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Cattle on Feed

Iowa: There were 774,000 cattle on feed for the slaughter market in all feedlots in Iowa on June 1, 2008, down 4 percent from May 1, 2008, and down 6 percent from June 1, 2007. Feedlots with a capacity greater than 1,000 head had 520,000 head on feed, down 2 percent from last month but unchanged from last year. Feedlots with a capacity less than 1,000 head had 254,000 head on feed, down 8 percent from last month and 16 percent from last year.

Placements during May totaled 77,000 head, a decrease of 19 percent from last month and 7 percent from last year. Feedlots with a capacity greater than 1,000 head placed 58,000 head, down 2 percent from last month but up 7 percent from last year. Feedlots with a capacity less than 1,000 head placed 19,000 head. This is down 47 percent from last month and 34 percent from last year.

Marketings for May were 98,000 head, down 9 percent from last month and 10 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 65,000 head, down 16 percent from last month but up 3 percent from last year. Feedlots with a capacity less than 1,000 head marketed 33,000 head, up 6 percent from last month but down 28 percent from last year. Other disappearance totaled 11,000 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 10.8 million head on June 1, 2008. The inventory was 4 percent below June 1, 2007 and 3 percent below June 1, 2006.

Placements in feedlots during May totaled 1.90 million, 12 percent below 2007 and slightly below 2006. Net placements were 1.82 million head. During May, placements of cattle and calves weighing less than 600 pounds were 340,000, 600-699 pounds were 350,000, 700-799 pounds were 564,000, and 800 pounds and greater were 645,000.

Marketings of fed cattle during May totaled 2.14 million, 3 percent above 2007 but 1 percent below 2006.

Other disappearance totaled 80,000 during May, 19 percent below 2007 and 30 percent below 2006.

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, 2008	530	276	806
May Placements	58	19	77
May Marketings	65	33	98
May Other Disappearance	3	8	11
Cattle on Feed, June 1, 2008	520	254	774

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]		
	2007	2008	'08 as % of '07	2007	2008	'08 as % of '07	2007	2008	'08 as % of '07	2007	2008	'08 as % of '07
	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	340	365	107	36	34	94	32	38	119	4	1	25
CA	555	525	95	73	80	110	65	71	109	3	4	133
CO	1,020	920	90	175	150	86	155	170	110	20	10	50
ID	230	215	93	43	28	65	42	36	86	6	2	33
IA	**520**	**520**	**100**	**54**	**58**	**107**	**63**	**65**	**103**	**1**	**3**	**300**
KS	2,290	2,190	96	465	410	88	500	490	98	25	20	80
NE	2,290	2,250	98	390	370	95	500	480	96	20	20	100
NM	128	149	116	34	23	68	23	23	100	1	1	100
OK	340	305	90	71	76	107	65	75	115	1	1	100
SD	215	205	95	34	34	100	45	46	102	4	3	75
TX	2,870	2,690	94	710	560	79	510	550	108	10	10	100
WA	149	145	97	29	29	100	33	38	115	1	1	100
Oth Sts	325	335	103	45	47	104	52	58	112	3	4	133
US	11,272	10,814	96	2,159	1,899	88	2,085	2,140	103	99	80	81

[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 19.4 million hogs and pigs on Iowa farms, matching the record high. The June 1 inventory was up 1.20 million from a year ago.

The March – May 2008 pig crop was 4.96 million head. A total of 530,000 sows farrowed with an average litter size of 9.35 pigs per sow.

As of June 1, producers planned to farrow 520,000 head of sows and gilts in the June – August 2008 quarter. Farrowing intentions for the September - November 2008 period were estimated at 520,000 as of June 1, 2008.

United States: U.S. inventory of all hogs and pigs on June 1, 2008 was 67.7 million head. This was up 6 percent from June 1, 2007, and up 1 percent from March 1, 2008.

Breeding inventory, at 6.07 million head, was down 1 percent from last year, and down 1 percent from the previous quarter. Market hog inventory, at 61.6 million head, was up 7 percent from last year, and up 1 percent from last quarter.

The March-May 2008 pig crop, at 29.0 million head, was up 4 percent from 2007 and up 9 percent from 2006. Sows farrowing during this period totaled 3.09 million head, up 2 percent from 2007 and up 6 percent from 2006. The sows farrowed during this quarter represented 51 percent of the breeding herd. The average pigs saved per litter was 9.38 for the March-May 2008 period, compared to 9.20 last year. Pigs saved per litter by size of operation ranged from 7.70 to 9.40.

U.S. hog producers intend to have 3.07 million sows farrow during the June-August 2008 quarter, down 2 percent from the actual farrowings during the same period in 2007, but up 5 percent from 2006. Intended farrowings for September-November 2008, at 3.05 million sows, are down 4 percent from 2007 but up 3 percent from 2006.

The total number of hogs under contract owned by operations with over 5,000 head, but raised by contractees, accounted for 41 percent of the total U.S. hog inventory, up from 39 percent last year.

Hogs and Pigs: Breeding, Market, and Total Inventory
By Selected States and United States, June 1, 2007-2008 [1]

State	Breeding			Market			Total		
	2007	2008	'08 as % of '07	2007	2008	'08 as % of '07	2007	2008	'08 as % of '07
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
IL	440	440	100	3,560	3,910	110	4,000	4,350	109
IA	**1,080**	**1,090**	**101**	**17,120**	**18,310**	**107**	**18,200**	**19,400**	**107**
MN	610	580	95	6,390	7,020	110	7,000	7,600	109
MO	375	375	100	2,675	2,775	104	3,050	3,150	103
NE	360	360	100	2,790	3,040	109	3,150	3,400	108
NC	1,020	1,020	100	8,680	9,080	105	9,700	10,100	104
US	6,120	6,069	99	57,830	61,591	107	63,951	67,661	106

[1] May not add due to rounding.

Market Hogs and Pigs: Inventory Number by Weight Group,
Selected States, and United States, June 1, 2007-2008 [1]

State	Under 60 lbs.		60-119 lbs.		120-179 lbs.		180 lbs. and over	
	2007	2008	2007	2008	2007	2008	2007	2008
	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	1,310	1,420	920	990	760	850	570	650
IA	**5,450**	**5,500**	**4,770**	**4,910**	**3,850**	**4,450**	**3,050**	**3,450**
MN	2,570	2,760	1,620	1,760	1,300	1,470	900	1,030
MO	1,300	1,330	545	565	505	475	325	405
NE	1,040	1,130	730	810	580	650	440	450
NC	3,600	3,700	2,000	2,150	1,670	1,760	1,410	1,470
US	21,782	22,587	14,339	15,167	11,790	12,907	9,920	10,931

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

ECONOMIST CORNER

By Shane Ellis, Extension Livestock Economist, Iowa Cooperative Extension Service & Chad Har,t Iowa State University Economist

The June Hog and Pigs Report indicated a reduction in future pork production, while current supplies of market hogs remain at record levels. Sow numbers nationally have declined after several months of increased sow slaughter and fewer gilt placements. Farrowing intentions are lower in the coming months, however pigs produced per litter continues to increase. Pork supplies will be larger for the duration of 2008, but ISU forecasts that live hog prices will remain in the range of $45-52/cwt thanks to increasing demand. Despite the higher supplies, the price decline of the 4th quarter in 2007 is not likely to be repeated. Prices have started to back off from the summer peak, and the ISU Estimated Returns indicate that returns are again in the red with losses of almost $12/hd for farrow to finish operations. Increasing corn prices will continue to be a challenge for hog producers and profitability will be elusive until 2009.

Cattle on feed inventories are down over 4 percent, with May placements down 12 percent. Producers are pursuing cheaper methods to grow cattle, and many young cattle are being grazed as stockers rather than being placed on concentrated feed. Feedlot lots continue to pay a substantial price for feeder cattle in hopes that fed cattle prices will rally in the fourth quarter as the futures continue to indicate live cattle prices will be over $110/cwt. For the summer though, cattle feeders will continue to see red. The ISU estimated returns suggested a loss of $27 to finishing yearling steers marketed in June. Domestic demand for beef has suffered from the increasing cost of living, while exports have expanded to recover a third of the 2003 levels.

For crop producers, the next big report is the update of the World Agricultural Supply and Demand Estimates on July 11. This will be the first report with national yield estimates after the flooding. USDA had already lowered national corn yield estimates to 149 bushels per acre in the June report based on the slower than average crop progress. No adjustments have been made to national soybean yields yet. The yield and production estimates from the July report will figure prominently in the market moves over the next few weeks. Another yield adjustment in corn could push estimated production below 11.5 billion bushels, well below last year's record production. This would tighten the outlook for corn as projected usage was already above estimated production. A similar situation could develop for soybeans. Even at trend yields, if demand holds as projected, 2008 ending stocks could approach 100 million bushels, below the carryout projected for 2007. Any sort of downward yield adjustment would continue to tighten an already tight market.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Jun [1] 2007	IOWA May [1] 2008	IOWA Jun [2] 2008	U.S. May [1] 2008	U.S. Jun [2] 2008
		--------------Dollars--------------				
Corn	Bu	3.44	5.07	5.90	5.28	6.12
Oats	Bu	2.71	3.96	4.00	3.63	3.64
Soybeans	Bu	7.55	12.00	13.80	12.10	13.50
Alfalfa, baled	Ton	108.00	137.00	148.00	177.00	172.00
All Hay, baled	Ton	104.00	129.00	145.00	166.00	161.00
Hogs, all	Cwt	55.60	56.70	54.70	55.30	53.60
Sows	Cwt	38.00	25.10	26.10	25.10	27.50
Brw & Gilts	Cwt	56.00	57.00	55.00	56.60	54.70
Beef Cattle	Cwt	86.80	93.20	91.80	91.10	91.60
Cows	Cwt	54.40	56.40	57.00	53.90	53.80
Strs & Hfrs	Cwt	87.50	94.00	92.50	95.90	95.90
Calves	Cwt	116.00	114.00	116.00	119.00	120.00
Milk Cows [3]	Hd	-	-	-	-	-
Milk (whls)	Cwt	19.90	18.20	19.20	18.40	19.40
Sheep	Cwt	31.00	30.00	-	27.70	-
Lambs	Cwt	100.00	95.00	-	100.00	-
Eggs (mkt)	Doz	0.458	0.634	0.882	0.698	0.927

[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 2007	IOWA May 2008	IOWA Jun [1] 2008	UNITED STATES Jun 2007	UNITED STATES May 2008	UNITED STATES Jun [1] 2008
	1990-92=100 [2]					
Prices rec'd	132	171	188	137	151	162
Crops	145	220	225	141	171	190
Oil Bearing	136	215	248	135	217	243
Feed Grains	153	224	260	159	227	250
Lvstk	118	122	123	134	134	137
Meat Anim	115	120	117	121	123	123
Poult & Eggs	97	129	179	140	149	154
	1910-14=100 [3]					
Prices rec'd	-	-	-	872	956	1,026
Crops	-	-	-	698	841	937
Oil Bearing	-	-	-	740	1,188	1,328
Feed Grains	-	-	-	570	813	895
Lvstk	-	-	-	1,026	1,026	1,050
Meat Anim	-	-	-	1,225	1,251	1,249
Poult & Eggs	-	-	-	393	419	434

[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 2007	May 2008	Jun 2008	Jun 2007	May 2008	Jun 2008
	1990-92=100			1910-14=100		
Prices Paid [1]	161	186	189	2,149	2,476	2,526
Feed	148	198	211	721	965	1,031
Fertilizer	218	364	386	800	1,336	1,416
Fuels	263	400	423	2,026	3,084	3,267
Chemicals	129	139	142	799	857	881
Lvstk/Poultry	129	127	127	1,648	1,621	1,621
Ratio [2]	85	81	86	-	-	-
Parity Ratio [3]	-	-	-	41	39	41

[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.

Milk Production

Milk production in Iowa in May 2008 totalled 372 million pounds, 4 million pounds less than May 2007. The average number of milk cows, 216,000 head, was 4,000 head more than May 2007. Production per cow averaged 1,720 pounds, 55 pounds less than a year ago.

Milk Cows and Production: By Selected States, May 2007-2008

State	Milk Cows [1]		Milk Per Cow [2]		Milk Production [2]		
	2007	2008	2007	2008	2007	2008	Change from 2007
	1,000 Head	*1,000 Head*	*Pounds*	*Pounds*	*Million Pounds*	*Million Pounds*	*Percent*
IL	103	102	1,670	1,665	172	170	-1.2
IN	167	168	1,740	1,730	291	291	
IA	**212**	**216**	**1,775**	**1,720**	**376**	**372**	**-1.1**
KS	109	110	1,710	1,875	186	206	10.8
MI	332	347	1,935	1,900	642	659	2.6
MN	458	463	1,660	1,635	760	757	-0.4
MO	114	111	1,380	1,365	157	152	-3.2
OH	276	282	1,640	1,650	453	465	2.6
WI	1,247	1,251	1,685	1,710	2,101	2,139	1.8
23-State Total [3]	8,298	8,460	1,791	1,816	14,860	15,361	3.4

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

Egg Production

Egg production in Iowa for May 2008 was 1.2 billion eggs, up 3 percent from May 2007. The total number of layers on hand during May 2008 was 53.7 million, up from 52.0 million layers in May 2007. Eggs per 100 layers for the month of May was 2,291, up from 2,189 eggs the previous year.

All Layers and Egg Production, May 2007 and 2008 [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]	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Number*	*Number*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*
IN	24,164	23,552	24,856	24,251	2,265	2,284	563	554	551	542	12	12
IA	51,092	52,754	52,035	53,681	2,289	2,291	1,191	1,230	1,175	1,214	16	16
MN	10,171	9,691	10,644	10,192	2,292	2,325	244	237	236	228	8	9
NE	10,943	9,533	11,018	9,608	2,196	2,456	242	236	242	236	0	0
NC	4,285	4,965	12,255	12,587	2,089	2,089	256	263	108	122	148	141
OH	25,594	25,483	26,174	26,092	2,266	2,250	593	587				
29 Sts[4]	261,560	260,103	318,902	317,357	2,228	2,231	7,106	7,080	6,093	6,067	1,014	1,013
US	276,946	274,782	342,469	340,319	2,226	2,226	7,622	7,574	6,475	6,429	1,148	1,145

[1] 2008 preliminary, 2007 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.

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