Agri-News

USDA – National Agricultural Statistical Service
Iowa Field Office
210 Walnut, Room 833 • Des Moines, Iowa 50309-2195
515-284-4340 • 1-800-772-0825 • FAX 515-284-4342 • nass-ia@nass.usda.gov
To access NASS reports - http://www.usda.gov/nass/

Issued July 10, 2009 Vol 09-10

Cattle on Feed

Iowa: There were 1,285,000 cattle on feed for the slaughter market in all feedlots in Iowa on June 1, 2009, down 3 percent from May 1, 2009**,** but up 4 percent from June 1, 2008. Feedlots with a capacity greater than 1,000 head had 530,000 head on feed, down 2 percent from last month but up 2 percent from last year. Feedlots with a capacity less than 1,000 head had 755,000 head on feed, down 4 percent from last month but up 5 percent from last year.

Placements during May totaled 109,000 head, down 17 percent from last month and down 20 percent from last year. Feedlots with a capacity greater than 1,000 head placed 60,000 head, down 24 percent from last month but up 3 percent from last year. Feedlots with a capacity less than 1,000 head placed 49,000 head. This is down 6 percent from last month and down 37 percent from last year.

Marketings for May were 145,000 head, up 9 percent from last month but down 12 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 68,000 head, unchanged from last month but up 5 percent from last year. Feedlots with a capacity less than 1,000 head marketed 77,000 head, up 18 percent from last month but down 23 percent from last year. Other disappearance totaled 4,000 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 10.4 million head on June 1, 2009. The inventory was 4 percent below June 1, 2008.

Placements in feedlots during May totaled 1.64 million, 14 percent below 2008. Net placements were 1.54 million head. This is the second lowest placements for the month of May since the series began in 1996. During May, placements of cattle and calves weighing less than 600 pounds were 395,000, 600-699 pounds were 305,000, 700-799 pounds were 433,000, and 800 pounds and greater were 505,000.

Marketings of fed cattle during May totaled 1.95 million, 9 percent below 2008. This is the lowest fed cattle marketings for the month of May since the series began in 1996.

Other disappearance totaled 101,000 during May, 26 percent above 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, May 1, 2009	540	785	1,325
May Placements	60	49	109
May Marketings	68	77	145
May Other Disappearance	2	2	4
Cattle on Feed, June 1, 2009	530	755	1,285

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

State	Cattle on Feed June 1			Placements during May			Marketings during May			May Disappearance other than Slaughter [2]		
	2008	2009	'09 as % of '08	2008	2009	'09 as % of '08	2008	2009	'09 as % of '08	2008	2009	'09 as % 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	365	301	82	34	26	76	38	35	92	1	1	100
CA	525	470	90	80	74	93	71	52	73	4	2	50
CO	920	980	107	150	140	93	170	145	85	10	25	250
ID	215	205	95	28	35	125	36	39	108	2	1	50
IA	**520**	**530**	**102**	**58**	**60**	**103**	**65**	**68**	**105**	**3**	**2**	**67**
KS	2,190	2,080	95	410	345	84	490	425	87	20	20	100
NE	2,250	2,110	94	370	310	84	480	450	94	20	20	100
NM	150	105	70	24	16	67	23	28	122	1	3	300
OK	305	310	102	76	67	88	75	71	95	1	1	100
SD	205	220	107	34	40	118	46	44	96	3	6	200
TX	2,690	2,610	97	560	455	81	550	510	93	10	15	150
WA	145	156	108	29	31	107	38	35	92	1	1	100
Oth Sts	335	330	99	47	39	83	58	50	86	4	4	100
US	10,815	10,407	96	1,900	1,638	86	2,140	1,952	91	80	101	126

[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 June 1, there were 19.6 million hogs and pigs on Iowa farms. The June 1 inventory was up 200,000 from a year ago.

The March – May 2009 pig crop was 4.68 million head. A total of 485,000 sows farrowed with an average litter size of 9.65 pigs per sow.

As of June 1, producers planned to farrow 480,000 head of sows and gilts in the June – August 2009 quarter. Farrowing intentions for the September - November 2009 period were estimated at 480,000 as of June 1, 2009.

United States: U.S. inventory of all hogs and pigs on June 1, 2009 was 66.1 million head. This was down 2 percent from June 1, 2008 but up 1 percent from March 1, 2009.

Breeding inventory, at 5.97 million head, was down 3 percent from last year and down slightly from the previous quarter. Market hog inventory, at 60.1 million head, was down 2 percent from last year but up 1 percent from last quarter.

The March-May 2009 pig crop, at 28.5 million head, was down slightly from 2008 but up 2 percent from 2007. Sows farrowing during this period totaled 2.97 million head, down 3 percent from 2008 and down 2 percent from 2007. The sows farrowed during this quarter represented 50 percent of the breeding herd. The average pigs saved per litter was a record high 9.61 for the March-May 2009 period, compared to 9.38 last year. Pigs saved per litter by size of operation ranged from 7.40 for operations with 1-99 hogs and pigs to 9.70 for operations with more than 5,000 hogs and pigs.

U.S. hog producers intend to have 2.97 million sows farrow during the June-August 2009 quarter, down 3 percent from the actual farrowings during the same period in 2008 and down 5 percent from 2007. Intended farrowings for September-November 2009, at 2.96 million sows, are down 2 percent from 2008 and down 7 percent from 2007.

The total number of hogs under contract owned by operations with over 5,000 head, but raised by contractees, accounted for 46 percent of the total U.S. hog inventory, up from 41 percent last year.

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

State	Breeding			Market			Total		
	2008	2009	'09 as % of '08	2008	2009	'09 as % of '08	2008	2009	'09 as % of '08
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
IL	460	480	104	3,890	3,820	98	4,350	4,300	99
IA	**1,080**	**1,020**	**94**	**18,320**	**18,580**	**101**	**19,400**	**19,600**	**101**
MN	580	580	100	6,920	6,820	99	7,500	7,400	99
MO	380	345	91	2,720	2,655	98	3,100	3,000	97
NE	380	390	103	3,020	2,860	95	3,400	3,250	96
NC	1,020	990	97	9,080	8,610	95	10,100	9,600	95
US	6,131	5,967	97	61,269	60,112	98	67,400	66,079	98

[1] May not add due to rounding.

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

State	Under 60 lbs.		60-119 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	1,400	1,360	990	1,030	850	790	650	640
IA	**5,430**	**5,380**	**5,060**	**5,250**	**4,450**	**4,530**	**3,380**	**3,420**
MN	2,660	2,660	1,760	1,760	1,470	1,370	1,030	1,030
MO	1,295	1,295	545	490	475	455	405	415
NE	1,120	1,060	810	750	650	630	440	420
NC	3,700	3,420	2,150	1,920	1,760	1,740	1,470	1,530
US	22,197	21,673	15,321	15,008	12,892	12,584	10,860	10,847

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

ECONOMIST CORNER

By Shane Ellis, Livestock Economist, and Chad Hart, Grain Marketing Specialist,
Iowa Cooperative Extension Service – Ames

The June hog and pig report came in close to analysts' expectations. There are now 2 percent less total hogs with a 2.7 percent reduction in the number of sows and 1.9 percent fewer market hogs. While the number of market hogs available is declining, remember that domestic supply is impacted by the amount of product being exported. Pork exports are down more than 11 percent this year compared to last. Last year 20 percent of pork production was exported and now more than a tenth of that will remain in the domestic supply, a 2 percent reduction in market hogs is quickly mitigated. Hog slaughter weights are also up (an average 3-4 lbs) from a year ago. This is due partially due to the more temperate weather of the last spring and producers holding their hogs just a little bit longer in hopes that the expected summer price rally would come. Not to spread pessimism, but it looks as though live hog prices will remain in the low $40 for the remainder of the year.

The prospect of falling corn prices should give some encouragement to feeder cattle producers. As feed prices moderate feedlots are more likely to improve their bids for feeder cattle. Remember that cattle feeders have seen some tremendous losses in the past two years, and may be a little skittish about bidding up calf prices until they are sure of fed cattle prices. Beef prices increased slightly during June as grills heated up for the Father's Day and Independence Day weekends. Beef supplies continue to be lower than a year ago and with cattle on feed numbers down 4 percent there is hope that prices will improve. The futures market appears to be optimistic with $90/cwt for fourth quarter live cattle contracts, a $4 improvement from a month ago.

The combination of slightly higher corn stocks, significantly higher corn area, and improving weather conditions will have a strong impact on corn prices, providing additional momentum for price drops in the market. The corn market has already shed 20 cents per bushel over the last couple of weeks and as I write this on the morning of June 30th, the corn market looks to be limit down (30 cents per bushel) today. With the substantial increase in corn acreage, it will be interesting to see if USDA continues to adjust its yield estimate downward. If USDA holds national corn yields at the current estimate, 153.4 bushels per acre, the acreage shift will imply 350 million more bushels of corn than previously estimated.

And while the soybean area was less than expected, we are still talking about record acreage. And given USDA's current yield estimate for 2009, 42.6 bushels per acre, the additional acreage adds 65 million bushels to the projected crop. At 3.26 billion bushels, that would be record production, eclipsing 2006. But as with corn, USDA may adjust its yield in upcoming reports to reflect the planting and crop development delays. Weather will continue to play a major role in the markets going forward. Producers in the eastern Corn Belt are looking for a repeat of last year when the second half of the growing season was nearly ideal. However, given the delays in crop development, any weather stress will translate into crop stress quickly and a rebound in crop prices.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Jun [1] 2008	IOWA May [1] 2009	IOWA Jun [2] 2009	U.S. May [1] 2009	U.S. Jun [2] 2009
		Dollars				
Corn	Bu	5.40	4.06	3.90	3.97	3.93
Oats	Bu	3.39	2.87	2.70	2.64	2.23
Soybeans	Bu	13.10	10.60	11.50	10.70	11.60
Alfalfa, baled	Ton	148.00	120.00	117.00	138.00	128.00
All Hay, baled	Ton	145.00	113.00	114.00	131.00	123.00
Hogs, all	Cwt	53.60	45.10	44.90	44.50	43.90
Sows	Cwt	26.60	40.00	35.20	43.20	36.50
Brw & Gilts	Cwt	54.20	45.20	45.00	44.60	44.10
Beef Cattle	Cwt	93.30	86.30	83.30	83.20	80.80
Cows	Cwt	57.30	51.00	49.00	49.10	45.50
Strs & Hfrs	Cwt	94.00	87.00	84.00	87.80	85.40
Calves	Cwt	115.00	109.00	110.00	112.00	111.00
Milk Cows [3]	Hd	-	-	-	-	-
Milk (whls)	Cwt	19.30	12.00	11.80	11.60	11.40
Sheep	Cwt	25.50	32.00	-	31.90	-
Lambs	Cwt	105.00	106.00	-	101.00	-
Eggs (mkt)	Doz	0.882	0.341	0.330	0.412	0.386

[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 Jun 2008	IOWA May 2009	IOWA Jun [1] 2009	UNITED STATES Jun 2008	UNITED STATES May 2009	UNITED STATES Jun [1] 2009
	1990-92=100 [2]					
Prices rec'd	180	141	142	158	130	135
Crops	237	184	186	183	150	162
Oil Bearing	235	190	206	236	191	207
Feed Grains	239	180	173	231	173	169
Lvstk	123	98	99	137	113	112
Meat Anim	116	101	99	123	110	107
Poult & Eggs	179	74	98	154	142	147
	1910-14=100 [3]					
Prices rec'd	-	-	-	1,004	823	859
Crops	-	-	-	907	744	803
Oil Bearing	-	-	-	1,292	1,048	1,136
Feed Grains	-	-	-	822	617	603
Lvstk	-	-	-	1,048	863	859
Meat Anim	-	-	-	1,252	1,117	1,089
Poult & Eggs	-	-	-	433	399	412

[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	Jun 2008	May 2009	Jun 2009	Jun 2008	May 2009	Jun 2009
	1990-92=100			1910-14=100		
Prices Paid [1]	187	178	179	2,493	2,365	2,382
Feed	203	192	198	989	939	969
Fertilizer	406	293	289	1,489	1,076	1,061
Fuels	425	207	241	3,282	1,597	1,858
Chemicals	138	150	149	854	927	922
Lvstk/Poultry	124	118	113	1,588	1,512	1,444
Ratio [2]	84	73	75	-	-	-
Parity Ratio [3]	-	-	-	40	35	36

[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 May 2009 totaled 384 million pounds, up 2.1 percent from May 2008. The average number of milk cows, 215,000 head, was down from 216,000 head in May 2008. Production per cow averaged 1,785 pounds, up from 1,740 pounds in May 2008.

Milk Cows and Production: By Selected States, May 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	102	1,665	1,670	170	170	
IN	168	168	1,730	1,765	291	297	2.1
IA	**216**	215	**1,740**	1,785	**376**	384	2.1
KS	115	120	1,790	1,835	206	220	6.8
MI	350	357	1,935	1,955	677	698	3.1
MN	463	468	1,645	1,675	762	784	2.9
MO	111	110	1,365	1,330	152	146	-3.9
OH	282	278	1,660	1,670	468	464	-0.9
WI	1,251	1,256	1,710	1,735	2,139	2,179	1.9
23-State Total [3]	8,496	8,471	1,819	1,828	15,451	15,483	0.2

[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 May 2009 was 1.22 billion eggs, down slightly from May 2008. The total number of layers on hand during May 2009 was 53.8 million, up from 53.6 million layers in May 2008. Eggs per 100 layers for the month of May was 2,271, down from 2,291 eggs the previous year.

All Layers and Egg Production, May 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	23,552	22,841	24,251	23,583	2,284	2,336	554	551	542	537	12	14
IA	**52,718**	**52,863**	**53,643**	**53,755**	**2,291**	**2,271**	**1,229**	**1,221**	**1,213**	**1,206**	**16**	**15**
MN	9,691	9,599	10,192	10,096	2,325	2,288	237	231	228	223	9	8
NE	9,533	9,521	9,583	9,571	2,463	2,466	236	236	236	236	0	0
NC	4,965	5,492	12,547	12,773	2,088	2,153	262	275	121	142	141	133
OH	25,483	26,441	25,942	26,898	2,251	2,279	584	613				
29 Sts[4]	260,357	260,188	316,481	313,409	2,230	2,262	7,059	7,089	6,050	6,135	1,009	954
US	275,130	275,102	340,116	336,699	2,224	2,256	7,564	7,597	6,409	6,505	1,155	1,092

[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 [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.