Agri-News

Iowa Agricultural Statistics Service

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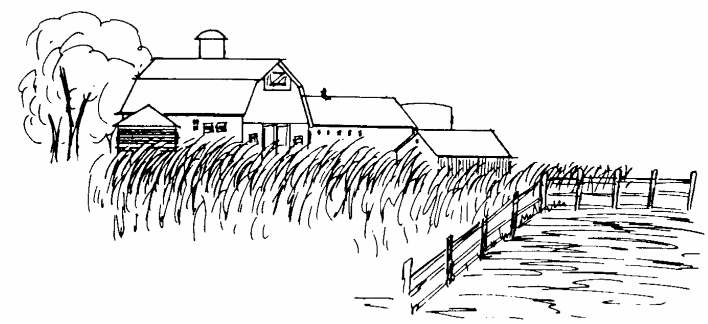

Iowa Crop Production, September 1

IOWA: Despite a relatively late planting season, corn and soybean development is close to normal for this time of year. Rapid crop maturation was aided by the hot, dry weather, as Iowa experienced the driest August in recorded history. Crop conditions reflected this lack of rain.

Corn: The September 1 yield forecast of 154.0 bushels per acre is down 4.0 bushels from the August 1 forecast and down 11.0 bushels per acre from 2002. Production is forecast at 1.86 billion bushels for the state, down 5 percent from last year.

Soybeans: The September 1 yield forecast of 39.0 bushels per acre is down 7.0 bushels from the August 1 forecast and down 9.0 bushels per acre from 2002. If realized, soybean production would be 403.6 million bushels, down 18 percent from last year's 494.9 production.

Reminder: All crop forecasts in this report are based on conditions on September 1 and do not reflect any possible weather effects since that time. The next corn and soybean production forecasts, based on conditions as of October 1, will be released on October 10.

September 1, 2003, Production Summary - Iowa and United States

Crop	For harvest		Yield per acre		Production	
	2002	2003[1]	2002	2003[1]	2002	2003[1]
IOWA	Thousand acres		Bushels		Thousand bushels	
Corn for grain	11,900	12,100	165.0	154.0	1,963,500	1,863,400
Soybeans	10,310	10,350	48.0	39.0	494,880	403,650
UNITED STATES						
Corn for grain	69,313	71,815	130.0	138.5	9,007,659	9,944,418
Soybeans	72,160	72,626	37.8	36.4	2,729,709	2,642,644

[1] Preliminary.

ECONOMIST CORNER

Livestock by John Lawrence
And
Grains by Robert Wisner

Iowa Cooperative Extension Service - Ames

LIVESTOCK

The cattle markets challenged all time highs during late August and early September. Front end cattle on feed supplies reaching 4 year lows and carcass weights running 3 to 4 percent below last year helped push live prices into the mid $80 range. With Canadian beef locked out of the world markets, U.S. beef exports have exploded. Year over year export growth jumped from 3.6 percent in May to 28.5 percent in June, the first full month of post Canadian BSE export activity. With late summer fed cattle trading at unseasonably high prices, a seasonal fall rally is less likely to materialize this year. Particularly if the Canadian trade situation gradually returns to normal. Look for live cash cattle to trade sideways, remaining in the low $80's and upper $70's throughout the remainder of the year.

With higher than expected pork production and relatively weak demand throughout the summer, pork cutout values and hog prices have been disappointing. Iowa-Southern Minnesota cash prices are currently trading in the upper $40's while the October and December futures contracts rallied in recent weeks to the upper $50's, suggesting the industry is expecting another countercyclical fall price pattern. Fourth quarter cash hog prices will likely move up to the mid $50's (carcass basis) through the end of the year.

GRAIN

The September crop report indicates U.S. corn production, at 10 percent more than last year, should be adequate to meet market needs but not large enough to produce significant rebuilding of U.S. carryover stocks. Increased domestic corn processing and larger exports are expected to absorb most of the increase in corn production in the year ahead. Extreme hot, dry weather in Europe and the former Soviet Union, and less than ideal weather in Canada and Australia are key factors in the expected 12.5 percent increase from last year in U.S. corn exports. Corn prices in the next several weeks will be sensitive to harvest weather, weekly export sales, and the October 10 crop report. Limited weakness in cash prices is possible when harvesting gets underway.

In contrast to corn, the nation's soybean crop is indicated to be about three percent smaller than last year and about six percent less than the amount of U.S. soybeans used in the 2002-03 marketing year ending August 31. Carryover stocks on August 31, 2003 already were near minimum trade needs for working stocks. Without significant reserve supplies, the short-fall of production from potential demand will have to be filled by increased South American exports and possible rationing of soybean demand through higher prices in the year ahead. The recent rally in soybean prices is signaling to South American farmers to plant as many soybeans as possible. Even so, soybean prices through late spring 2004 are likely to remain quite sensitive to changing production prospects in Brazil and Argentina, U.S. 2004 acreage prospects, and Chinese demand. Prices and the basis may strengthen modestly in the first several weeks after harvest is completed. USDA's WAOB projects this year's season average price to be about 20 cents per bushel above the average for the 2002 crop, using the mid-point of projections.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Aug.[1] 2002	IOWA July[1] 2003	IOWA Aug.[2] 2003	U.S. July[1] 2003	U.S. Aug.[2] 2003
		Dollars				
Corn	bu	2.27	2.08	2.05	2.17	2.13
Oats	bu	1.77	1.52	1.55	1.47	1.42
Soybeans	bu	5.42	5.80	5.45	5.83	5.56
Alfalfa, baled	ton	85.00	74.00	75.00	92.70	91.00
All hay, baled	ton	85.00	74.00	73.00	89.00	85.30
All hogs	cwt	32.60	41.30	40.20	42.80	41.10
Sows	cwt	20.90	34.00	33.60	33.40	33.00
Barrows & Gilts	cwt	32.80	41.40	40.30	43.20	41.60
Beef cattle	cwt	61.60	83.90	86.70	75.80	78.50
Cows	cwt	36.70	44.60	43.20	44.90	44.80
Steers & Heifers	cwt	62.10	73.90	76.70	78.80	81.70
Calves	cwt	84.00	92.60	93.50	103.00	105.00
Milk cows[3]	hd	--	1,330	--	1,310	--
All milk	cwt	11.20	12.30	13.40	12.00	13.00
Sheep	cwt	23.20	30.60	--	28.60	--
Lambs	cwt	79.40	88.00	--	89.40	--
Eggs (mkt)	doz	.339	.480	.619	.524	.669

[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.

Price Index Summary Table

Prices Received	IOWA Aug. 2002	IOWA July 2003	IOWA Aug.[1] 2003	UNITED STATES Aug. 2002	UNITED STATES July 2003	UNITED STATES Aug.[1] 2003
	1990-92=100[2]					
Prices rec'd.	89	98	97	100	105	108
Crops	99	98	94	113	109	112
Lvstk Prods.	76	98	99	87	101	105
	1910-14=100[3]					
Prices rec'd.	--	--	--	633	667	688
Crops	--	--	--	556	538	552
Lvstk Prods.	--	--	--	669	775	806

[1]Preliminary. [2]1990-92=100 reference replaced 1977=100 in January 1995. [3]Iowa figures for 1910-14=100 base not available.

U.S. Prices Paid Index Summary

Prices Paid	Aug. 2002	July 2003	Aug. 2003	Aug. 2002	July 2003	Aug. 2003
	1990-92=100			1910-14=100		
Prices paid[1]	124	127	127	1648	1694	1694
Feed	116	113	113	568	554	549
Ratio[2]	81	83	85	38	39	41

[1]Prices paid by farmers for commodities and services, interest, taxes, and farm wage rates. [2]Ratio of index of prices received to index of prices paid for commodities and services, interest, taxes, and farm wage rates.

All Layers and Egg Production, July 2002 and 2003[1]

State	Table Egg Layers in Flocks 30,000 and Above		All layers on hand[2]		Eggs per 100 layers[2]		Egg production by type: Total production		Egg production by type: Table eggs[3]		Egg production by type: Hatching eggs[3]	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
	Thousands				Number		Million eggs					
AR	4,427	4,437	14,567	15,361	1,936	1,894	282	291	99	99	183	192
CA	22,842	18,826	23,425	19,272	2,208	2,262	517	436				
GA	10,508	10,953	20,124	20,337	1,973	2,065	397	420	216	246	181	174
IN	21,593	21,686	22,232	22,281	2,254	2,262	501	504	490	493	11	11
IA	36,628	37,843	37,478	38,641	2,289	2,316	858	895				
MN	10,740	10,393	11,478	11,003	2,291	2,281	263	251	253	242	10	9
NE	11,522	11,636	11,622	11,736	2,246	2,326	261	273	261	273	0	0
NC	3,217	3,390	11,029	10,663	1,922	2,026	212	216	77	85	135	131
OH	30,229	28,347	30,739	28,842	2,238	2,254	688	650				
PA	22,057	22,457	23,457	23,823	2,353	2,351	552	560	535	544	17	16
TX	13,827	14,010	18,199	18,239	2,225	2,204	405	402				
30 Sts[4]	254,608	250,913	313,948	309,347	2,191	2,217	6,880	6,858	5,864	5,860	1,016	998
U.S.	270,168	267,356	335,498	331,702	2,190	2,214	7,347	7,343	6,243	6,257	1,104	1,085

[1]2003 preliminary, 2002 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 30 States are those listed as well as AL, CO, CT, FL, HI, IL, ME, MD, MI, MS, MO, NY, OK, OR, SC, SD, VA, WA, and WI.

Commercial Red Meat Production: United States[1]

Kind	July 2002	June 2003	July 2003	July 2003 as % of July 2002	July 2003 as % of June 2003	Jan. - July[2] 2002	Jan. - July[2] 2003	Jan. - July[2] 2003 as % of 2002
	Million pounds			Percent		Million pounds		Percent
Beef	2,427	2,391	2,438	100	102	15,637	15,632	100
Veal	16.7	15.0	14.8	88	99	109.3	111.8	102
Pork	1,557	1,527	1,577	101	103	11,134	11,201	101
Lamb & mutton	16.3	15.2	15.7	96	103	127.8	114.5	90
Total red meat	4,016	3,948	4,046	101	102	27,009	27,060	100

[1] Based on packers' dressed weights and excludes farm slaughter. [2] Accumulated totals and percentages based on unrounded data.

Monthly Farrowings: Number of Sows, Pigs per Litter, and Pig Crop, United States, December-November 2002-2003[1, 2]

Month	Sows Farrowing 2002	Sows Farrowing 2003	Pigs per Litter 2002	Pigs per Litter 2003	Pig Crop 2002	Pig Crop 2003
	1,000 Head		*Number*		*1,000 Head*	
December	923	908	8.66	8.75	7,994	7,943
January	946	931	8.73	8.82	8,257	8,211
February	967	928	8.83	8.86	8,543	8,220
March	978	938	8.80	8.85	8,608	8,301
April	983	942	8.85	8.88	8,700	8,365
May	982	941	8.81	8.91	8,651	8,387
June	960	926	8.89	8.91	8,537	8,250
July	968	943	8.89	8.90	8,609	8,393
August	959		8.92		8,554	
September	951		8.85		8,416	
October	940		8.83		8,300	
November	926		8.83		8,176	
Total	11,483		8.83		101,344	

[1]December preceding year. [2]Monthly values may not add to quarterly or annual totals due to rounding.

U.S. Corn and Soybean Supply and Demand

CORN	2001/ 2002	2002/ 2003 (Est.)	2003/04[1] Projections Sept.
	Million bushels		
Beginning stocks	1,899	1,596	1,009
Production	9,507	9,008	9,944
Imports	10	15	10
Supply, total	**11,416**	**10,619**	**10,964**
Feed & Residual	5,861	5,700	5,625
Food, Seed, & Industrial	2,054	2,310	2,475
Domestic, total	**7,915**	**8,010**	**8,100**
Exports	1,905	1,600	1,800
Use, total	**9,820**	**9,610**	**9,900**
Ending stocks, total	**1,596**	**1,009**	**1,064**
Avg. market price ($/bu)	1.97	2.30	2.10-2.50

SOYBEANS	2001/ 2002	2002/ 2003 (Est.)	2003/04[1] Projections Sept.
	Million bushels		
Beginning stocks	248	208	140
Production	2,891	2,730	2,643
Imports	2	4	4
Supply, total	**3,141**	**2,942**	**2,787**
Crushings	1,700	1,615	1,555
Exports	1,064	1,040	940
Seed	90	90	91
Residual	80	57[2]	65
Use, total	2,933	2,802	2,652
Ending stocks	**208**	**140**	**135**
Avg. market price ($/bu)	4.38	5.50	5.25-6.15

[1] Preliminary. [2] Supply estimates and reported use through June, coupled with USDA's June 1 stocks estimate, indicate a below-average residual.

Iowa District Estimates

Corn, 2002-2003[1] Soybeans, 2002-2003[1]

District	Corn Harvested 2002	Corn Harvested 2003[2]	Corn Yield/acre 2002	Corn Yield/acre 2003[3]	Corn Production 2002	Corn Production 2003	Soybeans Harvested 2002	Soybeans Harvested 2003[2]	Soybeans Yield/acre 2002	Soybeans Yield/acre 2003[3]	Soybeans Production 2002	Soybeans Production 2003
	Thousand acres		Bushels		Thousand bushels		Thousand acres		Bushels		Thousand bushels	
NW	1,798	1,800	157.4	153.0	283,000	276,000	1,650	1,624	48.7	44.0	80,304	71,605
NC	1,716	1,720	171.9	159.0	295,000	274,000	1,461	1,445	48.1	41.0	70,266	58,625
NE	1,362	1,420	178.4	151.0	243,000	215,000	908	915	51.2	36.0	46,479	32,955
WC	1,787	1,780	159.5	153.0	285,000	273,000	1,606	1,615	48.6	38.0	78,060	61,735
C	1,734	1,785	178.8	167.0	310,000	298,000	1,545	1,550	50.1	42.0	77,432	64,340
EC	1,259	1,280	178.7	167.0	225,000	214,000	971	997	50.1	42.0	48,607	41,500
SW	964	965	125.5	119.0	121,000	115,000	924	940	42.1	27.0	38,869	25,300
SC	460	530	155.4	131.0	71,500	69,400	499	504	44.5	35.0	22,217	17,740
SE	820	820	158.5	157.0	130,000	129,000	746	760	43.8	39.0	32,646	29,850
STATE	11,900	12,100	165.0	154.0	1,963,500	1,863,400	10,310	10,350	48.0	39.0	494,880	403,650

[1] Preliminary. [2] Harvest for grain. [3] Yield rounded.

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