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Cattle on Feed

Iowa: There were 683,000 cattle on feed for the slaughter market in all feedlots in Iowa on August 1, 2008, down 6 percent from July 1, 2008**,** and down 12 percent from August 1, 2007. Feedlots with a capacity greater than 1,000 head had 475,000 head on feed, down 5 percent from both last month and last year. Feedlots with a capacity less than 1,000 head had 208,000 head on feed, down 8 percent from last month and down 24 percent from last year.

Placements during July totaled 69,000 head, up 41 percent from last month but down 21 percent from last year. Feedlots with a capacity greater than 1,000 head placed 51,000 head, up 24 percent from last month but down 20 percent from last year. Feedlots with a capacity less than 1,000 head placed 18,000 head. This is up 125 percent from last month but down 22 percent from last year.

Marketings for July were 108,000 head, up 14 percent from last month but down 4 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 75,000 head, up 25 percent from last month and 3 percent from last year. Feedlots with a capacity less than 1,000 head marketed 33,000 head, down 6 percent from last month and down 18 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 9.87 million head on August 1, 2008. The inventory was 4 percent below August 1, 2007 and 9 percent below August 1, 2006.

Placements in feedlots during July totaled 1.66 million, 2 percent above 2007 but 15 percent below 2006. Net placements were 1.62 million head. This is the second lowest placements for the month of July since the series began in 1996. During July, placements of cattle and calves weighing less than 600 pounds were 360,000, 600-699 pounds were 320,000, 700-799 pounds were 476,000 and 800 pounds and greater were 505,000.

Marketings of fed cattle during July totaled 2.04 million, 2 percent above 2007 and 5 percent above 2006.

Other disappearance totaled 45,000 during July, 26 percent below 2007 and 22 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, July 1, 2008	500	225	725
July Placements	51	18	69
July Marketings	75	33	108
July Other Disappearance	1	2	3
Cattle on Feed, August 1, 2008	475	208	683

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

State	Cattle on Feed August 1			Placements during July			Marketings during July			July 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	341	357	105	32	37	116	33	35	106	1	1	100
CA	540	515	95	51	45	88	54	48	89	2	2	100
CO	870	750	86	115	105	91	175	170	97	10	5	50
ID	205	180	88	35	29	83	49	48	98	1	1	100
IA	**500**	**475**	**95**	**64**	**51**	**80**	**73**	**75**	**103**	**1**	**1**	**100**
KS	2,100	2,010	96	430	440	102	450	500	111	20	10	50
NE	1,910	1,920	101	350	320	91	480	440	92	10	10	100
NM	129	164	127	12	32	267	14	21	150	1	1	100
OK	305	290	95	48	46	96	67	55	82	1	1	100
SD	175	170	97	22	21	95	42	35	83	2	1	50
TX	2,780	2,590	93	390	460	118	470	520	111	10	10	100
WA	144	133	92	27	32	119	32	38	119	1	1	100
Oth Sts	300	315	105	46	43	93	60	57	95	1	1	100
US	10,299	9,869	96	1,622	1,661	102	1,999	2,042	102	61	45	74

[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.

Farm Production Expenditures, Iowa, 2006-07
Farms Reporting, Average per Farm, and Total

Expenditure - Farm Share	Farms Reporting[1]		Average per Farm[2]		Total Expenditures	
	2006	2007	2006	2007	2006	2007
	Percent		*Dollars*		*Million Dollars*	
Total Farm Production Expenditures[3]	100.0	100.0	168,962	195,814	14,970	17,310
Livestock, Poultry & Related Expenses[4]	30.7	28.3	25,282	25,452	2,240	2,250
Feed	49.9	39.9	22,348	27,149	1,980	2,400
Farm Services[5]	96.4	91.8	15,801	19,683	1,400	1,740
Rent[6]	49.4	45.3	25,734	26,471	2,280	2,340
Agricultural Chemicals[7]	61.9	66.4	6,321	7,692	560	680
Fertilizer, Lime & Soil Conditioners[7]	62.5	65.6	10,835	13,688	960	1,210
Interest	62.7	55.2	7,562	9,050	670	800
Taxes (Real Estate & Property)	100.0	100.0	7,111	7,692	630	680
Labor	34.0	31.6	5,418	6,674	480	590
Fuels	76.0	76.1	6,208	7,805	550	690
Farm Supplies & Repairs[8]	76.8	75.3	7,223	9,502	640	840
Farm Improvements & Construction[9]	55.9	59.1	7,562	8,597	670	760
Tractors & Self-Propelled Farm Machinery	30.8	33.7	6,208	7,466	550	660
Other Farm Machinery	35.6	32.8	2,935	3,620	260	320
Seeds & Plants[10]	65.7	64.4	10,271	12,783	910	1,130
Trucks & Autos	31.2	31.6	1,919	2,262	170	200
Miscellaneous Capital Expenses[11]	19.8	28.3	226	226	20	20

[1] Number of farms reporting item divided by total number of farms. [2] Total expenditures divided by total number of farms. Items may not sum to total due to rounding. [3] Includes landlord and contractor share of farm production expenses. Totals may not add due to rounding. [4] Includes purchases and leasing of livestock and poultry. Edit procedures have been upgraded over the last three years to better identify cattle farm records where not all livestock are owned. These 'custom feeding' operations are now correctly recorded as production contracts, resulting in increased livestock purchases for contractors. [5] Includes all crop custom work, veterinary custom services, transportation costs, marketing charges, insurance, leasing of machinery and equipment, general and miscellaneous business expenses, and utilities. [6] Includes public and private grazing fees. [7] Includes material and application costs. [8] Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. [9] Includes all expenditures related to new construction or repairs of buildings, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land. [10] Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment. [11] A zero in this line-item denotes less than 5 million dollars. Average value derived from expenditure rounding to zero will also be zero. Miscellaneous Capital Expense was estimated for the first time in 2005.

ECONOMIST CORNER

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Exports of livestock and poultry products have allowed US producers to grow their businesses beyond what was possible if only serving the US market. The pork, poultry and even dairy sector have benefited significantly in recent months from expanded exports. Beef producers continue to rebuild exports following the December 2003 discovery of BSE in the US. Trade is a two-way street. The US imports as well as exports meat, dairy and poultry products but in varying degrees. Through the first six months of 2008, the US exported $7.87 billion of animal products and imported $3.76 billion. Beef is the only sector that is a net importer on a volume and value basis, but that could change by the end of 2008. Through the first six months of 2008, the dollar amount of beef imports were down 15% and exports were up 38% and US exports totaled 81% of the value of imports. In 2007 it was 61%.

Pork production continues to run well above the levels of last year, up 8.7% YTD. Hog slaughter in the fourth quarter is likely to remain slightly above the increased volumes of last year. Pork exports are up 68% for the first half of the year.

Weather looms large for the corn and soybean markets. With both crops still running behind average, the markets have built a weather premium into crop prices. The threat of an early or normal frost could drive prices higher. And given the tightness in stocks, a weather-induced price rise could be significant. At this point though, the forecasts from the National Weather Service show better than normal chances for warmer than average temperatures from now to the end of the year. Lack of rainfall, especially for the soybean crop, could pull yields down and prices up. Beyond harvest, crop prices will likely trek upward as the competition begins for 2009 acreage. The short stocks situation implies that the competition could be fierce.

Crop prices are also showing sensitivity to movements in the dollar. Recent strengthening in the dollar has put some downward pressure on prices. For corn, export competition may build from feed wheat as more of the European Union and Ukrainian wheat crops may be directed into feed than expected. So far, outstanding export sales for the 2008/09 marketing year are running about 1.5 million metric tons behind last year's pace for corn. For soybeans, outstanding export sales are 2 million metric tons ahead of last year. Other market factors that bear watching are crude oil prices, South American plantings, and general economic conditions both here in the U.S. and abroad.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Aug [1] 2007	IOWA Jul [1] 2008	IOWA Aug [2] 2008	U.S. Jul [1] 2008	U.S. Aug [2] 2008
		Dollars				
Corn	Bu	3.26	5.24	4.80	5.24	4.90
Oats	Bu	2.43	3.59	3.30	3.46	3.17
Soybeans	Bu	7.66	13.00	11.80	13.30	12.10
Alfalfa, baled	Ton	104.00	148.00	140.00	177.00	180.00
All Hay, baled	Ton	103.00	143.00	138.00	164.00	165.00
Hogs, all	Cwt	53.30	54.70	59.80	54.20	59.70
Sows	Cwt	36.50	22.80	35.00	20.10	33.10
Brw & Gilts	Cwt	53.60	55.30	60.30	56.00	61.10
Beef Cattle	Cwt	92.40	97.20	98.30	95.10	96.10
Cows	Cwt	55.00	60.00	62.00	56.40	57.60
Strs & Hfrs	Cwt	93.20	98.00	99.00	99.60	100.00
Calves	Cwt	131.00	113.00	118.00	115.00	114.00
Milk Cows [3]	Hd	-	2,010.00	-	1,990.00	-
Milk (whls)	Cwt	21.20	19.30	19.00	19.40	18.50
Sheep	Cwt	30.50	29.50	-	26.90	-
Lambs	Cwt	102.00	109.00	-	103.00	-
Eggs (mkt)	Doz	0.659	0.627	0.776	0.668	0.815

[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 Aug 2007	IOWA Jul 2008	IOWA Aug [1] 2008	UNITED STATES Aug 2007	UNITED STATES Jul 2008	UNITED STATES Aug [1] 2008
	1990-92=100 [2]					
Prices rec'd	131	177	171	139	159	155
Crops	142	232	212	142	182	175
Oil Bearing	137	233	212	138	239	216
Feed Grains	145	232	213	150	225	216
Lvstk	121	122	130	137	138	137
Meat Anim	115	119	126	122	126	130
Poult & Eggs	137	127	158	144	154	151
	1910-14=100 [3]					
Prices rec'd	-	-	-	883	1,011	984
Crops	-	-	-	699	897	862
Oil Bearing	-	-	-	755	1,306	1,180
Feed Grains	-	-	-	535	806	772
Lvstk	-	-	-	1,049	1,060	1,053
Meat Anim	-	-	-	1,245	1,284	1,320
Poult & Eggs	-	-	-	405	432	424

[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	Aug 2007	Jul 2008	Aug 2008	Aug 2007	Jul 2008	Aug 2008
	1990-92=100			1910-14=100		
Prices Paid [1]	162	192	194	2,153	2,561	2,591
Feed	146	209	219	711	1,020	1,070
Fertilizer	224	441	478	821	1,615	1,751
Fuels	263	426	394	2,032	3,288	3,038
Chemicals	129	142	143	799	880	886
Lvstk/Poultry	136	123	127	1,740	1,573	1,628
Ratio [2]	86	83	80	-	-	-
Parity Ratio [3]	-	-	-	41	39	38

[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 July 2008 totalled 359 million pounds, 7 million pounds less than July 2007. The average number of milk cows, 215,000 head, was equal to July 2007. Production per cow averaged 1,670 pounds, 30 pounds less than a year ago.

Milk Cows and Production: By Selected States, July 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	1,550	1,520	160	155	-3.1
IN	167	166	1,700	1,650	284	274	-3.5
IA	**215**	**215**	**1,700**	**1,670**	**366**	**359**	**-1.9**
KS	108	111	1,660	1,730	179	192	7.3
MI	336	348	1,940	1,870	652	651	-0.2
MN	463	463	1,575	1,590	729	736	1.0
MO	110	111	1,220	1,170	134	130	-3.0
OH	276	282	1,530	1,540	422	434	2.8
WI	1,248	1,252	1,675	1,675	2,090	2,097	0.3
23-State Total [3]	8,322	8,465	1,742	1,742	14,500	14,750	1.7

[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 July 2008 was 1.2 billion eggs, up slightly from July 2007. The total number of layers on hand during July 2008 was 53.3 million, up from 52.9 million layers in July 2007. Eggs per 100 layers for the month of July was 2,323, up from 2,275 eggs the previous year.

All Layers and Egg Production, July 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	23,952	23,193	24,639	23,896	2,281	2,327	562	556	550	544	12	12
IA	51,969	52,401	52,878	53,325	2,275	2,323	1,203	1,239	1,188	1,224	15	15
MN	10,044	9,341	10,521	9,811	2,262	2,334	238	229	229	220	9	9
NE	10,748	9,368	10,823	9,443	2,347	2,414	254	228	254	228	0	0
NC	4,359	4,723	12,137	12,253	2,060	2,065	250	253	105	119	145	134
OH	25,253	25,986	25,815	26,586	2,270	2,340	586	622				
29 Sts[4]	259,945	257,893	316,491	313,404	2,234	2,261	7,084	7,103	6,078	6,118	1,006	985
US	275,353	272,470	340,035	336,101	2,235	2,262	7,599	7,601	6,461	6,486	1,138	1,115

[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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