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Iowa Cattle on Feed Numbers Down 6% from Last Year

Iowa: There were 890,000 cattle on feed for the slaughter market in all feedlots in Iowa on February 1, 2007, up 2 percent from January 1, 2007**,** but down 6 percent from February 1, 2006**.** Feedlots with a capacity greater than 1,000 head had 530,000 head on feed, up 2 percent from last month and up 2 percent from last year. Feedlots with a capacity less than 1,000 head had 360,000 head on feed, up 2 percent from last month, but down 16 percent from last year.

Placements during January totaled 132,000 head, a decrease of 7 percent from last month and 6 percent from last year. Feedlots with a capacity greater than 1,000 head placed 76,000 head, down 7 percent from last month and 6 percent from last year. Feedlots with a capacity less than 1,000 head placed 56,000 head. This is down 7 percent from last month and down 7 percent from last year.

Marketings for January were 103,000 head, down 2 percent from last month and one percent from last year. Feedlots with a capacity greater than 1,000 head marketed 64,000 head, up 8 percent from last month but down 7 percent from last year. Feedlots with a capacity less than 1,000 head marketed 39,000 head, down 15 percent from last month, but up 11 percent from last year. Other disappearance totaled 11,000 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 11.7 million head on February 1, 2007. The inventory was 3 percent below February 1, 2006 but 3 percent above February 1, 2005.

Placements in feedlots during January totaled 1.69 million, 23 percent below 2006 and 10 percent below 2005. Net placements were 1.59 million. This is the second lowest placements for the month of January since the series began in 1996. During January, placements of cattle and calves weighing less than 600 pounds were 320,000, 600-699 pounds were 390,000, 700-799 pounds were 545,000, and 800 pounds and greater were 435,000.

Marketings of fed cattle during January totaled 1.84 million, up 2 percent from 2006 and up 4 percent from 2005.

Other disappearance totaled 97,000 during January, 17 percent above 2006 and 33 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, January 1, 2007	520	352	872
January Placements	76	56	132
January Marketings	64	39	103
January Other Disappearance	2	9	11
Cattle on Feed, February 1, 2007	530	360	890

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

State	Cattle on Feed February 1			Placements during January			Marketings during January			January 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	346	334	97	39	33	85	26	32	123	1	1	100
CA	550	540	98	71	64	90	62	72	116	9	2	22
CO	1,110	1,040	94	225	155	69	185	200	108	10	10	100
ID	265	255	96	46	43	93	51	47	92	5	1	20
IA	**520**	**530**	**102**	**81**	**76**	**94**	**69**	**64**	**93**	**2**	**2**	**100**
KS	2,580	2,430	94	570	365	64	465	445	96	25	30	120
NE	2,490	2,540	102	425	420	99	355	405	114	10	15	150
NM	146	135	92	18	8	44	13	8	62	2	1	50
OK	375	350	93	65	50	77	57	48	84	3	2	67
SD	210	230	110	38	50	132	32	42	131	1	3	300
TX	3,030	2,800	92	540	340	63	420	390	93	10	20	200
WA	153	177	116	33	27	82	31	33	106	1	1	100
Oth Sts	335	365	109	48	59	123	44	55	125	4	4	100
US	12,110	11,726	97	2,199	1,690	77	1,810	1,841	102	83	97	117

[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.

Cattle Inventory

Iowa: All cattle and calves in Iowa as of January 1, 2007 totaled 3.95 million head, 3.9 percent above the 3.80 million head on January 1, 2006. Beef cows, at 1.07 million head, were 1.6 percent above last year. Milk cows, at 210,000 head, were 12.3 percent above last year.

Overall heifer numbers were up 6.7 percent from last year at 960,000 head. Heifers for beef cow replacement were up 14 percent to 160,000 head; heifers for milk cow replacement at 120,000 head were unchanged from the previous year; and all other heifers were up 6.2 percent to 680,000 head.

Steers weighing 500 pounds and over were up 5.5 percent from last year at 1,160,000 million head. Bulls weighing 500 pounds and over were unchanged from a year ago at 70,000 head. Calves under 500 pounds on January 1 totaled 480,000 head, down 2 percent from last year at 510,000 head.

The 2006 calf crop was estimated at 1.14 million head, down 2.6 percent from the 1.17 million head born in 2005. Cattle and calves on feed for slaughter in all feedlots on January 1, 2007 was 872,000 head, down 5.2 percent from one year ago.

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

Class	Iowa			United States		
	2006	2007	2007 as % of 2006	2006	2007	2007 as % of 2006
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
All Cattle and Calves	3,800	3,950	104	96,702	97,003	100
Cows and Heifers That Have Calved	1,240	1,280	103	42,056	42,023	100
Beef Cows	1,053	1,070	102	32,994	32,894	100
Milk Cows	187	210	112	9,063	9,129	101
Heifers 500 Pounds and Over	900	960	107	19,984	20,086	101
For Beef Cow Replacement	140	160	114	5,904	5,877	100
For Milk Cow Replacement	120	120	100	4,275	4,310	101
Other Heifers	640	680	106	9,805	9,899	101
Steers 500 Pounds and Over	1,100	1,160	105	16,933	17,222	102
Bulls 500 Pounds and Over	70	70	100	2,263	2,215	98
Calves Under 500 Pounds	490	480	98	15,465	15,456	100
Cattle on Feed [1]	920	872	95	14,132	14,269	101
	2005	2006	2006 as % of 2005	2005	2006	2006 as % of 2005
Calf Crop	1,170	1,140	97	37,575	37,567	100

[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. Cattle and calves on feed are included in the cattle inventory estimates by classes.

Sheep Inventory

Iowa: All sheep and lambs inventory at 235,000 head is unchanged from last year. Total breeding stock, at 175,000 head, increased by 2.9 percent from a year ago. Compared to last year, market sheep and lambs decreased to 60,000 head, while the lamb crop increased 2.4 percent to 210,000 head.

All Sheep and Lambs: Number by Class, Iowa and United States, January 1, 2006-2007

Class	Iowa			United States		
	2006	2007	2007 as % of 2006	2006	2007	2007 as % of 2006
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
All Sheep and Lambs	235	235	100	6,230.0	6,185.0	99
Total Breeding Sheep	170	175	103	4,640.0	4,620.0	100
Ewes	132	141	107	3,661.0	3,706.0	101
Rams	7	8	114	196.0	195.0	99
Replacement Lambs	31	26	84	783.0	719.0	92
Total Market	65	60	92	1,590.0	1,565.0	98
	2005	2006	2006 as % of 2005	2005	2006	2006 as % of 2005
Lamb Crop	205	210	102	4,117.0	4,085.0	99

ECONOMIST CORNER

Livestock by John Lawrence and Grains by Robert Wisner
Iowa Cooperative Extension Service – Ames

Livestock: Cattle feeders are using caution now that feed costs are well above where they were a year ago. Cattle placements in January were down 23% from a year ago, and the total number of cattle on feed was down 3%. Some of the reasons for the change are the large number of placements early in the season last year due to drought, feeder cattle supplies are lower than a year ago, and of course feeders will not be in a hurry to buy cattle until feed cost and the slaughter market indicate profitability. Weather has been a major factor in when cattle go on feed. Drought sent light feeder cattle to the feedlot early last summer which boosted placements and sent feedlot inventories to new records. Winter storms affecting the middle plains states have impacted feedlot conditions. Colorado and Kansas feedlot inventories are down 5% and 4% respectively from last year. The “silver lining” for many feeders is the continued improvement in the fed cattle market. Fed cattle prices in Iowa have increased by 6% in the last month and are 1% higher than a year ago.

Swine producers are also feeling the pinch of higher feed costs, however, the improving hog market is helping to alleviate some of the shock. Hog prices have also increased, up 2% in the past month, up 4% from a year ago. Total farrow to finish feed costs based on January prices are estimated to be around 29% higher than the past six year average. If the hog market follows a price trend similar the one in 2006, and corn and soybean meal prices are near the 2007 price forecasts, this may still end up being a profitable year for most swine production in general.

Grains: Official February 9 U.S. supply-demand projections showed no changes in the corn balance sheet from last month. USDA economists lowered their projected 2006-07 U.S. soybean exports by 20 million bushels and increased 8/31/07 projected bean carryover stocks by 20 million bushels. At the same time, the projected season average price range was raised from $5.75-$6.45 to $5.90-$6.45 per bushel. The higher price projections reflect recent soybean market strength in response to indications that farmers will shift a substantial acreage from soybeans to corn this spring. The U.S. wheat balance sheet was unchanged from last month, except for narrowing the projected range for the marketing year average price from $4.15-$4.45 to $4.20-$4.30 per bushel.

These projections continue to show a very tight corn supply situation. With enough new ethanol plants currently under construction to double the industry’s capacity, it looks clear that a large increase in corn plantings will be needed this year. That prospect appears likely to keep old-crop July corn futures in a trading range of about $4.10-$4.50 per bushel (with some chance of a brief break to $3.96) until prospective acreage becomes more clear from the March 30 planting intentions report.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Feb [1] 2006	IOWA Jan [1] 2007	IOWA Feb [2] 2007	U.S. Jan [1] 2007	U.S. Feb [2] 2007
		---------------Dollars---------------				
Corn	Bu	1.95	3.03	3.25	3.05	3.32
Oats	Bu	1.87	2.49	2.35	2.19	2.19
Soybeans	Bu	5.53	6.22	6.50	6.38	6.83
Alfalfa, baled	Ton	79.00	92.00	91.00	115.00	117.00
All Hay, baled	Ton	77.00	88.00	89.00	112.00	114.00
All Hogs	Cwt	43.90	44.50	47.30	42.70	46.60
Sows	Cwt	30.60	29.50	31.50	29.80	31.80
Brw & Gilts	Cwt	44.50	44.80	48.00	43.40	47.40
Beef Cattle	Cwt	95.80	86.80	90.80	84.30	85.80
Cows	Cwt	53.40	46.30	49.00	44.40	46.50
Strs & Hfrs	Cwt	96.70	87.60	91.70	89.80	90.70
Calves	Cwt	141.00	106.00	112.00	115.00	115.00
Milk Cows [3]	Hd	-	1,660.00	-	1,660.00	-
Milk (whls)	Cwt	14.40	14.90	14.50	14.50	14.70
Sheep	Cwt	50.00	38.00	-	37.10	-
Lambs	Cwt	80.00	88.00	-	96.50	-
Eggs (mkt)	Doz	0.240	0.760	0.570	0.788	0.627

[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 Feb 2006	IOWA Jan 2007	IOWA Feb [1] 2007	UNITED STATES Feb 2006	UNITED STATES Jan 2007	UNITED STATES Feb [1] 2007
	1990-92=100 [2]					
Prices rec'd	97	122	125	113	124	127
Crops	92	125	133	113	131	137
Oil Bearing	99	112	117	102	114	123
Feed Grains	87	134	144	96	136	146
Lvstk	102	119	118	114	116	119
Meat Anim	104	113	119	120	110	114
Poult & Eggs	62	156	124	109	134	139
	1910-14=100 [3]					
Prices rec'd	-	-	-	721	785	808
Crops	-	-	-	559	646	678
Oil Bearing	-	-	-	555	624	671
Feed Grains	-	-	-	343	486	523
Lvstk	-	-	-	871	888	913
Meat Anim	-	-	-	1,219	1,121	1,154
Poult & Eggs	-	-	-	305	377	390

[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	Feb 2006	Jan 2007	Feb 2007	Feb 2006	Jan 2007	Feb 2007
	1990-92=100			1910-14=100		
Prices Paid [1]	147	152	153	1,960	2,025	2,035
Feed	121	149	152	591	727	744
Fertilizer	183	174	179	673	638	656
Fuels	218	221	222	1,679	1,703	1,716
Chemicals	127	128	128	783	794	790
Lvstk/Poultry	138	121	122	1,764	1,543	1,563
Ratio [2]	77	82	83	-	-	-
Parity Ratio [3]	-	-	-	37	39	40

[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 3.1 Percent

Milk production in Iowa in January totaled 361 million pounds, up 3.1 percent from January 2005. The average number of milk cows, 210,000 head, was 10,000 head higher than January 2005. Production per cow averaged 1,720 pounds, 30 pounds less than last year.

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

State	Milk Cows [1]		Milk Per Cow [2]		Milk Production [2]		
	2006	2007	2006	2007	2006	2007	'07 as % of '06
	1,000 Head	*1,000 Head*	*Pounds*	*Pounds*	*Million Pounds*	*Million Pounds*	*Percent*
IL	104	103	1,630	1,645	170	169	-0.6
IN	161	165	1,720	1,720	277	284	2.5
IA	200	210	1,750	1,720	350	361	3.1
KS	111	110	1,790	1,690	199	186	-6.5
MI	314	325	1,890	1,925	593	626	5.6
MN	445	455	1,605	1,625	714	739	3.5
MO	114	115	1,440	1,300	164	150	-8.5
OH	273	275	1,490	1,520	407	418	2.7
WI	1,240	1,245	1,585	1,620	1,965	2,017	2.6
23-State Total [3]	8,198	8,279	1,711	1,719	14,027	14,228	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.

U.S. Egg Production Down Slightly

Egg production in Iowa for January 2007 was 1.12 billion eggs, down 2.4 percent from the same period a year ago. The total number of layers on hand during January 2007 was 51.8 million, up 1 percent from 51.1 million layers in January 2006. Eggs per 100 layers for the month of January was 2,167, down from 2,249 eggs the previous year.

All Layers and Egg Production, January 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	23,965	23,785	24,696	24,498	2,251	2,233	556	547	543	534	13	13
IA	50,350	50,889	51,125	51,773	2,249	2,167	1,150	1,122	1,138	1,109	12	13
MN	10,734	10,597	11,199	11,064	2,250	2,296	252	254	244	246	8	8
NE	11,834	11,380	11,909	11,455	2,225	2,313	265	265	265	265		
OH	29,109	26,668	29,651	27,194	2,266	2,306	672	627				
29 Sts[4]	268,621	267,232	325,244	323,201	2,212	2,203	7,193	7,120	6,213	6,145	980	975
US	284,990	283,066	349,677	347,122	2,210	2,200	7,727	7,636	6,622	6,535	1,105	1,101

[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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