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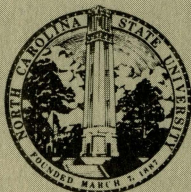
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**Basis Tables for Live Hogs in
Selected North Carolina Markets
1984-1988**

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DEPARTMENT OF ECONOMICS AND BUSINESS
NORTH CAROLINA STATE UNIVERSITY
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Selected North Carolina Markets
1984-1988**

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Introduction

The purpose of this publication is to provide information on the relationship between cash prices for live hogs at selected markets in North Carolina and live hog futures prices at the Chicago Mercantile Exchange (CME).

Basis is generally calculated as local cash price minus the futures price on a given date. Basis information is used by hog producers to project local cash price on a delivery date in the future and to calculate expected net returns to hog hedging transactions. Examples of how to use basis information are provided below.

Basis estimates for live hogs are computed using weekly cash and futures prices. The cash prices are taken from N. C. Livestock Market Report published weekly by the Market News Section, Division of Marketing, North Carolina Department of Agriculture. Futures prices are Thursday closing prices taken from N. C. Livestock Market Report, The Wall Street Journal and the annual Yearbook of the Chicago Mercantile Exchange.

Description of the Basis Tables for Live Hogs

Basis data are provided for two contract months in the tables below: the "nearby" contract and the "next" contract. Basis data on the nearby contract usually provide the least variable forecast of basis on the date that the producer expects to deliver his hogs. The nearby contract is also the one used in most hedging transactions involving live hog futures contracts. Basis data are provided on the "next" contract, since many hedging transactions involving options on live hogs require use of the next contract. Producers delivering hogs on a date close to the expiration of the nearby contract may also choose to use the next futures contract for hedging transactions.

Two basis tables are provided for each of the selected markets below: three-year average basis data (1986-1988) and five-year average basis data (1984-1988). The three-year average basis reflects more recent basis behavior and may provide evidence of any changes in the basis at a selected market. The five-year average basis includes more observations. The range (low and high) of basis values that occurred during the years included is also reported in the tables below. The five-year sample of data may provide a better estimate of the range of basis values that may occur at a selected market.

Definition of Terms Used in Basis Tables

Terms used in the basis tables for live hogs are defined as follows.

Month is the month in which basis was observed. To use the basis tables, find the month in which you expect to deliver your hogs.

Nearby Average Basis is the average basis for the "nearby" futures contract observed over the years indicated. The "nearby" contract is the futures contract that expires nearest to the delivery month. For example, in January and February, the February contract is "nearby." In March and April, the April contract is "nearby." To estimate a local cash price at time of delivery, add the average "nearby" basis in the delivery month to the futures price for the "nearby" contract in that month. "Nearby" and "Next" contracts are listed in the chart at the bottom of this page.

Number Included is the number of observations of basis included in the average. Note that the number included is smaller in months during which a contract expires (February, April, June, July, August, October, and December). Contracts usually expire on or shortly after the 20th day of the month. No observations on "nearby" contracts are included after the 20th day of the month.

Nearby and Next Live Hog Futures Contracts by Delivery Month

<u>Delivery Month</u>	<u>Nearby Contract</u>	<u>Next Contract</u>
January	February	April
February	February	April
March	April	June
April	April	June
May	June	July
June	June	July
July	July	August
August	August	October
September	October	December
October	October	December
November	December	February
December	December	February

Nearby Minimum is the smallest (or most negative) basis value observed for the nearby contract during the years included.

Nearby Maximum is the largest basis value observed for the nearby contract during the years included.

Next Average Basis is the average basis for the "next" contract observed over the years indicated. The "next" contract is the futures contract that expires immediately after the "nearby" contract. For example, the "next" contract in January and February will be the April contract. The "next" contract in March and April will be the June contract.

Number Included Next is the number of observations included in the "Next Average Basis."

Next Minimum is the lowest basis value observed for the "next" contract during the years included.

Next Maximum is the highest basis value observed for the "next" contract during the years included.

An Example of How To Use the Live Hog Basis Tables

To Develop a Local Price Forecast

In January, a hog producer near Ayden expects to deliver about 30,000 pounds of live hogs (about 137 to 140 head) to the Ayden market in June. In order to forecast the cash price he will receive in June, he looks at the current June Live Hog futures price on that January day. It is \$48.50 per cwt. Since the futures quote is for hogs delivered in Peoria, he converts it to the expected Ayden price by adding the expected basis for hogs delivered in Ayden in June.

$$\begin{array}{rcl} \text{Expected Local Price} & & \text{Futures Price} \\ \text{at Delivery Date} & = & \text{Nearby Delivery Date} + \text{Expected Local Basis} \\ & & \text{at Delivery Date} \end{array}$$

In this example, in January, the producer expects:

$$\begin{array}{rcl} \text{Expected June Price in Ayden} & = & \text{Futures Price} + \text{Ayden Basis} \\ & & \text{June Contract} + \text{June Delivery} \\ \$46.78 & = & \$48.50 + (-\$1.72) \end{array}$$

The producer learned from the chart on page 2 that the June futures contract is the nearby contract for hogs delivered in June. He looked up the average basis using the nearby contract at Ayden in June. He found (-\$1.72) in the table covering the

period 1984 through 1988. He also found (-\$1.38) in the table covering the period 1986 through 1988. This producer chose to use the average from the longer period rather than the average of the more recent period. (The average basis from either the three-year or five-year table is acceptable. The forecaster's preference for either a larger sample or the more recent data will determine which table is used.)

To Determine Net Price from a Futures Hedge

The producer in the example above decides in January to hedge 30,000 pounds of live hogs for delivery at Ayden in the first week of June. He calculates his expected net price for the hedged hogs as:

$$\begin{array}{rclclcl} \text{Expected} & = & \text{Futures} & + & \text{Expected} & - & (\text{Commission} + \text{Interest on Margin}) \\ \text{Net Price} & & \text{Price} & & \text{Basis} & & \\ \$46.45 & = & \$48.50 & + & (-\$1.72) & - & (\$100/300 \text{ cwt.}) \end{array}$$

Since basis varies over time, the producer also calculates minimum and maximum net prices for the hedged hogs.

$$\begin{array}{rclclcl} \text{Minimum} & = & \text{Futures} & + & \text{Minimum} & - & (\text{Commission} + \text{Margin Interest}) \\ \text{Net Price} & & \text{Price} & & \text{Basis} & & \\ \$44.80 & = & \$48.50 & + & (-\$3.37) & - & \$0.33 \end{array}$$

He looked up Minimum Basis for the "Nearby Contract" for hogs delivered to Ayden in June to calculate minimum net price. Once again, he chose the minimum over the longer period (1984-1988) rather than the more recent period.

He looked up maximum basis in June at Ayden from the same table to calculate maximum net price.

$$\begin{array}{rclclcl} \text{Maximum} & = & \text{Futures} & + & \text{Maximum} & - & (\text{Commission} + \text{Margin Interest}) \\ \text{Net Price} & & \text{Price} & & \text{Basis} & & \\ \$48.80 & = & \$48.50 & + & \$0.63 & - & \$0.33 \end{array}$$

The producer recognizes that the basis this year may be lower than the minimum June basis in the 1984-1988 period included in the table. Similarly, June basis this year may exceed the maximum basis included in the 1984-1988 table.

Basis Table for Live Hogs at Asheville
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-2.37	16	-5.25	0.95	1.00	16	-1.90	4.50
FEBRUARY	-2.53	11	-4.85	-0.80	1.23	16	-2.12	4.98
MARCH	-2.11	17	-4.85	1.03	-6.44	17	-10.67	-0.60
APRIL	-2.47	12	-5.07	0.55	-5.76	17	-10.90	-0.75
MAY	-5.15	15	-10.27	-1.67	-5.61	15	-13.84	1.53
JUNE	-3.69	10	-5.22	-1.37	-3.07	15	-9.12	1.18
JULY	-2.37	9	-4.95	1.75	-0.67	15	-3.72	2.70
AUGUST	-1.11	10	-4.67	3.28	5.03	17	0.05	8.85
SEPTEMBER	1.91	14	-1.22	6.40	1.76	14	-1.74	7.28
OCTOBER	-1.76	12	-4.82	0.35	-1.59	19	-4.60	3.25
NOVEMBER	-2.76	12	-4.92	-0.27	-2.04	12	-6.55	2.65
DECEMBER	-3.23	11	-5.50	2.58	-1.29	12	-3.67	4.28

Basis Table for Live Hogs at Asheville
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-1.43	8	-4.10	0.40	2.55	8	0.80	4.50
FEBRUARY	-1.94	6	-3.40	-0.80	2.97	8	1.05	4.98
MARCH	-0.64	8	-2.42	1.03	-3.22	8	-6.32	-0.60
APRIL	-1.66	6	-4.60	0.55	-2.86	9	-5.02	-0.75
MAY	-3.14	8	-6.02	-1.67	-1.37	8	-5.90	1.53
JUNE	-3.84	5	-5.22	-1.37	0.03	7	-1.30	1.18
JULY	-3.35	4	-4.95	-2.15	-0.18	8	-3.72	2.70
AUGUST	-1.96	4	-3.45	-1.35	6.23	7	2.85	8.85
SEPTEMBER	1.48	8	-1.22	5.25	2.66	8	-0.75	7.28
OCTOBER	-1.49	6	-4.82	0.35	-0.04	10	-3.74	3.25
NOVEMBER	-1.73	5	-3.70	-0.27	0.25	5	-3.15	2.65
DECEMBER	-2.56	6	-4.77	2.58	-0.10	6	-1.80	4.28

Basis Table for Live Hogs at Ayden
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-1.49	16	-4.25	1.65	1.96	16	-2.32	5.75
FEBRUARY	-0.72	11	-1.70	1.30	3.05	15	0.13	6.55
MARCH	-0.83	17	-5.21	2.83	-5.16	17	-10.61	1.35
APRIL	-1.20	12	-3.27	1.15	-4.14	17	-8.72	0.75
MAY	-2.78	19	-7.97	1.90	-3.57	19	-11.27	4.68
JUNE	-1.72	11	-3.37	0.63	-1.10	16	-6.87	4.03
JULY	-1.09	11	-3.35	1.45	0.84	16	-2.45	3.95
AUGUST	-0.22	10	-2.42	2.88	5.83	18	1.30	10.85
SEPTEMBER	3.06	16	-0.75	6.38	2.70	16	-2.62	8.53
OCTOBER	0.24	11	-2.82	3.53	0.30	16	-2.95	4.50
NOVEMBER	-1.94	11	-4.42	0.45	-0.82	11	-6.05	4.35
DECEMBER	-2.25	11	-4.75	1.08	-0.38	13	-3.17	4.45

Basis Table for Live Hogs at Ayden
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-0.21	8	-0.92	1.65	3.92	8	2.23	5.75
FEBRUARY	-0.39	6	-1.47	1.30	4.86	7	3.25	6.55
MARCH	0.78	8	-0.72	2.83	-1.80	8	-4.62	1.35
APRIL	-0.65	6	-2.70	1.15	-1.22	9	-2.52	0.75
MAY	-0.45	9	-2.92	1.90	1.45	9	-2.80	4.68
JUNE	-1.38	6	-3.37	0.63	2.21	8	-1.80	4.03
JULY	-1.65	6	-3.35	1.45	1.68	9	-2.45	3.95
AUGUST	0.22	4	-0.95	1.55	8.04	8	4.95	10.85
SEPTEMBER	4.16	8	1.43	6.38	5.34	8	2.08	8.53
OCTOBER	1.35	5	-0.22	3.53	2.95	7	1.15	4.50
NOVEMBER	-0.72	5	-3.27	0.45	1.84	5	-2.25	4.35
DECEMBER	-1.29	6	-2.47	1.08	0.84	7	-1.17	4.45

Basis Table for Live Hogs at Monroe
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-1.73	16	-5.57	2.15	1.63	16	-2.55	6.20
FEBRUARY	-0.58	11	-5.30	3.75	3.10	16	-1.62	7.20
MARCH	-1.90	17	-4.57	1.25	-6.23	17	-11.19	-0.27
APRIL	-2.69	12	-5.10	0.13	-5.95	17	-11.77	-0.94
MAY	-4.48	19	-8.75	-2.05	-5.26	19	-12.32	1.83
JUNE	-3.67	11	-6.30	-0.65	-3.37	15	-8.69	1.30
JULY	-0.89	11	-4.40	1.98	0.96	17	-2.80	5.03
AUGUST	-0.38	10	-2.40	4.98	5.59	18	0.93	8.98
SEPTEMBER	2.08	16	-0.72	6.15	1.72	16	-2.37	6.95
OCTOBER	-1.54	12	-4.37	0.98	-0.86	18	-4.20	3.88
NOVEMBER	-3.14	13	-7.05	-0.87	-2.20	13	-5.90	2.35
DECEMBER	-3.05	11	-5.75	-0.79	-1.00	13	-3.82	2.58

Basis Table for Live Hogs at Monroe
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-0.09	8	-2.12	2.15	3.87	8	2.65	6.20
FEBRUARY	-0.34	6	-2.03	1.95	4.70	8	2.60	7.20
MARCH	-0.72	8	-3.05	1.25	-3.29	8	-6.70	-0.27
APRIL	-2.26	6	-5.10	0.13	-3.46	9	-5.50	-0.94
MAY	-3.11	9	-6.12	-2.05	-1.21	9	-6.00	1.83
JUNE	-4.46	6	-6.30	-2.49	-1.07	7	-4.50	1.30
JULY	-1.60	6	-4.40	1.98	1.34	10	-2.80	5.03
AUGUST	-1.00	4	-2.40	-0.19	6.57	8	4.18	8.60
SEPTEMBER	2.44	8	-0.72	5.45	3.62	8	1.55	6.95
OCTOBER	-1.44	6	-3.75	0.98	1.23	9	-1.05	3.88
NOVEMBER	-2.98	6	-7.05	-0.87	-0.76	6	-3.25	2.35
DECEMBER	-1.96	6	-2.90	-0.79	0.30	7	-1.30	2.58

Basis Table for Live Hogs at Rocky Mount
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-0.77	16	-6.10	3.35	2.71	16	-3.05	7.40
FEBRUARY	-0.43	10	-1.55	1.90	3.00	15	-0.87	7.15
MARCH	-0.98	17	-3.40	2.93	-5.31	17	-10.02	1.03
APRIL	-1.26	12	-3.77	1.85	-4.12	17	-9.87	0.33
MAY	-2.57	19	-8.60	2.30	-3.36	19	-11.90	6.18
JUNE	-1.16	8	-3.18	0.80	-2.04	12	-6.77	4.05
JULY	-0.93	10	-5.45	3.10	0.69	14	-2.30	5.28
AUGUST	0.20	8	-2.02	4.13	5.43	14	2.70	8.23
SEPTEMBER	2.58	12	-0.05	5.15	1.49	12	-1.92	4.44
OCTOBER	-0.76	9	-3.02	1.88	-0.64	14	-3.85	4.40
NOVEMBER	-1.46	10	-4.50	2.03	-0.52	10	-6.35	5.48
DECEMBER	-1.58	8	-4.60	0.10	0.56	9	-2.67	3.95

Basis Table for Live Hogs at Rocky Mount
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	0.91	9	-0.70	3.35	4.97	9	3.53	7.40
FEBRUARY	0.00	5	-1.30	1.90	4.78	7	2.58	7.15
MARCH	0.41	8	-1.15	2.93	-2.17	8	-4.80	1.03
APRIL	-0.73	6	-3.77	1.85	-1.16	9	-2.42	0.33
MAY	-0.18	9	-3.32	2.30	1.72	9	-3.20	6.18
JUNE	-0.58	3	-3.18	0.80	2.15	4	-0.90	4.05
JULY	-2.34	4	-5.45	3.10	0.61	6	-2.30	5.28
AUGUST	0.09	2	-0.07	0.25	6.78	4	3.90	8.03
SEPTEMBER	3.38	4	2.21	4.47	3.90	4	3.23	4.44
OCTOBER	0.10	3	-1.00	1.88	2.12	5	0.90	4.40
NOVEMBER	0.84	3	-0.12	2.03	4.36	3	3.10	5.48
DECEMBER	-0.11	3	-0.42	0.08	3.43	3	2.90	3.95

Basis Table for Live Hogs at Siler City
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-1.56	12	-4.30	0.65	2.01	12	-1.05	4.75
FEBRUARY	-1.24	9	-4.40	1.05	2.84	14	0.48	5.85
MARCH	-1.90	15	-5.05	0.95	-6.20	15	-11.67	-0.75
APRIL	-2.36	11	-5.57	0.70	-5.38	16	-11.47	0.03
MAY	-5.02	17	-9.30	-2.00	-6.15	17	-12.82	1.88
JUNE	-3.51	10	-4.90	-2.70	-3.27	15	-9.42	0.55
JULY	-1.04	10	-5.70	2.25	0.62	16	-2.82	3.70
AUGUST	-0.54	9	-2.95	4.88	5.56	17	1.15	10.08
SEPTEMBER	3.37	14	-1.42	8.15	3.01	14	-1.27	9.65
OCTOBER	-1.70	10	-4.95	1.48	-1.34	16	-4.10	2.33
NOVEMBER	-2.80	12	-6.40	0.05	-1.92	12	-7.90	3.85
DECEMBER	-2.78	8	-4.60	-0.97	-0.54	9	-4.02	2.40

Basis Table for Live Hogs at Siler City
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-0.89	8	-4.30	0.65	3.07	8	-0.77	4.75
FEBRUARY	-1.43	4	-4.40	0.58	4.14	6	0.80	5.85
MARCH	-0.52	7	-1.62	0.95	-2.94	7	-5.90	-0.75
APRIL	-1.54	6	-4.75	0.70	-2.85	9	-4.69	0.03
MAY	-3.54	7	-6.07	-2.00	-1.71	7	-5.92	1.88
JUNE	-3.49	5	-4.07	-2.70	-0.72	7	-5.90	0.55
JULY	-2.46	4	-5.70	-0.60	1.02	8	-1.70	3.70
AUGUST	-0.57	3	-2.20	1.43	6.61	7	5.30	9.25
SEPTEMBER	4.19	7	-1.42	8.15	5.36	7	0.93	9.65
OCTOBER	-2.10	4	-4.95	1.48	-0.04	8	-2.25	2.33
NOVEMBER	-1.88	6	-3.77	0.05	0.34	6	-2.75	3.85
DECEMBER	-2.15	5	-3.12	-0.97	0.46	5	-2.20	2.40

Basis Table for Live Hogs at Smithfield
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-1.08	16	-4.50	2.50	2.37	16	-1.90	6.55
FEBRUARY	-1.24	9	-2.55	0.60	2.76	12	0.20	5.85
MARCH	-1.48	15	-4.15	3.05	-6.23	15	-10.69	1.25
APRIL	-0.99	12	-3.55	1.60	-4.05	16	-10.07	1.08
MAY	-2.76	16	-8.15	2.95	-3.99	16	-11.45	5.93
JUNE	-1.72	9	-4.02	1.20	-0.44	14	-7.62	3.18
JULY	-0.77	9	-3.87	2.45	1.12	14	-2.55	4.40
AUGUST	0.61	8	-1.92	4.38	6.31	15	1.30	10.93
SEPTEMBER	3.98	16	0.05	8.40	3.62	16	-1.65	8.78
OCTOBER	0.01	11	-1.82	2.33	0.54	17	-3.40	4.28
NOVEMBER	-1.41	12	-4.42	3.88	-0.24	12	-3.32	7.33
DECEMBER	-2.05	8	-3.45	-0.62	0.12	8	-1.67	2.75

Basis Table for Live Hogs at Smithfield
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	0.85	8	-0.60	2.50	4.98	8	3.13	6.55
FEBRUARY	-0.61	5	-1.27	0.60	4.50	6	2.18	5.85
MARCH	1.19	6	-0.42	3.05	-1.88	6	-4.32	1.25
APRIL	-0.12	6	-3.55	1.60	-1.17	9	-3.72	1.08
MAY	0.12	7	-2.52	2.95	1.55	7	-2.40	5.93
JUNE	-1.86	6	-4.02	0.63	1.90	8	0.03	3.18
JULY	-0.48	4	-1.60	1.25	3.07	7	1.00	4.40
AUGUST	0.68	3	-0.65	3.15	8.23	7	4.65	10.93
SEPTEMBER	4.86	8	1.93	6.63	6.04	8	2.73	8.78
OCTOBER	0.95	5	-0.05	2.33	2.60	9	0.33	4.28
NOVEMBER	-0.40	6	-3.27	3.88	1.83	6	-2.25	7.33
DECEMBER	-1.62	3	-2.22	-0.62	1.18	3	-0.32	2.75

Basis Table for Live Hogs at Turnersburg
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-2.63	14	-6.45	0.90	0.73	14	-3.40	5.00
FEBRUARY	-0.11	9	-3.20	9.70	2.80	13	-3.92	14.95
MARCH	-2.21	14	-4.55	0.45	-6.53	14	-10.72	-0.85
APRIL	-2.52	11	-4.97	0.55	-5.90	15	-10.82	-1.47
MAY	-5.33	16	-10.00	-1.47	-6.68	16	-13.30	0.53
JUNE	-3.36	10	-6.77	-1.80	-2.98	14	-7.82	2.28
JULY	-1.91	8	-4.67	1.25	0.57	13	-4.05	3.75
AUGUST	-0.58	6	-2.55	4.78	4.63	11	0.90	7.70
SEPTEMBER	2.46	8	-0.05	5.13	1.77	8	-1.75	7.28
OCTOBER	-1.87	7	-4.32	-0.07	-1.37	8	-4.65	2.38
NOVEMBER	-3.75	8	-6.55	-1.57	-3.05	8	-8.05	1.88
DECEMBER	-4.67	7	-8.87	-2.97	-2.94	9	-7.20	0.00

Basis Table for Live Hogs at Turnersburg
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
JANUARY	-0.89	6	-2.32	0.90	3.29	6	2.20	5.00
FEBRUARY	1.15	5	-1.42	9.70	5.90	6	1.78	14.95
MARCH	-0.93	7	-1.80	0.45	-3.64	7	-5.45	-0.85
APRIL	-1.36	5	-4.85	0.55	-2.43	7	-3.65	-1.47
MAY	-3.66	6	-6.57	-1.47	-1.93	6	-6.42	0.53
JUNE	-3.79	6	-6.77	-1.80	-0.54	7	-4.80	2.28
JULY	-2.67	5	-4.67	-0.65	0.95	8	-4.05	3.75
AUGUST	-2.20	2	-2.45	-1.95	5.36	3	3.15	7.60
SEPTEMBER	3.88	3	3.25	5.13	5.11	3	3.43	7.28
OCTOBER	-0.96	3	-2.45	-0.07	0.48	4	-0.95	2.38
NOVEMBER	-2.50	4	-3.70	-1.57	-0.27	4	-3.15	1.88
DECEMBER	-3.45	2	-3.67	-3.22	-2.31	3	-2.67	-1.97

Basis Table for Live Hogs at North Carolina Buying Stations
1984 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
January	-2.05	21	-4.63	0.65	1.24	21	-2.03	4.75
February	-1.20	11	-2.83	0.82	2.07	20	-1.62	6.07
March	-1.64	21	-5.32	1.63	-5.95	21	-10.00	1.02
April	-2.10	14	-5.23	0.20	-5.53	21	-10.50	0.17
May	-3.89	21	-8.15	-0.05	-4.65	21	-11.45	3.28
June	-2.56	14	-3.92	-0.08	-1.68	21	-7.10	2.11
July	-1.19	11	-2.99	1.50	0.74	19	-1.79	4.40
August	-0.62	13	-3.02	2.76	5.72	21	2.25	10.23
September	2.40	21	-0.22	5.88	1.57	21	-3.55	7.66
October	-0.71	14	-2.44	0.60	-0.97	22	-4.04	3.00
November	-2.98	16	-6.09	-0.55	-2.95	16	-10.29	3.35
December	-3.12	14	-5.37	-1.95	-2.29	17	-9.30	1.73

Basis Table for Live Hogs at North Carolina Buying Stations
1986 through 1988

Month	Nearby Contract				Next Contract			
	Average Basis	Number Included	Minimum Basis	Maximum Basis	Average Basis	Number Included	Minimum Basis	Maximum Basis
January	-1.31	13	-4.22	0.65	2.30	13	-1.39	4.75
February	-0.69	6	-2.17	0.82	2.80	12	-1.62	6.07
March	-0.87	12	-5.32	1.63	-3.99	12	-10.00	1.02
April	-2.00	8	-5.23	0.20	-3.97	13	-10.50	0.17
May	-2.63	11	-7.90	-0.05	-1.17	11	-7.65	3.28
June	-2.74	9	-3.50	-0.75	0.09	13	-3.52	2.11
July	-1.36	6	-2.50	-0.40	1.70	12	-0.62	4.40
August	-0.76	7	-3.02	0.68	6.59	12	2.98	10.23
September	2.46	13	-0.22	5.88	2.29	13	-3.55	7.66
October	-0.49	8	-2.20	0.51	-0.16	13	-4.04	3.00
November	-2.97	9	-6.09	-0.55	-2.76	9	-10.29	3.35
December	-3.31	9	-5.37	-2.35	-2.77	11	-9.30	0.73

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