Agri-News

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Cattle Inventory

Iowa: All cattle and calves in Iowa as of January 1, 2006 totaled 3.80 million head, 6 percent above the 3.60 million head on January 1, 2005. Beef cows, at 1,053,000 head, were 4 percent above last year. Milk cows, at 187,000 head, were unchanged from last year.

Overall heifer numbers were up 11 percent from last year at 890,000 head. Heifers for beef cow replacement were up 17 percent to 140,000 head; heifers for milk cow replacement at 120,000 head were 20 percent above the previous year; and all other heifers were up 9 percent to 630,000 head.

Steers weighing 500 pounds and over were up 8 percent from last year at 1,100,000 head. Bulls weighing 500 pounds and over were unchanged from a year ago at 70,000 head. Calves under 500 pounds on January 1 totaled 500,000 head, down 2 percent from last year at 510,000 head.

The 2005 calf crop was estimated at 1.17 million head, up 6 percent from the 1.10 million head born in 2004. Cattle and calves on feed for slaughter in all feedlots on January 1, 2006 was 920,000 head, unchanged from one year ago.

United States: All cattle and calves in the United States as of January 1, 2006, totaled 97.1 million head, 2 percent above the 95.4 million on January 1, 2005.

All cows and heifers that have calved, at 42.3 million, were up 1 percent from the 41.9 million on January 1, 2005. Beef cows, at 33.3 million, were up 1 percent from January 1, 2005. Milk cows, at 9.06 million, were up 1 percent from January 1, 2005. Other class estimates on January 1, 2006, and the change from January 1, 2005, are as follows: all heifers 500 pounds and over, 20.0 million, up 2 percent; beef replacement heifers, 5.90 million, up 4 percent; milk replacement heifers, 4.28 million, up 4 percent; other heifers, 9.80 million, up slightly; steers weighing 500 pounds and over, 16.9 million, up 3 percent; bulls weighing 500 pounds and over, 2.26 million, up 2 percent; calves under 500 pounds, 15.6 million, up 2 percent; cattle and calves on feed for slaughter in all feedlots, 14.1 million, up 3 percent. The combined total of calves under 500 pounds, and other heifers and steers over 500 pounds outside of feedlots was 28.2 million, up 2 percent.

The 2005 calf crop was estimated at 37.8 million head, up 1 percent from 2004. Calves born during the first half of the year are estimated at 27.4 million, up slightly from 2004.

Cattle and Calves: Number by Class and Calf Crop, Iowa and United States, January 1, 2005-2006

Class	Iowa			United States		
	2005	2006	2006 as % of 2005	2005	2006	2006 as % of 2005
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
All Cattle and Calves	3,600	3,800	106	95,438	97,102	102
Cows and Heifers That Have Calved	1,200	1,240	103	41,920	42,311	101
Beef Cows	1,013	1,053	104	32,915	33,253	101
Milk Cows	187	187	100	9,005	9,058	101
Heifers 500 Pounds and Over	800	890	111	19,573	19,978	102
For Beef Cow Replacement	120	140	117	5,691	5,905	104
For Milk Cow Replacement	100	120	120	4,118	4,278	104
Other Heifers	580	630	109	9,763	9,795	100
Steers 500 Pounds and Over	1,020	1,100	108	16,476	16,923	103
Bulls 500 Pounds and Over	70	70	100	2,219	2,263	102
Calves Under 500 Pounds	510	500	98	15,250	15,626	102
Cattle on Feed [1]	920	920	100	13,745	14,132	103
	2004	2005	2005 as % of 2004	2004	2005	2005 as % of 2004
Calf Crop	1,100	1,170	106	37,505	37,780	101

[1] Cattle and calves on feed are animals for slaughter market being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade select or better. Cattle and calves on feed are included in the cattle inventory estimates by classes.

ECONOMIST CORNER

Livestock by Shane Ellis and Grains by Robert Wisner
Iowa Cooperative Extension Service - Ames

LIVESTOCK

The January cattle report confirmed an expected increase in the national cattle herd which now stands at over 97 million. Beef cow numbers were over a percent larger this year at 33.25 million head. The most dramatic change was in beef heifer retention, which increased by almost 4 percent above even last year's elevated replacement inventories. Expansion of the national breeding herd is expected to continue until feeder cattle prices become significantly lower. The availability of feeder cattle is increasing as more steers and market heifers come available from an increasing calf crop. Last year's calf crop was three quarters of a percent more than 2004 at 37.5 million head. Currently the number of cattle on feed is up 2.8% or 387,000 head more than a year ago. Feedlots have been holding cattle to heavier weights in an attempt to offset the cost of high priced feeders with lower costs of gain.

Hog prices dipped lower in the month of January with live hogs selling for the lower $40's to upper $30's, down significantly from a year ago. Although the softening portion of the hog cycle is over due, it is too early to say if hog prices will remain lower for the year or if some recovery can be expected in the coming months. Demand will be the first factor to watch, as consumers decide what type of meat to purchase.

GRAINS

Soybean prices will remain sensitive to South American crop conditions through February and early March. At the end of January, conditions in most areas were reported to be good, although there were a few dry areas. However, Argentine farmers were concerned about forecasts for at least two weeks of dry weather in parts of their soybean growing area.

Weekly U.S. export sales reports also will be a very important soybean market indicator. Cumulative U.S. soybean export sales from last September 1 through late January were down 24% from a year earlier. Near-normal soybean yields in South America would make it difficult for U.S. soybean export sales to make a strong recovery after late March. U.S. soybean export sales last year from the end of January through March 10 averaged 0.550 million tons per week. The weekly average from March 11 through April 28 was 0.213 million tons as our exports faced seasonally increased South American supplies. The drop in U.S. export sales occurred last spring in spite of severe drought in a large part of Brazil's Soybean Belt.

Corn prices were strengthened in late January by concern that Argentine rains came too late for pollination of a significant part of the Argentine corn crop. Deteriorating Argentine corn crop prospects are slightly positive for corn price prospects this spring. But it is important to put the Argentine situation in perspective with other international developments. Potentially more important influences on corn prices this spring will include the March 31 planting intentions report and U.S. Corn Belt soil moisture supplies as the spring fieldwork season begins.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Jan [1] 2005	IOWA Dec [1] 2005	IOWA Jan [2] 2006	U.S. Dec [1] 2005	U.S. Jan [2] 2006
		---------------Dollars---------------				
Corn	Bu.	2.04	1.87	1.85	1.92	1.96
Oats	Bu.	1.76	(4)	1.70	1.73	1.67
Soybeans	Bu.	5.37	5.66	5.35	5.77	5.51
Alfalfa, baled	Ton	93.00	82.00	85.00	97.70	95.60
All Hay, baled	Ton	91.00	80.00	81.00	92.00	91.20
All Hogs	Cwt	54.70	45.20	43.20	44.30	41.60
Sows	Cwt	48.60	38.50	36.50	38.10	35.70
Brw & Gilts	Cwt	54.80	45.30	43.30	44.50	41.90
Beef Cattle	Cwt	94.60	93.50	91.10	93.60	94.40
Cows	Cwt	49.60	48.40	47.00	47.20	46.50
Strs & Hfrs	Cwt	95.50	94.40	92.00	99.90	101.00
Calves	Cwt	120.00	128.00	128.00	134.00	137.00
Milk Cows [3]	Hd.	1,560	-	1,750	-	1,840
Milk (whls)	Cwt	16.70	15.60	15.20	14.80	14.50
Sheep	Cwt	54.30	49.70	-	46.90	-
Lambs	Cwt	110.00	90.00	-	102.00	-
Eggs (mkt)	Doz	0.220	0.491	0.356	0.564	0.438

[1] Corn, oats, soybeans, all hogs, all cattle, all sheep, and milk are whole-month prices. All hay and eggs are mid-month prices. [2] All prices are mid-month. [3] Prices published January, April, July, and October. [4] Price not published to avoid disclosure of individual firms.

Price Index Summary Table

Prices Received	IOWA Jan 2005	IOWA Dec 2005	IOWA Jan [1] 2006	UNITED STATES Jan 2005	UNITED STATES Dec 2005	UNITED STATES Jan [1] 2006
	1990-92=100 [2]					
Prices rec'd	107	104	99	111	115	112
Crops	94	91	88	102	110	107
Lvstk	121	117	109	121	120	117
	1910-14=100 [3]					
Prices rec'd	-	-	-	707	728	712
Crops	-	-	-	504	544	529
Lvstk	-	-	-	931	918	900

[1] Preliminary [2] 1990-92=100 reference replaced 1997=100 in January 1995. [3] Iowa figures for 1910-14=100 base not available.

U.S. Prices Paid Index Summary

Prices Paid	Jan 2005	Dec 2005	Jan 2006	Jan 2005	Dec 2005	Jan 2006
	1990-92=100			1910-14=100		
Prices Paid [1]	137	143	145	1,818	1,904	1,925
Feed	112	117	118	545	571	577
Ratio [2]	81	80	77	39	38	37

[1] Prices paid by farmers for commodities and services, interest, taxes, and farm wage rates. [2] Ratio of index of prices received to index of prices paid for commodities and services, interest, taxes, and farm wage rates.

All Layers and Egg Production, Dec 2004 and 2005 [1]

State	Table Egg Layers in Flocks 30,000 & Above		All layers on hand [2]		Eggs per 100 layers		Egg production by type					
							Total production		Table eggs [3]		Hatching eggs [3]	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Number*	*Number*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*
AR	4,794	4,280	15,291	14,559	1,962	1,985	300	289	116	102	184	187
CA	20,037	19,073	20,524	19,484	2,290	2,258	470	440				
GA	10,991	9,974	20,123	19,156	2,172	2,130	437	408	264	233	173	175
IN	22,756	23,836	23,501	24,573	2,281	2,307	536	567	523	555	13	12
IA	47,238	49,593	47,979	50,350	2,209	2,230	1,060	1,123				
MN	10,555	10,605	11,103	11,135	2,252	2,317	250	258	242	249	8	9
NE	11,925	11,853	12,000	11,928	2,267	22,222	272	265	272	265		
NC	3,370	3,333	10,934	10,959	1,994	2,017	218	221	82	83	136	138
OH	27,371	28,498	27,839	29,037	2,324	2,304	647	669				
PA	22,174	22,578	23,920	24,444	2,379	2,320	569	567	552	549	17	18
TX	13,841	14,271	18,257	18,643	2,295	2,317	419	432				
30 Sts[4]	265,397	269,153	323,719	327,068	2,234	2,234	7,232	7,306	6,238	6,307	993	999
US	281,516	284,422	345,960	348,300	2,234	2,237	7,728	7,791	6,643	6,702	1,085	1,089

[1] 2005 preliminary, 2004 revised [2] Includes all layers and eggs produced in both table egg and hatching egg flocks regardless of size [3] Data by type of flock not shown for some states to avoid disclosing individual operations [4] The 30 states are those listed as well as AL, CO, CT, FL, HI, IL, ME, MD, MI, MS, MO, NY, OK, OR, SC, SD, VA, WA, and WI.

Sheep Inventory

Iowa: All sheep and lambs inventory at 235,000 head is down 10,000 head from last year. Total breeding stock at 170,000 head decreased by three percent from a year ago. Compared to last year, market sheep and lambs decreased to 65,000 head, while the lamb crop decreased five percent to 205,000 head.

United States: All sheep and lamb inventory in the United States on January 1, 2006, totaled 6.23 million head, up 2 percent from both 2005 and 2004. The inventory began increasing in 2005 and has shown two consecutive year to year increases for the first time since 1987 and 1988.

Breeding sheep inventory increased to 4.64 million head on January 1, 2006, up 2 percent from 4.53 million head on January 1, 2005. Ewes one year old and older, at 3.66 million head, were 2 percent above last year.

Market sheep and lambs on January 1, 2006, totaled 1.59 million head, down 1 percent from January 1, 2005. Market lambs comprised 95 percent of the total marketings. Twenty-seven percent were lambs under 65 pounds, 14 percent were 65 - 84 pounds, 24 percent were 85 - 105 pounds, and 35 percent were over 105 pounds. Market sheep comprised the remaining 5 percent of total marketings.

The 2005 lamb crop of 4.13 million head, was up 1 percent from 2004. The 2005 lambing rate was 115 lambs per 100 ewes one year old and older on January 1, 2005, up 2 percent from 2004.

Shorn wool production in the United States during 2005 was 37.2 million pounds, down 1 percent from 2004. Sheep and lambs shorn totaled 5.07 million head, down slightly from 2004. The average price paid for wool sold in 2005 was $0.71 per pound for a total value of 26.3 million dollars, down 12 percent from 29.9 million dollars in 2004.

All Sheep and Lambs: Number by Class, Iowa and United States, January 1, 2005-2006

Class	Iowa			United States		
	2005	2006	2006 as % of 2005	2005	2006	2006 as % of 2005
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
All Sheep and Lambs	245	235	96	6,135.0	6,230.0	102
Total Breeding Sheep	175	170	97	4,533.0	4,639.0	102
Ewes	142	132	93	3,572.5	3,657.0	102
Rams	7	7	100	190.0	196.0	103
Replacement Lambs	26	31	119	770.5	786.0	102
Total Market	70	65	93	1,602.0	1,591.0	99
	2004	2005	2005 as % of 2004	2004	2005	2005 as % of 2004
Lamb Crop	215	205	95	4,096.0	4,125.0	101

Wool: Number of Sheep & Lambs Shorn, Weight per Fleece, & Production

State	Sheep Shorn		Weight per Fleece		Production	
	2004	2005	2004	2005	2004	2005
	1,000 Head	*1,000 Head*	*Pounds*	*Pounds*	*1,000 Pounds*	*1,000 Pounds*
AZ	90.00	95.00	6.40	5.90	580	560
CA	480.00	500.00	7.10	7.00	3,400	3,500
CO	390.00	420.00	6.60	6.30	2,570	2,650
ID	225.00	210.00	9.40	9.00	2,125	1,890
IA	230.00	220.00	6.00	5.80	1,370	1,270
MN	140.00	150.00	6.50	6.50	910	970
MT	267.00	260.00	9.30	9.60	2,472	2,490
NM	140.00	155.00	7.30	7.40	1,020	1,150
ND	82.00	78.00	9.10	8.80	745	690
OH	140.00	133.00	6.50	6.00	903	800
OR	173.00	190.00	6.30	6.30	1,090	1,190
SD	345.00	330.00	7.60	7.80	2,610	2,582
TX	810.00	800.00	6.90	6.90	5,600	5,550
UT	245.00	235.00	9.20	9.30	2,250	2,180
WY	390.00	380.00	9.30	9.30	3,640	3,530
US	5,073.00	5,072.00	7.40	7.30	37,622	37,232

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