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Cattle on Feed

Iowa: There were 707,000 cattle on feed for the slaughter market in all feedlots in Iowa on December 1, 2008, up 4 percent from November 1, 2008**,** but down 16 percent from December 1, 2007. Feedlots with a capacity greater than 1,000 head had 500,000 head on feed, up 3 percent from last month but down 12 percent from last year. Feedlots with a capacity less than 1,000 head had 207,000 head on feed, up 5 percent from last month but down 27 percent from last year.

Placements during November totaled 129,000 head, down 7 percent from last month and 15 percent from last year. Feedlots with a capacity greater than 1,000 head placed 92,000 head, down 12 percent from last month and down 4 percent from last year. Feedlots with a capacity less than 1,000 head placed 37,000 head. This is up 16 percent from last month but down 33 percent from last year.

Marketings for November were 99,000 head, down 17 percent from last month and down 9 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 75,000 head, down 19 percent from last month but unchanged from last year. Feedlots with a capacity less than 1,000 head marketed 24,000 head, down 8 percent from last month and 29 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, 2008. The inventory was 6 percent below December 1, 2007 and 5 percent below December 1, 2006.

Placements in feedlots during November totaled 2.02 million, 5 percent below 2007 but 7 percent above 2006. Net placements were 1.95 million head. During November, placements of cattle and calves weighing less than 600 pounds were 565,000, 600-699 pounds were 630,000, 700-799 pounds were 450,000, and 800 pounds and greater were 370,000.

Marketings of fed cattle during November totaled 1.58 million, 9 percent below 2007 and 12 percent below 2006. This is the second lowest fed cattle marketings for the month of November since the series began in 1996.

Other disappearance totaled 67,000 during November, 18 percent above 2007 and 19 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, November 1, 2008	485	197	682
November Placements	92	37	129
November Marketings	75	24	99
November Other Disappearance	2	3	5
Cattle on Feed, December 1, 2008	500	207	707

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]		
	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	367	359	98	37	26	70	27	28	104	3	1	33
CA	555	495	89	73	48	66	61	50	82	2	3	150
CO	1,070	1,010	94	190	185	97	145	130	90	5	5	100
ID	240	225	94	48	65	135	42	49	117	1	1	100
IA	**570**	**500**	**88**	**96**	**92**	**96**	**75**	**75**	**100**	**1**	**2**	**200**
KS	2,500	2,310	92	450	405	90	355	310	87	15	15	100
NE	2,520	2,380	94	485	440	91	355	355	100	10	15	150
NM	149	167	112	31	20	65	23	23	100	2	2	100
OK	345	335	97	62	69	111	50	52	104	2	2	100
SD	215	220	102	50	57	114	38	35	92	2	2	100
TX	3,010	2,810	93	510	510	100	490	395	81	10	15	150
WA	168	169	101	31	36	116	27	29	107	2	1	50
Oth Sts	390	365	94	62	62	100	50	44	88	2	3	150
US	12,099	11,345	94	2,125	2,015	95	1,738	1,575	91	57	67	118

[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 19.8 million hogs and pigs on Iowa farms, equaling the record set September 1, 2008. The December 1 inventory was up 400,000 from a year ago.

The September - November 2008 pig crop was 4.75 million head. A total of 500,000 sows farrowed with an average litter size of 9.50 pigs per sow.

As of December 1, producers planned to farrow 480,000 head of sows and gilts in the December 2008 – February 2009 quarter. Farrowing intentions for the March-May 2009 period were estimated at 480,000 as of December 1, 2008. If realized, this would be down 70,000 sows farrowed during the same period in 2008.

United States: U.S. inventory of all hogs and pigs on December 1, 2008 was 66.7 million head. This was down 2 percent from both December 1, 2007 and September 1, 2008.

Breeding inventory, at 6.08 million head, was down 2 percent from last year but up slightly from the previous quarter. Market hog inventory, at 60.6 million head, was down 2 percent from both last year and last quarter.

The September-November 2008 pig crop, at 28.4 million head, was down 4 percent from 2007 but up 6 percent from 2006. Sows farrowing during this period totaled 2.99 million head, down 6 percent from 2007 but up 1 percent from 2006. The sows farrowed during this quarter represented 49 percent of the breeding herd. The average pigs saved per litter was 9.50 for the September-November 2008 period, compared to 9.28 last year. Pigs saved per litter by size of operation ranged from 7.50 for operations with 1-99 hogs and pigs to 9.60 for operations with more than 5,000 hogs and pigs.

U.S. hog producers intend to have 2.97 million sows farrow during the December 2008-February 2009 quarter, down 3 percent from the actual farrowings during the same period in 2008 but up 2 percent from 2007. Intended farrowings for March-May 2009, at 3.01 million sows, are down 2 percent from 2008 and down 1 percent from 2007.

The total number of hogs under contract owned by operations with over 5,000 head, but raised by contractees, accounted for 43 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, December 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	480	490	102	3,870	3,860	100	4,350	4,350	100
IA	**1,080**	**1,070**	**99**	**18,320**	**18,730**	**102**	**19,400**	**19,800**	**102**
MN	600	580	97	7,100	6,820	96	7,700	7,400	96
MO	375	370	99	2,775	2,730	98	3,150	3,100	98
NE	365	370	101	2,985	2,980	100	3,350	3,350	100
NC	1,020	980	96	9,180	8,620	94	10,200	9,600	94
US	6,233	6,081	98	61,944	60,627	98	68,177	66,708	98

[1] May not add due to rounding.

Market Hogs and Pigs: Inventory Number by Weight Group,
Selected States, and United States, December 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	1,420	1,400	980	1,010	800	800	670	650
IA	**5,810**	**5,190**	**4,880**	**5,320**	**4,060**	**4,500**	**3,570**	**3,720**
MN	2,750	2,670	1,730	1,700	1,450	1,380	1,170	1,070
MO	1,300	1,310	570	550	485	480	420	390
NE	1,140	1,090	805	800	590	630	450	460
NC	3,430	3,300	2,220	1,930	1,890	1,750	1,640	1,640
US	22,545	21,297	15,173	15,096	12,658	12,716	11,569	11,518

[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 U.S. swine industry continued on its course of retraction in the last months of the year. Swine inventories in nearly all classifications are on the decline. Total hog and pig numbers declined 2.2 percent to 66.7 million head. The inventory of breeding swine declined 2.4 percent to 6.1 million head, while market hog numbers were down 2.1percent from last year at 60.6 million head. While the supply of pork is expected to decreases with the retraction of the industry there are several factors that will impact overall demand and prices. Changes in export volumes could push pork back on to the domestic market. Although it is expected that production and hog imports will decrease from last year, the supply of pork to the domestic market may depend on whether exports continue to increase or maintain the volumes of the past year. Although hog prices are expected to be slightly higher in the coming year the declining cost of corn and other feeds may provide an opportunity at a few months of profitability. Based late December futures prices, the average breakeven cost for farrow to finish production is estimated to be around $53/cwt for live hogs in 2009.

Cattle feeding was a tough business in 2008 with some of the largest losses the industry has experienced. A combination of less fed cattle and cheaper feed may help some cattle feeders to turn things back around in 2009, but large profits in cattle feeding will remain elusive until a general improvement in the economy encourages consumers to buy high end well finished beef.

The agricultural markets, like the financial markets, have somewhat stabilized after this summer and fall's major declines. Over the past two weeks, estimates of the 2008 season-average prices based on current futures prices have been on the upswing. Corn has gained around 15 cents per bushel, while soybeans have added over 60 cents per bushel. The crops have broken away from crude oil, which has continued to see price declines. The strength in crop prices is coming from a variety of sources: weather concerns for the South American crops, acreage bidding for the 2009 crops, and some weakness in the U.S. dollar.

Both Brazil and Argentina have been experiencing warmer and drier conditions than usual over most of their summer crop areas. Recent rains in Brazil have helped, but both countries still need significant rains to meet crop production projections. The possibility of smaller South American production, combined with the drop in the dollar, is providing some additional hope on the export side. Accumulated corn exports are running well behind last year's pace with significant declines in corn exports to Africa, the Middle East, Taiwan, and South Korea. Japan has been the bright spot, as corn exports to Japan are up nearly 10% from last year. The export market has been a source of strength for soybeans. Accumulated soybean exports are running roughly 10% ahead of last year. The surge in soybean exports is due to China, over half of all soybean exports thus far this marketing year. have been directed to China. Soybean exports are down to the EU, Japan, and Mexico.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Dec [1] 2007	IOWA Nov [1] 2008	IOWA Dec [2] 2008	U.S. Nov [1] 2008	U.S. Dec [2] 2008
		--------------Dollars--------------				
Corn	Bu	3.74	4.35	4.05	4.26	4.05
Oats	Bu	3.16	2.58	2.55	2.99	2.40
Soybeans	Bu	10.30	9.91	9.40	9.38	8.97
Alfalfa, baled	Ton	120.00	130.00	137.00	163.00	155.00
All Hay, baled	Ton	118.00	127.00	133.00	147.00	141.00
Hogs, all	Cwt	41.80	41.90	43.00	40.80	42.40
Sows	Cwt	20.00	35.50	40.00	36.40	42.60
Brw & Gilts	Cwt	42.00	42.00	43.00	41.00	42.40
Beef Cattle	Cwt	90.10	88.10	85.10	84.90	79.90
Cows	Cwt	47.20	44.00	39.00	43.10	39.80
Strs & Hfrs	Cwt	90.10	89.00	86.00	91.00	85.70
Calves	Cwt	110.00	95.00	91.00	106.00	101.00
Milk Cows [3]	Hd	-	-	-	-	-
Milk (whls)	Cwt	21.60	17.50	16.50	17.10	15.90
Sheep	Cwt	35.00	25.00	-	27.00	-
Lambs	Cwt	93.00	97.00	-	99.60	-
Eggs (mkt)	Doz	1.23	0.843	0.829	0.894	0.860

[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 Dec 2007	IOWA Nov 2008	IOWA Dec [1] 2008	UNITED STATES Dec 2007	UNITED STATES Nov 2008	UNITED STATES Dec [1] 2008
	1990-92=100 [2]					
Prices rec'd	143	146	140	142	141	133
Crops	175	187	176	150	156	145
Oil Bearing	185	178	169	177	173	167
Feed Grains	166	193	180	166	187	177
Lvstk	113	106	105	134	124	120
Meat Anim	98	97	98	113	110	104
Poult & Eggs	252	171	168	145	149	148
	1910-14=100 [3]					
Prices rec'd	-	-	-	903	894	846
Crops	-	-	-	745	773	720
Oil Bearing	-	-	-	969	951	918
Feed Grains	-	-	-	593	667	631
Lvstk	-	-	-	1,024	948	918
Meat Anim	-	-	-	1,152	1,121	1,064
Poult & Eggs	-	-	-	407	420	416

[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	Dec 2007	Nov 2008	Dec 2008	Dec 2007	Nov 2008	Dec 2008
	1990-92=100			1910-14=100		
Prices Paid [1]	167	187	182	1,622	1,818	1,764
Feed	160	176	167	780	859	816
Fertilizer	253	433	410	928	1,588	1,502
Fuels	308	247	212	2,373	1,905	1,639
Chemicals	131	147	144	810	910	893
Lvstk/Poultry	127	118	114	1,626	1,507	1,462
Ratio [2]	86	78	75	-	-	-
Parity Ratio [3]	-	-	-	41	37	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 November 2008 totaled 350 million pounds, up 2.3 percent from November 2007. The average number of milk cows, 215,000 head, was unchanged from November 2007. Production per cow averaged 1,630 pounds, up 40 pounds from last year.

Milk Cows and Production: By Selected States, November 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	1,470	1,470	151	150	-0.7
IN	166	167	1,650	1,580	274	264	-3.6
IA	**215**	**215**	**1,590**	**1,630**	**342**	**350**	**2.3**
KS	108	118	1,640	1,720	177	203	14.7
MI	343	352	1,825	1,755	626	618	-1.3
MN	463	465	1,500	1,525	695	709	2.0
MO	109	110	1,190	1,175	130	129	-0.8
OH	277	278	1,430	1,450	396	403	1.8
WI	1,249	1,254	1,550	1,565	1,936	1,963	1.4
23-State Total [3]	8,369	8,468	1,654	1,657	13,843	14,032	1.4

[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 November 2008 was 1.2 billion eggs, up slightly from November 2007. The total number of layers on hand during November 2008 was 53.2 million, down from 53.5 million layers in November 2007. Eggs per 100 layers for the month of November was 2,263, up from 2,153 eggs the previous year.

All Layers and Egg Production, November 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	23,961	23,236	24,671	23,968	2,266	2,215	559	531	547	519	12	12
IA	52,548	52,278	53,452	53,170	2,153	2,263	1,151	1,203	1,136	1,188	15	15
MN	9,894	9,542	10,371	10,016	2,295	2,266	238	227	229	219	9	8
NE	10,101	9,526	10,176	9,601	2,309	2,312	235	222	235	222	0	0
NC	4,922	5,176	12,457	12,360	2,039	2,071	254	256	120	128	134	128
OH	25,833	26,519	26,427	27,090	2,195	2,237	580	606				
29 Sts[4]	264,646	262,743	320,738	316,185	2,193	2,221	7,035	7,023	6,072	6,100	962	922
US	279,955	277,639	344,229	338,926	2,191	2,217	7,542	7,513	6,451	6,472	1,090	1,041

[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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