

**FEATURING:**   ♦ Agricultural Prices   ♦ Milk Production   ♦ Farm Labor   ♦ Annual Honey   ♦ Slaughter  
                  ♦ Cold Storage   ♦ Cattle on Feed   ♦ Chicken & Eggs   ♦ Crop Values   ♦ Farm Numbers

## LIVESTOCK PRICES MIXED, GRAIN PRICES DECLINE

Mid-February prices received by **Kentucky** farmers were mixed for livestock commodities while grain prices declined.

**Steers and heifers** 500 lbs. and over increased \$4.00 from January to \$68.00 per cwt. for mid-February. They were however down \$2.00 per cwt. from a year ago. Prices for steers and heifers have increased for 2 consecutive months. **Beef cow** prices averaged \$34.00 per cwt. in mid-February, up \$2.00 from last month and the highest they have been since August. Prices averaged \$4.00 below February a year ago. **Calves** under 500 lbs., at mid-February were \$77.00 per cwt., \$2.00 above January while \$3.00 below the price of \$80.00 received in February 1998. Calf prices have been on the upswing for the last three months.

**Barrows and gilts** remained unchanged from last month at \$30.00 per cwt. They were \$7.00 below the price of \$37.00 received in January 1998. **Sow** prices for mid-February declined \$1.00 from January to \$18.00 per cwt. and were \$9.00 below the February 1998 price of \$27.00.

The mid-February **all-milk** price at \$19.20 per cwt. was 40 cents above last month's all time record high price of \$18.80 per cwt. Last February the all-milk price averaged \$15.20 per cwt.

**Corn** prices at mid-February averaged \$2.30 per bushel, one cent below last month and 44 cents below last year. **Soybean** prices at \$5.10 per bushel declined 38 cents from January's price of \$5.48 and were \$1.68 below February 1998. Prices have declined for three consecutive months. Prices at mid-February for **winter wheat** declined eleven cents from January to \$2.40 per bushel, compared to \$2.97 per bushel a year ago.

The **U.S.** All Farm Products Index of Prices Received in February was 96 based on 1990-92=100, down 1 point (1.0 percent) from January. Price decreases from January for milk, soybeans, tomatoes, and corn more than offset price increases for cattle, hogs, oranges, and potatoes. The seasonal changes in the mix of commodities farmers sell also affect the overall index level. Higher seasonal marketings of milk, cattle, broilers, and eggs more than offset the relatively lower marketings of corn, soybeans, tobacco, and cotton. These seasonal marketing changes limited the decline in the overall index. Compared with February 1998, the All Farm Products Index was 5 points (5.0 percent) lower. Price decreases from February 1998 for corn, soybeans, hogs, and wheat more than offset price increases for milk, oranges, broilers, and almonds.

### AVERAGE PRICES RECEIVED BY FARMERS (Dollars)

| COMMODITY            | UNIT | KENTUCKY     |        |              | US    |  |
|----------------------|------|--------------|--------|--------------|-------|--|
|                      |      | FEB          | JAN    | FEB          | FEB   |  |
|                      |      | 1998         | 1999   | 1999         | 1999  |  |
|                      |      | Entire Month |        | Mid-Month a/ |       |  |
| All Corn b/ c/       | Bu.  | 2.74         | 2.31   | 2.30         | 2.01  |  |
| Soybeans b/          | Bu.  | 6.78         | 5.48   | 5.10         | 4.83  |  |
| Winter Wheat b/      | Bu.  | 2.97         | 2.51   | 2.40         | 2.52  |  |
| Alfalfa Hay, baled   | Ton  | 107.00       | 118.00 | 125.00       | 82.00 |  |
| All Other Hay, baled | Ton  | 70.00        | 77.00  | 81.00        | 70.40 |  |
| All Hogs             | Cwt. | 36.60        | 29.60  | 29.50        | 28.10 |  |
| Barrows & Gilts      | Cwt. | 37.00        | 30.00  | 30.00        | 28.70 |  |
| Sows                 | Cwt. | 27.00        | 19.00  | 18.00        | 17.10 |  |
| All Beef Cattle d/   | Cwt. | 62.30        | 56.30  | 59.80        | 60.20 |  |
| Steers & Heifers e/  | Cwt. | 70.00        | 64.00  | 68.00        | 63.20 |  |
| Cows                 | Cwt. | 38.00        | 32.00  | 34.00        | 34.60 |  |
| Calves f/            | Cwt. | 80.00        | 75.00  | 77.00        | 87.30 |  |
| Milk Wholesale       |      |              |        |              |       |  |
| All                  | Cwt. | 15.20        | 18.80  | 19.20        | 16.00 |  |
| Fluid g/             | Cwt. | 15.30        | 18.80  | --           | 16.10 |  |
| Manufactured         | Cwt. | 12.70        | 15.10  | --           | 13.30 |  |
| Hog-Corn Ratios h/   | Bu.  | 13.4         | 12.8   | 12.8         | 14.0  |  |

a/ Preliminary. b/ 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/ Includes surplus diverted to manufacturing. h/ Number of bushels of corn equal in value to 100 lbs. of hog live weight.

## U. S. MILK PRODUCTION UP 3.7 PERCENT

**Kentucky** milk production for January 1999 totaled 145 million pounds, down 3 percent from a year earlier, but up 4 percent from last month. Average number of cows on farms at 135,000 head was down 10,000 from last year and

Milk production in the **20 major States** during January totaled 11.7 billion pounds, up 3.7 percent from production in these same States in January 1998. December revised production, at 11.5 billion pounds was up 3.7 percent from

down 1,000 from last month. Milk per cow averaged 1,075 pounds, up 40 pounds from January 1998 and up 45 pounds from December 1998.

December 1997. Production per cow in the 20 major States averaged 1,523 pounds for January, 57 pounds above January 1998. The number of cows on farms in the 20 major States was 7.71 million head, 19,000 head less than January 1998 but 1,000 head more than December 1998.

### MILK COWS & MILK PRODUCTION DECEMBER & JANUARY, SELECTED STATES

| STATE             | Revised December |            |                |            | January      |            |                |            | '99` % of<br>'98 |
|-------------------|------------------|------------|----------------|------------|--------------|------------|----------------|------------|------------------|
|                   | Milk Cows 1/     |            | Production 2/  |            | Milk Cows 1/ |            | Production 2/  |            |                  |
|                   | 1997             | 1998       | 1997           | 1998       | 1998         | 1999       | 1998           | 1999       |                  |
|                   | 1,000 Head       |            | Million Pounds |            | 1,000 Head   |            | Million Pounds |            |                  |
| CA                | 1,400            | 1,439      | 2,303          | 2,374      | 1,402        | 1,442      | 2,341          | 2,437      | 104              |
| IL                | 130              | 125        | 179            | 178        | 130          | 125        | 182            | 179        | 98               |
| IN                | 135              | 137        | 186            | 190        | 135          | 137        | 185            | 189        | 102              |
| <b>KY</b>         | <b>145</b>       | <b>136</b> | <b>143</b>     | <b>140</b> | <b>145</b>   | <b>135</b> | <b>150</b>     | <b>145</b> | <b>97</b>        |
| MN                | 560              | 545        | 764            | 804        | 555          | 545        | 788            | 823        | 104              |
| MO                | 175              | 165        | 189            | 198        | 175          | 165        | 202            | 205        | 102              |
| OH                | 266              | 261        | 366            | 365        | 265          | 260        | 379            | 374        | 99               |
| TX                | 370              | 340        | 474            | 476        | 368          | 340        | 493            | 500        | 101              |
| VA                | 125              | 122        | 161            | 155        | 125          | 122        | 162            | 157        | 97               |
| WI                | 1,382            | 1,370      | 1,831          | 1,932      | 1,378        | 1,368      | 1,874          | 1,963      | 105              |
| 20-State<br>Total | 7,733            | 7,708      | 11,073         | 11,481     | 7,728        | 7,709      | 11,327         | 11,742     | 104              |

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

### U.S. FARM WAGE RATES RISE

There were 844,000 hired workers on the **Nation's** farms and ranches during the week of January 10-16, 1999, up 5 percent from a year ago. There were 689,000 workers hired directly by farm operators. Agricultural service employees on farms and ranches made up the remaining 155,000 workers. Migrant workers accounted for 5.7 percent of the January hired workforce compared to 7.3 percent last year.

Farm operators paid their hired workers an average wage rate of \$7.90 per hour during the January 1999 survey week, up 29 cents from a year earlier. Field workers received an

average of \$7.21 per hour, up 22 cents from last January. Livestock workers earned \$7.31 per hour compared with \$6.97 a year earlier. The Field and Livestock worker combined wage rate was up 26 cents from last year.

The number of hired workers on farms in the **3-State Region including Kentucky**, Tennessee, and West Virginia totaled 22,000 during the week of January 10-16, 1999. Hired workers worked an average 27.8 hours during the survey week. The average wage rate for all hired workers was \$6.89 per hour. Field workers averaged \$5.60 per hour and livestock workers averaged \$7.39 per hour.

### HONEY PRODUCTION

Honey production during 1998 for **Kentucky** totaled 150,000 pounds, down 30,000 pounds from the previous year. Yield per colony averaged 50 pounds, down 10 pounds from 1997. The number of colonies producing honey totaled 3,000, unchanged from 1997.

As of December 15, 1998, Kentucky producers had 51,000 pounds of honey on hand for sale, compared with 54,000 pounds the previous year. The average price received for all classes of honey during 1998 was \$1.40 per pound, compared with \$1.48 during 1997. The value of Kentucky honey production during 1998 was \$210,000, compared with \$266,000 a year ago.

**U.S.** honey production in 1998 from producers with five or more colonies totaled 220 million pounds, up 12 percent from 1997. There were 2.63 million colonies producing

honey in 1998, up slightly from 1997. Yield per colony averaged 83.7 pounds, up 9.0 pounds from the 74.7 pounds in 1997. Colonies which produced in more than one State were counted in each State and yields per colony may therefore be understated. Colonies were not counted if honey was not harvested. Producer honey stocks were 80.8 million pounds on December 15, 1998, up 14 percent from a year earlier.

Prices for the 1998 crop averaged 65.5 cents per pound, down 13 percent from 75.2 cents in 1997. Prices are based on retail sales by producers and sales to private processors and co-ops. At the State level, prices reflect the portions of honey sold retail, coop and private. At the U.S. level, prices for each color are derived by weighting quantities sold for each marketing channel. Coop and Private prices were lower for all color classes in 1998.

### RED MEAT PRODUCTION

### COMMERCIAL RED MEAT PRODUCTION <sup>1/</sup>

**Commercial red meat production** for the United States totaled 3.83 billion pounds in January, down slightly from the 3.84 billion pounds produced in January 1998.

| Type           | Jan. 1998      | Dec. 1998 | Jan. 1999 | Jan. 99 % of |           |
|----------------|----------------|-----------|-----------|--------------|-----------|
|                | Million Pounds |           |           | Jan. 1998    | Dec. 1998 |
| Beef           | 2,157          | *2,100    | 2,170     | 101          | 103       |
| Veal           | 24             | 22        | 17        | 74           | 80        |
| Pork           | 1,634          | 1,799     | 1,627     | 100          | 90        |
| Lamb & Mutton  | 21             | 23        | 18        | 86           | 77        |
| Total U.S.     | *3,836         | *3,943    | 3,832     | 100          | 97        |
| Total Kentucky | 43.7           | 51.4      | 49.1      | 112          | 96        |

<sup>1/</sup> Based on packers' dressed weights and excludes farm slaughter. \* Revised.

**Beef production**, at 2.17 billion pounds, was 1 percent above the previous year. Cattle slaughter totaled 2.96 million head, down 3 percent from 1998. The average live weight was up 23 pounds from the previous year at 1,220 pounds.

**Pork production** totaled 1.63 billion pounds, down slightly from the previous year. Hog kill totaled 8.55 million head, slightly below 1998. The average live weight was unchanged from the previous year, at 259 pounds. January 1998 contained 22 weekdays (including two holidays) and 5 Saturdays. January 1999 contained 21 weekdays (including two holidays) and 5 Saturdays.

**Frozen food stocks** in refrigerated warehouses on January 31, 1999, were greater than year earlier levels for butter, pork, concentrated orange juice, chicken, potatoes, and vegetables. Cooler stocks of peanuts, apples, and natural cheese were higher than a year earlier.

### COMMERCIAL SLAUGHTER, JANUARY 1998 & 1999 <sup>1/</sup>

| Type                 | Number Slaughtered |         | Total Live Weight |          | Average Live |       |
|----------------------|--------------------|---------|-------------------|----------|--------------|-------|
|                      | 1998               | 1999    | 1998              | 1999     | 1998         | 1999  |
|                      | 1,000 head         |         | 1,000 lbs.        |          | Pounds       |       |
| <b>Kentucky</b>      |                    |         |                   |          |              |       |
| Cattle               | 4.1                | 5.5     | 4,183             | 5,584    | 1,011        | 1,024 |
| Hogs                 | 211.4              | 233.0   | 55,351            | 60,965   | 262          | 262   |
| Sheep & Lambs        | 0.5                | 0.4     | 80                | 61       | 167          | 149   |
| <b>United States</b> |                    |         |                   |          |              |       |
| Cattle               | *3,039.4           | 2,961.6 | *3,638,04         | 3,612,77 | 1,197        | 1,220 |
| Hogs                 | *8,589.1           | 8,548.9 | *2,224,75         | 2,213,98 | 259          | 259   |
| Sheep & Lambs        | *309.6             | 268.2   | *42,214           | 35,881   | 136          | 134   |

<sup>1/</sup> Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter. \* Revised.

### COLD STORAGE HIGHLIGHTS

| All U. S. Warehouse Stocks  |              |           |           | Jan 99 as % of |     |
|-----------------------------|--------------|-----------|-----------|----------------|-----|
| Commodity                   | Jan 31, 1998 | Dec 31,   | Jan 31,   | Jan 1998       | Dec |
| Frozen Poultry              | 1,000 lbs    |           |           | Percent        |     |
| Chicken:                    |              |           |           |                |     |
| Broilers (Whole)            | 24,683       | 18,630    | 21,690    | 88             | 116 |
| Other Chicken               | 628,043      | 692,463   | 684,894   | 109            | 99  |
| Total Chicken <sup>1/</sup> | 658,272      | 717,349   | 714,160   | 108            | 100 |
| Turkey                      | 497,583      | 304,309   | 365,645   | 73             | 120 |
| Total Frozen Poultry        | 1,158,141    | 1,025,415 | 1,083,897 | 94             | 106 |
| Meat                        |              |           |           |                |     |
| Total Frozen Beef           | 331,081      | 296,423   | 296,714   | 90             | 100 |
| Pork:                       |              |           |           |                |     |
| Bellies                     | 55,249       | 72,657    | 81,975    | 148            | 113 |
| Total Frozen Pork           | 446,133      | 503,509   | 517,790   | 116            | 103 |
| Total Meat <sup>4/</sup>    | 802,784      | 821,048   | 835,726   | 104            | 102 |

<sup>1/</sup> Includes broilers, hens and other chickens. <sup>2/</sup> Includes chicken, turkey and ducks. <sup>3/</sup> Includes picnics, hams, bellies, loins, spareribs, trimmings, and other frozen pork. <sup>4/</sup> Includes frozen beef, pork, veal, lamb and mutton, other frozen meat, canned hams, and other canned meat.

### 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 10.50 million head on February 1, 1999. The inventory was 3 percent below February 1, 1998 but 2 percent above February 1, 1997. **Placements in feedlots** during January totaled 1.92 million, 11 percent above 1998 and 2 percent above 1997. Net placements were 1.85 million. During January, placements of cattle and calves weighing less than 600 pounds were 379,000, 600-699 pounds were 623,000, 700-799 pounds were 599,000, and 800 pounds and greater were 322,000. **Marketings** of fed cattle during January totaled 2.02 million, 2 percent above 1998 and slightly above 1997. **Other disappearance** totaled 70,000 during January, 29 percent below 1998 and 24 percent below 1997.

### CATTLE ON FEED 7 STATES <sup>1/</sup>

**Cattle on feed** February 1, 1999 in the 7 States for feedlots with capacity of 1,000 or more head totaled 8.91 million, down 3 percent from the previous year but 1 percent above February 1, 1997. **Placements in feedlots** during January totaled 1.67 million, 12 percent above 1998 and slightly above 1997. **Marketings** during January totaled 1.74 million, 3 percent above 1998 and 1 percent above 1997. **Other disappearance** during January was 47,000 head, 40 percent below 1998 and 28 percent below 1997.

<sup>1/</sup>AZ, CA, CO, IA, KS, NE, AND TX.

### UNITED STATES EGG PRODUCTION & HATCH

| Type                     | Jan. 1998 | Jan. 1999 | Jan. 99 % of Jan. 98 |
|--------------------------|-----------|-----------|----------------------|
| <b>Egg Production</b>    |           |           |                      |
| Eggs Produced (Million)  | 6,766     | 6,973     | 103                  |
| Average Layers (000)     | 311,876   | 322,196   | 103                  |
| Eggs Per 100 Layers      | 2,169     | 2,164     | 100                  |
| <b>Egg Type Hatchery</b> |           |           |                      |
| Eggs Set Feb. 1 (000)    | 32,892    | 33,876    | 103                  |
| Chicks Hatched (000)     | 37,234    | 35,653    | 96                   |
| <b>Broiler Type</b>      |           |           |                      |
| Eggs Set Feb. 1 (000)    | 590,837   | 607,412   | 103                  |
| Chicks Hatched (000)     | 710,576   | 735,348   | 103                  |

## KENTUCKY CROPS VALUED AT \$1.87 BILLION

The value of crops produced in 1998 by **Kentucky** farmers totaled \$1.87 billion, down 4 percent from the 1997 value of \$1.95 billion. Kentucky's number one cash crop, tobacco, totaled \$888.4 million in value of production. This was down 6 percent from the 1997 value. Tobacco accounted for 47.6 percent of Kentucky's total crop value for 1998 and 31.6 percent of the total U.S. value of tobacco production. Kentucky's other four major crops were hay (baled), corn, soybeans, and wheat. Hay increased in value while corn, soybeans and wheat declined. Kentucky ranked 19th among all states in value of crop production. The value of production for 1998 was preliminary and

based on an estimate of market year average prices. Value of production will change as market year average price and/or production are revised.

All crops produced in the **U.S.** for 1998 were valued at \$92.8 billion, down 12.5 percent from 1997. California continued as the number one State with a total crop value of \$13.9 billion. Iowa continued second with \$6.49 billion, followed by Illinois with \$6.12 billion. The Nation's top three crops in value of production were corn with \$19.1 billion, soybeans with \$14.7 billion and all hay baled with \$11.7 billion.

### KENTUCKY PRINCIPAL CROPS RANKED ACCORDING TO VALUE OF PRODUCTION-1997 AND 1998

| 1998 Rank | Commodity          | Unit | 1997 Crop Year <u>1/</u> |           |                  | 1998 Crop Year <u>2/</u> |           |                  | 1998 Value as % of 1997 Value |
|-----------|--------------------|------|--------------------------|-----------|------------------|--------------------------|-----------|------------------|-------------------------------|
|           |                    |      | Price                    | Value     | % of Total Value | Price                    | Value     | % of Total Value |                               |
|           |                    |      | (Dollars)                | (\$1,000) |                  | (Dollars)                | (\$1,000) |                  |                               |
| 1.        | Tobacco, All       | Lb.  | 1.903                    | 947,528   | 48.6             | 1.928                    | 888,425   | 47.6             | 94                            |
| 2.        | Hay (baled)        | Ton  | 77.00                    | 330,660   | 16.9             | 81.50                    | 430,850   | 23.1             | 130                           |
| 3.        | Corn (for grain)   | Bu.  | 2.62                     | 310,339   | 15.9             | 2.10                     | 284,970   | 15.3             | 92                            |
| 4.        | Soybeans           | Bu.  | 6.76                     | 284,528   | 14.6             | 5.60                     | 201,600   | 10.8             | 71                            |
| 5.        | Wheat              | Bu.  | 3.24                     | 73,483    | 3.7              | 2.20                     | 54,450    | 2.9              | 74                            |
| 6.        | Fruit & Vegetables |      |                          | 1,662     | .1               |                          | 3,119     | .2               | 188                           |
| 7.        | Sorghum, Grain     | Bu.  | 2.54                     | 1,486     | .1               | 1.95                     | 1,248     | .1               | 84                            |
| 8.        | Barley             | Bu.  | 2.06                     | 1,009     | .1               | 1.30                     | 573       | *                | 57                            |
| 9.        | Miscellaneous      |      |                          | 76        | *                |                          | 136       | *                | 179                           |
|           | <b>TOTAL</b>       |      |                          | 1,950,771 |                  |                          | 1,865,371 |                  | 96                            |

1/ Revised. 2/ Preliminary. \* Less than .1%

## KENTUCKY FARM NUMBERS DOWN

The number of farms in **Kentucky** in 1998 totaled 90,000. This number is down 1,000 farms from 1997. A farm is defined as any establishment from which \$1,000 or more of agricultural products were sold or would normally be sold during the year. Government payments are included in sales. Institutional farms, experimental and research farms, and Indian Reservations are included as farms. Places with their entire acreage enrolled in the Conservation Reserve Program, set aside, or other government programs are considered operating farms. Kentucky ranks fifth nationally in number of farms. Ranking ahead of Kentucky in farm numbers are Texas with 226,000, Missouri with 110,000, Iowa with 97,000 and Tennessee with 91,000. Of Kentucky's 90,000 farms, 51,000 had sales of \$1,000-\$9,999 and 39,000 had sales of \$10,000 or more. Land in farms was estimated at 13.9 million acres, unchanged from the 1997 estimate. Farmland in Kentucky accounted for 55 percent of the approximate 25.4 million

total acres in the State. The average size of a farm in Kentucky for 1998 was 154 acres, up slightly from last year's 153 acres.

The number of farms in the **United States** in 1998 was estimated at 2.19 million, up fractionally from 1997. Total land in farms, at 953.8 million acres, was down 2.25 million acres from last year. The decline in land in farms continues to follow historical trends. The average farm size decreased 1 acre from 1997 to 435 acres. The U.S. number of farms in the economic sales class between \$1,000 and \$9,999 increased 1,150 farms during 1998 to 1,192,200. Those with sales in the \$10,000-\$99,999 class decreased 3,760 farms from 1997 to 642,200 in 1998. The \$100,000 and over sales class increased 3,610 farms from 1997 to 357,110 farms in 1998. These changes in the sales class mix of farms continues the trend of losing farms in the \$10,000-\$99,999 sales class, while gaining farms in both the \$1,000-\$9,999 and the \$100,000 and over sales classes.