Agri-News

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Iowa Cattle on Feed Numbers Down 3% from Last Month

Iowa: There were 801,000 cattle on feed for the slaughter market in all feedlots in Iowa on July 1, 2007, down 3 percent from June 1, 2007, and down 2 percent from July 1, 2006. Feedlots with a capacity greater than 1,000 head had 510,000 head on feed, down 2 percent from last month but up 11 percent from last year. Feedlots with a capacity less than 1,000 head had 291,000 head on feed, down 4 percent from last month, and down 18 percent from last year.

Placements during June totaled 72,000 head, a decrease of 13 percent from last month and 17 percent from last year. Feedlots with a capacity greater than 1,000 head placed 52,000 head, down 4 percent from last month and down 12 percent from last year. Feedlots with a capacity less than 1,000 head placed 20,000 head. This is down 31 percent from last month and down 29 percent from last year.

Marketings for June were 92,000 head, down 16 percent from last month and 12 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 61,000 head, down 3 percent from last month and 8 percent from last year. Feedlots with a capacity less than 1,000 head marketed 31,000 head, down 33 percent from last month, and down 21 percent from last year. Other disappearance totaled 3,000 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 10.7 million head on July 1, 2007. The inventory was 1 percent below July 1, 2006 but 3 percent above July 1, 2005. The inventory included 6.74 million steers and steer calves, down 5 percent from the previous year. This group accounted for 63 percent of the total inventory. Heifers and heifer calves accounted for 3.93 million head, up 6 percent from 2006.

Placements in feedlots during June totaled 1.66 million, 15 percent below 2006 and 6 percent below 2005. Net placements were 1.61 million. During June, placements of cattle and calves weighing less than 600 pounds were 405,000, 600-699 pounds were 325,000, 700-799 pounds were 457,000, and 800 pounds and greater were 470,000.

Marketings of fed cattle during June totaled 2.14 million, 3 percent below 2006 but up 3 percent from 2005.

Other disappearance totaled 52,000 during June, down 17 percent from 2006 and 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, June 1, 2007	520	304	824
June Placements	52	20	72
June Marketings	61	31	92
June Other Disappearance	1	2	3
Cattle on Feed, July 1, 2007	510	291	801

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

State	Cattle on Feed July 1			Placements during June			Marketings during June			June 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	344	343	100	34	39	115	30	35	117	1	1	100
CA	530	545	103	73	53	73	74	60	81	4	3	75
CO	980	940	96	170	120	71	210	190	90	10	10	100
ID	230	220	96	58	37	64	55	46	84	3	1	33
IA	**460**	**510**	**111**	**59**	**52**	**88**	**66**	**61**	**92**	**3**	**1**	**33**
KS	2,280	2,140	94	445	375	84	550	515	94	15	10	67
NE	1,990	2,050	103	370	330	89	490	560	114	10	10	100
NM	140	132	94	33	22	67	27	17	63	1	1	100
OK	340	325	96	63	52	83	67	66	99	1	1	100
SD	180	197	109	29	24	83	41	39	95	3	3	100
TX	2,980	2,870	96	530	485	92	500	475	95	10	10	100
WA	148	150	101	39	31	79	31	30	97	1	0	0
Oth Sts	270	315	117	43	37	86	57	46	81	1	1	100
US	10,872	10,737	99	1,946	1,657	85	2,198	2,140	97	63	52	83

[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.

July 1 Cattle Inventory Down Slightly

United States: All cattle and calves in the United States as of July 1, 2007, totaled 104.8 million head, slightly below the 105.2 million on July 1, 2006 but 1 percent above the 104.2 million two years ago.

All cows and heifers that have calved, at 42.5 million, were down slightly from the 42.6 million on July 1, 2006 but unchanged from two years ago. Beef cows, at 33.4 million, were down slightly from July 1, 2006 and July 1, 2005. Milk cows, at 9.15 million, were unchanged from July 1, 2006 but up 1 percent from two years ago. Other class estimates on July 1, 2007 and the changes from July 1, 2006, are as follows: all heifers 500 pounds and over, 16.6 million, unchanged; beef replacement heifers, 4.7 million, down 6 percent; milk replacement heifers, 3.9 million, up 3 percent; other heifers, 8.0 million, up 3 percent; steers weighing 500 pounds and over, 14.9 million, down 1 percent; bulls weighing 500 pounds and over, 2.1 million, unchanged; calves under 500 pounds, 28.7 million, down 1 percent; all cattle and calves on feed for slaughter, 12.3 million, down 2 percent.

The 2007 calf crop is expected to be 37.4 million, down slightly from 2006 and 2005. Calves born during the first half of the year are estimated at 27.2 million, down 1 percent from 2006 and 2005.

Cattle and Calves: Number by Class and Calf Crop, United States, July 1, 2006-2007

Class	United States		
	2006	2007	2007 as % of 2006
	1,000 Head	*1,000 Head*	*Percent*
All Cattle and Calves	105,200	104,800	100
Cows and Heifers That Have Calved	42,600	42,500	100
Beef Cows	33,450	33,350	100
Milk Cows	9,150	9,150	100
	2006	2007 [1]	2007 as % of 2006
Calf Crop	37,567	37,400	99

[1] Preliminary.

The USDA's National Agricultural Statistics Service (NASS) conducts hundreds of surveys every year and prepares reports covering virtually every aspect of U.S. agriculture--production and supplies of food and fiber, prices paid and received by farmers, farm labor and wages, farm finances, chemical use, and changes in the demographics of U.S. producers are only a few examples.

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ECONOMIST CORNER

Livestock by Shane Ellis and Grains by Robert Wisner
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Livestock:

The recent USDA Cattle Report suggests that the national herd has yet again started to decline, but only slightly. Beef cattle numbers are down a third of a percent and beef replacement heifers are down six percent. Beef producers are not in any hurry to expand cow inventories. In addition, cow slaughter is still running at about twelve percent higher than a year ago. The industry is not expanding for several reasons. Production costs may be high enough that even the continued higher than average cattle prices are not profitable enough to excite increased production. A second reason could be the slowly decreasing cattle prices, which dampen producer optimism in the market improving. For now, the changes in cattle inventory have been a very slight adjustment, a phenomenon that that may characterize future changes in the national herd.

Hog producers are looking forward to improved hog prices through the rest of the third quarter, while hoping corn prices will continue to moderate. From production cost estimates many producers were able to keep their profit margins through one of the highest and longest feed price run ups in recent history. Although feed is still not what anyone would call cheap, any breaks in cost are going to help. Just as with a year ago, the early reports of the condition of the fall harvest will have considerable impact where the corn market goes. Without any major upsets, hog production looks to be profitable through the end of the year.

Grain:

Corn and soybean prices will take direction from the August 10 Crop Production Report and its first production forecasts of the season. Some strength in corn prices would be likely if the forecast U.S. corn yield is much less than 148 bushels per acre. A forecast yield of 151 bushels per acre or higher would signal that cash prices may have additional down-side risk into the harvest season. A yield at that level would indicate farmers and the grain industry need to transport, receive, dry, and store about 22% more new-crop corn than last year. Total corn and soybean volume to be handled at harvest would be approximately 14% larger than last year. Reduced old-crop carryover stocks and a smaller soybean crop will free up some storage space for corn, leaving total corn and soybean supplies to be stored at about 5% more than in the fall of 2005 if the U.S. soybean yield is near 42.5 bushels per acre. In late July, crops in Minnesota, northwest Iowa, Wisconsin, Michigan, Indiana, Ohio, parts of South Dakota and Missouri, and a number of southern states were under serious stress due to dry weather.

New-crop export sales of both corn and soybeans have been strong because of foreign buyer actions to cover more of their needs than usual. New-crop corn export sales are the largest since 1995, when a weather-influenced export surge and U.S. crop problems led to $5/bushel Iowa corn prices for nearly six months the next spring and summer. At the end of July this year, new-crop corn export sales were 22% below the same time in 1995. In contrast, outstanding new-crop soybean export sales were 9.6% higher than on the same date in 2004, the year of record-high U.S. soybean exports.

Corn processing for ethanol in the year ahead is projected to be up 58% from the previous season, thus creating strong domestic demand for corn.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Jul [1] 2006	IOWA Jun [1] 2007	IOWA Jul [2] 2007	U.S. Jun [1] 2007	U.S. Jul [2] 2007
		---------------Dollars---------------				
Corn	Bu	2.09	3.38	3.05	3.51	3.23
Oats	Bu	1.79	2.71	2.60	2.54	2.50
Soybeans	Bu	5.52	7.54	7.95	7.51	7.92
Alfalfa, baled	Ton	81.00	108.00	109.00	137.00	137.00
All Hay, baled	Ton	78.00	104.00	106.00	131.00	131.00
All Hogs	Cwt	52.60	55.60	54.70	54.30	52.60
Sows	Cwt	33.10	38.00	37.50	37.50	36.50
Brw & Gilts	Cwt	53.00	56.00	55.00	55.10	53.40
Beef Cattle	Cwt	82.20	86.80	87.90	89.10	90.30
Cows	Cwt	50.80	54.40	56.00	50.10	51.40
Strs & Hfrs	Cwt	82.80	87.50	88.50	93.30	94.30
Calves	Cwt	121.00	116.00	116.00	125.00	125.00
Milk Cows [3]	Hd	1,670.00	-	2,020.00	-	1,950.00
Milk (whls)	Cwt	11.80	19.90	21.80	20.20	21.70
Sheep	Cwt	36.30	31.00	-	27.50	-
Lambs	Cwt	95.60	100.00	-	96.30	-
Eggs (mkt)	Doz	0.178	0.458	0.769	0.497	0.812

[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 Jul 2006	IOWA Jun 2007	IOWA Jul [1] 2007	UNITED STATES Jul 2006	UNITED STATES Jun 2007	UNITED STATES Jul [1] 2007
	1990-92=100 [2]					
Prices rec'd	100	131	130	117	139	142
Crops	96	144	139	123	141	143
Oil Bearing	99	135	143	100	135	142
Feed Grains	93	150	136	110	159	151
Lvstk	104	118	122	111	137	140
Meat Anim	109	115	115	116	121	121
Poult & Eggs	57	100	146	117	151	157
	1910-14=100 [3]					
Prices rec'd	-	-	-	741	880	899
Crops	-	-	-	609	695	705
Oil Bearing	-	-	-	550	740	777
Feed Grains	-	-	-	393	568	541
Lvstk	-	-	-	848	1,049	1,078
Meat Anim	-	-	-	1,183	1,229	1,233
Poult & Eggs	-	-	-	329	424	441

[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	Jul 2006	Jun 2007	Jul 2007	Jul 2006	Jun 2007	Jul 2007
	1990-92=100			1910-14=100		
Prices Paid [1]	149	158	158	1,988	2,099	2,108
Feed	122	148	149	596	720	727
Fertilizer	171	209	213	626	766	779
Fuels	265	262	261	2,046	2,020	2,015
Chemicals	129	130	130	795	802	801
Lvstk/Poultry	134	128	133	1,718	1,637	1,694
Ratio [2]	79	88	90	-	-	-
Parity Ratio [3]	-	-	-	37	42	43

[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 3.5 Percent

Milk production in Iowa in June totaled 358 million pounds, up 3.5 percent from June 2006. The average number of milk cows, 214,000 head, was 8,000 head higher than June 2006. Production per cow averaged 1,675 pounds, down 5 pounds from last year.

Milk Cows and Production: By Selected States, June 2006-2007

State	Milk Cows [1]		Milk Per Cow [2]		Milk Production [2]		
	2006	2007	2006	2007	2006	2007	Change from 2006
	1,000 Head	*1,000 Head*	*Pounds*	*Pounds*	*Million Pounds*	*Million Pounds*	*Percent*
IL	103	103	1,590	1,550	164	160	-2.4
IN	166	167	1,670	1,675	277	280	1.1
IA	**206**	**214**	**1,680**	**1,675**	**346**	**358**	**3.5**
KS	113	109	1,770	1,745	200	190	-5.0
MI	322	332	1,865	1,885	601	626	4.2
MN	450	460	1,560	1,570	702	722	2.8
MO	116	112	1,320	1,240	153	139	-9.2
OH	274	276	1,470	1,520	403	420	4.2
WI	1,243	1,247	1,590	1,620	1,976	2,020	2.2
23-State Total [3]	8,269	8,288	1,697	1,713	14,033	14,198	1.2

[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 Egg Production

Egg production in Iowa for June 2007 was 1.16 billion eggs, up 2.8 percent from the same period a year ago. The total number of layers on hand during June 2007 was 52.2 million, up from 51.6 million layers in June 2006. Eggs per 100 layers for the month of June was 2,222, up from 2,185 eggs the previous year.

All Layers and Egg Production, June 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	23,698	23,545	24,432	24,271	2,239	2,221	547	539	534	527	13	12
IA	50,832	51,258	51,571	52,170	2,185	2,222	1,127	1,159	1,114	1,144	13	15
MN	10,548	10,077	11,041	10,550	2,201	2,218	243	234	235	226	8	8
NE	11,524	10,818	11,599	10,893	2,121	2,176	246	237	246	237	0	0
OH	27,562	25,118	28,080	25,704	2,183	2,233	613	574				
29 Sts[4]	263,700	258,349	319,232	315,946	2,160	2,171	6,895	6,860	5,952	5,874	943	987
US	279,150	273,605	342,685	339,331	2,160	2,169	7,401	7,360	6,336	6,243	1,066	1,118

[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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