Agri-News

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Iowa Cattle on Feed Numbers Down 7% from Last Year

Iowa: There were 860,000 cattle on feed for the slaughter market in all feedlots in Iowa on April 1, 2007, virtually unchanged from last month, but down 7 percent from April 1, 2006. Feedlots with a capacity greater than 1,000 head had 530,000 head on feed, unchanged from last month but up 6 percent from last year. Feedlots with a capacity less than 1,000 head had 330,000 head on feed, down 1 percent from last month and 21 percent from last year.

Placements during March totaled 104,000 head, a increase of 33 percent from last month and 9 percent from last year. Feedlots with a capacity greater than 1,000 head placed 72,000 head, up 13 percent from last month and up 31 percent from last year. Feedlots with a capacity less than 1,000 head placed 32,000 head, more than twice the amount placed last month but down 20 percent from last year.

Marketings for March were 102,000 head, up 6 percent from last month but down 5 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 70,000 head, up 11 percent from last month but down 4 percent from last year. Feedlots with a capacity less than 1,000 head marketed 32,000 head, down 3 percent from last month and 6 percent from last year. Other disappearance totaled 6,000 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 11.6 million head on April 1, 2007. The inventory was 1 percent below April 1, 2006 but 7 percent above April 1, 2005. This is the second highest April 1 inventory since the series began in 1996. The inventory included 7.43 million steers and steer calves, down 4 percent from the previous year. This group accounted for 64 percent of the total inventory. Heifers and heifer calves accounted for 4.14 million head, up 4 percent from 2006.

Placements in feedlots during March totaled 1.97 million, 7 percent above 2006 and 12 percent above 2005. Net placements were 1.89 million. During March, placements of cattle and calves weighing less than 600 pounds were 350,000, 600-699 pounds were 375,000, 700-799 pounds were 640,000, and 800 pounds and greater were 600,000.

Marketings of fed cattle during March totaled 1.85 million, down 6 percent from 2006 and 6 percent below 2005.

Other disappearance totaled 72,000 during March, 20 percent below 2006 but 6 percent above 2005.

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, March 1, 2007	530	334	864
March Placements	72	32	104
March Marketings	70	32	102
March Other Disappearance	2	4	6
Cattle on Feed, April 1, 2007	530	330	860

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

State	Cattle on Feed April 1			Placements during March			Marketings during March			March Disappearance other than Slaughter [2]		
	2006	2007	'07 as % of '06	2006	2007	'07 as % of '06	2006	2007	'07 as % of '06	2006	2007	'07 as % of '06
	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	351	340	97	30	46	153	28	33	118	2	2	100
CA	535	530	99	59	68	115	68	65	96	6	3	50
CO	1,070	1,020	95	155	165	106	165	145	88	10	10	100
ID	250	245	98	42	38	90	45	42	93	2	1	50
IA	**500**	**530**	**106**	**55**	**72**	**131**	**73**	**70**	**96**	**2**	**2**	**100**
KS	2,590	2,480	96	480	510	106	470	430	91	30	20	67
NE	2,400	2,480	103	335	350	104	370	370	100	15	10	67
NM	139	131	94	21	19	90	23	17	74	2	1	50
OK	360	350	97	68	68	100	72	67	93	1	1	100
SD	210	230	110	36	40	111	35	37	106	1	3	300
TX	2,940	2,800	95	485	520	107	540	495	92	15	15	100
WA	152	163	107	26	26	100	27	32	119	1	1	100
Oth Sts	315	345	110	45	43	96	42	45	107	3	3	100
US	11,812	11,644	99	1,837	1,965	107	1,958	1,848	94	90	72	80

[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.

2006 Meat Animal Production and Value

Iowa: The 2006 gross income from cattle and calves, hogs and pigs, and sheep and lambs for Iowa totaled $6.75 million, down from $6.77 million in 2005. Gross income increased for cattle and claves but decreased for hogs and pigs, and sheep and lambs. Cattle and calves increased 5.0 percent but hogs and pigs decreased 3.1 percent and sheep and lambs decreased 17.5 percent.

United States: The 2006 gross income from cattle and calves, hogs and pigs, and sheep and lambs for the U.S. totaled $64.2 billion, down 2 percent from 2005. Gross income decreased for cattle and calves, hogs and pigs, and sheep and lambs. Cattle and calves decreased slightly, hogs and pigs decreased 6 percent, and sheep and lambs decreased 15 percent.

Cattle and Calves: Cash receipts from marketings of cattle and calves decreased slightly from $49.3 billion in 2005 to $49.1 in 2006. All cattle and calf marketings totaled 54.7 billion pounds in 2006, up 3 percent from 2005. The U.S. annual average price per 100 pounds live weight for cattle was $87.20, a decrease of $2.50 from 2005. For calves, the annual average price decreased from $135.00 to $133.00.

Hogs and Pigs: Cash receipts from hogs and pigs totaled $14.1 billion during 2006, down 6 percent from 2005. Marketings totaled 29.2 billion pounds in 2006, up 3 percent from 2005. The U.S. annual average price per 100 pounds live weight decreased from $50.20 in 2005 to $46.00 in 2006.

Sheep and Lambs: Cash receipts from marketings of sheep and lambs in 2006 were $481 million, down 15 percent from 2005. Marketings decreased slightly to 569 million pounds. The U.S. annual average price per 100 pounds live weight for sheep decreased from $45.10 in 2005 to $35.20 in 2006. For lambs, the annual average price decreased from $110.00 to $95.50.

2006 Meat Animals Production and Value

	Cattle and Calves			Hogs and Pigs			Sheep and Lambs		
	Production	Value per Head	Value of Production	Production	Value per Head	Value of Production	Production	Value per Head	Value of Production
	1,000 lbs.	*Dollars*	*$1,000*	*1,000 lbs.*	*Dollars*	*$1,000*	*1,000 lbs.*	*Dollars*	*$1,000*
CA	1,996,884	1,140	1,176,579	68,869	120	32,924	40,415	127	31,806
CO	1,939,964	970	1,933,707	339,170	82	177,192	75,937	124	54,830
IA	1,820,382	910	1,467,887	8,211,548	95	3,494,849	32,464	143	27,071
MN	1,050,152	960	812,295	3,337,839	110	1,506,819	14,434	139	11,704
NE	4,811,431	890	4,055,119	1,411,215	96	698,686	9,494	136	7,320
TX	6,804,000	790	5,810,154	259,989	75	106,242	51,199	106	40,881
U.S.	42,102,317	922	35,740,774	28,140,468	90	12,703,842	463,138	134	368,184

2006 Milk Production and Value

Iowa: Milk production totaled 4,130 million pounds for 2006, up 2.6 percent from 2005. The average number of milk cows was 205 thousand head, up ten thousand head from a year earlier. Production per cow was 20,146 pounds, down 495 pounds from 2005. The value of milk produced decreased to $537 million from the 2005 value of $616 million.

United States: Milk production increased 2.8 percent in 2006 to 182 billion pounds. The rate per cow, at 19,951 pounds, was 386 pounds above 2005. The annual average number of milk cows on farms was 9.11 million head, up 69,000 head from 2005.

Cash receipts from marketings of milk during 2006 totaled $23.4 billion, 12.3 percent lower than 2005. Producer returns averaged $12.97 per hundredweight, 14.6 percent below 2005. Marketings totaled 181 billion pounds, 2.8 percent above 2005. Marketings include whole milk sold to plants and dealers and milk sold directly to consumers.

An estimated 1.14 billion pounds of milk were used on farms where produced, 0.3 percent more than 2005. Calves were fed 87 percent of this milk, with the remainder consumed in producer households.

Milk Cows, Production, and Value of Production, 2005 [1]-2006

State	Milk Cows [2]		Milk Per Cow [3]		Milk Production [3]		Value of Milk Produced [4] [5]	
	2005	2006	2005	2006	2005	2006	2005	2006
	Thousands	*Thousands*	*Pounds*	*Pounds*	*Million Pounds*	*Million Pounds*	*1,000 Dollars*	*1,000 Dollars*
CA	1,755	1,780	21,404	21,815	37,564	38,830	5,228,909	4,496,514
IL	104	103	18,827	19,204	1,958	1,978	297,616	278,898
IA	195	205	20,641	20,146	4,025	4,130	615,825	536,900
MN	453	450	18,091	18,587	8,195	8,364	1,262,030	1,087,320
MO	117	115	16,026	16,000	1,875	1,840	290,625	244,720
WI	1,236	1,243	18,500	18,824	22,866	23,398	3,567,096	3,111,934
US	9,043	9,112	19,565	19,951	176,929	181,798	26,873,946	23,573,744

[1] Revised. [2] Average number during year. Excludes heifers not yet fresh. [3] Excludes milk sucked by calves. [4] Value at average returns per 100 pounds of milk in combined marketings of milk and cream. [5] Includes value of milk fed to calves.

ECONOMIST CORNER

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

Livestock: Fed cattle prices reached $100/cwt in April, the highest prices since the fall of 2003. The beginning of the summer grilling season starts and domestic demand for beef is at its highest. As demand has grown packers are encountering more competition in acquiring finished cattle. Feedlots are once again entering the realm of profitability, as cattle prices have increased to record highs for the spring months. Although cattle prices are not expected to cross the $100/cwt threshold very often after Memorial Day, expectations are that prices will remain in the mid-$90/cwt for most of the year. Demand, both foreign and domestic will continue to be support behind the cattle market. So far, 2007 beef exports are up more than 25 percent from a year ago, and domestic consumption remains steady despite increased meat prices and sluggish consumer spending.

Live hog prices continue to improve. Average April hog prices were up more than 13 percent from a year ago. Average hog prices are expected to continue to increase for the next several months and remain above $50/cwt until fall. These generous prices will alleviate some of the continued strain that high feed costs have placed on producers. Corn and feed costs in general are expected to remain steady for the present time, and favorable growing conditions are helping suppress concerns of continued corn price escalation. First quarter pork consumption appears to be steady with a year ago despite higher prices, and year to date pork exports continue to exceed those of 2006.

Grain: Key questions affecting corn and soybean prices include (1) will all of the intended 90.5 million U.S. corn acres be planted?, (2) will significantly later Midwest plantings than in the last four years reduce yields?, (3) how much corn yield reduction may occur in the southern part of the Corn Belt and southern U.S. from the early April freeze that required some replanting of corn and set other fields back 2 to 2.5 weeks? and (4) how much failed winter wheat will be replanted to soybeans vs. corn? The grain trade will try to answer these questions over the next several weeks. ***A clearer picture of 2007 acreage will be available from the June 29 Planted Acreage report.*** Updated stocks numbers on June 29 also will allow analysts to estimate U.S. corn feeding during the March-May quarter. Earlier demand projections included sharply increased wheat feeding as a substitute for corn this spring and summer. ***However, since late March, Chicago July wheat futures have risen about 60 cents per bushel while July corn futures have declined $0.45 per bushel.*** These changes may shift corn more heavily into livestock rations than was anticipated earlier.

These developments along with firm ethanol prices and rising crude oil prices look positive for corn prices from a market fundamentals viewpoint, although technical developments look somewhat negative. Index fund traders have reduced their long corn positions in response to the sharp increase in intended U.S. corn plantings and projections of reduced domestic corn feeding. With favorable planting conditions in the next two weeks, a negative technical picture would likely bring further downward pressure on corn prices. If corn plantings progress rapidly, soybean futures may receive some support from expectations that fewer intended corn acres would be shifted back to soybeans.

Cumulative export shipments and sales of corn and soybeans (as % of last year) remain well above levels projected for the marketing year. Exports are being supported by harvest delays and uncertainty about the size of South American crops as a result of heavy late March rains. The market also is signaling to foreign buyers to build up bean inventories for later use.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Apr [1] 2006	IOWA Mar [1] 2007	IOWA Apr [2] 2007	U.S. Mar [1] 2007	U.S. Apr [2] 2007
		--------------Dollars--------------				
Corn	Bu	2.04	3.34	3.20	3.43	3.20
Oats	Bu	1.79	2.72	2.70	2.39	2.39
Soybeans	Bu	5.47	6.89	6.75	6.95	6.81
Alfalfa, baled	Ton	81.00	104.00	102.00	120.00	128.00
All Hay, baled	Ton	80.00	102.00	101.00	117.00	124.00
All Hogs	Cwt	43.10	46.30	47.80	45.00	46.00
Sows	Cwt	29.50	31.50	28.00	32.90	26.80
Brw & Gilts	Cwt	43.20	46.60	48.00	45.50	46.80
Beef Cattle	Cwt	86.40	93.40	95.60	92.00	94.60
Cows	Cwt	49.50	48.70	51.00	47.20	48.80
Strs & Hfrs	Cwt	86.80	94.30	96.00	97.70	100.00
Calves	Cwt	130.00	114.00	117.00	124.00	126.00
Milk Cows [3]	Hd	1,780.00	-	1,760.00	-	1,730.00
Milk (whls)	Cwt	12.10	15.90	16.30	15.60	16.40
Sheep	Cwt	36.50	32.00	-	35.60	-
Lambs	Cwt	79.00	89.00	-	95.80	-
Eggs (mkt)	Doz	0.260	0.650	0.521	0.681	0.558

[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 Apr 2006	IOWA Mar 2007	IOWA Apr [1] 2007	UNITED STATES Apr 2006	UNITED STATES Mar 2007	UNITED STATES Apr [1] 2007
	1990-92=100 [2]					
Prices rec'd	95	128	125	111	134	135
Crops	94	138	134	119	145	144
Oil Bearing	98	124	121	99	125	122
Feed Grains	91	148	142	101	151	144
Lvstk	97	118	117	105	126	129
Meat Anim	99	121	124	111	119	123
Poult & Eggs	66	94	59	104	148	146
	1910-14=100 [3]					
Prices rec'd	-	-	-	707	852	860
Crops	-	-	-	588	713	711
Oil Bearing	-	-	-	541	683	668
Feed Grains	-	-	-	363	539	516
Lvstk	-	-	-	807	964	987
Meat Anim	-	-	-	1,133	1,209	1,247
Poult & Eggs	-	-	-	293	415	410

[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	Apr 2006	Mar 2007	Apr 2007	Apr 2006	Mar 2007	Apr 2007
	1990-92=100			1910-14=100		
Prices Paid [1]	148	155	157	1,973	2,071	2,094
Feed	123	148	147	602	723	718
Fertilizer	180	208	209	659	762	766
Fuels	244	242	258	1,882	1,864	1,992
Chemicals	126	130	130	777	806	805
Lvstk/Poultry	131	130	134	1,677	1,662	1,713
Ratio [2]	75	86	86	-	-	-
Parity Ratio [3]	-	-	-	36	41	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.

Iowa Milk Production up 4.2 Percent

Iowa: Milk production in Iowa in March totaled 373 million pounds, up 4.2 percent from March 2006. The average number of milk cows, 211,000 head, was 10,000 head higher than March 2006. Production per cow averaged 1,770 pounds, down 10 pounds from last year.

Milk Cows and Production, Selected States, March 2006-2007

State	Milk Cows [1]		Milk Per Cow [2]		Milk Production [2]		
	2006	2007	2006	2007	2006	2007	Change from '06
	1,000 Head	*1,000 Head*	*Pounds*	*Pounds*	*Million Pounds*	*Million Pounds*	*Percent*
IL	104	103	1,720	1,655	179	170	-5.0
IN	163	167	1,775	1,770	289	296	2.4
IA	201	211	1,780	1,770	358	373	4.2
KS	111	110	1,840	1,775	204	195	-4.4
MI	316	326	1,905	1,940	602	632	5.0
MN	450	455	1,625	1,650	731	751	2.7
MO	115	115	1,500	1,370	173	158	-8.7
OH	273	275	1,560	1,540	426	424	-0.5
WI	1,241	1,246	1,620	1,640	2,010	2,043	1.6
23-State Total [3]	8,224	8,282	1,775	1,782	14,599	14,760	1.1

[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.

Iowa and U.S. Egg Production

Iowa: Egg production in Iowa for March 2007 was 1.16 billion eggs, down 2.9 percent from the same period a year ago. The total number of layers on hand during March 2007 was 52.37 million, up slightly from 52.26 million layers in March 2006. Eggs per 100 layers for the month of March was 2,217, down from 2,289 eggs the previous year.

All Layers and Egg Production, Selected States, March 2006 and 2007 [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]	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Number*	*Number*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*	*Million eggs*
IN	24,077	23,811	24,772	24,486	2,301	2,279	570	558	557	545	13	13
IA	51,455	51,456	52,257	52,367	2,289	2,217	1,196	1,161	1,182	1,146	14	15
MN	10,816	10,269	11,292	10,755	2,258	2,287	255	246	247	237	8	9
NE	11,742	11,148	11,817	11,223	2,327	2,290	275	257	275	257		
OH	28,526	27,123	29,053	27,687	2,261	2,304	657	638				
29 Sts[4]	269,752	265,498	326,365	322,352	2,240	2,244	7,309	7,232	6,329	6,240	981	992
US	285,658	281,366	350,470	346,437	2,238	2,243	7,843	7,769	6,732	6,646	1,112	1,123

[1] 2007 preliminary, 2006 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 those listed as well as AL, CO, CT, FL, HI, IL, ME, MD, MI, MS, MO, NY, OR, SC, SD, VA, WA, and WI.

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