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# Agri-News

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## Cattle on Feed

**Iowa:** There were 1,195,000 cattle on feed for the slaughter market in all feedlots in Iowa on September 1, 2009, down 1 percent from August 1, 2009, but up 5 percent from September 1, 2008. Feedlots with a capacity greater than 1,000 head had 510,000 head on feed, unchanged from last month, but up 9 percent from last year. Feedlots with a capacity less than 1,000 head had 685,000 head on feed, down 2 percent from last month, but up 2 percent from last year.

Placements during August totaled 147,000 head, up 18 percent from last month, but down 1 percent from last year. Feedlots with a capacity greater than 1,000 head placed 74,000 head, up 21 percent from last month and up 3 percent from last year. Feedlots with a capacity less than 1,000 head placed 73,000 head. This is up 14 percent from last month, but down 4 percent from last year.

Marketings for August were 158,000 head, up 2 percent from last month, but down 1 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 73,000 head, up 4 percent from last month, but down 3 percent from last year. Feedlots with a capacity less than 1,000 head marketed 85,000 head, unchanged from last month, but up 1 percent from last year. Other disappearance totaled 4,000 head.

**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, August 1, 2009 | 510 | 700 | 1,210 |
| August Placements | 74 | 73 | 147 |
| August Marketings | 73 | 85 | 158 |
| August Other Disappearance | 1 | 3 | 4 |
| Cattle on Feed, September 1, 2009 | 510 | 685 | 1,195 |

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

| State | Cattle on Feed September 1 | | | Placements during August | | | Marketings during August | | | August 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 | 362 | 275 | 76 | 33 | 28 | 85 | 27 | 27 | 100 | 1 | 1 | 100 |
| CA | 505 | 455 | 90 | 37 | 53 | 143 | 45 | 46 | 102 | 2 | 2 | 100 |
| CO | 770 | 860 | 112 | 190 | 205 | 108 | 165 | 190 | 115 | 5 | 5 | 100 |
| ID | 180 | 195 | 108 | 45 | 42 | 93 | 44 | 40 | 91 | 1 | 2 | 200 |
| **IA** | **470** | **510** | **109** | **72** | **74** | **103** | **75** | **73** | **97** | **2** | **1** | **50** |
| KS | 2,090 | 2,050 | 98 | 520 | 550 | 106 | 430 | 405 | 94 | 10 | 15 | 150 |
| NE | 1,960 | 2,020 | 103 | 445 | 460 | 103 | 395 | 350 | 89 | 10 | 10 | 100 |
| NM | 167 | (D) | (D) | 27 | (D) | (D) | 23 | (D) | (D) | 1 | (D) | (D) |
| OK | 305 | 325 | 107 | 70 | 73 | 104 | 54 | 56 | 104 | 1 | 2 | 200 |
| SD | 165 | 185 | 112 | 28 | 36 | 129 | 32 | 40 | 125 | 1 | 1 | 100 |
| TX | 2,580 | 2,510 | 97 | 510 | 500 | 98 | 510 | 490 | 96 | 10 | 10 | 100 |
| WA | 138 | 140 | 101 | 36 | 31 | 86 | 30 | 28 | 93 | 1 | 1 | 100 |
| Oth Sts | 305 | 357 | X | 48 | 58 | X | 54 | 65 | X | 4 | 5 | X |
| US | 9,997 | 9,882 | 99 | 2,061 | 2,110 | 102 | 1,884 | 1,810 | 96 | 49 | 55 | 112 |

(D) Withheld to avoid disclosing data for individual operations.
(X) Comparison to 2008 is not applicable.
[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 September 1, there were 19.6 million hogs and pigs on Iowa farms, unchanged from June 2009, but down 200,000 from a year ago.

The June - August 2009 pig crop was 4.63 million head. A total of 475,000 sows farrowed with an average litter size of 9.75 pigs per sow.

As of September 1, producers planned to farrow 480,000 head of sows and gilts in the September - November 2009 quarter. Farrowing intentions for the December 2009 – February 2010 period were estimated at 480,000 as of September 1, 2009.

**United States:** U.S. inventory of all hogs and pigs on September 1, 2009 was 66.6 million head. This was down 2 percent from September 1, 2008 but up 1 percent from June 1, 2009.

Breeding inventory, at 5.87 million head, was down 3 percent from last year and down 2 percent from the previous quarter. Market hog inventory, at 60.8 million head, was down 2 percent from last year but up 1 percent from last quarter.

The June-August 2009 pig crop, at 28.8 million head, was down 2 percent from 2008 and down 1 percent from 2007. Sows farrowing during this period totaled 2.97 million head, down 4 percent from 2008 and down 5 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 9.70 for the June-August 2009 period, compared to 9.51 last year. Pigs saved per litter by size of operation ranged from 7.40 for operations with 1-99 hogs and pigs to 9.80 for operations with more than 5,000 hogs and pigs.

U.S. hog producers intend to have 2.94 million sows farrow during the September-November 2009 quarter, down 3 percent from the actual farrowings during the same period in 2008, and down 8 percent from 2007. Intended farrowings for December 2009-February 2010, at 2.93 million sows, are down 3 percent from 2009 and down 5 percent from 2008.

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 43 percent last year.

**Hogs and Pigs: Breeding, Market, and Total Inventory**
**By Selected States and United States, September 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 | 470 | 470 | 100 | 3,930 | 3,780 | 96 | 4,400 | 4,250 | 97 |
| **IA** | **1,070** | **1,010** | **94** | **18,730** | **18,590** | **99** | **19,800** | **19,600** | **99** |
| MN | 570 | 560 | 98 | 7,030 | 6,740 | 96 | 7,600 | 7,300 | 96 |
| MO | 375 | 350 | 93 | 2,775 | 2,700 | 97 | 3,150 | 3,050 | 97 |
| NE | 375 | 380 | 101 | 2,925 | 2,970 | 102 | 3,300 | 3,350 | 102 |
| NC | 1,000 | 980 | 98 | 9,300 | 9,020 | 97 | 10,300 | 10,000 | 97 |
| US | 6,061 | 5,874 | 97 | 62,135 | 60,752 | 98 | 68,196 | 66,626 | 98 |

[1] May not add due to rounding.

**Market Hogs and Pigs: Inventory Number by Weight Group,**
**Selected States, and United States, September 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 | 1,420 | 1,400 | 1,010 | 970 | 840 | 770 | 660 | 640 |
| **IA** | **5,620** | **5,330** | **5,170** | **5,250** | **4,460** | **4,600** | **3,480** | **3,410** |
| MN | 2,820 | 2,660 | 1,820 | 1,770 | 1,400 | 1,280 | 990 | 1,030 |
| MO | 1,350 | 1,265 | 565 | 520 | 495 | 470 | 365 | 445 |
| NE | 1,090 | 1,100 | 780 | 770 | 610 | 650 | 445 | 450 |
| NC | 3,700 | 3,520 | 2,050 | 2,070 | 1,860 | 1,790 | 1,690 | 1,640 |
| US | 22,683 | 21,837 | 15,397 | 15,078 | 12,855 | 12,674 | 11,201 | 11,163 |

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

## ECONOMIST CORNER

*By Shane Ellis, Livestock Economist, and*
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The September Hog and Pig report indicated a 2 percent decline in swine numbers from year ago. Fourth quarter hog slaughter may decline first time since 2000. After years of continued expansion and surges of productive efficiency, the supply of hogs has been growing even after sow numbers started to decline. While short run price prospects remain dismal, a declining pork supply does give reason to be optimistic about hog prices in the future. Consumer confidence and spending habits have regained some strength as the brunt of the economic recession has passed. Any improvement in economic conditions both domestically and globally will lead to improved demand and prices. Using closing prices from September 30, three trading days after the USDA report, the model expects prices to exceed variable cost in March 2010 and total cost in May 2010. The accumulated losses over the last 2 years have already exceeded the entire loses of 27 month stretch from Nov 1997-Jan 2000 on a per head basis. The industry and most individual producers have more hogs today than a decade ago and thus the losses per farm and it total are larger.

It appears that supplies of market ready cattle may be the tightest in early fall due to low placements of heavy cattle in the second quarter. August feedlot marketings were the lowest since this data series began in 1996. Marketings later in the fall are starting with a comparable number of lighter weight placements and will depend upon the pace of heavy cattle placements in late summer and early fall. Placements of, over 700 pound cattle was down 19% in July, but steady with year earlier in August. While cattle feeding is still risky given the weak demand and large supplies of pork at the retail counter, there are hedging opportunities for cattle feeders this fall. In late September the basis adjusted futures were forecasting $88/cwt fed cattle prices for late April and early May and approximately $3/bu for corn over the feeding period. With spot market prices for 650# steer calves were in the $105-110 range, a profit opportunity does exist.

Combines are starting to roll through Iowa corn and soybean fields. The USDA reports at the end of September showed 76 percent of Iowa's soybeans were dropping leaves and 6 percent of the crop had been harvested. Like nearly all of the crop progress data last year and this year, harvest is behind the 5-year average. Typically, 20 percent of Iowa's soybeans are harvested by this time. For the nation, the story is very similar with 5 percent of the crop harvested, trailing the 5-year average of 18 percent. Corn maturity is running well behind the 5-year average pace. Nationwide, less than 40 percent of the corn crop is considered mature. Last year at this point nearly half of the crop was mature and the 5-year average is 72 percent. So corn maturity is roughly two weeks behind the average. Iowa's corn crop is a little ahead of last year, but behind the average. Illinois and North Dakota are the furthest behind and the recent spate of cold temperature in the upper Midwest and Plains states is highlighting concerns about frost/freeze impacts on the northern corn crop. Thus far, 2 percent of Iowa's corn crop and 6 percent of the national corn crop have been harvested. Typically, at this stage, the corn harvest percentages would be at 6 percent for Iowa and 18 percent for the U.S. The latest crop conditions report indicates the crop ratings haven't shifted much over the past month. Iowa's corn and soybean crops are rated at roughly 75 percent good to excellent; the national crops are in the upper 60s. Some of the southern soybean fields have reported seed rot and sprouting due to recent wet weather and this has brought soybean ratings down slightly.

The mid-September reports also updated the demand picture. For soybeans, 2008/09 export demand was increased by 15 million bushels to 1.28 billion bushels. And the record export demand is expected to hold for the 2009 crop as USDA maintained export demand at the same level going forward. Domestic crush demand is seen as improving slightly over the next year, to 1.69 billion bushels, as soybean meal exports are projected to rise. Looking at the rest of the soybean complex, domestic soybean meal demand is expected to be just slightly higher than last year and biodiesel usage of soybean oil is projected to recover somewhat from the drop-off experienced over the last 12 months.

For corn, ethanol demand for the 2008/09 crop was increased by 25 million bushels, reflecting the improved ethanol margins this summer and early this fall. For the 2009/10 crop, projected ethanol demand is at 4.2 billion bushels, up 525 million bushels from 2008/09. The shifts in projected corn demand from last month to this month are in feed and export demand. 2009/10 feed demand is set at 5.35 billion bushels, up 50 million from last month and up 100 million from last year. Corn export demand was raised to 2.2 billion bushels, up 100 million from last month and 350 million from last year.

**Average Prices Received by Farmers for Farm Products**

| Item | Unit | IOWA Sep [1] 2008 | IOWA Aug [1] 2009 | IOWA Sep [2] 2009 | U.S. Aug [1] 2009 | U.S. Sep [2] 2009 |
|---|---|---|---|---|---|---|
| | | Dollars | | | | |
| Corn | Bu | 5.18 | 3.30 | 3.20 | 3.33 | 3.32 |
| Oats | Bu | 3.71 | 1.94 | 1.85 | 1.86 | 1.80 |
| Soybeans | Bu | 11.10 | 11.00 | 9.90 | 10.80 | 9.85 |
| Alfalfa, baled | Ton | 136.00 | 105.00 | 105.00 | 111.00 | 110.00 |
| All Hay, baled | Ton | 130.00 | 103.00 | 98.00 | 109.00 | 107.00 |
| Hogs, all | Cwt | 52.00 | 37.40 | 38.40 | 37.40 | 37.80 |
| Sows | Cwt | 50.00 | 30.00 | 24.80 | 29.80 | 23.70 |
| Brw & Gilts | Cwt | 52.00 | 37.50 | 38.50 | 37.70 | 38.40 |
| Beef Cattle | Cwt | 95.20 | 83.30 | 83.30 | 80.60 | 80.80 |
| Cows | Cwt | 54.50 | 47.50 | 47.00 | 45.70 | 44.10 |
| Strs & Hfrs | Cwt | 96.00 | 84.00 | 84.00 | 85.10 | 85.90 |
| Calves | Cwt | 113.00 | 103.00 | 102.00 | 110.00 | 107.00 |
| Milk Cows [3] | Hd | - | - | - | - | - |
| Milk (whls) | Cwt | 18.20 | 12.30 | 12.80 | 12.00 | 12.70 |
| Sheep | Cwt | 25.50 | 31.00 | - | 31.40 | - |
| Lambs | Cwt | 99.00 | 95.00 | - | 97.40 | - |
| Eggs (mkt) | Doz | 0.810 | 0.550 | 0.530 | 0.579 | 0.568 |

[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 Sep 2008 | IOWA Aug 2009 | IOWA Sep [1] 2009 | UNITED STATES Sep 2008 | UNITED STATES Aug 2009 | UNITED STATES Sep [1] 2009 |
|---|---|---|---|---|---|---|
| | 1990-92=100 [2] | | | | | |
| Prices rec'd | 169 | 130 | 125 | 154 | 127 | 127 |
| Crops | 217 | 165 | 155 | 174 | 147 | 144 |
| Oil Bearing | 199 | 197 | 178 | 178 | 193 | 160 |
| Feed Grains | 229 | 146 | 142 | 218 | 150 | 144 |
| Lvstk | 120 | 91 | 92 | 133 | 109 | 108 |
| Meat Anim | 114 | 89 | 90 | 124 | 104 | 103 |
| Poult & Eggs | 164 | 112 | 108 | 149 | 133 | 129 |
| | 1910-14=100 [3] | | | | | |
| Prices rec'd | - | - | - | 979 | 805 | 805 |
| Crops | - | - | - | 860 | 730 | 713 |
| Oil Bearing | - | - | - | 976 | 1,055 | 879 |
| Feed Grains | - | - | - | 779 | 533 | 515 |
| Lvstk | - | - | - | 1,021 | 833 | 829 |
| Meat Anim | - | - | - | 1,263 | 1,064 | 1,054 |
| Poult & Eggs | - | - | - | 417 | 372 | 362 |

[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 | Sep 2008 | Aug 2009 | Sep 2009 | Sep 2008 | Aug 2009 | Sep 2009 |
|---|---|---|---|---|---|---|
| | 1990-92=100 | | | 1910-14=100 | | |
| Prices Paid [1] | 190 | 176 | 176 | 2,530 | 2,345 | 2,337 |
| Feed | 209 | 187 | 185 | 1,021 | 911 | 904 |
| Fertilizer | 479 | 268 | 261 | 1,755 | 983 | 956 |
| Fuels | 372 | 241 | 247 | 2,870 | 1,863 | 1,903 |
| Chemicals | 143 | 136 | 127 | 883 | 839 | 786 |
| Lvstk/Poultry | 125 | 111 | 110 | 1,596 | 1,415 | 1,407 |
| Ratio [2] | 81 | 72 | 72 | - | - | - |
| Parity Ratio [3] | - | - | - | 39 | 34 | 34 |

[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 August 2009 totaled 366 million pounds, up 3 percent from August 2008. The average number of milk cows, 215,000 head, was unchanged from August 2008. Production per cow averaged 1,700 pounds, up from 1,660 pounds in August 2008.

**Milk Cows and Production: By Selected States, August 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 | 1,455 | 1,530 | 148 | 156 | 5.4 |
| IN | 166 | 167 | 1,605 | 1,670 | 266 | 279 | 4.9 |
| **IA** | **215** | **215** | **1,660** | **1,700** | **357** | **366** | **2.5** |
| KS | 117 | 116 | 1,710 | 1,725 | 200 | 200 | |
| MI | 352 | 357 | 1,860 | 1,920 | 655 | 685 | 4.6 |
| MN | 465 | 469 | 1,565 | 1,620 | 728 | 760 | 4.4 |
| MO | 112 | 106 | 1,110 | 1,180 | 124 | 125 | 0.8 |
| OH | 280 | 278 | 1,520 | 1,570 | 426 | 436 | 2.3 |
| WI | 1,252 | 1,257 | 1,650 | 1,705 | 2,066 | 2,143 | 3.7 |
| 23-State Total [3] | 8,515 | 8,372 | 1,718 | 1,743 | 14,626 | 14,594 | -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 August 2009 was 1.23 billion eggs, up from 1.21 in August 2008. The total number of layers on hand during August 2009 was 53.6 million, up from 53.2 million layers in August 2008. Eggs per 100 layers for the month of August was 2,293, up from 2,270 eggs the previous year.

**All Layers and Egg Production, August 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 | 22,886 | 22,314 | 23,560 | 23,087 | 2,292 | 2,283 | 540 | 527 | 528 | 513 | 12 | 14 |
| **IA** | **52,312** | **52,779** | **53,251** | **53,643** | **2,270** | **2,293** | **1,209** | **1,230** | **1,193** | **1,217** | **16** | **13** |
| MN | 9,276 | 9,656 | 9,737 | 10,147 | 2,331 | 2,306 | 227 | 234 | 219 | 226 | 8 | 8 |
| NE | 9,599 | 9,595 | 9,649 | 9,645 | 2,435 | 2,447 | 235 | 236 | 235 | 236 | 0 | 0 |
| NC | 4,861 | 5,523 | 12,263 | 12,578 | 2,104 | 2,091 | 258 | 263 | 122 | 133 | 136 | 130 |
| OH | 25,561 | 25,564 | 26,003 | 26,021 | 2,311 | 2,317 | 601 | 603 | | | | |
| 29 Sts[4] | 258,275 | 257,650 | 311,906 | 309,423 | 2,255 | 2,288 | 7,035 | 7,080 | 6,065 | 6,140 | 970 | 940 |
| US | 273,001 | 272,109 | 335,265 | 332,296 | 2,252 | 2,284 | 7,551 | 7,590 | 6,436 | 6,514 | 1,115 | 1,076 |

[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.

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