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Cattle on Feed Down 1 Percent

Iowa: There were 1,355,000 cattle on feed for the slaughter market in all feedlots in Iowa on May 1, 2010, down 1 percent from April 1, 2010, but up 2 percent from May 1, 2009. Feedlots with a capacity greater than 1,000 head had 600,000 head on feed, unchanged from last month, but up 11 percent from last year. Feedlots with a capacity less than 1,000 head had 755,000 head on feed, down 3 percent from last month and down 4 percent from last year.

Placements during April totaled 142,000 head, up 2 percent from last month and up 8 percent from last year. Feedlots with a capacity greater than 1,000 head placed 76,000 head, down 1 percent from last month and down 4 percent from last year. Feedlots with a capacity less than 1,000 head placed 66,000 head. This is up 6 percent from last month and up 27 percent from last year.

Marketings for April were 156,000 head, down 5 percent from last month, but up 17 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 72,000 head, down 14 percent from last month, but up 6 percent from last year. Feedlots with a capacity less than 1,000 head marketed 84,000 head, up 5 percent from last month and up 29 percent from last year. Other disappearance totaled 6,000 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, April 1, 2010	600	775	1,375
April Placements	76	66	142
April Marketings	72	84	156
April Other Disappearance	4	2	6
Cattle on Feed, May 1, 2010	600	755	1,355

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

State	Cattle on Feed May 1			Placements during April			Marketings during April			April Disappearance other than Slaughter [2]		
	2009	2010	'10 as % of '09	2009	2010	'10 as % of '09	2009	2010	'10 as % of '09	2009	2010	'10 as % of '09
	(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)
Arizona	311	268	86	21	16	76	38	24	63	2	2	100
California	450	435	97	68	49	72	61	51	84	2	3	150
Colorado	1,010	940	93	150	170	113	165	145	88	15	15	100
Idaho	210	210	100	30	27	90	29	21	72	1	1	100
Iowa	**540**	**600**	**111**	**79**	**76**	**96**	**68**	**72**	**106**	**1**	**4**	**400**
Kansas	2,180	2,130	98	330	315	95	410	405	99	20	20	100
Nebraska	2,270	2,240	99	350	400	114	395	435	110	5	15	300
New Mexico	120	(D)	(D)	11	(D)	(D)	25	(D)	(D)	3	(D)	(D)
Oklahoma	315	325	103	52	57	110	66	70	106	1	2	200
South Dakota	230	235	102	39	39	100	33	38	115	1	1	100
Texas	2,680	2,510	94	395	400	101	510	510	100	15	20	133
Other States	345	385	(X)	49	51	(X)	47	59	(X)	2	5	(X)
United States	10,822	10,453	97	1,600	1,629	102	1,871	1,854	99	69	89	129

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

Hired Workers Up 10 Percent, Wage Rates Down 1 Cent

There were 997,000 hired workers on the Nation's farms and ranches during the week of April 11-17, 2010, up 10 percent from a year ago. Of these hired workers, 737,000 were hired directly by farm operators. Agricultural service employees on farms and ranches made up the remaining 260,000 workers.

Farm operators paid their hired workers an average wage of $10.83 per hour during the April 2010 reference week, down 1 cent from a year earlier. Field workers received an average of $10.04 per hour, up 5 cents from last April, while livestock workers earned $10.31 per hour compared with $10.25 a year earlier. The field and livestock worker combined wage rate, at $10.13 per hour, was up 6 cents from last year. The number of hours worked averaged 39.8 for hired workers during the survey week, down 1 percent from a year ago.

Hired worker wage rates were generally below a year ago in most regions. The largest decreases occurred in the Corn Belt II (Iowa and Missouri), Northeast II, Corn Belt I, Lake, Pacific (Oregon and Washington), and Appalachian I (North Carolina and Virginia) regions. In the Corn Belt I and II and Appalachian I regions, the lower wages were due to a higher percentage of part time workers.

Farm Labor: Employment, Wage Rates, and Hired Workers, Regional and U.S.

Year and Month			Hired Workers[1] Wage Rates for Type of Worker			
	Hired Workers	Hours Worked	Field	Livestock	Field & Livestock	All Hired Workers
	1,000	*Hours per Week*	*- - - - - - - - - - - - Dollars per Hour - - - - - - - - - - - -*			
CORN BELT II REGION[2]						
2008						
January	27	36.8	11.38	10.82	10.90	11.42
April	21	38.2	10.65	12.20	11.50	11.88
July	28	35.6	10.29	9.23	9.90	10.25
October	32	37.0	10.62	11.37	10.90	11.50
2009						
January	20	34.0	11.06	11.27	11.20	11.40
April	22	31.8	10.35	12.45	11.15	11.80
July	28	33.6	10.88	10.05	10.55	11.01
October	30	31.1	10.46	11.23	10.75	10.85
2010						
January	23	33.5	11.40	10.77	11.00	10.98
April	27	39.0	10.47	11.23	10.75	10.87
UNITED STATES						
2008						
January	594	38.4	9.67	10.18	9.88	10.81
April	700	40.8	9.65	10.24	9.84	10.57
July	828	40.5	9.66	9.98	9.74	10.34
October	804	41.4	10.05	10.21	10.09	10.70
2009						
January	595	38.3	9.96	10.27	10.08	10.93
April	680	40.1	9.99	10.25	10.07	10.84
July	875	39.7	10.04	10.05	10.04	10.66
October	807	39.0	10.25	10.23	10.24	10.91
2010						
January	602	37.2	10.09	10.28	10.17	11.05
April	737	39.8	10.04	10.31	10.13	10.83

[1] Includes all workers and methods of pay except those workers paid by piece rate. [2] Corn Belt II Region: Iowa, Missouri

ECONOMIST CORNER

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

Cattle and hog prices both declined in the second half of May as did most commodities. Economic uncertainty is once again impacting the market place. While there is an expected softening in cash beef prices the weeks surrounding Memorial Day, the outlook for beef prices in the coming months also weakened significantly. Futures market prices declined in all contract months for more than the next year. Granted, there was some "cooling" needed in the marketplace, but such a general decline in current and future prices eludes to underlying uncertainty among market participants. If the ground starts to shake, the last place you want to be standing is the top step of the ladder.

Iowa fed cattle prices ranged from almost $100 down to $93.50/cwt in the month of May. Feedlot inventories are down 3 percent creating tighter supplies, so some cattle were leaving the feedlots earlier, and lighter, than originally planned. May average carcass weights were down 1.8% from last year. Boxed beef choice prices spent the first half of May over $170/cwt, but ended the month $5 lower. Looking out into the future, everyone wants to be optimistic in the face of uncertainty. The industry can expect the general economy and other market indicators (i.e. stock market) to continue to impact the beef market.

Despite the recent decline in swine prices, things still appear to be favorable for swine producers. Gross margin projections based on current cash and futures prices show that returns to finishing hogs could be positive through October 2011. Remember that could all change, but those are the margins a feed and hog futures hedge could deliver. Average weighted lean market hog prices were over $91/cwt at the beginning of May but ended the month closer to $80/cwt. While domestic demand continues to be stable and strong, exports will continue to influence the market. Pork exports were up 1.3 percent in the first quarter of the year compared to 2009 which is good. At the beginning of the year it was hoped that export volume would reach 2008 levels, but so far we are running 5 percent behind.

The last couple of months have contained some fairly large swings in crop prices, but the markets have not established a trend. A quick freeze and export demands and rumors have pushed prices up, but good-to-excellent planting and growing conditions have pushed back. In the end, outside market pressures have had more influence than crop fundamentals and market prices are roughly where they were a couple of months ago. As we head into the backstretch of the 2009/10 marketing year, ethanol and export demand continue to build for corn. USDA raised its estimate of corn moving through ethanol by 100 million bushels, to 4.4 billion bushels. Ethanol production surged during the winter, averaging over 1 billion gallons per month. That surge meant more corn demand via ethanol and more distillers grains for livestock feed and exports. Relative prices for ethanol and gasoline have implied strong blending signals for fuel blenders to use ethanol. Since the first of the year, on average, 82 percent of U.S. motor gasoline supply has been blended with ethanol. But ethanol stocks have been building as well. We started the year with approximately 700 million gallons of ethanol in stocks. By the end of February, the ethanol stock level stood at nearly 800 million gallons, a record level. These stock levels held ethanol prices down while crude oil and gasoline prices rose earlier in the year. But as crude oil and gasoline prices fell in May, ethanol prices held firm on the continued blending strength.

For soybeans, the export outlook is bearish as South American supplies come online. The projection is at 1.35 billion bushels, down 105 million from the 2009/10 record pace. Crush demand is also projected to be down next year as well. With strong supplies and weakening demand, ending stocks are projected at 365 million bushels, up 175 million, and season-average price estimates are down, with the midpoint at $8.75 per bushel. Soybean futures are roughly in line with that estimate. The next big report, the acreage report, will come out at the end of June. Until then, the markets will likely continue to drift with the action in the outside markets.

Average Prices Received by Farmers for Farm Products

Item	IOWA			U.S.	
	May [1] 2009	April [1] 2010	May [2] 2010	April [1] 2010	May [2] 2010
	--------------Dollars--------------				
Corn .... Bu	4.06	3.45	3.40	3.41	3.41
Oats .... Bu	2.87	2.38	2.00	2.25	2.04
Soybeans .... Bu	10.60	9.35	9.20	9.47	9.28
Alfalfa, baled ... Ton	120.00	125.00	123.00	113.00	121.00
All Hay, baled .. Ton	115.00	120.00	117.00	109.00	116.00
Hogs, all .... Cwt	45.10	56.70	62.50	56.50	62.30
Sows .... Cwt	40.00	53.00	58.50	53.20	58.80
Brw & Gilts ...... Cwt	45.20	56.70	62.50	56.60	62.50
Beef Cattle ...... Cwt	86.30	101.00	101.00	95.70	96.50
Cows .... Cwt	51.00	59.00	62.00	57.50	59.50
Strs & Hfrs .... Cwt	87.00	101.00	102.00	101.00	101.00
Calves .... Cwt	109.00	126.00	130.00	122.00	123.00
Milk Cows [3] .... Hd	-	1,250.00	-	1,330.00	-
Milk (whls) .... Cwt	12.00	14.90	15.30	14.60	15.00
Sheep .... Cwt	32.00	45.00	-	48.70	-
Lambs .... Cwt	106.00	121.00	-	119.00	-
Eggs (mkt)[4] ..... Doz	0.341	-	-	0.599	0.441

- Represents zero.
[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. [4] State level egg prices were discontinued in January 2010.

Prices Received Index Summary Table

Prices Received	IOWA			UNITED STATES		
	May 2009	April 2010	May[1] 2010	May 2009	April 2010	May[1] 2010
	1990-92=100					
Prices rec'd ..	143	143	142	130	138	141
Crops	184	159	156	150	149	150
Oil Bearing	190	168	165	191	169	165
Feed	180	154	151	173	148	149
Grains	98	123	130	113	128	132
Lvstk	101	123	131	110	128	132
Meat Anim	94	117	120	89	112	115
Dairy Prod.						
	1910-14=100 [2]					
Prices rec'd ..	-	-	-	823	876	891
Crops	-	-	-	743	741	742
Oil Bearing	-	-	-	1,048	926	907
Feed	-	-	-	615	528	532
Grains	-	-	-	863	979	1,009
Lvstk	-	-	-	1,117	1,305	1,343
Meat Anim	-	-	-	714	898	923
Dairy Prod.						

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

U.S. Prices Paid Index Summary

Prices Paid	May 2009	April 2010	May 2010	May 2009	April 2010	May 2010
	1910-14=100			1990-92=100		
Prices Paid [1]	2,398	2,433	2,440	180	183	183
Feed	942	839	832	193	172	170
Fertilizer	1,103	900	930	301	245	254
Fuels	1,600	2,218	2,247	207	287	291
Chemicals	946	889	890	153	144	144
Lvstk/Poultry ..	1,515	1,784	1,776	119	140	139
Ratio [2]	-	-	-	72	75	77
Parity Ratio [3] ..	34	36	37	-	-	-

- Represents zero.
[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 Cows and Production: By Selected States, April 2009-2010

State	Milk Cows [1]		Milk Per Cow [2]		Milk Production [2]		
	2009	2010	2009	2010	2009	2010	Change from 2009
	(1,000 Head)	(1,000 Head)	(Pounds)	(Pounds)	(Million Pounds)	(Million Pounds)	(Percent)
Illinois	102	101	1,625	1,670	166	169	1.8
Indiana	167	169	1,710	1,745	286	295	3.1
Iowa	**215**	**212**	**1,710**	**1,750**	**368**	**371**	**0.8**
Kansas	120	116	1,775	1,805	213	209	-1.9
Michigan	356	357	1,865	1,955	664	698	5.1
Minnesota	468	470	1,605	1,650	751	776	3.3
Missouri	110	101	1,320	1,325	145	134	-7.6
Ohio	277	268	1,590	1,670	440	448	1.8
Wisconsin	1,256	1,261	1,650	1,745	2,072	2,200	6.2
23-State Total [3]	8,480	8,325	1,760	1,823	14,922	15,178	1.7

[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.

All Layers and Egg Production, April 2009 and 2010

[2010 preliminary, 2009 revised. Data may not add to totals due to rounding.]

State	Table Egg Layers in Flocks 30,000 & Above		All layers on hand [1]		Eggs per 100 layers		Total Egg Production		Table Egg Production [1]	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
	(Thousands)	(Thousands)	(Thousands)	(Thousands)	(Number)	(Number)	(Million eggs)	(Million eggs)	(Million eggs)	(Million eggs)
Indiana	23,283	22,923	24,091	23,686	2,262	2,292	545	543	530	529
Iowa	**52,811**	**53,563**	**53,742**	**54,442**	**2,207**	**2,263**	**1,186**	**1,232**	**1,171**	**1,218**
Minnesota	9,753	9,865	10,250	10,355	2,244	2,231	230	231	222	223
Nebraska	9,716	9,368	9,766	9,418	2,324	2,389	227	225	227	225
North Carolina	5,533	6,008	12,784	13,586	2,042	1,987	261	270	135	138
Ohio	26,846	27,039	27,293	27,547	2,224	2,218	607	611		
United States	278,429	276,633	340,170	339,946	2,197	2,220	7,472	7,547	6,419	6,472

[1] Data by type of flock not shown for some states to avoid disclosing individual operations, data included in United States totals. [2] Included in Other States in 2009. [3] Not published separately to avoid disclosing data for individual operations.