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Cattle on Feed

Iowa: There were 1,304,000 cattle on feed for the slaughter market in all feedlots in Iowa on December 1, 2009, up 6 percent from November 1, 2009 and up 2 percent from December 1, 2008. Feedlots with a capacity greater than 1,000 head had 560,000 head on feed, up 4 percent from last month and up 12 percent from last year. Feedlots with a capacity less than 1,000 head had 744,000 head on feed, up 7 percent from last month, but down 5 percent from last year.

Placements during November totaled 265,000 head, up 5 percent from last month and up 11 percent from last year. Feedlots with a capacity greater than 1,000 head placed 108,000 head, down 12 percent from last month, but up 17 percent from last year. Feedlots with a capacity less than 1,000 head placed 157,000 head. This is up 21 percent from last month and up 8 percent from last year.

Marketings for November were 191,000 head, down 11 percent from last month, but up 14 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 85,000 head, down 15 percent from last month, but up 13 percent from last year. Feedlots with a capacity less than 1,000 head marketed 106,000 head, down 8 percent from last month, but up 14 percent from last year.

Other disappearance totaled 5,000 head.

United States: Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.3 million head on December 1, 2009. The inventory was 1 percent below December 1, 2008.

Placements in feedlots during November totaled 1.85 million, 8 percent below 2008. For the month of November, placements were the second lowest since the series began in 1996. Net placements were 1.78 million head. During November, placements of cattle and calves weighing less than 600 pounds were 510,000, 600-699 pounds were 565,000, 700-799 pounds were 395,000, and 800 pounds and greater were 375,000.

Marketings of fed cattle during November totaled 1.63 million, 4 percent above 2008. For the month of November, fed cattle marketings were the third lowest since the series began in 1996.

Other disappearance totaled 66,000 during November, 1 percent below 2008.

All Cattle on Feed, Iowa

Item	Lots 1,000+ Head	Lots Less than 1,000 Head	All Lots
	1,000 Head	*1,000 Head*	*1,000 Head*
Cattle on Feed, November 1, 2009	540	695	1,235
November Placements	108	157	265
November Marketings	85	106	191
November Other Disappearance	3	2	5
Cattle on Feed, December 1, 2009	560	744	1,304

Cattle on Feed: Number on Feed, Placements and Marketings by Month, 1,000+ Capacity Feedlots [1]

State	Cattle on Feed December 1			Placements during November			Marketings during November			November Disappearance other than Slaughter [2]		
	2008	2009	'09 as percent of '08	2008	2009	'09 as percent of '08	2008	2009	'09 as percent of '08	2008	2009	'09 as percent of '08
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
AZ	359	282	79	26	26	100	28	22	79	1	1	100
CA	495	465	94	48	50	104	50	53	106	3	2	67
CO	1,010	1,060	105	185	165	89	130	140	108	5	5	100
ID	225	215	96	65	45	69	49	39	80	1	1	100
IA	**500**	**560**	**112**	**92**	**108**	**117**	**75**	**85**	**113**	**2**	**3**	**150**
KS	2,310	2,330	101	405	355	88	310	340	110	15	15	100
NE	2,380	2,410	101	440	400	91	355	380	107	15	10	67
NM	168	(D)	(D)	21	(D)	(D)	23	(D)	(D)	2	(D)	(D)
OK	335	375	112	69	57	83	52	53	102	2	4	200
SD	220	235	107	57	67	118	35	35	100	2	2	100
TX	2,810	2,760	98	510	455	89	395	405	103	15	20	133
WA	169	172	102	36	47	131	29	29	100	1	1	100
Oth Sts	365	418	(X)	62	70	(X)	44	50	(X)	3	2	(X)
US	11,346	11,282	99	2,016	1,845	92	1,575	1,631	104	67	66	99

(D) Withheld to avoid disclosing data for individual operations.
(X) Comparison to 2008 is not applicable.
[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.
[2] Includes death loss, movement from feedlots to pasture, and shipments to other feedlots for further feeding.

Hogs & Pigs Inventory

Iowa: On December 1, there were 19.3 million hogs and pigs on Iowa farms, down 400,000 from September 1, 2009, and down 600,000 from a year ago.

The September-November 2009 pig crop was 4.90 million head. A total of 500,000 sows farrowed with an average litter size of 9.80 pigs per sow.

As of December 1, producers planned to farrow 500,000 head of sows and gilts in the December 2009 – February 2010 quarter. Farrowing intentions for the March-May 2010 period were estimated at 500,000 as of December 1, 2009.

United States: U.S. inventory of all hogs and pigs on December 1, 2009 was 65.8 million head. This was down 2 percent from December 1, 2008 and down 2 percent from September 1, 2009.

Breeding inventory, at 5.85 million head, was down 3 percent from last year and down slightly from the previous quarter. Market hog inventory, at 60.0 million head, was down 2 percent from last year and down 2 percent from last quarter.

The September-November 2009 pig crop, at 28.8 million head, was up slightly from 2008 but down 2 percent from 2007. Sows farrowing during this period totaled 2.97 million head, down 2 percent from 2008 and down 6 percent from 2007. The sows farrowed during this quarter represented 51 percent of the breeding herd. The average pigs saved per litter was 9.70 for the September-November 2009 period, compared to 9.50 last year. The litter rate equaled the record for pigs saved per litter set during the June-August 2009 period. Pigs saved per litter by size of operation ranged from 7.40 for operations with 1- 99 hogs and pigs to 9.80 for operations with more than 5,000 hogs and pigs.

U.S. hog producers intend to have 2.95 million sows farrow during the December 2009-February 2010 quarter, down 2 percent from the actual farrowings during the same period in 2009 and down 4 percent from 2008. Intended farrowings for March-May 2010, at 2.94 million sows, are down 3 percent from 2009 and down 4 percent from 2008.

The total number of hogs under contract owned by operations with over 5,000 head, but raised by contractees, accounted for 44 percent of the total U.S. hog inventory, up from 43 percent last year.

Hogs and Pigs: Breeding, Market, and Total Inventory By Selected States and United States, December 1, 2008-2009 [1]

State	Breeding			Market			Total		
	2008	2009	'09 as percent of '08	2008	2009	'09 as percent of '08	2008	2009	'09 as percent of '08
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
IL	490	480	98	3,860	3,870	100	4,350	4,350	100
IA	**1,070**	**1,020**	**95**	**18,830**	**18,280**	**97**	**19,900**	**19,300**	**97**
MN	580	560	97	6,920	6,840	99	7,500	7,400	99
MO	370	360	97	2,780	2,740	99	3,150	3,100	98
NE	380	370	97	2,970	2,780	94	3,350	3,150	94
NC	980	930	95	8,720	8,770	101	9,700	9,700	100
US	6,062	5,850	97	61,087	59,957	98	67,148	65,807	98

[1] May not add due to rounding.

Market Hogs and Pigs: Inventory Number by Weight Group, Selected States, and United States, December 1, 2008-2009 [1]

State	Under 50 lbs.		50-119 lbs.		120-179 lbs.		180 lbs. and over	
	2008	2009	2008	2009	2008	2009	2008	2009
	1,000 Head	*1,000 Head*	*1,000 Head*	*1,000 Head*	*1,000 Head*	*1,000 Head*	*1,000 Head*	*1,000 Head*
IL	1,270	1,230	1,140	1,190	800	760	650	690
IA	**4,730**	**4,530**	**5,880**	**5,800**	**4,500**	**4,530**	**3,720**	**3,420**
MN	2,420	2,410	2,050	2,080	1,360	1,300	1,090	1,050
MO	1,200	1,160	700	655	490	465	390	460
NE	1,010	930	880	850	630	590	450	410
NC	3,020	3,150	2,290	2,200	1,770	1,770	1,640	1,650
US	19,428	19,085	17,396	17,062	12,731	12,529	11,533	11,282

[1] Weight groups may not add to Market due to rounding.

ECONOMIST CORNER

By Shane Ellis, Livestock Economist, and
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The December hog inventory of all hogs was down 2 percent, market hogs down 1.8 percent and breeding herd down 3.5 percent compared the same quarter the year before. The report could be viewed as neutral to bearish by the trade. Given this estimate of inventory and pig crop, Iowa-Southern Minnesota live hog prices are expected to average $49-52 in 2010. Comparable lean hog carcass prices would be $66-71. Current forecast of cost production for farrow-to-finish operations is approximately $51-52/cwt live ($69-70/cwt carcass) indicating that producers will likely see losses in the first and fourth quarters of 2010, but profits in the second and third quarters. Domestic pork demand has been relatively strong through the first three quarters of 2009, but showed some weakness in the fourth quarter as prices and supplies both declined relative to 2008 levels. The strengthening U.S. economy and still small poultry supplies should be helpful for hog prices. More importantly, the weaker U.S dollar and improving global economy should support export demand in 2010. The removal of restrictions on U.S. pork by China late in 2009 provides the potential for more exports to that country.

Beef supplies are expected to be slightly lower in 2010. December cattle on feed inventories were down 1 percent from last year. Cow slaughter in 2010 will likely be lighter than last year, but remain well above the five year average. Total beef production in 2009 was down nearly 2.4 percent and is expected to be down another 2 percent in 2010. Cattle feeding loses reached new records in 2009, but 2010 may offer some relief about mid-year when black ink is most likely to occur. Declining meat production in general, some return in consumer confidence and growing exports will help improve slaughter cattle prices in the new year. Feeder cattle prices will continue to depend on the lending environment and prospects of finishing profitability. The cost of corn and other feeds may be slightly higher this year, a challenge that continues to plague livestock producers.

The final USDA Crop Progress report came out just before the Christmas holiday. It showed that five percent of the U.S. corn crop was still out in the field. Given the production estimate of 12.92 billion bushels, the delay in harvest implies roughly 650 million bushels are still out. Some of the recent market strength in corn is due to the potential loss of some of these bushels and some quality issues with the harvested crop. North Dakota has the largest percentage of corn still out, 32 percent. South Dakota and Wisconsin have 12 percent in the field. And several states, including Illinois, have at least five percent of their corn crop unharvested. USDA will provide revised production and usage estimates in a couple of weeks. USDA raised the midpoint of their season-average price range to $9.50 per bushel, up 30 cents from last month. The midpoint of USDA's corn season-average price range was held steady at $3.55 per bushel.

The futures markets have been providing a more bullish scenario than the USDA price projections. Corn futures have been pointing to a season-average price in the $3.70 to $3.80 price range. Price support has come from the delays in the harvest, some strength in crude oil prices, a weakened dollar, and the reemergence of non-commercial (especially fund) buying at the end of the year. With the export and biofuel sectors continuing to provide support, crop prices over the next few months should remain firm. Basis levels had widened with the large corn and soybean crops. But they will likely improve as we work through the marketing year. The outlook for the 2010 crops is looking a bit brighter than it did for the 2009 crops. Input costs have come down and futures prices are running higher. The general economy has shown some signs of improvement and that would boost crop prospects.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA			U.S.	
		Dec [1] 2008	Nov [1] 2009	Dec [2] 2009	Nov [1] 2009	Dec [2] 2009
		--------------Dollars--------------				
Corn	Bu	4.21	3.72	3.65	3.65	3.59
Oats	Bu	3.36	1.84	1.85	2.02	2.07
Soybeans	Bu	9.54	9.53	10.00	9.53	9.96
Alfalfa, baled	Ton	137.00	108.00	111.00	110.00	110.00
All Hay, baled	Ton	133.00	101.00	106.00	107.00	107.00
Hogs, all	Cwt	42.50	40.50	43.90	40.20	43.70
Sows	Cwt	41.80	37.00	33.80	36.60	33.00
Brw & Gilts	Cwt	42.50	40.50	44.00	40.30	44.20
Beef Cattle	Cwt	86.10	82.70	82.20	79.60	78.20
Cows	Cwt	40.00	42.50	43.50	41.70	42.90
Strs & Hfrs	Cwt	87.00	83.50	83.00	85.40	83.50
Calves	Cwt	91.00	99.50	98.00	105.00	105.00
Milk Cows [3]	Hd	-	-	-	-	-
Milk (whls)	Cwt	15.90	15.80	16.80	15.30	16.30
Sheep	Cwt	25.00	32.00	-	36.80	-
Lambs	Cwt	97.50	92.50	-	98.00	-
Eggs (mkt)	Doz	0.829	0.850	0.890	0.879	0.918

[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.

Prices Received Index Summary Table

Prices Received	IOWA			UNITED STATES		
	Dec 2008	Nov 2009	Dec [1] 2009	Dec 2008	Nov 2009	Dec [1] 2009
	1990-92=100					
Prices rec'd	143	136	139	135	136	136
Crops	180	167	168	150	154	152
Oil Bearing	171	171	179	172	165	175
Feed Grains	187	164	162	179	157	155
Lvstk	104	102	107	119	115	118
Meat Anim	97	93	97	104	104	104
Poult & Eggs	168	173	181	148	137	138
	1910-14=100 [2]					
Prices rec'd	-	-	-	858	860	862
Crops	-	-	-	742	762	752
Oil Bearing	-	-	-	943	905	957
Feed Grains	-	-	-	640	561	551
Lvstk	-	-	-	911	880	901
Meat Anim	-	-	-	1,058	1,064	1,056
Poult & Eggs	-	-	-	416	384	387

[1] Preliminary [2] Iowa figures for 1910-14=100 base not available.

U.S. Prices Paid Index Summary

Prices Paid	Dec 2008	Nov 2009	Dec 2009	Dec 2008	Nov 2009	Dec 2009
	1910-14=100			1990-92=100		
Prices Paid [1]	2,366	2,354	2,360	178	177	177
Feed	901	891	898	184	182	184
Fertilizer	1,452	931	932	396	254	254
Fuels	1,601	2,043	2,037	207	265	264
Chemicals	899	927	973	145	150	157
Lvstk/Poultry	1,617	1,441	1,449	127	113	113
Ratio [2]	-	-	-	76	77	77
Parity Ratio [3]	36	37	37	-	-	-

[1] Prices paid by farmers for commodities and services, interest, taxes, and farm wage rates. [2] Received/Paid [3] Ratio of index of prices received to index of prices paid for commodities and services, interest, taxes, and farm wage rates.

Iowa Milk Production

Milk production in Iowa in November 2009 totaled 359 million pounds, up from 350 million pounds in November 2008. The average number of milk cows, 215,000 head, was unchanged from November 2008. Production per cow averaged 1,670 pounds, up 40 pounds from November 2008.

Milk Cows and Production: By Selected States, November 2008-2009

State	Milk Cows [1]		Milk Per Cow [2]		Milk Production [2]		
	2008	2009	2008	2009	2008	2009	Change from 2008
	1,000 Head	*1,000 Head*	*Pounds*	*Pounds*	*Million Pounds*	*Million Pounds*	*Percent*
IL	102	101	1,470	1,510	150	153	2.0
IN	167	169	1,580	1,620	264	274	3.8
IA	**215**	**215**	**1,630**	**1,670**	**350**	**359**	**2.6**
KS	121	112	1,695	1,740	205	195	-4.9
MI	353	354	1,780	1,810	628	641	2.1
MN	467	469	1,525	1,535	712	720	1.1
MO	110	105	1,175	1,170	129	123	-4.7
OH	277	276	1,460	1,500	404	414	2.5
WI	1,254	1,258	1,565	1,630	1,963	2,051	4.5
23-State Total [3]	8,519	8,310	1,654	1,679	14,089	13,955	-1.0

[1] Includes dry cows, excludes heifers not yet fresh. [2] Excludes milk sucked by calves. [3] As of February 2009, the 23 States are Arizona, California, Colorado, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, New Mexico, New York, Ohio, Oregon, Pennsylvania, Texas, Utah, Vermont, Virginia, Washington, and Wisconsin.

Egg Production

Egg production in Iowa for November 2009 was 1.21 billion eggs, up slightly from November 2008. The total number of layers on hand during November 2009 was 54.1 million, up from 53.2 million layers in November 2008. Eggs per 100 layers for the month of November was 2,235 eggs, down from 2,263 eggs the previous year.

All Layers and Egg Production, November 2008 and 2009 [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]	
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Number*	*Number*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*
IN	23,236	22,805	23,956	23,456	2,217	2,298	531	539	519	528	12	11
IA	**52,287**	**53,201**	**53,204**	**54,061**	**2,263**	**2,235**	**1,204**	**1,208**	**1,189**	**1,195**	**15**	**13**
MN	9,546	9,865	10,030	10,359	2,263	2,269	227	235	219	226	8	9
NE	9,526	9,366	9,576	9,416	2,308	2,368	221	223	221	223	0	0
NC	5,176	5,866	12,325	13,017	2,069	2,067	255	269	127	141	128	128
OH	26,519	27,100	26,940	27,558	2,238	2,264	603	624				
29 Sts [4]	262,251	262,438	314,722	314,421	2,222	2,245	6,993	7,060	6,079	6,153	913	906
US [5]	277,453	277,160	337,995	337,309	2,216	2,238	7,490	7,549	6,446	6,521	1,044	1,027

[1] 2009 preliminary, 2008 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, data included in US totals. [4] The 29 states are AL, AR, CA, CO, CT, FL, GA, HI, IN, IL, IA, ME, MD, MN, MI, MS, MO, NE, NY, NC, OH, OR, PA, SC, SD, TX, VA, WA, and WI.[5] Totals may not add due to rounding.

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