

KENTUCKY AGRI-NEWS



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FEATURING: ▶ AGRICULTURAL PRICES ▶ CATTLE & SHEEP ▶ CHICKEN & EGGS ▶ SLAUGHTER
▶ COLD STORAGE ▶ MILK PRODUCTION ▶ CATFISH ▶ CATTLE ON FEED

LIVESTOCK PRICES GENERALLY STRONG WHILE GRAIN PRICES WEAKEN

Prices received by **Kentucky** farmers at mid-July generally increased for livestock, while crops continued to decline.

Cattle and calf prices continued to show strength. **Steers and heifers** 500 lbs. and over at mid-July averaged \$82.00 per cwt., up \$2.00 from the June price and \$10.00 from the July 2002 price. Steer and heifer prices are at their highest level since September 2001. **Beef cows** averaged \$42.00 per cwt., up \$1.00 from a month earlier and \$5.00 from a year earlier. Beef cows are at their highest price in 22 months. **Calves** under 500 pounds averaged \$92.00 per cwt. for mid-July. This was up \$1.00 from the June price and \$12.00 from July 2002. This was the highest calf price since March 2002.

Prices received for hogs was mixed. **Barrows and gilts** for mid-July averaged \$42.00 per cwt., down \$4.00 from the June price, while up \$6.00 from July 2002. **Sows** averaged \$33.00 per cwt. This was up \$3.00 from June and \$15.00 from July a year earlier. Sow prices for mid-July were at their highest level since September 2001.

The price for **all milk** at mid-July was \$12.20 per cwt., up 20 cents from the previous month, while down 60 cents from the previous year. **Milk cow** price for mid-July was \$1,310 per head. This was down \$20.00 from the April price and \$270.00 from July 2002.

Prices for corn, soybeans and winter wheat continued to decline from the previous month. The mid-July **corn** price was \$2.40 per bushel, down 32 cents from June, while up 8 cents from July 2002. The **soybean** price for mid-month was \$5.60 per bushel. This was a 56 cent decrease from the previous month and a 2 cent decline from the previous year. The mid-month **winter wheat** price averaged \$3.10 per bushel, down 2 cents from the previous month, while up 16 cents from July 2002.

The preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in July was 104, based on 1990-92=100, down 3 points (2.8 percent) from the June index. Since last month all commodity group indexes are unchanged or lower except cotton, fruit and nuts, and dairy. Lower prices for lettuce, corn, hogs, and wheat more than offset higher prices for dairy, cantaloup, asparagus, and broccoli. The seasonal change in the mix of commodities farmers sell, based on the past 3 year average, also affects the overall index. Decreased average marketings of dairy, cantaloup, asparagus, and strawberries offset increased marketings of wheat, grapes, hay, and peaches.

The preliminary All Farm Products Index was up 5 points (5.1 percent) from July 2002. Higher prices for cattle, broilers, eggs, and soybeans more than offset lower prices for wheat, sweet corn, potatoes, and turkeys.

AVERAGE PRICES RECEIVED BY FARMERS - (Dollars)

| COMMODITY | UNIT | KENTUCKY | | | US |
|----------------------------|------|--------------|-----------|--------------|-----------|
| | | JULY 2002 | JUNE 2003 | JULY 2003 | JULY 2003 |
| | | Entire Month | | Mid-Month a/ | |
| All Corn h/ c/ | Bu. | 2.32 | 2.72 | 2.40 | 2.09 |
| Soybeans h/ | Bu. | 5.62 | 6.16 | 5.60 | 5.84 |
| Winter Wheat h/ | Bu. | 2.94 | 3.12 | 3.10 | 2.85 |
| Alfalfa Hay, baled | Ton | 100.00 | 110.00 | 110.00 | 92.70 |
| All Other Hay, baled | Ton | 58.00 | 64.00 | 64.00 | 77.80 |
| All Hogs | Cwt. | 35.30 | 45.40 | 41.60 | 42.00 |
| Barrows & Gilts | Cwt. | 36.00 | 46.00 | 42.00 | 42.50 |
| Sows | Cwt. | 18.00 | 30.00 | 33.00 | 33.60 |
| All Beef Cattle d/ | Cwt. | 63.60 | 70.60 | 72.40 | 74.30 |
| Steers & Heifers g/ | Cwt. | 72.00 | 80.00 | 82.00 | 77.60 |
| Cows | Cwt. | 37.00 | 41.00 | 42.00 | 44.30 |
| Calves f/ | Cwt. | 80.00 | 91.00 | 92.00 | 103.00 |
| Milk Cows g/ | Ea. | 1,580.00 | --- | 1,310.00 | 1,310.00 |
| Milk Wholesale | | | | | |
| All | Cwt. | 12.80 | 12.00 | 12.20 | 11.80 |
| Hog-Corn Ratios h/ | Bu. | 15.2 | 16.7 | 17.3 | 20.1 |

a/ Preliminary. **h/** Includes contract sales paid during month. **c/** Includes yellow and white corn. **d/** "Steers and heifers" and "cows" combined. **e/** 500 lbs. and over. **f/** Under 500 lbs. **g/** Published only in Jan., Apr., July & Oct. **h/** Number of bushels of corn equal in value to 100 lbs. of hog live weight.

JULY 1 CATTLE INVENTORY DOWN 1 PERCENT

All cattle and calves in the **United States** as of July 1, 2003, totaled 103.9 million head, 1 percent below the 105.1 million on July 1, 2002 and 2 percent below the 105.8 million two years ago. **All cows and heifers** that have calved, at 42.7 million, were slightly below the 42.9 million on July 1, 2002 and 1 percent below the 43.0 million two years ago. **Beef cows**, at 33.6 million, were down slightly from July 1, 2002

and 1 percent below two years ago. **Milk cows**, at 9.1 million, were down 1 percent from July 1, 2002 but were unchanged from two years ago. The 2003 **calf crop** was expected to be 38.0 million, down 1 percent from 2002 and down 1 percent from 2001. Calves born during the first half of the year were estimated at 27.7 million, down 1 percent from 2002 and down 1 percent from 2001.

Other class estimates on July 1, 2003, and the changes from July 1, 2002, are as follows:

- All heifers 500 pounds and over, 15.9 million, down 2 percent.
- Beef replacement heifers, 4.6 million, unchanged.
- Milk replacement heifers, 3.6 million, down 3 percent.
- Other heifers, 7.7 million, down 3 percent.
- Steers weighing 500 pounds and over, 14.2 million, down 2 percent.
- Bulls weighing 500 pounds and over, 2.1 million, unchanged.
- Calves under 500 pounds, 29.0 million, down 1 percent.
- All cattle and calves on feed for slaughter, 11.7 million, down 6 percent.

JULY 1, 2003, ALL SHEEP AND LAMB INVENTORY TOTALS 7.80 MILLION HEAD 2003 LAMB CROP EXPECTED TO TOTAL 4.13 MILLION HEAD

All **sheep and lamb** inventory in the **United States** on July 1, 2003, totaled 7.80 million head, 4 percent below July 1, 2002. Breeding sheep inventory at 4.61 million head on July 1, 2003 was 4 percent below July 1, 2002. Market sheep and lambs (including newborn lambs), at 3.19 million head, were 4 percent below last July.

The 2003 **lamb crop** in the **United States** was expected to total 4.13 million head, down 5 percent from the 2002 lamb crop of 4.36 million head. Lambs born during January through June 2003 totaled 3.68 million head or 89 percent of the yearly total. An additional 450,000 head were expected to be born during the period July through December 2003.

UNITED STATES EGG PRODUCTION & HATCH

| | June 2002 | June 2003 | '03 % '02 |
|------------------------------|-----------|-----------|-----------|
| Egg Production | | | |
| Eggs Produced (Million) | 7,126 | 7,053 | 99 |
| Average Layers (000) | 335,412 | 332,417 | 99 |
| Eggs Per 100 Layers | 2,125 | 2,122 | 100 |
| Egg Type Hatchery | | | |
| Eggs Set July 1 (000) | 32,043 | 32,295 | 101 |
| Chicks Hatched (000) | 35,136 | 36,344 | 103 |
| Broiler Type Hatchery | | | |
| Eggs Set July 1 (000) | 641,663 | 636,633 | 99 |
| Chicks Hatched (000) | 776,332 | 774,680 | 100 |

RED MEAT PRODUCTION

COMMERCIAL RED MEAT PRODUCTION ^{1/}

Commercial red meat production for the U.S. totaled 3.95 billion pounds in June, a new record high for the month, up 4 percent from the 3.81 billion pounds produced in June 2002. June 2002 contained 20 weekdays and 5 Saturdays. June 2003 contained 21 weekdays and 4 Saturdays.

| Type | June 2002 | May 2003 | June 2003 | Jun 03 % of | |
|-----------------------|----------------|-------------|-------------|-------------|------------|
| | | | | June 2002 | May 2003 |
| | Million Pounds | | | Percent | |
| Beef | 2,302 | 2,363 | 2,391 | 104 | 101 |
| Veal | 14.6 | 15.8 | 15.0 | 102 | 95 |
| Pork | 1,479 | 1,550 | 1,527 | 103 | 99 |
| Lamb & Mutton | 15.1 | 15.2 | 15.2 | 100 | 100 |
| Total U.S. | 3,811 | 3,943 | 3,948 | 104 | 100 |
| Total Kentucky | 31.9 | 32.7 | 34.9 | 109 | 107 |

^{1/} Based on packer's dressed weights and excludes farm slaughter.

Beef production, at 2.39 billion pounds, was 4 percent above the previous year and was a monthly record high. Cattle slaughter totaled 3.25 million head, up 6 percent from June 2002. The average live weight was down 19 pounds from the previous year, at 1,217 pounds.

Pork production totaled 1.53 billion pounds, up 3 percent from the previous year. Hog kill totaled 7.75 million head, 3 percent above June 2002. The average live weight was 1 pound above the previous year, at 266 pounds.

COMMERCIAL SLAUGHTER, KY & U.S. JUNE 2002 & 2003 ^{1/}

| Type | Number Slaughtered | | Total Live Weight | | Average Live Weight | |
|----------------------|--------------------|---------|-------------------|-----------|---------------------|-------|
| | 2002 | 2003 | 2002 | 2003 | 2002 | 2003 |
| | 1,000 head | | 1,000 pounds | | Pounds | |
| Kentucky | | | | | | |
| Cattle | 1.1 | 1.2 | 970 | 1,122 | 889 | 919 |
| Hogs | 160.2 | 174.5 | 41,936 | 45,792 | 262 | 262 |
| Sheep & Lambs | 0.9 | 0.9 | 112 | 117 | 125 | 128 |
| United States | | | | | | |
| Cattle | 3,062.2 | 3,248.6 | 3,784,155 | 3,954,977 | 1,236 | 1,217 |
| Hogs | 7,531.2 | 7,747.4 | 1,995,607 | 2,058,604 | 265 | 266 |
| Sheep & Lambs | 230.6 | 228.9 | 30,192 | 30,313 | 131 | 132 |

^{1/} Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter.

COLD STORAGE HIGHLIGHTS

Frozen food stocks in refrigerated warehouses on June 30, 2003 were greater than year earlier levels for butter, cheese, frozen eggs, total turkey, and orange juice.

| ALL U.S. WAREHOUSE STOCKS | | | | | |
|---------------------------------|--------------|-------------|--------------|-----------------|---------|
| Commodity | June 30 2002 | May 31 2003 | June 30 2003 | June 03 as % of | |
| | | | | Jun '02 | May '03 |
| Frozen Poultry | 1,000 lbs | | | Percent | |
| Chicken | 855,416 | 687,241 | 650,177 | 76 | 95 |
| Turkey | 644,100 | 658,839 | 721,611 | 112 | 110 |
| Ducks | 6,784 | 5,995 | 6,836 | 101 | 114 |
| Total Frozen Poultry | 1,506,300 | 1,352,075 | 1,378,624 | 92 | 102 |
| Meat | | | | | |
| Total Frozen Beef | 396,869 | 385,122 | 371,676 | 94 | 97 |
| Frozen Pork | | | | | |
| Bellies | 51,019 | 45,870 | 43,438 | 85 | 95 |
| Total Frozen Pork ^{1/} | 497,817 | 499,719 | 457,385 | 92 | 92 |
| Total Meat ^{2/} | 918,037 | 901,508 | 845,059 | 92 | 94 |

^{1/} Includes picnics, hams, bellies, loins, ribs, trimmings, and other frozen pork. ^{2/} Includes frozen beef, pork, veal, lamb and mutton, other frozen meat, canned hams, and other canned meat.

MILK PRODUCTION

Kentucky milk production for June 2003 totaled 120 million pounds, down 10 percent from both June 2002 and May 2003. Average number of cows on farms, at 118,000, was down 5,000 head from a year earlier and down 1,000 head from last month. Milk per cow averaged 1,015 pounds, down 65 pounds from June 2002 and down 110 pounds from the previous month.

billion pounds, down 0.1 percent from June 2002. May revised production, at 13.0 billion pounds, was down 0.4 percent from May 2002. The May revision represented a decrease of 9 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,587 pounds for June, unchanged from June 2002. The number of cows on farms in the 20 major States was 7.77 million head, 10,000 head less than June 2002, and 11,000 head less than May 2003.

Milk production in the **20 major States** during June totaled 12.3

MILK COWS & MILK PRODUCTION FOR JUNE, SELECTED STATES

| STATE | Milk Cows ^{1/} | | Milk Per Cow ^{2/} | | Production ^{2/} | | 2003 as % of 2002 |
|----------------|-------------------------|------------|----------------------------|--------------|--------------------------|------------|-------------------|
| | 2002 | 2003 | 2002 | 2003 | 2002 | 2003 | |
| | Thousands | | Pounds | | Million Pounds | | Percent |
| CA | 1,645 | 1,691 | 1,800 | 1,755 | 2,961 | 2,968 | 100 |
| IL | 115 | 110 | 1,470 | 1,525 | 169 | 168 | 99 |
| IN | 151 | 143 | 1,440 | 1,500 | 217 | 215 | 99 |
| KY | 123 | 118 | 1,080 | 1,015 | 133 | 120 | 90 |
| MO | 137 | 130 | 1,170 | 1,220 | 160 | 159 | 99 |
| OH | 264 | 261 | 1,425 | 1,460 | 376 | 381 | 101 |
| VA | 120 | 117 | 1,300 | 1,250 | 156 | 146 | 94 |
| WI | 1,270 | 1,256 | 1,455 | 1,475 | 1,848 | 1,853 | 100 |
| 20 State Total | 7,782 | 7,772 | 1,587 | 1,587 | 12,348 | 12,333 | 100 |

^{1/}Includes dry cows, excludes heifers not yet fresh. ^{2/}Excludes milk sucked by calves.

CATFISH

Commercial catfish operations in the four major producing States (Alabama, Arkansas, Louisiana, and Mississippi) had 347 million foodsize fish on hand on July 1, 2003, down 10 percent from the July 1, 2002 total of 386 million. The breakouts of foodsize fish inventory numbers on July 1, 2003, with their respective percent change from the previous year are: large foodsize, 7.38 million, down 28 percent; medium foodsize, 85.2 million, down 10 percent; and small foodsize, 254 million, down 10 percent. The four major States also had 894 thousand broodfish on hand on July 1, 2003, down 15 percent from last year's 1.05 million.

The water surface area to be used for catfish production during July 1 through December 31, 2003, totaled 174,900 acres, down 5 percent from a year ago. Acres used for foodsize fish totaled 143,100 acres, down 5 percent from July 2002. Acres for broodfish were down 15 percent to

4,025 acres, and acres used for fingerling production decreased 5 percent to 23,860 acres. Acres taken out of production during the January 1, 2003 through June 30, 2003 period totaled 4,950, while 3,790 acres of the total in production were scheduled to be renovated from July 1, 2003 to December 31. The total number of operations on July 1, 2003 in the four major States was 825, down 6 percent from the year ago total of 880.

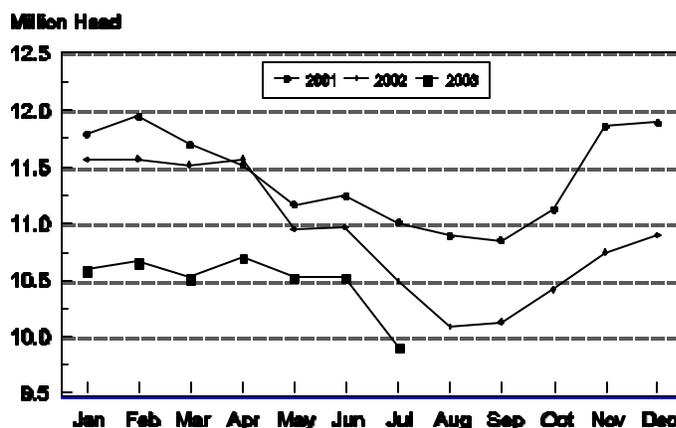
CATFISH WATER ACRES & OPERATIONS

| State | Operations | | Water Surface Acres | |
|-------|------------|-----------|---------------------|--------------------|
| | Jul 1 '02 | Jul 1 '03 | Jul 1-Dec 31 '02 | Jul 1 - Dec 31 '03 |
| AL | 245 | 220 | 26,100 | 26,000 |
| AR | 180 | 150 | 37,500 | 33,500 |
| LA | 65 | 50 | 11,300 | 9,400 |
| MS | 390 | 405 | 110,000 | 106,000 |
| Total | 880 | 825 | 184,900 | 174,900 |

U.S. CATTLE ON FEED

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 9.92 million head on July 1, 2003. The inventory was 5 percent below July 1, 2002 and 10 percent below July 1, 2001. The inventory included 6.11 million steers and steer calves, down 5 percent from the previous year. This group accounted for 62 percent of the total inventory. Heifers and heifer calves accounted for 3.75 million head, down 5 percent from 2002. **Placements** in feedlots during June totaled 1.68 million, 2 percent above 2002 but 14 percent below 2001. Net placements were 1.62 million. During June, placements of cattle and calves weighing less than 600 pounds were 374,000, 600-699 pounds were 361,000, 700-799 pounds were 483,000, and 800 pounds and greater were 464,000. **Marketings** of fed cattle during June totaled 2.23 million, 8 percent above 2002 and 5 percent above 2001. **Other disappearance** totaled 61,000 during June, 20 percent above 2002 but 21 percent below 2001.

United States Cattle on Feed 1,000+ Capacity Feedlots



Internet Access: Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>