Agri-News
USDA – National Agricultural Statistical Service
Iowa Field Office
210 Walnut, Room 833 • Des Moines, Iowa 50309-2195
515-284-4340 • 1-800-772-0825 • FAX 515-284-4342 • nass-ia@nass.usda.gov
To access NASS reports - http://www.nass.usda.gov

Issued February 5, 2010 Vol 10-03

Cattle on Feed

Iowa: There were 1,360,000 cattle on feed for the slaughter market in all feedlots in Iowa on January 1, 2010, up 4 percent from December 1, 2009 and up 5 percent from January 1, 2009. Feedlots with a capacity greater than 1,000 head had 570,000 head on feed, up 2 percent from last month and up 14 percent from last year. Feedlots with a capacity less than 1,000 head had 790,000 head on feed, up 6 percent from last month, but down 1 percent from last year.

Placements during December totaled 210,000 head, down 21 percent from last month, but up 27 percent from last year. Feedlots with a capacity greater than 1,000 head placed 85,000 head, down 21 percent from last month, but up 29 percent from last year. Feedlots with a capacity less than 1,000 head placed 125,000 head. This is up 39 percent from last month and up 25 percent from last year.

Marketings for December were 150,000 head, down 21 percent from last month, but up 6 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 73,000 head, down 14 percent from last month, but up 14 percent from last year. Feedlots with a capacity less than 1,000 head marketed 77,000 head, down 27 percent from last month, but unchanged from last year. Other disappearance totaled 4,000 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 11.0 million head on January 1, 2010. The inventory was 2 percent below January 1, 2009. The inventory included 6.88 million steers and steer calves, down 3 percent from the previous year. This group accounted for 62 percent of the total inventory. Heifers and heifer calves accounted for 4.07 million head, down 1 percent from 2009.

Placements in feedlots during December totaled 1.55 million, 6 percent below 2008. Net placements were 1.47 million head. During December, placements of cattle and calves weighing less than 600 pounds were 430,000, 600-699 pounds were 420,000, 700-799 pounds were 401,000, and 800 pounds and greater were 295,000.

Marketings of fed cattle during December totaled 1.74 million, 4 percent above 2008.

Other disappearance totaled 72,000 during December, 5 percent below 2008.

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, December 1, 2009	560	744	1,304
December Placements	85	125	210
December Marketings	73	77	150
December Other Disappearance	2	2	4
Cattle on Feed, January 1, 2010	570	790	1,360

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

State	Cattle on Feed January 1			Placements during December			Marketings during December			December Disappearance other than Slaughter [2]		
	2009	2010	'10 as % of '09	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	358	288	80	29	32	110	29	25	86	1	1	100
CA	490	465	95	59	63	107	60	59	98	4	4	100
CO	1,000	1,010	101	150	110	73	155	155	100	5	5	100
ID	220	215	98	36	41	114	39	35	90	2	1	50
IA	**500**	**570**	**114**	**66**	**85**	**129**	**64**	**73**	**114**	**2**	**2**	**100**
KS	2,270	2,250	99	380	375	99	405	445	110	15	10	67
NE	2,370	2,360	100	345	320	93	340	350	103	15	20	133
NM	164	(D)	(D)	16	(D)	(D)	18	(D)	(D)	2	(D)	(D)
OK	335	365	109	49	50	102	46	58	126	3	2	67
SD	220	235	107	38	38	100	37	36	97	1	2	200
TX	2,790	2,680	96	405	350	86	405	410	101	20	20	100
WA	157	166	106	28	29	104	38	34	89	2	1	50
Oth Sts	360	405	(X)	46	53	(X)	47	62	(X)	4	4	(X)
US	11,234	11,009	98	1,647	1,546	94	1,683	1,742	104	76	72	95

(D) Withheld to avoid disclosing data for individual operations.
(X) Comparison to previous year 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.

Sheep Inventory

Iowa: All sheep and lambs inventory at 210,000 head, up 5 percent from last year. Total breeding stock, at 145,000 head, is unchanged from a year ago. Compared to last year, market sheep and lambs increased 18 percent to 65,000 head, and the lamb crop decreased 7 percent to 170,000 head.

All Sheep and Lambs: Number by Class, Iowa and United States, January, 2009-2010

Class	Iowa			United States		
	2009	2010	2010 as % of 2009	2009	2010	2010 as % of 2009
	1,000 Head	*1,000 Head*	*Percent*	*1,000 Head*	*1,000 Head*	*Percent*
All Sheep and Lambs	200	210	105	5,747	5,630	98
Total Breeding Sheep	145	145	100	4,247	4,190	99
Ewes	120	116	97	3,405	3,340	98
Rams	7	6	86	196	195	100
Replacement Lambs	18	23	127	647	655	101
Total Market	55	65	118	1,500	1,440	96
	2008	2009	2009 as % of 2008	2008	2009	2009 as % of 2008
Lamb Crop	183	170	93	3,710	3,690	99

ECONOMIST CORNER

By Shane Ellis, Livestock Economist, and Chad Hart, Grain Marketing Specialist, Iowa Cooperative Extension Service – Ames

USDA estimated the nation's cattle inventory to be 93.7 million head, 1 percent lower than January 2009. This marks the third decline in a row and the lowest total cattle numbers since 1959. Inventories will be smaller in coming years as the number of beef and milk cows and beef replacement heifers each decreased. The number of beef cows is down 1 percent and beef replacement heifer inventory is down nearly 2 percent, but the number of beef heifers expected to calve in 2010 is up 0.5 percent. Milk cow numbers are down nearly 3 percent but the inventory of milk replacement heifers increased over 2 percent as producers anticipate higher milk prices in responded to three industry funded dairy cow buyout programs in 2009. In general, the cattle inventory continues its downward trend. It is the smallest inventory of beef cows since 1963 and beef replacement heifers since 1990. The 2009 calf crop was 35.8 million head, down nearly 1 percent or 334,000 head and is the smallest calf crop since 1950. The number of cattle on feed was 1.5 percent below the 2009, the smallest January feedlot inventory since 2003. Based on the inventory, fed cattle and beef supplies are expected to be tighter in 2010 than 2009 and should be supportive of price. Third quarter 2009 feedlot placements were up over 6 percent and will limit price rallies in the first quarter of 2010. Placements were lower in the fourth quarter leading to lower second quarter marketings and higher prices. Compared to a year ago there are additional cattle outside feedlots that will eventually be placed and marketed in the second half of the year. Given the reduced heifer retention and resulting increased heifer slaughter, average carcass weights in 2010 should decline offsetting some of the increased heifer slaughter. Overall beef supplies should be lower in 2010 and 2011 supporting higher prices. However, beef and cattle prices will require stronger demand to see much price improvement. Recent reports from the restaurant industry shows some signs of stronger demand from food service. A recovering economy and declining unemployment will also be necessary to strengthen beef demand.

Hog prices steadily improved during January, firming up an anticipated return to profitability within the next couple of months. Combined with the cheaper price of corn the gap in the clouds for swine producers just got a little wider. Perhaps pork prices are seeing some of the benefits from a steadying of economic conditions and stronger domestic demand. Exports for the year are expected to near 2008 levels, and this added boost to total demand coupled with shortening supplies are adding up to positive hog price movements. Given this optimistic outlook profitability projections have improved for the first quarter and mid-summer marketing periods.

The January USDA reports provided some record-setting information. And if the markets were looking for bearish information, the reports provided it. For corn, national average yields are projected at 165.2 bushels per acre, topping the record set in 2004 by nearly 5 bushels. Corn production is projected at 13.15 billion bushels. With this revision, the 2009 crop becomes the largest corn crop the U.S. has ever produced, exceeding the 2007 crop by 113 million bushels. For soybeans, national average yields are projected at 44 bushels per acre, nearly a bushel above the previous record (2005). Soybean production is projected at a record 3.36 billion bushels. USDA also updated their demand projections. Soybean exports were raised 35 million bushels to 1.375 billion, based on continued Chinese demand. But some other soybean markets, such as Taiwan, Egypt, and Canada, have grown year over year as well. Soybean crush is projected at 1.71 billion bushels, up 15 million on the strength of soybean meal exports. For corn, feed and residual demand was raised to 5.55 billion bushels, based on the stock disappearance numbers. Ethanol demand held at 4.2 billion bushels, but food and seed demand was lowered 10 million bushels as shipments of high fructose corn syrup were off. Corn exports were held steady at 2.05 billion bushels. The record crop pushed projected 2009/10 corn ending stocks to 1.764 billion bushels, up 89 million.

In the weeks before the USDA reports, corn prices had been holding steady. But the record crop estimate snapped the market into action. From the release of the reports to the end of January, corn prices fell over 13 percent. Soybean prices had already been sliding downward before the reports and continued afterward. But the big crop numbers have not been the only factors contributing to the drop in crop prices. Energy prices have been a major driver for crop demand through biofuels over the last couple of years. And while energy prices had rebounded during 2009, those prices have backed off recently. Another factor is the recent strength of the dollar. The recent outlook and data for the general economy has been on the upswing. This has resulted in the dollar rebounding to hit levels it hasn't seen since last August.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA			U.S.	
		Jan[1] 2009	Dec[1] 2009	Jan[2] 2010	Dec[1] 2009	Jan[2] 2010
		---------------Dollars---------------				
Corn	Bu	4.44	3.68	3.50	3.59	3.45
Oats	Bu	2.89	1.86	1.90	2.23	2.19
Soybeans	Bu	10.10	9.81	9.40	9.80	9.49
Alfalfa, baled	Ton	139.00	111.00	124.00	110.00	113.00
All Hay, baled	Ton	133.00	106.00	119.00	107.00	109.00
Hogs, all	Cwt	43.50	45.40	47.00	45.00	47.30
Sows	Cwt	42.20	33.00	37.10	32.10	37.30
Brw & Gilts	Cwt	43.50	45.50	47.20	45.50	47.80
Beef Cattle	Cwt	87.20	83.20	87.20	78.60	81.90
Cows	Cwt	46.00	44.00	49.00	43.50	47.10
Strs & Hfrs	Cwt	88.00	84.00	88.00	83.80	87.00
Calves	Cwt	101.00	101.00	103.00	105.00	109.00
Milk Cows[3]	Hd	1,650	-	1,200	-	1,340
Milk (whls)	Cwt	13.80	16.70	17.00	16.50	16.50
Sheep	Cwt	26.00	36.50	-	45.20	-
Lambs	Cwt	94.5	93.50	-	98.10	-
Eggs (mkt)	Doz	0.865	0.890	-	0.918	0.906

[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			UNITED STATES		
	Jan 2009	Dec 2009	Jan[1] 2010	Jan 2009	Dec 2009	Jan[1] 2010
	1990-92=100					
Prices rec'd	174	140	136	139	135	137
Crops	191	168	160	161	148	148
Oil Bearing	181	176	169	179	172	169
Feed Grains	197	163	156	188	155	150
Lvstk	156	109	106	114	119	123
Meat Anim	99	100	104	106	105	109
Dairy Prod.	108	131	133	102	126	126
	1910-14=100[2]					
Prices rec'd	-	-	-	881	854	870
Crops	-	-	-	796	734	733
Oil Bearing	-	-	-	981	944	924
Feed Grains	-	-	-	671	552	535
Lvstk	-	-	-	878	912	941
Meat Anim	-	-	-	1,075	1,067	1,114
Dairy Prod.	-	-	-	818	1,015	1,015

[1] Preliminary [2] Iowa figures for 1910-14=100 base not available.

U.S. Prices Paid Index Summary

Prices Paid	Jan 2009	Dec 2009	Jan 2010	Jan 2009	Dec 2009	Jan 2010
	1910-14=100			1990-92=100		
Prices Paid[1]	2,394	2,385	2,441	180	179	183
Feed	921	887	883	189	182	181
Fertilizer	1,246	946	963	340	258	263
Fuels	1,575	2,054	2,183	204	266	283
Chemicals	877	930	934	142	150	151
Lvstk/Poultry	1,536	1,459	1,526	120	114	119
Ratio[2]	-	-	-	77	75	75
Parity Ratio[3]	37	36	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 December 2009 totaled 376 million pounds, up 3.6 percent from December 2008. The average number of milk cows, 215,000 head, was unchanged from December 2008. Production per cow averaged 1,750 pounds, up 60 pounds from December 2008.

Milk Cows and Production: By Selected States, December 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*
Illinois	102	101	1,580	1,600	161	162	0.6
Indiana	167	169	1,650	1,660	276	281	1.8
Iowa	**215**	**215**	**1,690**	**1,750**	**363**	**376**	**3.6**
Kansas	124	115	1,740	1,785	216	205	-5.1
Michigan	354	354	1,850	1,895	655	671	2.4
Minnesota	467	469	1,605	1,650	750	774	3.2
Missouri	109	103	1,270	1,230	138	127	-8.0
Ohio	276	272	1,510	1,550	417	422	1.2
Wisconsin	1,255	1,259	1,635	1,700	2,052	2,140	4.3
23-State Total [3]	8,519	8,313	1,729	1,758	14,728	14,614	-0.8

[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 December 2009 was 1.25 billion eggs, up from December 2008. The total number of layers on hand during December 2009 was 54.4 million, up from 53.7 million layers in December 2008. Eggs per 100 layers for the month of December was 2,296 eggs, up from 2,288 eggs the previous year.

All Layers and Egg Production, December 2008 and 2009

State	Table Egg Layers in Flocks 30,000 & Above		All layers on hand [1]		Eggs per 100 layers		Egg production by type: Total production		Table eggs [2]		Hatching eggs [2]	
	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	23,552	22,869	24,247	23,539	2,310	2,362	560	556	547	544	13	12
IA	**52,803**	**53,493**	**53,718**	**54,354**	**2,288**	**2,296**	**1,229**	**1,248**	**1,215**	**1,235**	**14**	**13**
MN	9,558	9,825	10,065	10,331	2,335	2,362	235	244	226	235	9	9
NE	9,685	9,455	9,735	9,505	2,404	2,441	234	232	234	232	0	0
NC	5,373	6,039	12,520	13,226	2,109	2,132	264	282	131	149	133	133
OH	26,996	27,029	27,406	27,508	2,386	2,341	654	644				
US	279,793	278,956	340,302	339,882	2,283	2,304	7,768	7,831	6,701	6,763	1,068	1,067

[1] Includes all layers and eggs produced in both table egg and hatching egg flocks regardless of size. [2] Data by type of flock not shown for some states to avoid disclosing individual operations, data included in US totals.

PRESRT STD
POSTAGE & FEES PAID
USDA
PERMIT NO. G-38

AGRI NEWS IS PUBLISHED BY USDA NATIONAL AGRICULTURAL STATISTICS SERVICE IOWA FIELS OFFICE, 210 WALNUT ST. RM 833, DES MOINES IA 50309. POSTMASTER: SEND ADDRESS CHANGES TO AGRI-NEWS, C/O SD AGRICULTURAL STATISTICS, PO BOX 5068 SIOUX FALLS, SD 57117.