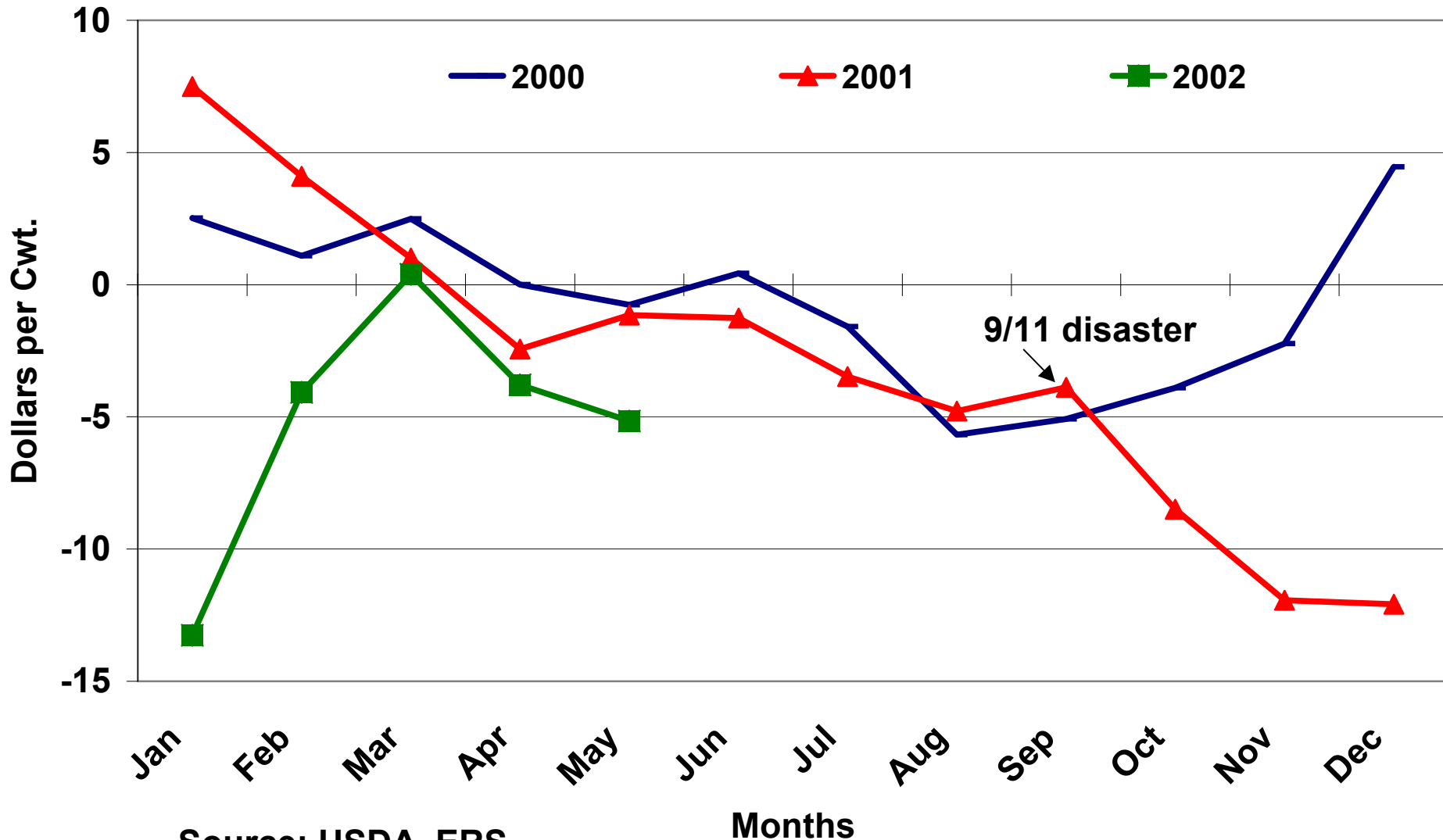


Source: USDA, ERS

Monthly Averages During 2002



# Estimated Net Feeding Margins

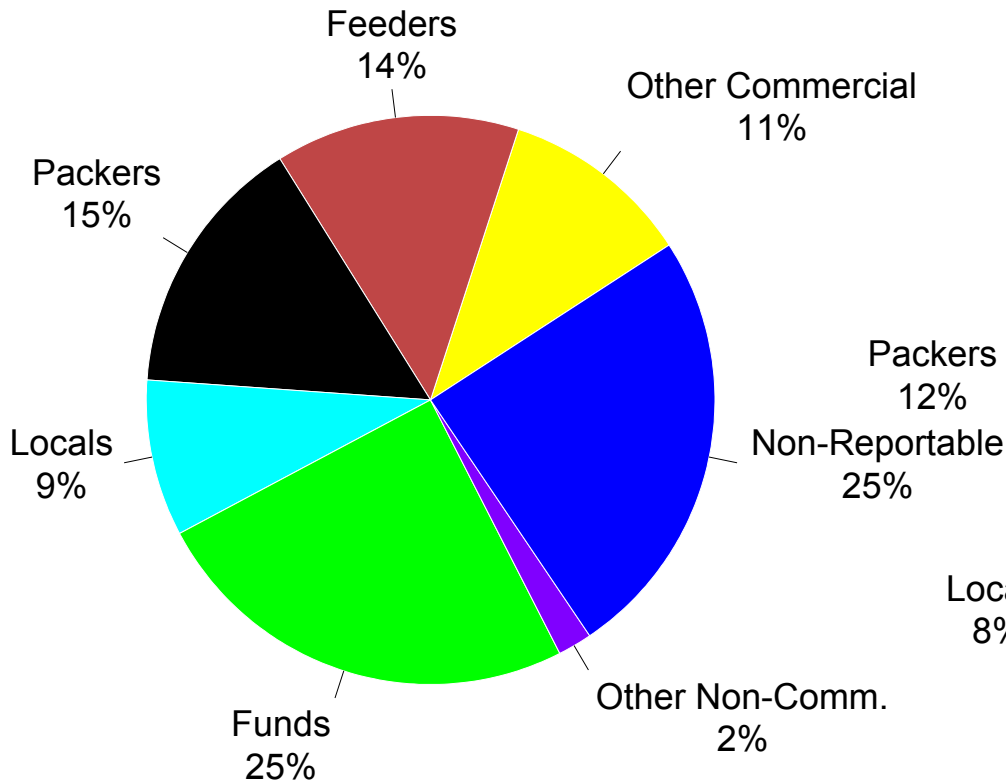


Source: USDA, ERS

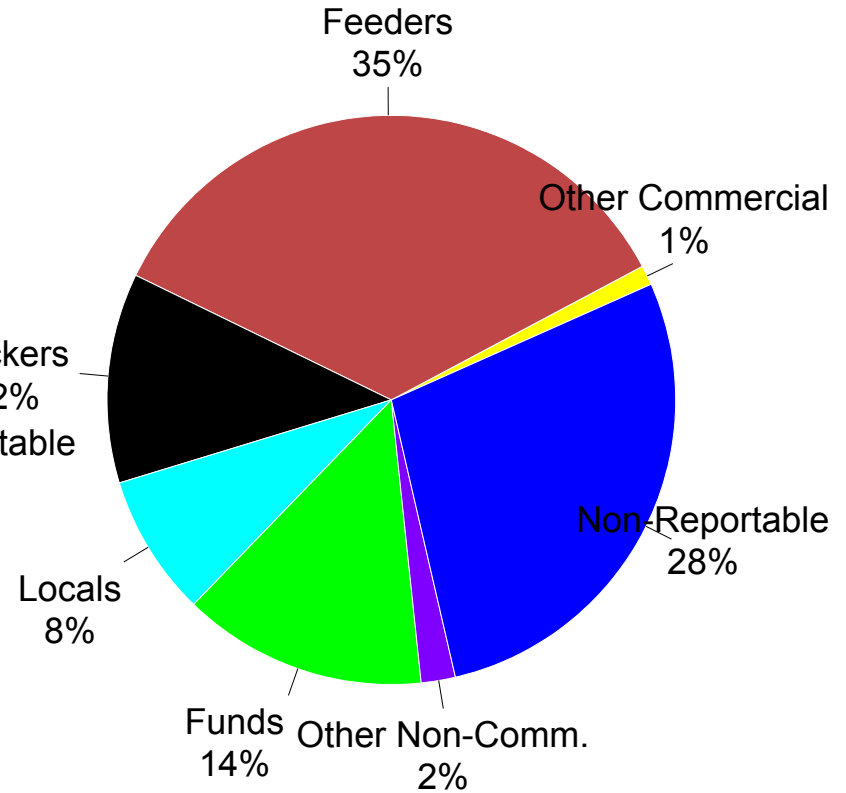
# CME Live Cattle Futures Market Composition

All Futures & Options Combined on 3/12/02

## Long Positions



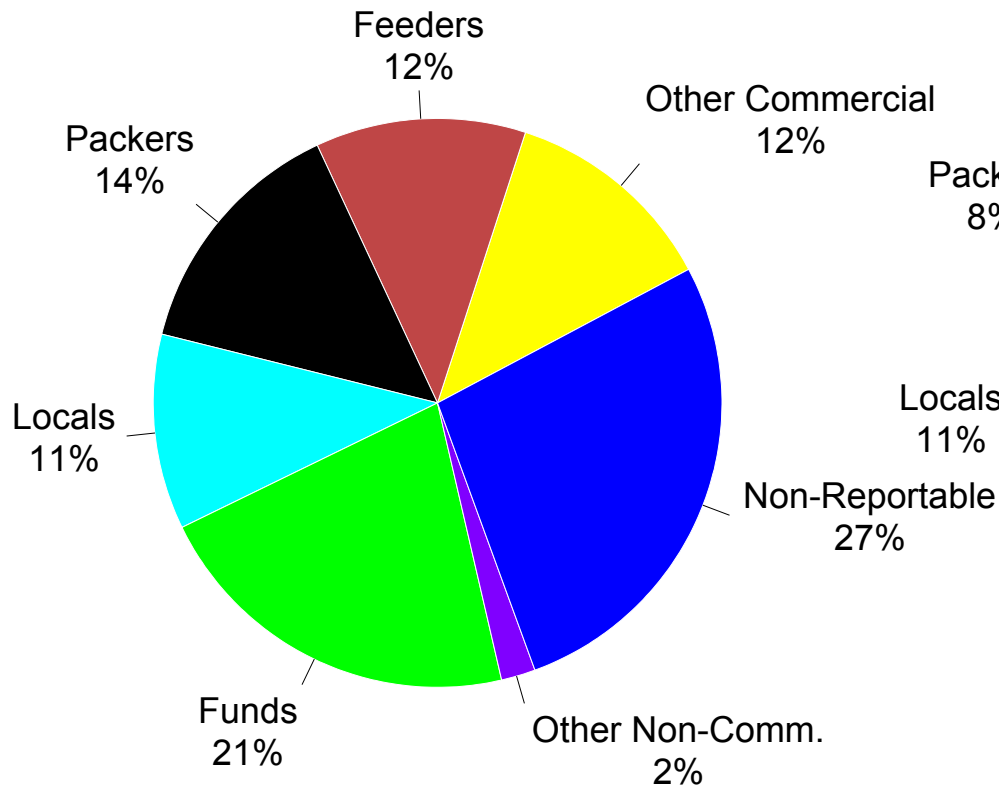
## Short Positions



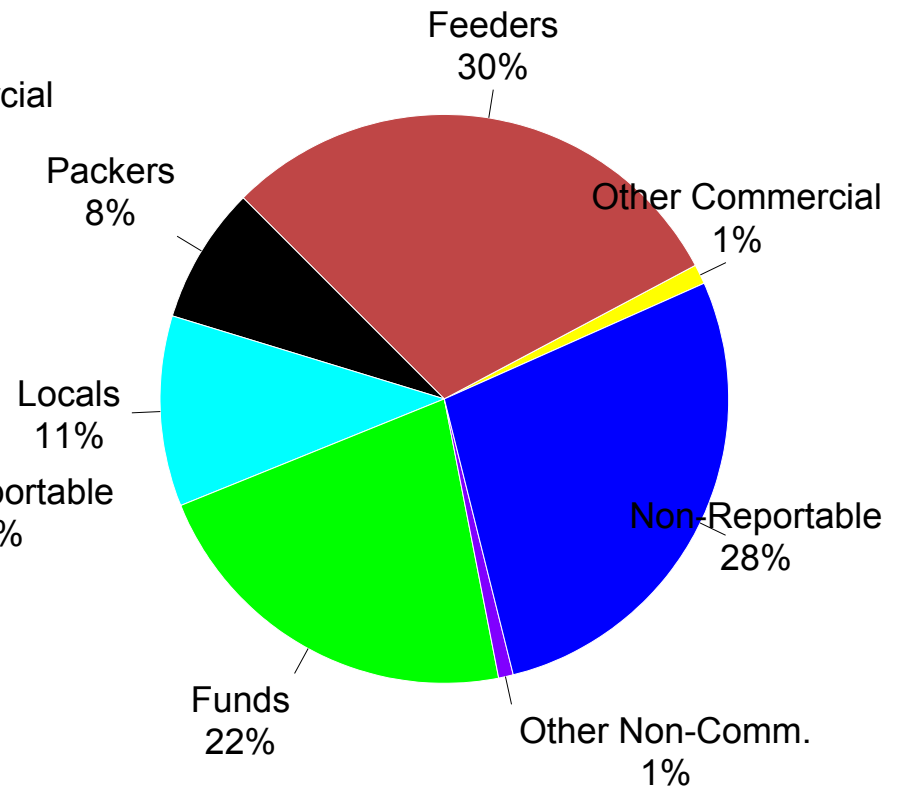
# CME Live Cattle Futures Market Composition

All Futures & Options Combined on 4/12/02

## Long Positions



## Short Positions

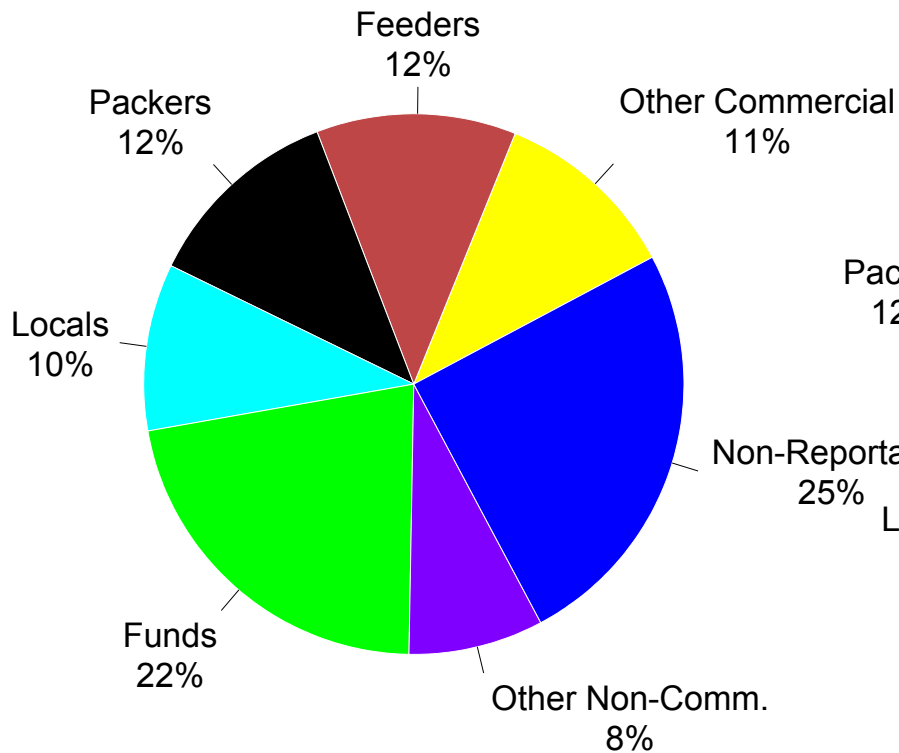


# CME Live Cattle Futures Market Composition

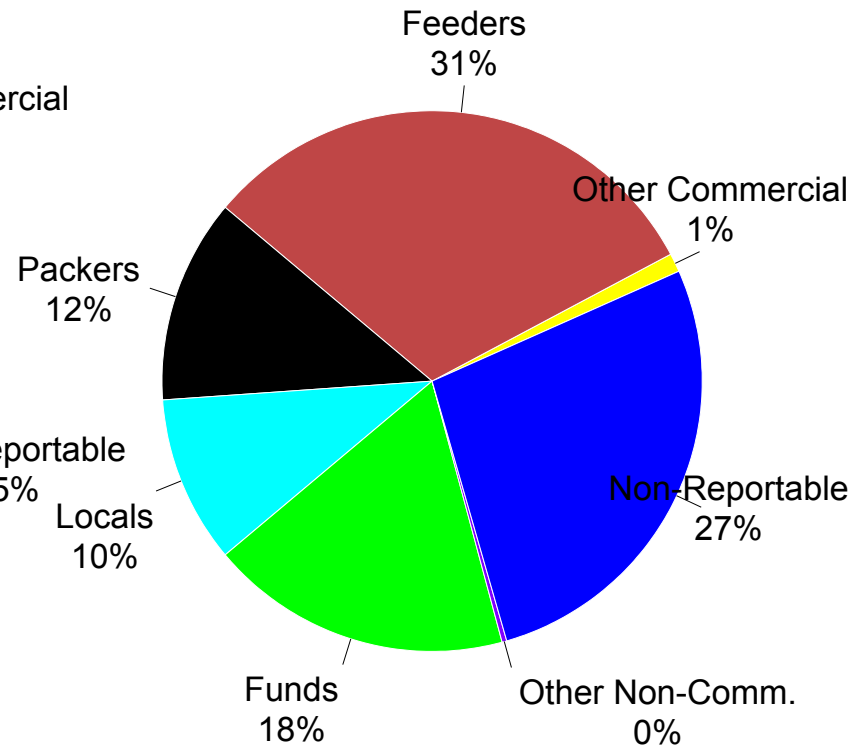
All Futures & Options Combined on 5/22/02

---

## Long Positions



## Short Positions



# Distribution of Reporting Non-Commercial Traders in CME Live Cattle by Size Net of Long and Short Futures and Options Positions, All Months Combined

March 1 through April 23 2002

## Net Position Size Classes (in contracts)

	0-300	301-600	601-1000	1001-1500	1501-2000	2001-2500	2501-3000	3001-3500	3501-4000	4001-4500	4501-5000	5001-5500	5501-6000	6001-7000	7001-8000	8001 & above
3/1/02	65	10	5	5	1		2					1				
3/4/02	66	11	5	5	1		2				1					
3/5/02	71	10	5	5	2		1				1					
3/6/02	76	11	4	5	3		1					1				
3/7/02	75	12	3	7	1		2					1				
3/8/02	76	12	3	7	1		1	1					1			
3/11/02	74	13	4	6	1		1		1				1			
3/12/02	76	13	5	5	1		1		1				1			
3/13/02	84	9	4	5	1		2		1				1			
3/14/02	80	14	5	4	1	1	2						1			
3/15/02	76	16	9	3	1		2						1			
3/18/02	73	13	7	5	1		2								1	
3/19/02	76	14	7	5	1	1	1								1	
3/20/02	81	14	6	4	3	1		1							1	
3/21/02	79	12	6	4	4	1	1								1	
3/22/02	80	12	7	4	4	1	1								1	
3/25/02	77	11	8	4	3	2	1								1	
3/26/02	79	10	7	4	4	2	1								1	
3/27/02	79	10	7	5	3	3	1								1	
3/28/02	81	10	6	5	3	2	2								1	
4/1/02	80	11	6	6	2	1	3								1	
4/2/02	81	13	6	6	2	2	2								1	
4/3/02	83	13	6	7	1	2	2								1	
4/4/02	85	13	9	7	1	1	2								1	
4/5/02	86	17	7	6	2	3									1	
4/8/02	82	14	8	5		5										1
4/9/02	75	13	9	3	1	3	1									1
4/10/02	70	12	9	2	2	3	1									1
4/11/02	68	10	9	3	1	2	2									1
4/12/02	67	10	7	3	3	2	1									1
4/15/02	70	12	7	3	2	2	2									1
4/16/02	67	13	7	3	2	2	2									1
4/17/02	67	11	6	4	2	2	1			1						1
4/18/02	65	11	6	4	2	3			1							1
4/19/02	69	8	6	5	3	2			1							1
4/22/02	70	7	6	5	3	2			1							1
4/23/02	68	8	6	5	3	2			1							1

# Distribution of Reporting Non-Commercial Traders in CME Live Cattle by Size Net of Long and Short Futures and Options Positions, All Months Combined

April 24 through June 14, 2002

## Net Position Size Classes (in contracts)

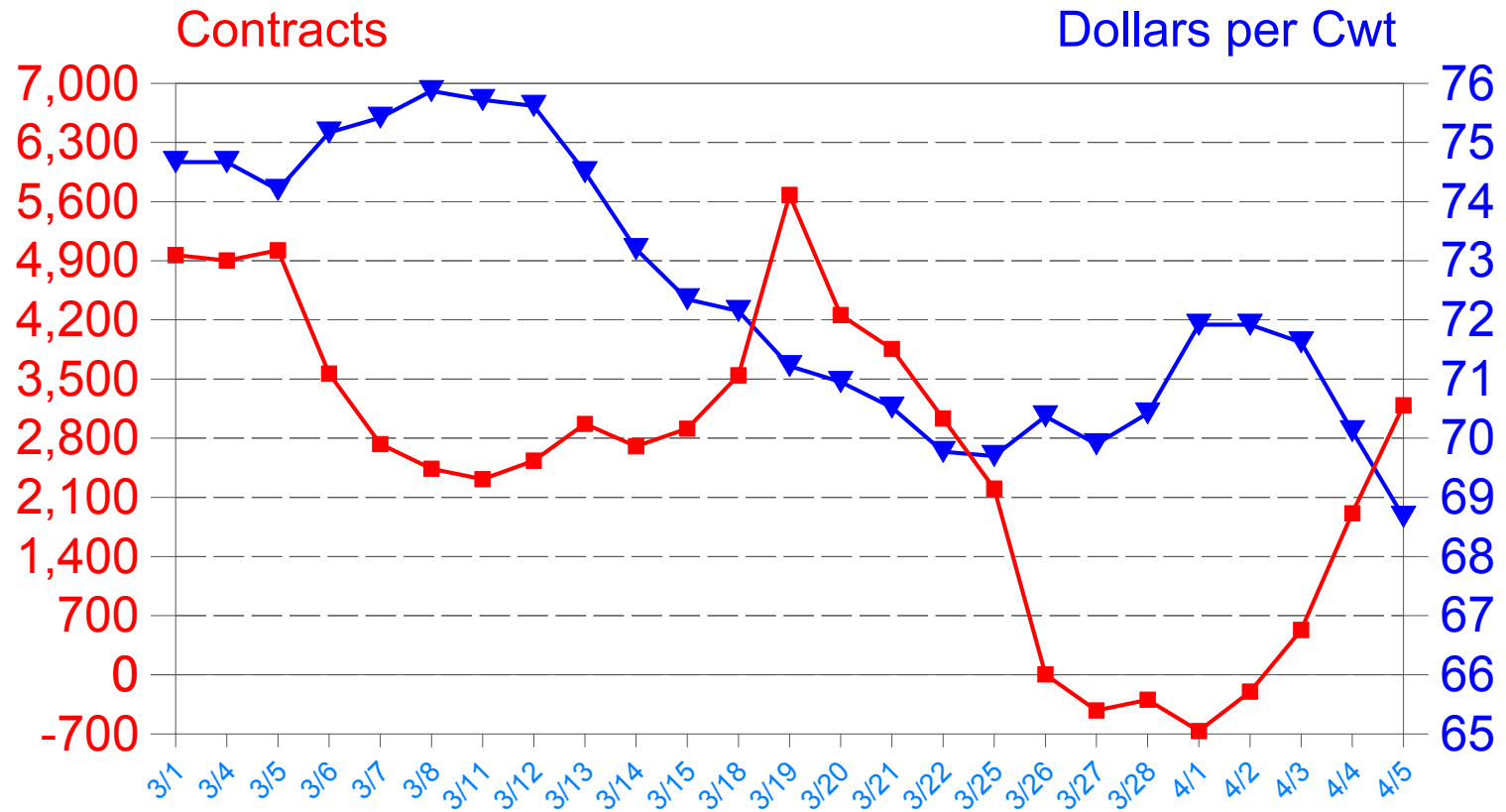
	0-300	301-600	601-1000	1001-1500	1501-2000	2001-2500	2501-3000	3001-3500	3501-4000	4001-4500	4501-5000	5001-5500	5501-6000	6001-7000	7001-8000	8001 & above
4/24/02	68	7	7	3	4	3			1						1	
4/25/02	69	9	6	3	3	2	2		1						1	
4/26/02	69	11	4	3	4	1	2		1						1	
4/29/02	69	9	4	3	4	2	2								1	
4/30/02	69	10	3	3	4	2	1		1						1	
5/1/02	68	12	3	4	3	3			1						1	
5/2/02	70	11	3	3	4	3			1						1	
5/3/02	69	10	3	4	3	3			1						1	
5/6/02	67	12	3	4	3	3			1						1	
5/7/02	67	12	2	5	4	1			1						1	
5/8/02	64	11	2	4	5	1			1							1
5/9/02	63	9	3	4	5	1			1						1	
5/10/02	63	10	3	4	5	1				1					1	
5/13/02	63	9	4	4	4	1				1					1	
5/14/02	65	7	5	4	5					1					1	
5/15/02	64	7	5	4	5					1					1	
5/16/02	66	7	5	4	5					1					1	
5/17/02	66	8	5	4	5					1					1	
5/20/02	69	8	6	3	5							1			1	
5/21/02	67	8	6	4	5									1	1	
5/22/02	67	7	6	5	4	1								1	1	
5/23/02	67	9	6	4	4	1							1		1	
5/24/02	69	8	4	4	4	1							1		1	
5/28/02	68	9	5	3	5								1		1	
5/29/02	71	7	4	4	5								1		1	
5/30/02	72	8	4	4	5										1	1
5/31/02	72	8	4	5	5										1	1
6/3/02	71	7	4	6	5										1	1
6/4/02	65	7	4	7	3										1	1
6/5/02	68	8	4	7	3	1									1	1
6/6/02	68	8	4	7	3	1									1	1
6/7/02	69	8	3	7	3	1									1	1
6/10/02	70	7	3	7	3	1									1	1
6/11/02	68	7	4	5	4										1	1
6/12/02	67	6	3	6	3	1									1	1
6/13/02	63	6	3	7	2	1									1	1
6/14/02	61	6	4	6	2	1									1	1

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**PACKERS**

■ PACKERS ▼ APRIL FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

### COMPOSITION BY **PACKERS**

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	7	15,670	15%	10,701	10%	4,968
3/4	103,650	7	15,612	15%	10,709	10%	4,903
3/5	105,304	7	15,724	15%	10,701	10%	5,024
3/6	106,771	7	15,120	14%	11,553	11%	3,566
3/7	106,485	7	14,900	14%	12,169	11%	2,730
3/8	107,286	7	15,168	14%	12,728	12%	2,439
3/11	108,295	7	15,119	14%	12,805	12%	2,314
3/12	109,768	7	15,942	15%	13,409	12%	2,533
3/13	112,372	7	16,149	14%	13,180	12%	2,969
3/14	116,128	7	16,596	14%	13,892	12%	2,704
3/15	115,592	7	16,373	14%	13,460	12%	2,913
3/18	116,441	7	16,509	14%	12,965	11%	3,544
3/19	117,410	7	16,853	14%	11,174	10%	5,679
3/20	117,701	7	16,215	14%	11,957	10%	4,257
3/21	118,795	7	15,998	13%	12,141	10%	3,856
3/22	121,340	7	15,642	13%	12,609	10%	3,033
3/25	121,819	7	15,002	12%	12,798	11%	2,204
3/26	121,935	7	13,654	11%	13,649	11%	5
3/27	122,937	7	13,149	11%	13,571	11%	-422
3/28	121,267	7	11,933	10%	12,229	10%	-296
4/1	118,294	7	11,833	10%	12,499	11%	-666
4/2	118,813	7	12,113	10%	12,313	10%	-200
4/3	121,525	8	12,273	10%	11,743	10%	530
4/4	124,166	8	13,340	11%	11,427	9%	1,912
4/5	115,281	8	14,232	12%	11,043	10%	3,189

Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System

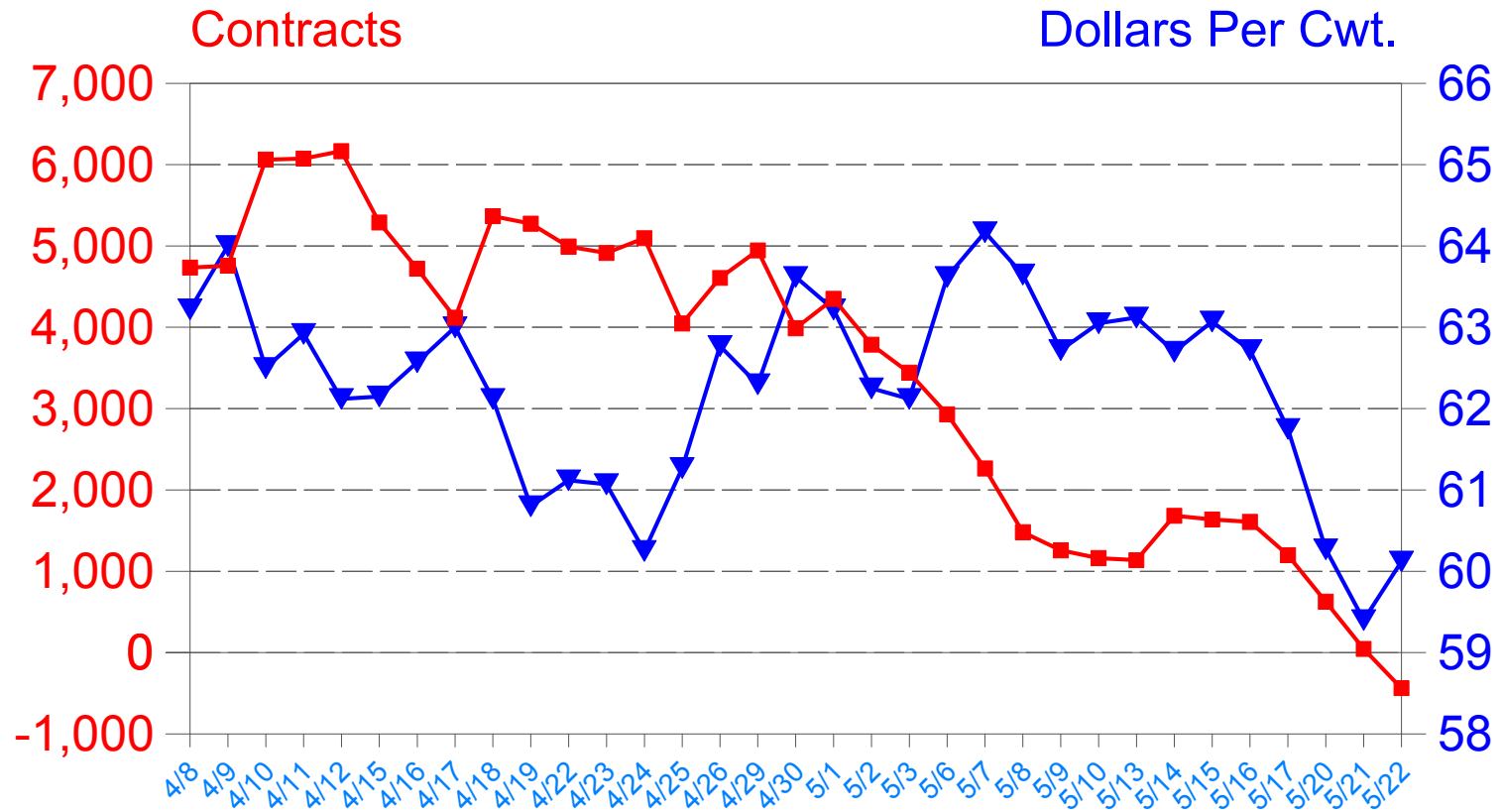


# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**PACKERS**

■ PACKERS ▼ JUNE FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

### COMPOSITION BY **PACKERS**

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
4/8	114,419	8	13,862	12%	9,128	8%	4,735
4/9	111,749	8	13,813	12%	9,054	8%	4,758
4/10	114,853	8	14,785	13%	8,722	8%	6,063
4/11	115,500	8	14,458	13%	8,383	7%	6,076
4/12	114,743	8	15,438	13%	9,273	8%	6,166
4/15	113,663	7	14,901	13%	9,611	8%	5,289
4/16	113,965	7	14,912	13%	10,190	9%	4,721
4/17	114,998	7	14,417	13%	10,300	9%	4,117
4/18	116,500	7	15,398	13%	10,031	9%	5,367
4/19	117,392	7	15,572	13%	10,297	9%	5,275
4/22	117,082	7	15,453	13%	10,460	9%	4,993
4/23	115,653	7	15,442	13%	10,527	9%	4,915
4/24	115,925	6	15,928	14%	10,831	9%	5,097
4/25	115,299	7	15,534	13%	11,486	10%	4,048
4/26	115,061	7	15,710	14%	11,103	10%	4,608
4/29	114,643	7	16,209	14%	11,263	10%	4,946
4/30	112,522	7	15,405	14%	11,415	10%	3,989
5/1	112,540	7	15,852	14%	11,501	10%	4,351
5/2	114,784	7	15,869	14%	12,083	11%	3,787
5/3	115,233	7	15,994	14%	12,552	11%	3,442
5/6	113,877	7	15,659	14%	12,730	11%	2,929
5/7	113,601	7	15,011	13%	12,746	11%	2,265
5/8	114,895	7	14,709	13%	13,228	12%	1,481
5/9	115,928	7	14,560	13%	13,302	11%	1,258
5/10	117,213	7	14,653	13%	13,491	12%	1,162
5/13	117,028	7	14,407	12%	13,270	11%	1,137
5/14	116,585	7	15,040	13%	13,357	11%	1,683
5/15	116,768	7	15,068	13%	13,431	12%	1,637
5/16	117,924	7	15,151	13%	13,543	11%	1,608
5/17	119,442	7	15,221	13%	14,023	12%	1,198
5/20	120,715	7	14,853	12%	14,227	12%	626
5/21	122,205	7	14,697	12%	14,651	12%	46
5/22	121,698	7	14,141	12%	14,577	12%	-437

Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System

**Trading of Beef Packers on Days of Price Declines of \$1.00 or Greater in  
the Nearby CME Live Cattle Future  
March 1 - June 14, 2002**

<b>Date</b>	<b>Price Decline</b>	<b>All Futures &amp; Options Combined</b>			<b>April '02</b>		<b>June '02</b>	
		<b>Buys</b>	<b>Sells</b>	<b>Net</b>	<b>Buys</b>	<b>Sells</b>	<b>Buys</b>	<b>Sells</b>
3/13	-1.12 Apr	807	361	Buy 446	560	0	129	190
3/14	-1.30 Apr	1048	1308	Sell 260	915	370	20	740
4/4	-1.50 Apr	1467	83	Buy 1384	675	30	777	41
4/5	-1.45 Apr	1556	290	Buy 1266	316	224	1137	29
4/8	-1.00 Apr	2975	1431	Buy 1544	1363	1114	875	276
4/10	-1.50 Apr	1563	255	Buy 1308	550	157	811	68
4/12	-1.12 Apr	1357	1268	Buy 89	496	0	817	83
4/19	-1.40 Apr	723	823	Sell 100	196	305	553	163
5/20	-1.47 Jun	552	1128	Sell 576	NA	NA	10	847
5/30	-1.50 Jun	418	853	Sell 435	NA	NA	296	198

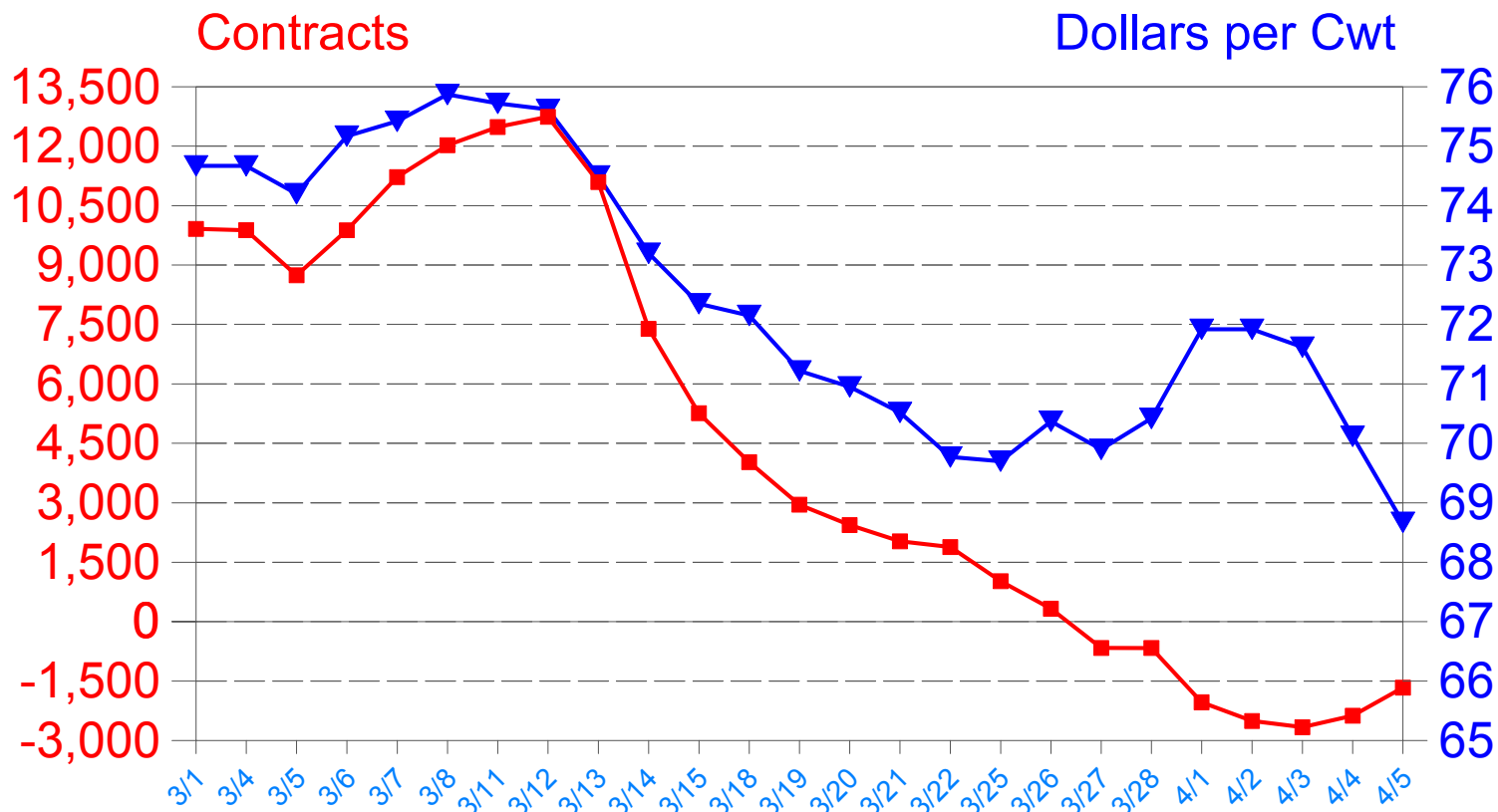
Source: CFTC Large-Trader Reporting System. "Buys" and "Sells" represent the change in gross daily positions.  
"Price decline" is the change in daily settlement price.

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**FUNDS**

■ FUNDS ▼ APRIL FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

### COMPOSITION BY **COMMODITY FUNDS**

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	53	23,539	23%	13,624	13%	9,915
3/4	103,650	52	23,954	23%	14,073	14%	9,881
3/5	105,304	53	23,089	22%	14,350	14%	8,739
3/6	106,771	57	24,313	23%	14,435	14%	9,878
3/7	106,485	59	25,115	24%	13,895	13%	11,221
3/8	107,286	59	26,295	25%	14,270	13%	12,025
3/11	108,295	57	26,831	25%	14,347	13%	12,484
3/12	109,768	58	27,519	25%	14,776	13%	12,742
3/13	112,372	58	26,556	24%	15,464	14%	11,093
3/14	116,128	60	23,986	21%	16,596	14%	7,390
3/15	115,592	60	22,209	19%	16,947	15%	5,262
3/18	116,441	56	22,261	19%	18,237	16%	4,024
3/19	117,410	62	23,088	20%	20,136	17%	2,952
3/20	117,701	63	23,521	20%	21,081	18%	2,440
3/21	118,795	62	24,278	20%	22,251	19%	2,027
3/22	121,340	61	24,344	20%	22,462	19%	1,882
3/25	121,819	58	23,948	20%	22,927	19%	1,021
3/26	121,935	57	24,458	20%	24,130	20%	328
3/27	122,937	59	24,836	20%	25,502	21%	-666
3/28	121,267	61	24,814	20%	25,483	21%	-668
4/1	118,294	62	24,187	20%	26,223	22%	-2,035
4/2	118,813	62	24,407	21%	26,914	23%	-2,507
4/3	121,525	63	25,171	21%	27,837	23%	-2,666
4/4	124,166	64	24,821	20%	27,195	22%	-2,375
4/5	115,281	66	24,484	21%	26,150	23%	-1,666

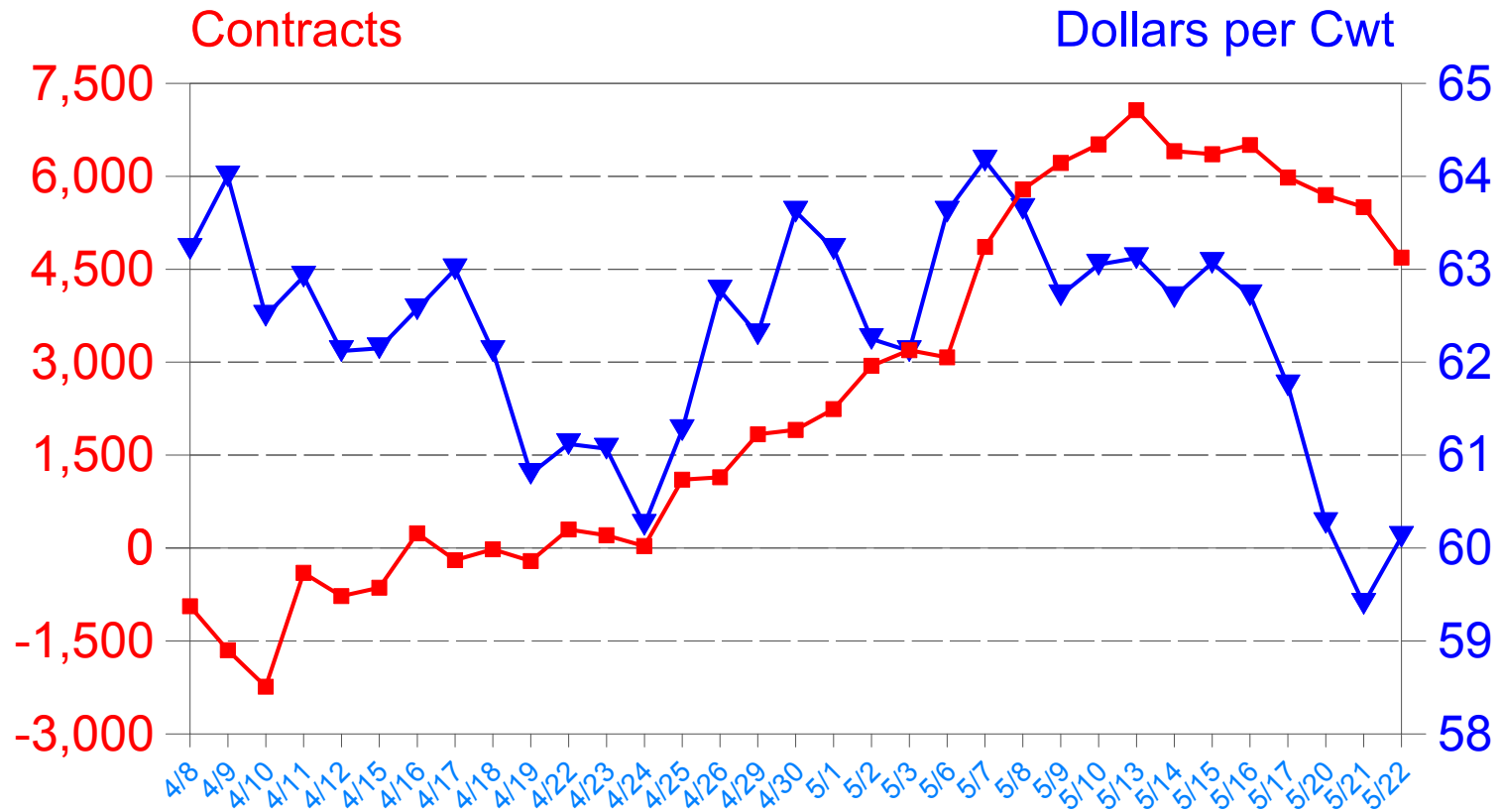
Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**FUNDS**



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

### COMPOSITION BY **COMMODITY FUNDS**

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
4/8	114,419	64	24,422	21%	25,362	22%	-940
4/9	111,749	61	23,672	21%	25,321	23%	-1,649
4/10	114,853	60	24,739	22%	26,977	23%	-2,238
4/11	115,500	61	25,230	22%	25,631	22%	-401
4/12	114,743	59	24,456	21%	25,232	22%	-776
4/15	113,663	60	24,160	21%	24,800	22%	-640
4/16	113,965	59	25,581	22%	25,344	22%	237
4/17	114,998	57	25,906	23%	26,102	23%	-196
4/18	116,500	57	26,879	23%	26,899	23%	-20
4/19	117,392	58	26,815	23%	27,026	23%	-211
4/22	117,082	59	26,655	23%	26,356	23%	300
4/23	115,653	60	26,169	23%	25,962	22%	206
4/24	115,925	60	25,695	22%	25,664	22%	31
4/25	115,299	59	26,214	23%	25,111	22%	1,104
4/26	115,061	58	26,200	23%	25,057	22%	1,143
4/29	114,643	57	26,282	23%	24,445	21%	1,836
4/30	112,522	56	26,152	23%	24,246	22%	1,906
5/1	112,540	57	26,312	23%	24,069	21%	2,243
5/2	114,784	57	26,718	23%	23,777	21%	2,941
5/3	115,233	57	26,857	23%	23,665	21%	3,192
5/6	113,877	57	26,988	24%	23,911	21%	3,077
5/7	113,601	58	27,239	24%	22,378	20%	4,861
5/8	114,895	55	27,218	24%	21,429	19%	5,789
5/9	115,928	53	26,884	23%	20,667	18%	6,217
5/10	117,213	51	26,977	23%	20,462	17%	6,515
5/13	117,028	51	27,162	23%	20,096	17%	7,067
5/14	116,585	52	26,591	23%	20,186	17%	6,405
5/15	116,768	53	26,557	23%	20,200	17%	6,357
5/16	117,924	52	26,600	23%	20,096	17%	6,505
5/17	119,442	54	26,672	22%	20,691	17%	5,981
5/20	120,715	56	26,792	22%	21,095	17%	5,697
5/21	122,205	56	26,979	22%	21,476	18%	5,503
5/22	121,698	54	26,929	22%	22,240	18%	4,689

Minus sign indicates a net short position

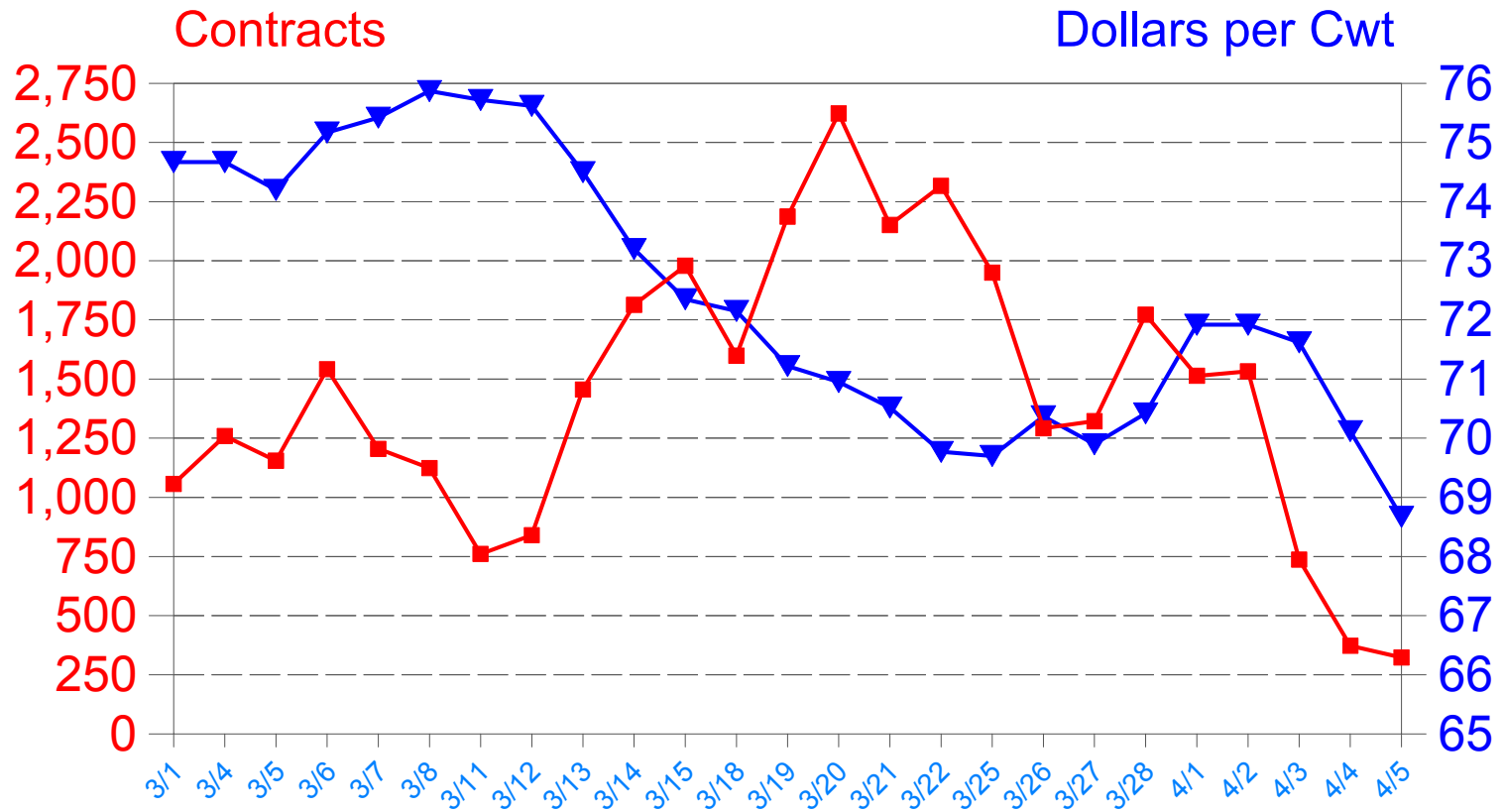
Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

MARKET COMPOSITION BY

**LOCALS**

■ LOCALS ▼ APRIL FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System



## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED COMPOSITION BY LOCALS

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	20	9,750	9%	8,693	8%	1,057
3/4	103,650	20	9,837	9%	8,578	8%	1,259
3/5	105,304	22	10,191	10%	9,035	9%	1,155
3/6	106,771	22	10,809	10%	9,267	9%	1,542
3/7	106,485	22	10,317	10%	9,112	9%	1,205
3/8	107,286	23	9,855	9%	8,730	8%	1,124
3/11	108,295	23	9,980	9%	9,219	9%	761
3/12	109,768	23	9,734	9%	8,894	8%	840
3/13	112,372	23	10,615	9%	9,159	8%	1,456
3/14	116,128	23	11,725	10%	9,911	9%	1,814
3/15	115,592	22	11,807	10%	9,828	9%	1,979
3/18	116,441	21	12,030	10%	10,431	9%	1,599
3/19	117,410	21	12,190	10%	10,003	9%	2,187
3/20	117,701	23	12,943	11%	10,320	9%	2,623
3/21	118,795	24	12,915	11%	10,763	9%	2,152
3/22	121,340	26	13,787	11%	11,471	9%	2,317
3/25	121,819	23	13,852	11%	11,902	10%	1,950
3/26	121,935	25	13,721	11%	12,429	10%	1,292
3/27	122,937	25	14,215	12%	12,893	10%	1,322
3/28	121,267	24	14,381	12%	12,609	10%	1,772
4/1	118,294	23	13,811	12%	12,297	10%	1,514
4/2	118,813	23	13,658	11%	12,125	10%	1,533
4/3	121,525	22	14,240	12%	13,503	11%	737
4/4	124,166	23	14,816	12%	14,443	12%	373
4/5	115,281	24	13,493	12%	13,170	11%	323

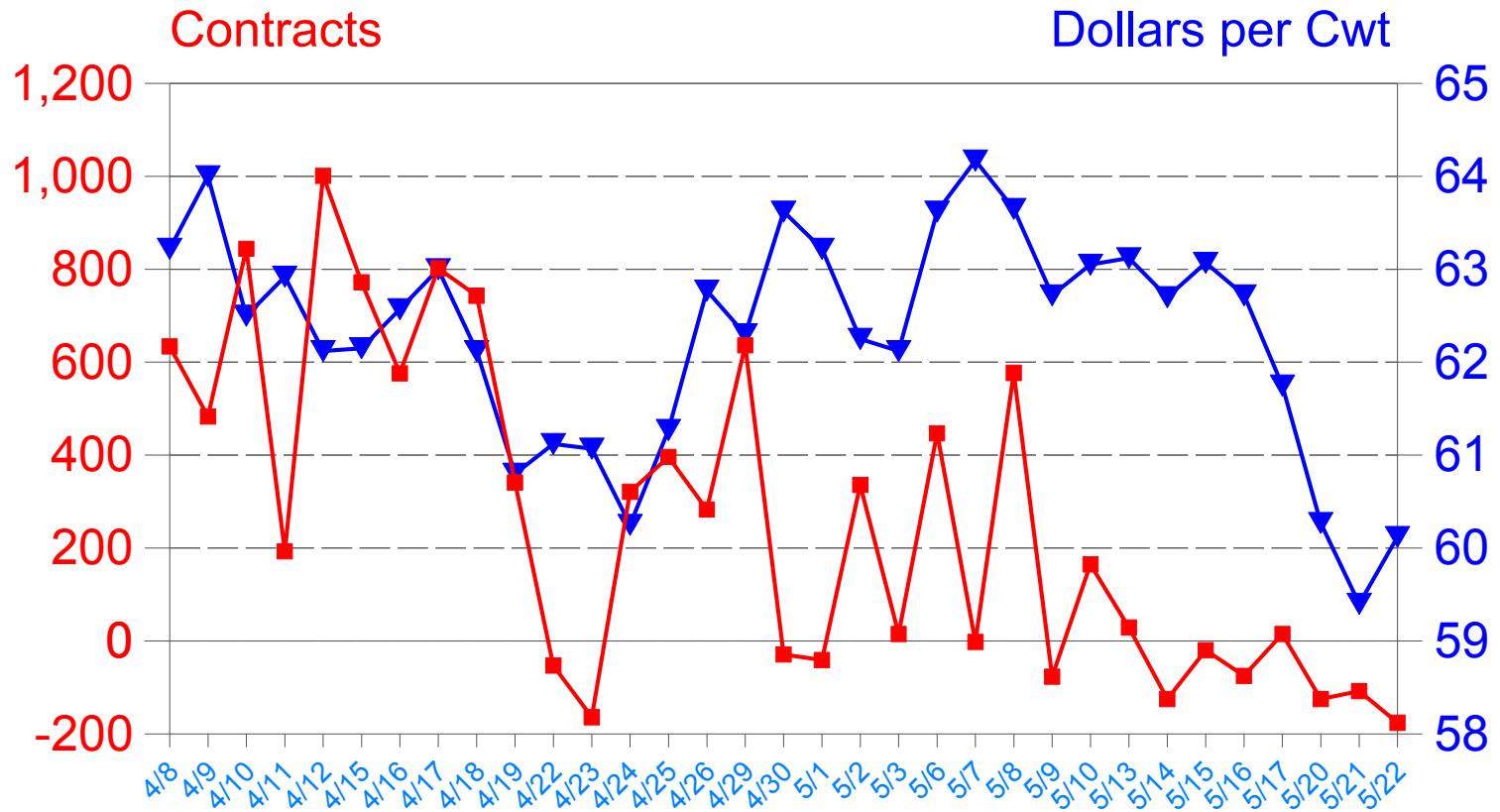
Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

## MARKET COMPOSITION BY LOCALS

■ LOCALS ▼ JUNE FUTURE



Negative numbers reflect short positions  
 Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

## COMPOSITION BY **LOCALS**

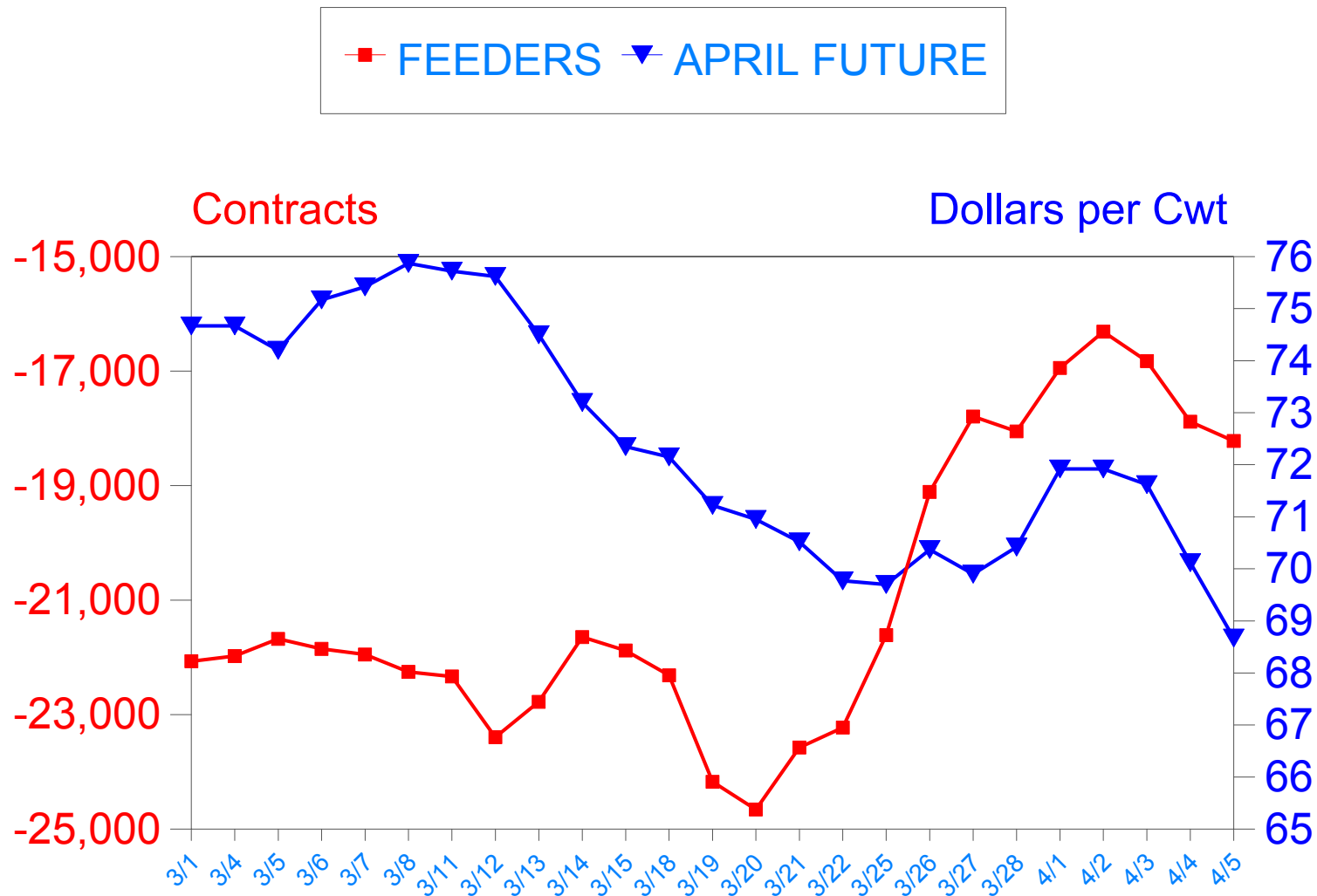
2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
4/8	114,419	24	11,651	10%	11,017	10%	634
4/9	111,749	22	11,236	10%	10,754	10%	483
4/10	114,853	20	12,274	11%	11,429	10%	844
4/11	115,500	21	12,610	11%	12,417	11%	193
4/12	114,743	21	13,121	11%	12,120	11%	1,001
4/15	113,663	23	13,447	12%	12,674	11%	772
4/16	113,965	23	13,302	12%	12,725	11%	576
4/17	114,998	21	13,301	12%	12,499	11%	802
4/18	116,500	20	13,249	11%	12,506	11%	743
4/19	117,392	19	13,088	11%	12,747	11%	341
4/22	117,082	18	12,783	11%	12,836	11%	-53
4/23	115,653	17	12,201	11%	12,365	11%	-164
4/24	115,925	17	12,693	11%	12,372	11%	321
4/25	115,299	18	12,078	10%	11,682	10%	396
4/26	115,061	19	11,748	10%	11,465	10%	283
4/29	114,643	19	11,874	10%	11,238	10%	636
4/30	112,522	20	11,204	10%	11,234	10%	-29
5/1	112,540	19	11,365	10%	11,406	10%	-41
5/2	114,784	20	11,593	10%	11,256	10%	336
5/3	115,233	19	11,413	10%	11,398	10%	15
5/6	113,877	20	11,467	10%	11,020	10%	447
5/7	113,601	19	11,292	10%	11,294	10%	-2
5/8	114,895	19	11,902	10%	11,324	10%	577
5/9	115,928	20	12,277	11%	12,354	11%	-77
5/10	117,213	20	12,559	11%	12,394	11%	165
5/13	117,028	20	12,351	11%	12,321	11%	29
5/14	116,585	19	12,162	10%	12,288	11%	-125
5/15	116,768	20	11,770	10%	11,790	10%	-20
5/16	117,924	22	12,143	10%	12,218	10%	-75
5/17	119,442	21	12,102	10%	12,087	10%	15
5/20	120,715	21	12,109	10%	12,234	10%	-125
5/21	122,205	20	12,426	10%	12,534	10%	-108
5/22	121,698	21	12,096	10%	12,272	10%	-176

Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

## MARKET COMPOSITION BY FEEDERS



## CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED COMPOSITION BY FEEDERS

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
3/1	103,319	106	14,551	14%	36,619	35%	-22,068
3/4	103,650	109	14,540	14%	36,519	35%	-21,979
3/5	105,304	108	14,649	14%	36,328	34%	-21,678
3/6	106,771	112	14,647	14%	36,500	34%	-21,853
3/7	106,485	112	14,767	14%	36,719	34%	-21,952
3/8	107,286	113	15,076	14%	37,330	35%	-22,254
3/11	108,295	114	15,269	14%	37,603	35%	-22,334
3/12	109,768	115	15,333	14%	38,728	35%	-23,395
3/13	112,372	119	16,349	15%	39,126	35%	-22,777
3/14	116,128	119	17,359	15%	39,006	34%	-21,647
3/15	115,592	120	17,212	15%	39,094	34%	-21,881
3/18	116,441	119	16,889	15%	39,203	34%	-22,313
3/19	117,410	121	15,955	14%	40,129	34%	-24,174
3/20	117,701	122	15,673	13%	40,332	34%	-24,659
3/21	118,795	119	16,349	14%	39,926	34%	-23,577
3/22	121,340	115	17,000	14%	40,226	33%	-23,227
3/25	121,819	116	18,163	15%	39,777	33%	-21,614
3/26	121,935	117	18,732	15%	37,843	31%	-19,110
3/27	122,937	116	19,295	16%	37,087	30%	-17,793
3/28	121,267	114	19,239	16%	37,292	31%	-18,053
4/1	118,294	111	19,170	16%	36,116	31%	-16,946
4/2	118,813	115	19,436	16%	35,746	30%	-16,311
4/3	121,525	114	19,362	16%	36,188	30%	-16,826
4/4	124,166	115	19,376	16%	37,260	30%	-17,884
4/5	115,281	116	17,412	15%	35,634	31%	-18,222

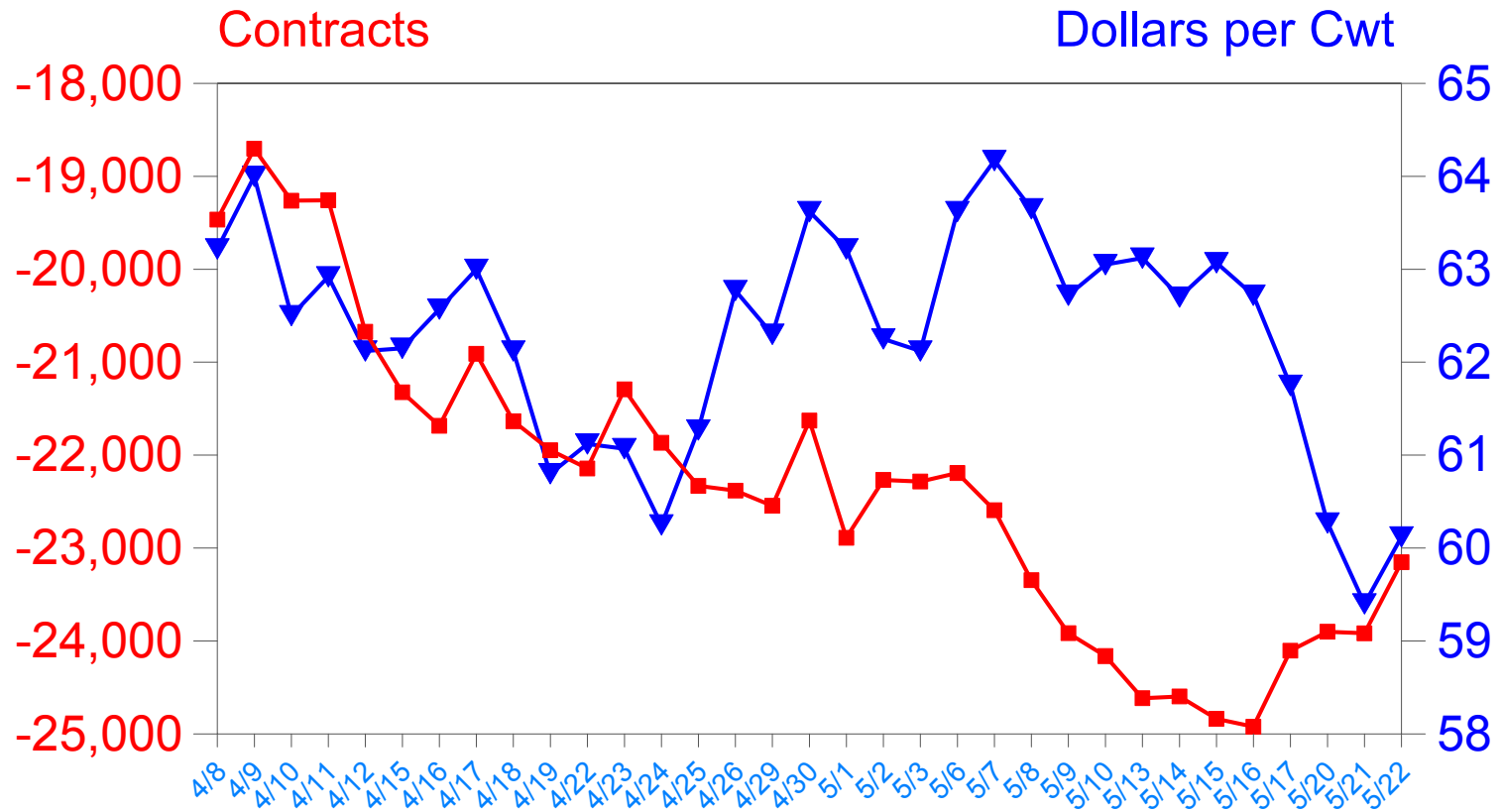
Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - NET ALL FUTURES AND OPTIONS COMBINED

## MARKET COMPOSITION BY FEEDERS

■ FEEDERS ▼ JUNE FUTURE



Negative numbers reflect short positions

Source: CFTC Large-Trader Reporting System

# CME LIVE CATTLE - ALL FUTURES AND OPTIONS COMBINED

## COMPOSITION BY FEEDERS

2002 DATES	TOTAL AFOC O.I.	# OF TRADERS	LONG	LONG %	SHORT	SHORT %	NET POSITION
4/8	114,419	110	15,995	14%	35,460	31%	-19,465
4/9	111,749	102	15,546	14%	34,249	31%	-18,703
4/10	114,853	102	15,829	14%	35,092	31%	-19,263
4/11	115,500	103	15,115	13%	34,372	30%	-19,257
4/12	114,743	97	13,759	12%	34,432	30%	-20,673
4/15	113,663	94	13,006	11%	34,331	30%	-21,325
4/16	113,965	95	12,675	11%	34,360	30%	-21,685
4/17	114,998	95	13,032	11%	33,942	30%	-20,910
4/18	116,500	96	13,196	11%	34,832	30%	-21,636
4/19	117,392	97	13,407	11%	35,355	30%	-21,948
4/22	117,082	96	13,320	11%	35,464	30%	-22,144
4/23	115,653	95	13,409	12%	34,702	30%	-21,293
4/24	115,925	95	13,463	12%	35,331	30%	-21,868
4/25	115,299	97	13,388	12%	35,720	31%	-22,332
4/26	115,061	97	13,423	12%	35,804	31%	-22,382
4/29	114,643	94	13,166	11%	35,712	31%	-22,546
4/30	112,522	91	12,970	12%	34,598	31%	-21,629
5/1	112,540	94	12,994	12%	35,884	32%	-22,890
5/2	114,784	90	12,960	11%	35,228	31%	-22,268
5/3	115,233	91	13,278	12%	35,561	31%	-22,284
5/6	113,877	90	12,819	11%	35,013	31%	-22,193
5/7	113,601	90	12,900	11%	35,493	31%	-22,593
5/8	114,895	90	13,107	11%	36,453	32%	-23,346
5/9	115,928	88	13,469	12%	37,385	32%	-23,916
5/10	117,213	85	13,116	11%	37,279	32%	-24,162
5/13	117,028	86	12,959	11%	37,575	32%	-24,616
5/14	116,585	84	13,023	11%	37,620	32%	-24,597
5/15	116,768	85	12,890	11%	37,728	32%	-24,837
5/16	117,924	89	13,485	11%	38,407	33%	-24,923
5/17	119,442	87	14,136	12%	38,240	32%	-24,104
5/20	120,715	92	15,382	13%	39,282	33%	-23,900
5/21	122,205	92	15,181	12%	39,098	32%	-23,917
5/22	121,698	94	14,964	12%	38,116	31%	-23,152

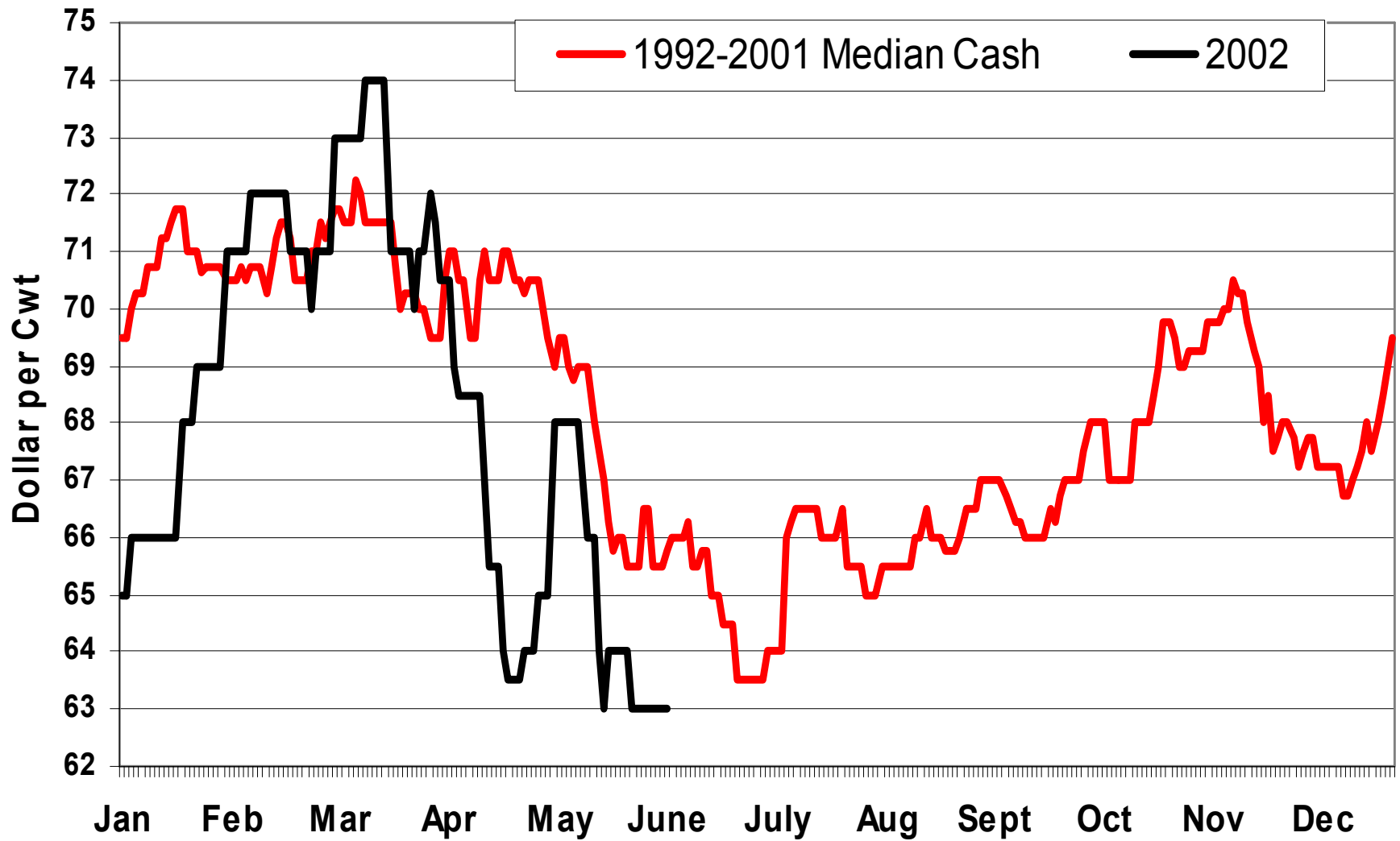
Minus sign indicates a net short position

Source: CFTC Large-Trader Reporting System

# Additional charts



# Texas/Oklahoma Median Cash 1992-2001 versus 2002

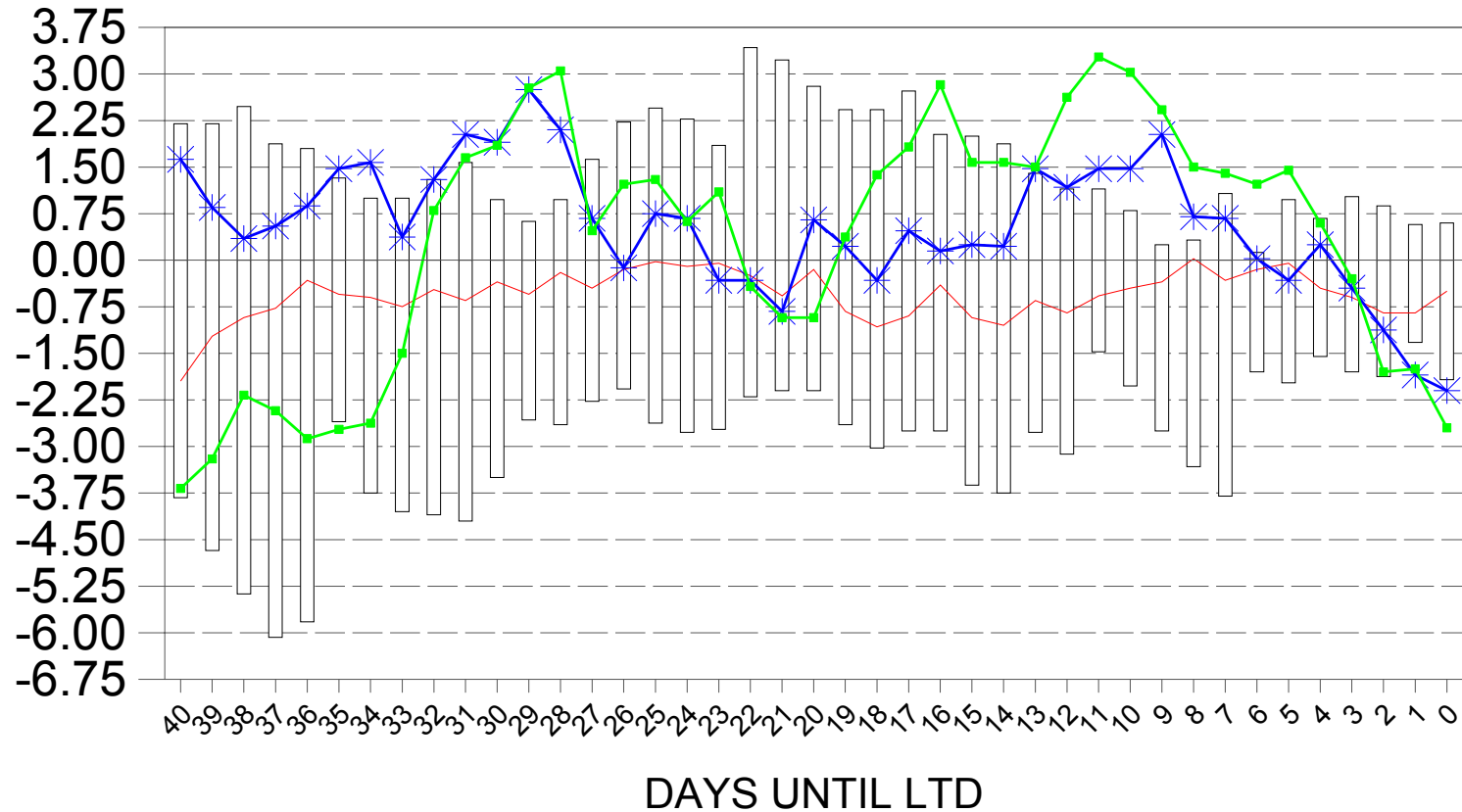


# CME APRIL LIVE CATTLE BASIS COMPARISON

## 2002, 2001, AND 2000-1990 HIGH/LOW RANGE

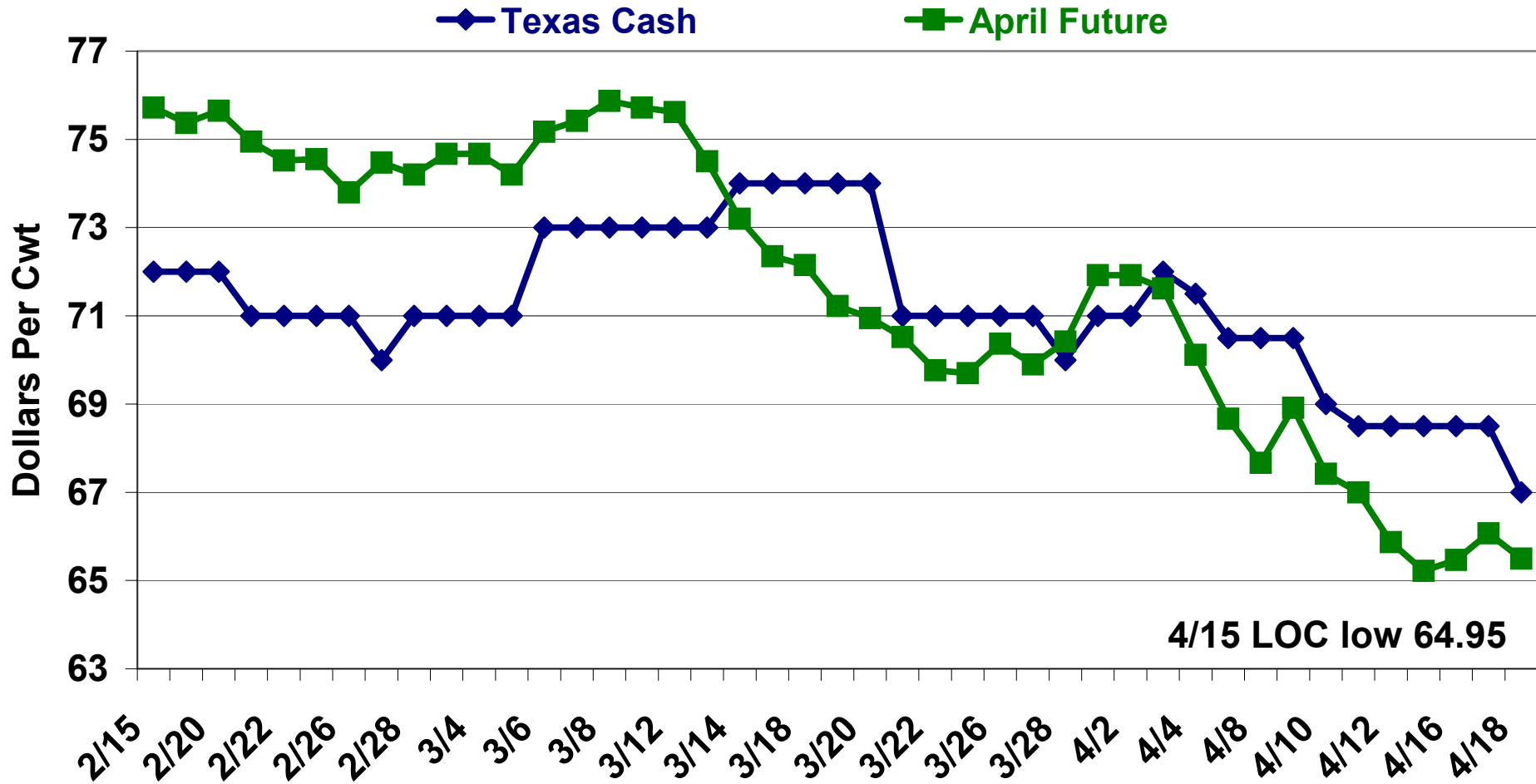
■ 2002 
 ✱ 2001 
  HIGH/LOW 2000-1990 
 — MEDIAN 2000-1990

DOLLARS PER CWT.



BASIS: CASH MINUS NEARBY FUTURES  
 CASH: TEXAS/OKLAHOMA, 35 - 65% CHOICE STEERS  
 SOURCE: CFTC PERMANENT RECORDS

# April 2002 Live Cattle Futures And Texas Cash Steer Prices

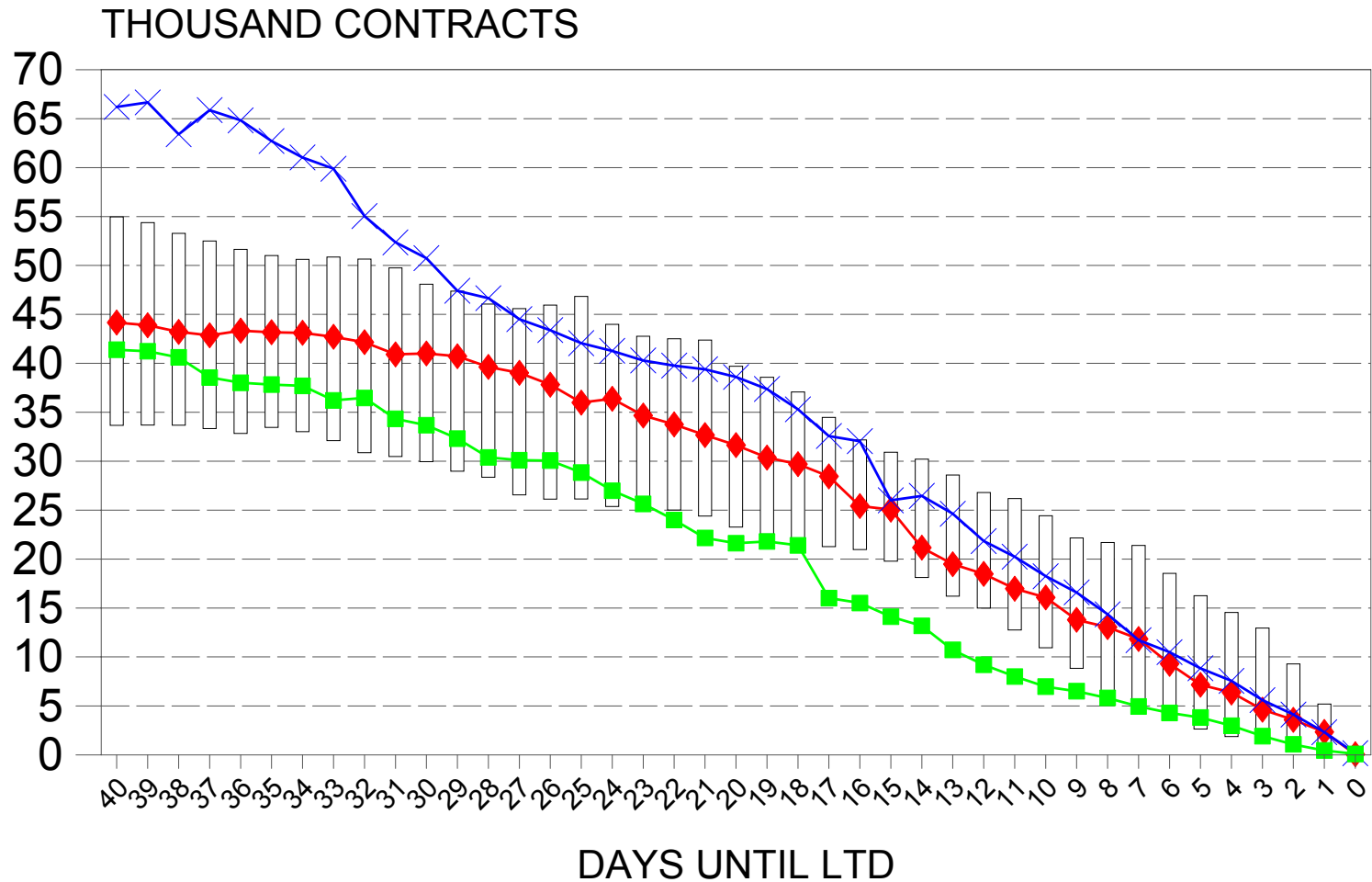


Source: Cash, USDA/AMS;  
Futures, CME

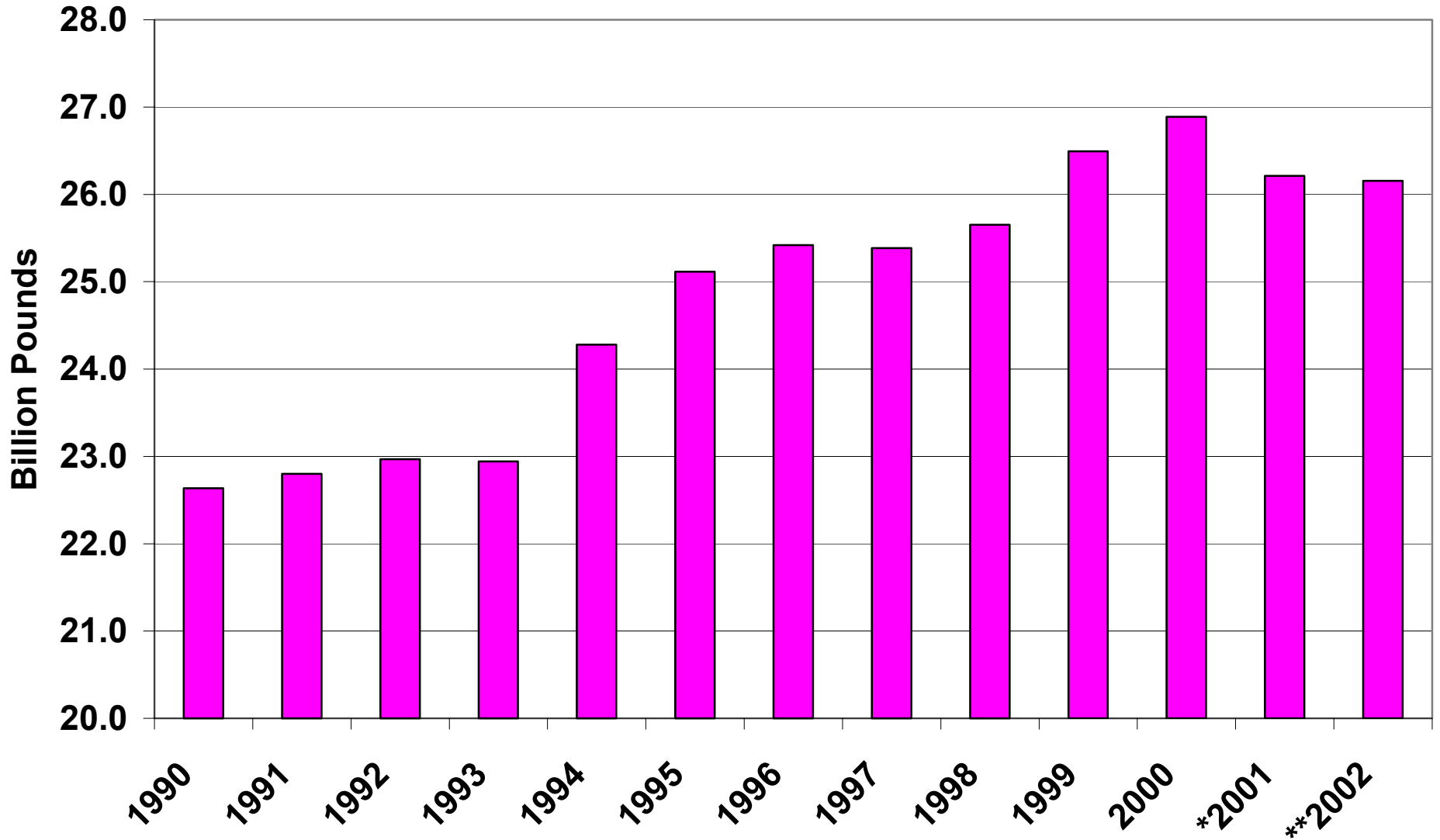
2002 Dates

# CME APRIL LIVE CATTLE FUTURE OPEN INTEREST COMPARISON

## 2002, 2001, AND 2000-1990 HIGH/LOW RANGE



# Beef Production



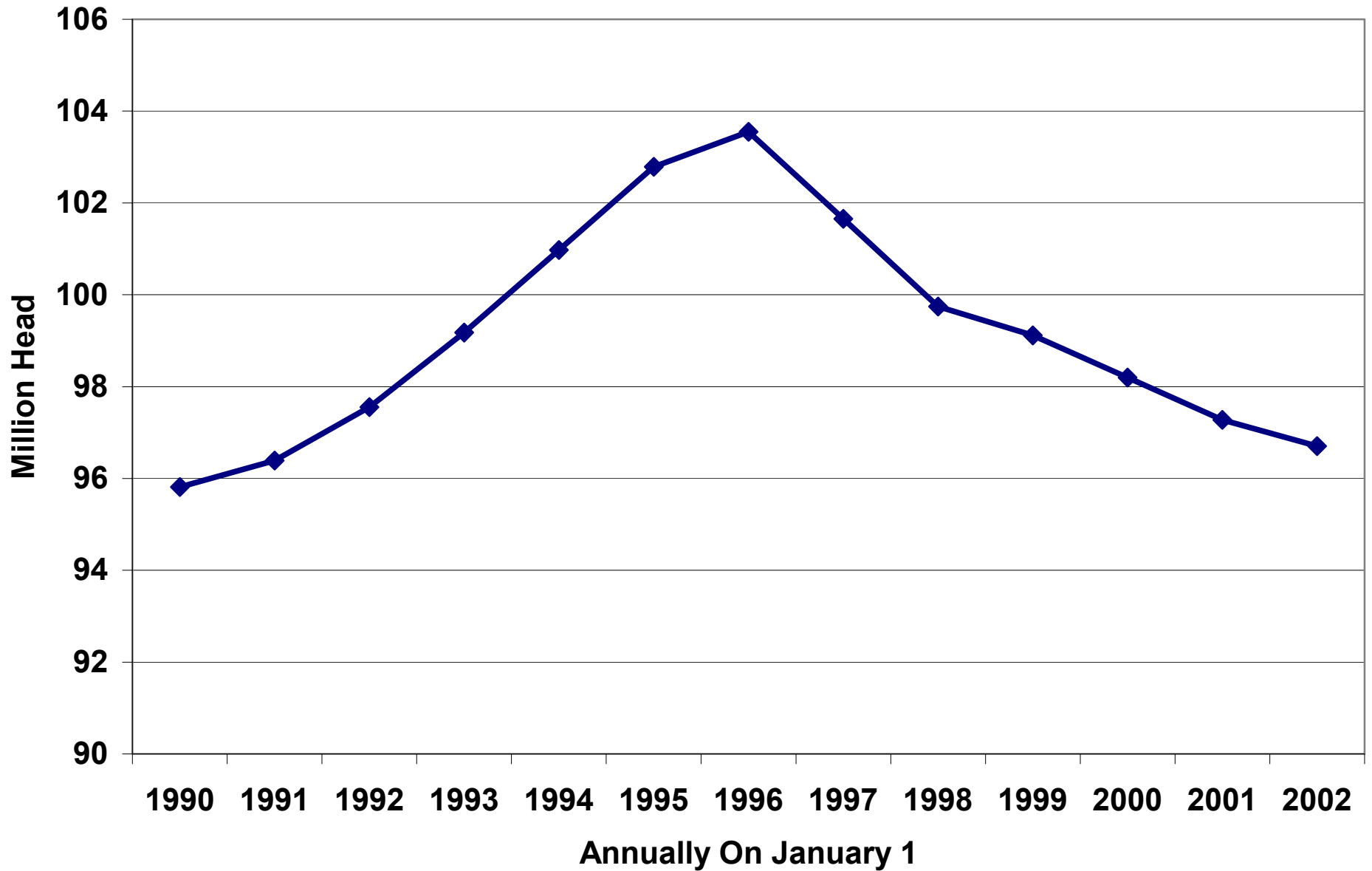
Source: USDA, WASDE

Annually

\* Estimated

\*\* Projected

# U.S. Cattle Inventory, January 1



# Operations With Beef Cows 1990 - 2001

