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Cattle on Feed

Iowa: There were 862,000 cattle on feed for the slaughter market in all feedlots in Iowa on January 1, 2008, up 1 percent from December 1, 2007**,** but down 1 percent from January 1, 2007**.** Feedlots with a capacity greater than 1,000 head had 570,000 head on feed, unchanged from last month but up 10 percent from last year. Feedlots with a capacity less than 1,000 head had 292,000 head on feed, up 3 percent from last month, but down 17 percent from last year.

Placements during December totaled 116,000 head, a decrease of 23 percent from last month and a decrease of 18 percent from last year. Feedlots with a capacity greater than 1,000 head placed 71,000 head, down 26 percent from last month and down 13 percent from last year. Feedlots with a capacity less than 1,000 head placed 45,000 head. This is up 22 percent from last month, but down 25 percent from last year.

Marketings for December were 99,000 head, down 9 percent from last month and 6 percent from last year. Feedlots with a capacity greater than 1,000 head marketed 69,000 head, down 8 percent from last month but up 17 percent from last year. Feedlots with a capacity less than 1,000 head marketed 30,000 head, down 12 percent from last month and 35 percent from last year. Other disappearance totaled 8,000 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 12.1 million head on January 1, 2008. The inventory was 1 percent above January 1, 2007 and 2 percent above January 1, 2006. This is the highest January 1 inventory since the series began in 1996. The inventory included 7.65 million steers and steer calves, up 1 percent from the previous year. This group accounted for 63 percent of the total inventory. Heifers and heifer calves accounted for 4.38 million head, up 2 percent from 2007.

Placements in feedlots during December totaled 1.70 million, 1 percent below 2006 and 10 percent below 2005. Net placements were 1.64 million head. During December, placements of cattle and calves weighing less than 600 pounds were 480,000, 600-699 pounds were 505,000, 700-799 pounds were 420,000 and 800 pounds and greater were 296,000.

Marketings of fed cattle during December totaled 1.65 million, 1 percent above 2006 but 4 percent below 2005. This is the second lowest fed cattle marketings for the month of December since the series began in 1996.

Other disappearance totaled 58,000 during December, 34 percent below 2006 and 36 percent below 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, December 1, 2007	570	283	853
December Placements	71	45	116
December Marketings	69	30	99
December Other Disappearance	2	6	8
Cattle on Feed, January 1, 2008	570	292	862

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]		
	2007	2008	'08 as % of '07	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	334	368	110	26	26	100	31	24	77	2	1	50
CA	550	560	102	77	67	87	63	60	95	4	2	50
CO	1,100	1,100	100	135	170	126	150	135	90	5	5	100
ID	260	235	90	39	39	100	41	42	102	8	2	25
IA	**520**	**570**	**110**	**82**	**71**	**87**	**59**	**69**	**117**	**3**	**2**	**67**
KS	2,540	2,480	98	410	385	94	390	390	100	30	15	50
NE	2,540	2,530	100	390	355	91	350	335	96	10	10	100
NM	136	160	118	15	26	173	15	13	87	1	2	200
OK	350	350	100	46	44	96	42	37	88	4	2	50
SD	225	230	102	50	50	100	32	33	103	3	2	67
TX	2,870	2,960	103	370	380	103	385	420	109	15	10	67
WA	184	164	89	24	25	104	24	28	117	1	1	100
Oth Sts	365	390	107	50	63	126	43	59	137	2	4	200
US	11,974	12,097	101	1,714	1,701	99	1,625	1,645	101	88	58	66

[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.

Stocks of Grain

Iowa: Corn stocks in all positions on December 1, 2007 totaled 2.06 billion bushels, up 10 percent from December 1, 2006. Of the total stocks, 66 percent were stored on-farm. The September - November 2007 indicated disappearance totaled 666 million bushels, 6 percent above the 630 million bushels used last year.

Soybeans stored in all positions on December 1. 2007 totaled 468 million bushels, down 6 percent from the 500 million bushels on hand December 1, 2006. Of the total stocks, 46 percent were stored on-farm. Indicated disappearance for September - December 2007 is 115 million bushels, 5 percent below the 121 million bushels used last year.

Oat stocks stored in all positions on December 1, 2007 totaled 8.35 million bushels, 2 percent below the 8.49 million bushels on hand December 1, 2006. Of the total stocks, 22 percent were stored on-farm.

Stocks of Grain and Storage Capacity, December 1, Iowa and United States

Position and Grain	Iowa			United States		
	December 1 2006	December 1 2007	'07 as % of '06	December 1 2006	December 1 2007	'07 as % of '06
	1,000 Bushels	*1,000 Bushels*	*Percent*	*1,000 Bushels*	*1,000 Bushels*	*Percent*
On-Farm Stocks & Capacity						
Corn	1,200,000	1,350,000	113	5,627,000	6,530,000	116
Soybeans	265,000	215,000	81	1,461,000	1,100,000	75
Oats	2,200	1,800	82	53,000	43,100	81
Wheat, all	*	*	*	403,250	289,540	72
Off-Farm Stocks & Capacity [1]						
Corn	680,082	708,894	104	3,305,707	3,738,599	113
Soybeans	234,598	252,997	108	1,240,366	1,229,405	99
Oats	6,291	6,551	104	45,889	51,370	112
Wheat, all	2,201	2,040	93	911,408	838,371	92
Total Stocks & Capacity						
Corn	1,880,082	2,058,894	110	8,932,707	10,268,599	115
Soybeans	499,598	467,997	94	2,701,366	2,329,405	86
Oats	8,491	8,351	98	98,889	94,470	96
Wheat, all	*	*	*	1,314,658	1,127,911	86

[1] Includes stocks at mills, elevators, warehouses, terminals, and processors.
* Data not published to avoid disclosure of individual operations.

2007 Annual Crop Summary

IOWA: Corn for grain production during 2007 is estimated at 2.37 billion bushels, down 3 percent from the November 1 forecast, but up 16 percent from 2006. Iowa's producers averaged 171 bushels per acre, down 4 bushels from the November 1 forecast, but 5 bushels per acre higher than last year. This is the third highest yield on record and the largest production. Area harvested for grain decreased 100,000 acres from the previous forecast to 13.85 million acres, 12 percent above 2006. Corn planted for all purposes in Iowa dropped 100,000 acres from the previous estimate to 14.2 million acres, up 13 percent from 2006.

Corn for silage production is estimated at 5.85 million tons, up 44 percent from 2006. The silage yield estimate of 19.5 tons per acre is 1 ton per acre higher than last year. Producers harvested 300,000 acres of corn for silage, 80,000 more acres harvested than in 2006.

Soybean production is estimated at 439 million bushels in 2007, down 4.26 million bushels from the November 1 forecast, and down 14 percent from 2006. Iowa's producers averaged 51.5 bushels per acre, down 0.5 bushel from the November 1 forecast, but 1 bushel higher than last year's yield per acre. The harvested area estimate of 8.52 million acres is 16 percent below the 2006 estimate. The planted acreage of soybeans, at 8.55 million acres, is 16 percent below 2006.

All hay production for the state is estimated at 5.57 million tons, up 5 percent from the 5.31 million tons produced in 2006. Producers averaged 3.76 tons per acre. Harvested acres for hay is estimated at 1.48 million acres, down 1 percent from the previous year.

Alfalfa and alfalfa mixtures production is estimated at 4.79 million tons, up 4 percent from 2006. Producers averaged 4.2 tons per acre. Harvested acres decreased by 3 percent from last year to 1.14 million acres. Iowa producers seeded 125,000 acres of alfalfa in 2007, down from 130,000 acres the previous year.

Other hay production is estimated at 782,000 tons, 11 percent above the previous year's production. Producers averaged 2.3 tons per acre, up 5 percent from 2006. Harvested acres of other hay increased 20,000 acres from the previous year to 340,000 acres.

Iowa - Acreage, Yield and Production, 2006-2007

Crop	Acres Harvested		Yield Per Acre		Production	
	2006	2007	2006	2007	2006	2007
	1,000 Acres	*1,000 Acres*	*Bushels*	*Bushels*	*1,000 Bushels*	*1,000 Bushels*
Corn, grain	12,350	13,850	166.0	171.0	2,050,100	2,368,350
Corn, silage [1]	220	300	18.5	19.5	4,070	5,850
Oats, grain	110	67	76.0	71.0	8,360	4,757
Soybeans	10,100	8,520	50.5	51.5	510,050	438,780
Hay, all [1]	1,500	1,480	3.54	3.76	5,306	5,570
Alfalfa [1]	1,180	1,140	3.90	4.20	4,602	4,788
All other [1]	320	340	2.20	2.30	704	782
Wheat, all	18	28	66.0	50.0	1,188	1,400

[1] Yield in tons and production in thousand tons.

ECONOMIST CORNER

Livestock by John Lawrence and Grains by Shane Ellis
Iowa Cooperative Extension Service – Ames

Cattle Inventories Continue Decline: The US beef industry continues to down size as feed and operating costs increase while fed cattle prices weaken. Cow calf producers have cut the national beef cow herd by a full percent from last year. Heifer retention is also down 3.5 percent and bred heifer numbers are down 4.1 percent. Closer to home, Iowa beef cow numbers are down over 5 percent and heifer retention is down over 9 percent. The state's grazing resources have been impacted by the decreased profitability of calf production and the growing demand for land to produce row crops. This cattle report may reflect a reduction of cow herds to "free up" pasture for crop production. Feeder cattle prices will be lower through out the year, and cow calf producers may see their first losses in four years. Light feeder cattle prices will especially be hampered as feedlots seek out heavier cattle to feed for a shorter period.

Hog producers will continue to bear losses until at least early summer, and the worst part of the cycle has passed. After the record supply of hogs passed through the packing plant cattle in the fourth quarter of last year and prices dropped, many farrowing operations are taking a hard look at their future plans. The last hog inventory report showed continued expansion, but the industry may start to taper off production if pork prices can not rally enough to cover the rising cost of feed.

Corn and Soybean Market Update: Corn and soybeans usage continues at a pace ahead of a year ago and this strong demand is helping fuel prices. Soybean crush through the first four months of the marketing year is running more than 2% ahead of the same point last year. Soybean meal is the driver fueled by both higher domestic and export demand. Soybean exports for the year are estimated by USDA to be 9% below last year's record. While the initial pace was quicker, it has slowed closer to USDA projections.

Corn exports are projected to be 15% higher than a year ago and have started at a faster pace thus far in the marketing year. Domestic corn usage is also running ahead of a year ago, up 15% for the first quarter. Processing and feed use were up 21% and 13%, respectively. Ethanol expansion is fueling processing. On the feed side compared to a year earlier, cattle feedlot inventory was unchanged, dairy cow numbers were up 1%, January hog slaughter was up over 9%, and broiler chick placement and egg set is 4% ahead of last year.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Jan [1] 2007	IOWA Dec [1] 2007	IOWA Jan [2] 2008	U.S. Dec [1] 2007	U.S. Jan [2] 2008
		Dollars				
Corn	Bu	3.03	3.74	4.35	3.76	4.28
Oats	Bu	2.49	3.16	2.90	2.69	2.71
Soybeans	Bu	6.22	10.30	11.40	10.00	11.00
Alfalfa, baled	Ton	92.00	120.00	125.00	136.00	135.00
All Hay, baled	Ton	88.00	116.00	118.00	133.00	129.00
Hogs, all	Cwt	44.50	41.80	38.60	39.60	36.50
Sows	Cwt	29.50	20.00	19.00	21.00	20.30
Brw & Gilts	Cwt	44.80	42.00	39.00	40.40	37.30
Beef Cattle	Cwt	86.80	90.10	90.10	88.90	89.40
Cows	Cwt	46.30	47.20	47.50	44.90	46.20
Strs & Hfrs	Cwt	87.60	91.00	91.00	95.10	95.20
Calves	Cwt	106.00	110.00	103.00	118.00	116.00
Milk Cows [3]	Hd	1,660.00	-	1,950.00	-	1,960.00
Milk (whls)	Cwt	14.90	21.50	20.50	21.50	20.70
Sheep	Cwt	38.00	35.00	-	29.70	-
Lambs	Cwt	88.00	93.00	-	98.50	-
Eggs (mkt)	Doz	0.760	1.230	1.170	1.280	1.200

[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 Jan 2007	IOWA Dec 2007	IOWA Jan [1] 2008	UNITED STATES Jan 2007	UNITED STATES Dec 2007	UNITED STATES Jan [1] 2008
	1990-92=100 [2]					
Prices rec'd	115	143	205	123	144	150
Crops	125	174	197	131	151	167
Oil Bearing	112	185	205	114	177	196
Feed Grains	134	166	192	135	167	186
Lvstk	105	113	212	116	136	132
Meat Anim	101	98	97	110	113	113
Poult & Eggs	157	252	239	134	154	157
	1910-14=100 [3]					
Prices rec'd	-	-	-	784	914	953
Crops	-	-	-	645	746	821
Oil Bearing	-	-	-	624	968	1,073
Feed Grains	-	-	-	484	599	665
Lvstk	-	-	-	888	1,040	1,012
Meat Anim	-	-	-	1,121	1,146	1,144
Poult & Eggs	-	-	-	377	432	442

[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	Jan 2007	Dec 2007	Jan [1] 2008	Jan 2007	Dec 2007	Jan [1] 2008
	1990-92=100			1910-14=100		
Prices Paid [1]	155	165	168	2,062	2,204	2,244
Feed	140	166	172	681	812	841
Fertilizer	182	230	241	666	843	882
Fuels	219	304	295	1,690	2,348	2,275
Chemicals	129	133	135	797	824	834
Lvstk/Poultry	122	126	121	1,555	1,616	1,552
Ratio [2]	79	87	89	-	-	-
Parity Ratio [3]	-	-	-	38	42	42

[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 Slightly

Milk production in Iowa in December totaled 358 million pounds, up 0.8 percent from December 2006. The average number of milk cows, 215,000 head, was 6,000 head higher than December 2006. Production per cow averaged 1,665 pounds, down 35 pounds from last year.

Milk Cows and Production: By Selected States, December 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	1,620	1,580	167	163	-2.4
IN	166	166	1,690	1,705	281	283	0.7
IA	**209**	**215**	**1,700**	**1,665**	**355**	**358**	**0.8**
KS	111	109	1,750	1,790	194	195	0.5
MI	324	343	1,880	1,870	609	641	5.3
MN	455	463	1,575	1,590	717	736	2.6
MO	115	110	1,300	1,210	150	133	-11.3
OH	274	278	1,485	1,500	407	417	2.5
WI	1,245	1,250	1,590	1,605	1,980	2,006	1.3
23-State Total [3]	8,276	8,383	1,690	1,719	13,983	14,414	3.1

[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.

Egg Production up from Last Year

Egg production in Iowa for December 2007 was 1.21 billion eggs, up 4.5 percent from December 2006. The total number of layers on hand during December 2007 was 53.9 million, up from 52.2 million layers in December 2006. Eggs per 100 layers for the month of December was 2,245, up from 2,220 eggs the previous year.

All Layers and Egg Production, December 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	23,922	23,316	24,655	24,006	2,275	2,312	561	555	548	542	13	13
IA	51,326	52,991	52,164	53,908	2,220	2,245	1,158	1,210	1,145	1,195	13	15
MN	10,659	9,782	11,130	10,232	2,291	2,375	255	243	247	235	8	8
NE	11,460	10,171	11,535	10,246	2,315	2,381	267	244	267	244	0	0
NC	3,833	4,965	11,497	12,577	2,088	2,107	240	265	98	123	142	142
OH	27,017	26,228	27,544	26,825	2,305	2,345	635	629				
29 Sts[4]	268,877	263,731	324,461	320,730	2,237	2,260	7,258	7,248	6,289	6,250	969	997
US	284,547	278,872	348,098	344,089	2,234	2,256	7,777	7,763	6,683	6,633	1,094	1,129

[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, AR, CA, CO, CT, FL, GA, HI, IL, ME, MD, MI, MS, MO, NY, OR, PA, SC, SD, TX, VA, WA, and WI.

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