Agri-News

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Iowa Cattle on Feed Numbers Down 4% from Last Month

Iowa: There were 824,000 cattle on feed for the slaughter market in all feedlots in Iowa on June 1, 2007, down 4 percent from May 1, 2007, and down 2 percent from June 1, 2006. Feedlots with a capacity greater than 1,000 head had 520,000 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 304,000 head on feed, down 6 percent from last month, and down 18 percent from last year.

Placements during May totaled 83,000 head, a decrease of 11 percent from last month but up 20 percent from last year. Feedlots with a capacity greater than 1,000 head placed 54,000 head, down 11 percent from last month but up 6 percent from last year. Feedlots with a capacity less than 1,000 head placed 29,000 head. This is down 9 percent from last month but up 61 percent from last year.

Marketings for May were 109,000 head, up 18 percent from last month but down 8 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 63,000 head, up 7 percent from last month but down 15 percent from last year. Feedlots with a capacity less than 1,000 head marketed 46,000 head, up 39 percent from last month, and up 2 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 June 1, 2007. The inventory was 1 percent above June 1, 2006 and 5 percent above June 1, 2005. This is the highest June 1 inventory since the series began in 1996.

Placements in feedlots during May totaled 2.16 million, 13 percent above 2006 but 3 percent below 2005. Net placements were 2.06 million. During May, placements of cattle and calves weighing less than 600 pounds were 420,000, 600-699 pounds were 374,000, 700-799 pounds were 645,000, and 800 pounds and greater were 720,000.

Marketings of fed cattle during May totaled 2.09 million, 3 percent below 2006 but 4 percent above 2005.

Other disappearance totaled 99,000 during May, 14 percent below 2006 but 3 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, May 1, 2007	530	325	855
May Placements	54	29	83
May Marketings	63	46	109
May Other Disappearance	1	4	5
Cattle on Feed, June 1, 2007	520	304	824

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

State	Cattle on Feed June 1			Placements during May			Marketings during May			May 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	341	340	100	29	36	124	27	32	119	6	4	67
CA	535	555	104	80	73	91	70	65	93	5	3	60
CO	1,030	1,020	99	165	175	106	175	155	89	20	20	100
ID	230	230	100	37	43	116	47	42	89	5	6	120
IA	**470**	**520**	**111**	**51**	**54**	**106**	**74**	**63**	**85**	**2**	**1**	**50**
KS	2,400	2,290	95	415	465	112	520	500	96	25	25	100
NE	2,120	2,290	108	340	390	115	520	500	96	20	20	100
NM	135	128	95	25	34	136	21	23	110	1	1	100
OK	345	340	99	76	71	93	70	65	93	1	1	100
SD	195	215	110	33	34	103	34	45	132	4	4	100
TX	2,960	2,870	97	590	710	120	520	510	98	20	10	50
WA	141	149	106	20	29	145	30	33	110	1	1	100
Oth Sts	285	325	114	42	45	107	52	52	100	5	3	60
US	11,187	11,272	101	1,903	2,159	113	2,160	2,085	97	115	99	86

[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 June 1, there were 17.8 million hogs and pigs on Iowa farms, a record high. The June 1 inventory was up 1.20 million from a year ago.

The March – May 2007 pig crop was 4.23 million head. A total of 460,000 sows farrowed with an average litter size of 9.20 pigs per sow.

As of June 1, producers planned to farrow 460,000 head of sows and gilts in the June – August 2007 quarter. Farrowing intentions for the September - November 2007 period are estimated at 470,000 as of June 1, 2007.

United States: U.S. inventory of all hogs and pigs on June 1, 2007 was 62.8 million head. This was up 2 percent from both June 1, 2006 and March 1, 2007.

Breeding inventory, at 6.12 million head, was up 1 percent from last year, and 2 percent from the previous quarter. Market hog inventory, at 56.6 million head, was up 2 percent from both last year and last quarter.

The March-May 2007 pig crop, at 27.1 million head, was up 2 percent from 2006 and up 4 percent from 2005. Sows farrowing during this period totaled 2.97 million head, up 1 percent from 2006 and up 3 percent 2005. The sows farrowed during this quarter represented 49 percent of the breeding herd. The average pigs saved per litter was 9.15 for the March-May 2007 period, compared to 9.08 last year. Pigs saved per litter by size of operation ranged from 7.60 for operations with 1-99 hogs and pigs to 9.20 for operations with more than 5,000 hogs and pigs.

Hogs and Pigs: Breeding, Market, and Total Inventory
By Selected States and United States, June 1, 2006-2007 [1]

State	Breeding			Market			Total		
	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*
IL	430	440	102	3,770	3,460	92	4,200	3,900	93
IA	**1,080**	**1,080**	**100**	**15,520**	**16,720**	**108**	**16,600**	**17,800**	**107**
MN	590	610	103	6,210	6,290	101	6,800	6,900	101
MO	350	370	106	2,350	2,630	112	2,700	3,000	111
NE	365	360	99	2,635	2,690	102	3,000	3,050	102
NC	1,020	1,020	100	8,580	8,480	99	9,600	9,500	99
US	6,060	6,116	101	55,627	56,634	102	61,687	62,750	102

[1] May not add due to rounding.

Market Hogs and Pigs: Inventory Number by Weight Group,
Selected States, and United States, June 1, 2006-2007 [1]

State	Under 60 lbs.		60-119 lbs.		120-179 lbs.		180 lbs. and over	
	2006	2007	2006	2007	2006	2007	2006	2007
	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	1,350	1,270	940	860	840	760	640	570
IA	**4,860**	**5,190**	**4,240**	**4,630**	**3,530**	**3,800**	**2,890**	**3,100**
MN	2,460	2,530	1,550	1,560	1,310	1,300	890	900
MO	1,135	1,270	490	530	420	505	305	325
NE	1,000	1,010	700	710	550	550	385	420
NC	3,540	3,500	1,960	1,900	1,690	1,670	1,390	1,410
US	20,808	21,182	13,692	13,894	11,485	11,624	9,643	9,934

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

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ECONOMIST CORNER

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

Livestock: The national swine herd continues to expand, despite recent feed costs. The June Hog and Pig Report indicated that there are now 62.75 million head of swine, 1.7% more than a year ago. Nationally, the breeding herd is up almost 1% and market hog numbers are up 1.8%, with Iowa leading the way with 7.7% more market hogs. Continued expansion for the fourth straight year does indicate continued optimism in the production. Hog prices have been keeping many producers in the "black ink" even during this time of high corn prices. Price forecasts suggest that farrow to finish operations should remain profitable for the next quarter, but there is increased potential for losses in the final quarter of this year. On the supply side, pork production is posed to increase in the fall of this year for several reasons. First, more hogs are being produced, and second, the increased availability of vaccine for circovirus will decrease hog mortality and morbidity. Softening corn prices could also lead to heavier carcass weights as it becomes more economical to feed hogs to a heavier finish weight.

Beef prices have taken a considerable drop in the past month as the beef market follows its season trend. Demand for beef proved to be weaker in June than many had hoped, and the potential for a boost in beef sales for grilling on Independence Day is dampened further because it occurs mid-week and not near a weekend. Fed cattle prices usually begin to recover by the end of the summer months. Cattle finishers will continue to watch for lower corn prices and there is currently a potential for breaks in the corn market. Producers should consider taking advantage of lower prices when they occur, because the growing industrial use of corn will continue to put upward pressure on corn prices.

Grains: Weather will be the dominant influence on corn prices in the next four weeks as the grain trade monitors conditions for pollination. Crop condition ratings declined modestly in early July in several western Corn Belt states plus Ohio and Michigan, due to dry weather. However, lower ratings in these states were offset by improved ratings in Illinois and Indiana. With this year's very sharp increase in corn acreage, normal yields should provide fully adequate corn supplies through August of 2008 and modestly increased carryover stocks. However, the 19% increase in corn plantings came at the expense of very sharp declines in acreage of soybeans, cotton, and other spring wheat. Reduced plantings will tighten soybean supplies substantially in the summer of 2008 unless the U.S. average yield is above normal.

With most excess soybean stocks gone by next summer, the soybean market (and possibly cotton) will attempt to buy acres back from corn in 2008. Just to maintain utilization at the expected 2007-08 level (with no increase in use), a normal U.S. yield would require that next year's soybean acreage be increased by 7 million acres. At the same time, ethanol plants under construction will almost certainly increase corn processing demand substantially again next year. While corn supplies are should be fully adequate for 2007-08, they are likely to be substantially tighter in the 2008-09 marketing year. That should bring significantly higher corn and soybean prices next winter and early spring. With good weather this summer, downside risk in December corn futures prices would extend to the low $3 range, and possibly a little lower for brief periods. The challenge of receiving, handling, drying and storing the large corn crop likely will weaken the basis this fall.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Jun [1] 2006	IOWA May [1] 2007	IOWA Jun [2] 2007	U.S. May [1] 2007	U.S. Jun [2] 2007
		--------------Dollars--------------				
Corn	Bu	2.11	3.52	3.75	3.49	3.77
Oats	Bu	1.90	2.79	2.80	2.49	2.55
Soybeans	Bu	5.54	7.11	7.50	7.13	7.57
Alfalfa, baled	Ton	80.00	106.00	108.00	144.00	137.00
All Hay, baled	Ton	77.00	105.00	104.00	138.00	131.00
All Hogs	Cwt	55.60	54.80	53.70	53.00	52.50
Sows	Cwt	34.80	34.00	36.50	33.90	36.60
Brw & Gilts	Cwt	56.00	55.00	54.00	53.90	53.20
Beef Cattle	Cwt	82.20	93.80	89.20	93.20	89.70
Cows	Cwt	50.70	54.50	51.00	51.60	50.00
Strs & Hfrs	Cwt	82.80	94.60	90.00	98.10	94.00
Calves	Cwt	129.00	119.00	117.00	126.00	125.00
Milk Cows [3]	Hd	-	-	-	-	-
Milk (whls)	Cwt	12.50	18.00	20.10	18.00	20.00
Sheep	Cwt	39.00	31.80	-	30.30	-
Lambs	Cwt	91.40	92.00	-	96.60	-
Eggs (mkt)	Doz	0.300	0.568	0.458	0.615	0.497

[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 Jun 2006	IOWA May 2007	IOWA Jun [1] 2007	UNITED STATES Jun 2006	UNITED STATES May 2007	UNITED STATES Jun [1] 2007
	1990-92=100 [2]					
Prices rec'd	103	136	134	118	138	141
Crops	96	145	153	127	143	146
Oil Bearing	99	128	135	101	128	136
Feed Grains	94	156	166	109	158	167
Lvstk	109	127	126	110	134	136
Meat Anim	113	125	120	116	124	121
Poult & Eggs	70	118	115	116	150	151
	1910-14=100 [3]					
Prices rec'd	-	-	-	747	878	895
Crops	-	-	-	625	707	722
Oil Bearing	-	-	-	552	699	744
Feed Grains	-	-	-	390	567	596
Lvstk	-	-	-	843	1,029	1,045
Meat Anim	-	-	-	1,180	1,265	1,226
Poult & Eggs	-	-	-	325	423	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	Jun 2006	May 2007	Jun 2007	Jun 2006	May 2007	Jun 2007
	1990-92=100			1910-14=100		
Prices Paid [1]	147	156	154	1,423	1,509	1,497
Feed	122	146	142	594	711	694
Fertilizer	174	205	202	638	753	741
Fuels	259	263	261	1,997	2,028	2,018
Chemicals	128	130	129	794	802	800
Lvstk/Poultry	135	131	129	1,721	1,680	1,644
Ratio [2]	79	88	90	-	-	-
Parity Ratio [3]	-	-	-	38	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 5.3 Percent

Milk production in Iowa in May totaled 379 million pounds, up 5.3 percent from May 2006. The average number of milk cows, 212,000 head, was 8,000 head higher than May 2006. Production per cow averaged 1,790 pounds, up 25 pounds from last year.

Milk Cows and Production: By Selected States, May 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	1,690	1,670	174	172	-1.1
IN	166	168	1,750	1,770	291	297	2.1
IA	**204**	**212**	**1,765**	**1,790**	**360**	**379**	**5.3**
KS	113	110	1,870	1,820	211	200	-5.2
MI	320	330	1,920	1,960	614	647	5.4
MN	450	455	1,620	1,660	729	755	3.6
MO	116	114	1,470	1,380	171	157	-8.2
OH	273	275	1,610	1,620	440	446	1.4
WI	1,242	1,247	1,650	1,685	2,049	2,101	2.5
23-State Total [3]	8,257	8,283	1,782	1,795	14,712	14,867	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 Egg Production

Egg production in Iowa for May 2007 was 1.19 billion eggs, up 2.7 percent from the same period a year ago. The total number of layers on hand during May 2007 was 52.04 million, up from 51.97 million layers in May 2006. Eggs per 100 layers for the month of May was 2,289, up from 2,232 eggs the previous year.

All Layers and Egg Production, May 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*
AR	4,196	4,318	14,249	14,363	1,944	1,991	277	286	94	102	183	184
CA	18,923	18,747	19,447	19,148	2,108	2,152	410	412				
GA	9,892	9,397	19,639	19,246	2,077	2,058	408	396	221	206	187	190
IN	23,938	23,569	24,644	24,261	2,252	2,267	555	550	542	538	13	12
IA	51,188	51,092	51,967	52,035	2,232	2,289	1,160	1,191	1,145	1,175	15	16
MN	10,527	10,171	11,038	10,644	2,265	2,292	250	244	241	236	9	8
NE	11,523	10,943	11,598	11,018	2,225	2,196	258	242	258	242		
NC	3,180	4,285	10,877	12,255	2,078	2,089	226	256	84	108	142	148
OH	27,851	25,594	28,368	26,174	2,245	2,266	637	593				
PA	21,986	20,656	23,914	22,348	2,392	2,398	572	536	550	516	22	20
TX	13,990	14,008	18,365	18,495	2,265	2,260	416	418				
29 Sts[4]	265,575	260,111	321,645	317,138	2,212	2,229	7,115	7,068	6,127	6,067	988	1,002
US	281,017	275,497	345,223	340,705	2,212	2,226	7,637	7,584	6,520	6,449	1,117	1,136

[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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