

KENTUCKY AGRI-NEWS



Kentucky Agricultural Statistics Service
P.O. Box 1120
Louisville, Kentucky 40201-1120
Phone: (502) 582-5293 or 1-800-928-5277
E-mail: nass-ky@nass.usda.gov
and the
Kentucky Department of Agriculture
Richie Farmer, Commissioner
Published twice monthly

Volume No. 23 Issue No. 21
Released: November 1, 2004

FEATURING:

- ▶ Agricultural Prices
- ▶ Cattle on Feed

- ▶ Cold Storage
- ▶ Chicken & Eggs

- ▶ Slaughter
- ▶ Milk Production

KENTUCKY LIVESTOCK AND CROP PRICES CONTINUE TO DECLINE

Prices received by **Kentucky** farmers declined for both livestock and crops with the exception of winter wheat, milk and sows.

Mid-October cattle and calf prices were down from September 2004. **Steers and heifers** 500 lbs. and over averaged \$100.00 per cwt. at mid-month, down \$3.00 from September while up \$12.00 from October 2003. **Beef cow** prices at \$49.00 per cwt. were down \$3.00 from a month earlier while up \$7.00 from a year earlier. **Calves** less than 500 lbs. averaged \$113.00 per cwt., down \$5.00 from September while up \$17.00 from October 2003. Prior to declining in price in September and October both steers and heifers and calves set record high prices in August. The August steer and heifer price was 108.00 per cwt. and the calf price was \$123.00 per cwt.

Prices for hogs were mixed as barrows and gilts declined in price while sows were unchanged. **Barrows and gilts** for mid-October were \$51.00 per cwt., down \$2.00 from September while up \$14.00 from October 2003. **Sows** averaged \$43.00 per cwt. at mid-month, unchanged from the previous month and \$13.00 above a year earlier.

The **all milk** price for mid-October was \$16.70 per cwt., up 20 cents from September and 60 cents from a year earlier. Final monthly all milk prices will vary from projected mid-month prices due to price changes announced by Milk Marketing Orders, actual milk fat content and quantity sold by class. **Milk cow** price for mid-October was \$1,640.00 per head, unchanged from the July price and up \$280.00 from October 2003.

Prices of corn and soybeans declined from September while winter wheat prices increased. Record corn and soybean crops have been forecasted for the Nation and this is resulting in lower prices. For Kentucky, a record corn yield has been forecasted together with a record soybean production. The **corn** price was \$1.95 per bushel for mid-October, down 38 cents from the previous

month and 26 cents from October 2003. This was the lowest corn price since November 2001. The **soybean** mid-month price was \$5.00 per bushel, down \$1.01 from September and \$1.80 from the previous October. This was the lowest soybean price since May 2002. **Winter wheat** price was \$2.65 for mid-month, up 10 cents from September while down 42 cents from October 2003.

The preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in October, at 111, based on 1990-92=100, was 4 points (3.5 percent) below the September index. Declines occurred in both the Crop Price Index and the Livestock Price Index. The Crop Index declined 6 points (5.4 percent) from September while the Livestock Index decreased 1 point (0.8 percent). Producers received higher commodity prices for lettuce, tomatoes, oranges, grapes, and cucumbers. Lower prices were received for corn, soybeans, hogs, broilers, and potatoes. The seasonal change in the mix of commodities farmers sell, based on the past 3-year average, also affects the overall index. Increased average marketings of soybeans, corn, and cotton offset decreased marketings of dairy, grapes, and sweet corn. The preliminary All Farm Products Index was down 2 points (1.8 percent) from October, 2003.

AVERAGE PRICES RECEIVED BY FARMERS - (Dollars)

| COMMODITY | UNIT | KENTUCKY | | | US |
|----------------------------|------|--------------|-----------|--------------|----------|
| | | OCT 2003 | SEPT 2004 | OCT 2004 | OCT 2004 |
| | | Entire Month | | Mid-Month a/ | |
| All Corn b/ c/ | Bu. | 2.21 | 2.33 | 1.95 | 1.89 |
| Soybeans b/ | Bu. | 6.80 | 6.01 | 5.00 | 5.07 |
| Winter Wheat b/ | Bu. | 3.07 | 2.55 | 2.65 | 3.29 |
| Alfalfa Hay, baled | Ton | 115.00 | 100.00 | 100.00 | 97.80 |
| All Other Hay, baled | Ton | 67.00 | 58.00 | 58.00 | 68.60 |
| All Hogs | Cwt. | 36.70 | 52.60 | 50.70 | 51.40 |
| Barrows & Gilts | Cwt. | 37.00 | 53.00 | 51.00 | 52.10 |
| Sows | Cwt. | 30.00 | 43.00 | 43.00 | 42.10 |
| All Beef Cattle d/ | Cwt. | 77.00 | 90.80 | 87.80 | 86.40 |
| Steers & Heifers e/ | Cwt. | 88.00 | 103.00 | 100.00 | 91.10 |
| Cows | Cwt. | 42.00 | 52.00 | 49.00 | 50.40 |
| Calves f/ | Cwt. | 96.00 | 118.00 | 113.00 | 127.00 |
| Milk Cows g/ | Ea. | 1,360.00 | - | 1,640.00 | 1,640.00 |
| Milk Wholesale | | | | | |
| All | Cwt. | 16.10 | 16.50 | 16.70 | 15.50 |
| Hog-Corn Ratios h/ | Bu. | 16.6 | 22.6 | 26.0 | 27.2 |

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/ Published only in Jan., Apr., July & Oct. h/ Number of bushels of corn equal in value to 100 lbs. of hog live weight.

COLD STORAGE HIGHLIGHTS

Frozen food stocks in refrigerated warehouses on September 30, 2004, were greater than year earlier levels for chicken, beef, eggs, fruit, orange juice, and cheese.

| Commodity | All U.S. Warehouse Stocks | | | Sept 04 as % of | |
|-----------------------------|---------------------------|----------------|-----------------|-----------------|-------------|
| | Sept 30 2003 | Aug 31 2004 | Sept 30 2004 | Sept 2003 | Aug 2004 |
| Frozen Poultry | | 1,000 lbs | | Percent | |
| Chicken | 604,501 | 715,469 | 766,608 | 127 | 107 |
| Turkey | 647,535 | 600,185 | 530,046 | 82 | 88 |
| Ducks | 2,924 | 969 | 873 | 30 | 90 |
| Total Frozen Poultry | 1,254,960 | 1,316,623 | 1,297,527 | 103 | 99 |
| Meat | | | | | |
| Total Frozen Beef | 379,828 | 445,994 | 463,191 | 122 | 104 |
| Frozen Pork | | | | | |
| Bellies | 10,180 | 15,230 | 11,426 | 112 | 75 |
| Total Frozen Pork <u>1/</u> | 435,152 | 389,667 | 426,406 | 98 | 109 |
| Total Meat <u>2/</u> | 832,125 | 849,458 | 904,620 | 109 | 106 |

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.

RED MEAT PRODUCTION

Commercial red meat production for the United States totaled 3.91 billion pounds in September, down 3 percent from the 4.01 billion pounds produced in September 2003. September 2003 contained 22 weekdays (including one holiday) and 4 Saturdays. September 2004 contained 22 weekdays (including one holiday) and 4 Saturdays. Beef production, at 2.10 billion pounds, was 9 percent below the previous year. Cattle slaughter totaled 2.74 million head, down 13 percent from September 2003. The average live weight was up 38 pounds from the previous year, at 1,266 pounds. Pork production totaled 1.77 billion pounds, up 6 percent from the previous year. Hog kill totaled 9.00 million head, 5 percent above September 2003. The average live weight was 2 pounds above the previous year, at 265 pounds.

COMMERCIAL RED MEAT PRODUCTION: UNITED STATES & KENTUCKY 1/

| Class | Sept 2003 | Aug 2004 | Sept 2004 | Sept 04 as % of | |
|----------------|----------------|-------------|--------------|-----------------|-------------|
| | | | | Sept 2003 | Aug 2004 |
| | Million Pounds | | | Percent | |
| Beef | 2,314 | 2,151 | 2,104 | 91 | 98 |
| Veal | 15.3 | *14.0 | 13.0 | 85 | 93 |
| Pork | 1,668 | 1,698 | 1,772 | 106 | 104 |
| Lamb & Mutton | 16.9 | 15.1 | 16.3 | 96 | 108 |
| Total U.S. | 4,014 | 3,878 | 3,905 | 97 | 101 |
| Total Kentucky | 42.8 | 44.0 | 43.0 | 101 | 98 |

1/ Based on packers' dressed weights and excludes farm slaughter. *Revised.

COMMERCIAL SLAUGHTER: KENTUCKY & U.S. SEPTEMBER 2003 & 2004 1/

| Class | Number Slaughtered | | Total Live Weight | | Average Live Weight | |
|----------------------|--------------------|---------|-------------------|-----------|---------------------|-------|
| | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 |
| | 1,000 head | | 1,000 lbs. | | Pounds | |
| Kentucky | | | | | | |
| Cattle | 1.2 | 1.1 | 1,050 | 1,030 | 879 | 896 |
| Hogs | 215.6 | 214.9 | 56,180 | 56,630 | 261 | 263 |
| Sheep & Lambs | 1.2 | 1.1 | 135 | 136 | 114 | 123 |
| United States | | | | | | |
| Cattle | 3,128.9 | 2,735.5 | 3,841,020 | 3,462,349 | 1,228 | 1,266 |
| Hogs | 8,573.3 | 8,997.7 | 2,251,547 | 2,384,285 | 263 | 265 |
| Sheep & Lambs | 257.2 | 243.6 | 33,652 | 32,334 | 131 | 133 |

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

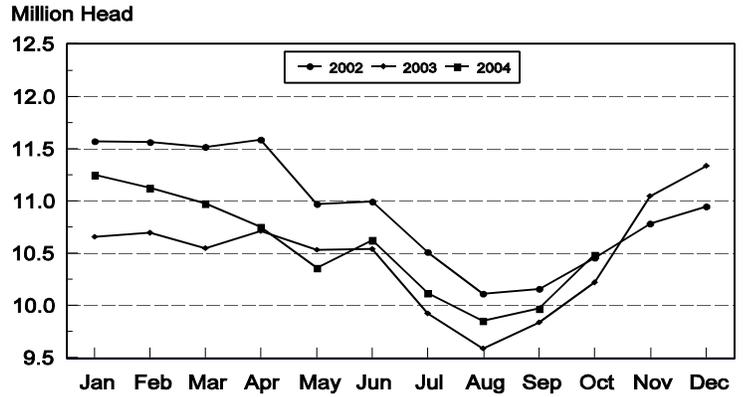
CATTLE ON FEED

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.5 million head on October 1, 2004. The inventory was 3 percent above October 1, 2003 and up slightly from October 1, 2002. The inventory included 6.46 million steers and steer calves, up 4 percent from the previous year. This group accounted for 62 percent of the total inventory. Heifers and heifer calves accounted for 3.96 million head, up 1 percent from 2003.

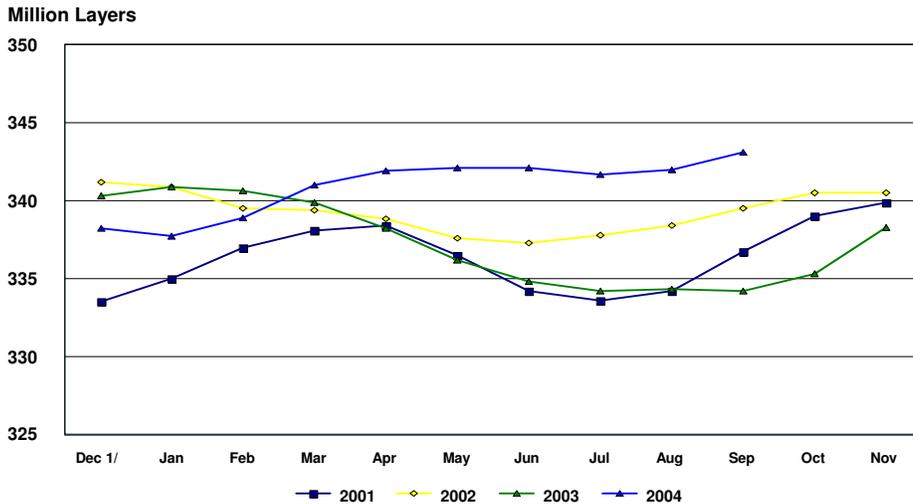
Placements in feedlots during September totaled 2.37 million, 4 percent below 2003 but 8 percent above 2002. Net placements were 2.31 million head. During September, placements of cattle and calves weighing less than 600 pounds were 623,000, 600-699 pounds were 474,000, 700-799 pounds were 557,000, and 800 pounds and greater were 720,000. **Marketings** of fed cattle during September totaled 1.80 million, 11 percent below 2003 and 3

percent below 2002. This is the second lowest fed cattle marketings for the month of September since the series began in 1996. **Other disappearance** totaled 61,000 during September, 3 percent below 2003 but 15 percent above 2002.

**United States Cattle on Feed
1,000+ Capacity Feedlots**



AVERAGE NUMBER OF LAYERS U.S., 2001-2004



UNITED STATES EGG PRODUCTION & HATCH

| Type | Sept 2003 | Sept 2004 | Sept 04 as % of Sept 03 |
|------------------------------|-----------|-----------|-------------------------|
| Egg Production | | | |
| Eggs Produced (Million) | 7,112 | 7,319 | 103 |
| Average Layers (000) | 334,198 | 343,120 | 103 |
| Eggs Per 100 Layers | 2,128 | 2,133 | 100 |
| Egg Type Hatchery | | | |
| Eggs Set Oct 1 (000) | 29,750 | 33,662 | 113 |
| Chicks Hatched (000) | 35,763 | 36,750 | 103 |
| Broiler Type Hatchery | | | |
| Eggs Set Oct 1 (000) | 601,567 | 616,708 | 103 |
| Chicks Hatched (000) | 739,481 | 769,865 | 104 |

MILK PRODUCTION

Kentucky milk production for September 2004 totaled 109 million pounds. This was up 1 percent from September 2003 production but down 5 percent from August 2004. The average **number of cows** on farms, at 109,000 head, was down 2,000 head from a year earlier and down 1,000 head from last month. **Milk per cow** averaged 1,000 pounds, up 25 pounds from September 2003 but down 45 pounds from August 2004.

percent from September 2003. August revised production, at 12.4 billion pounds, was up 1.4 percent from August 2003. The August revision represented a decrease of 11 million pounds or 0.1 percent from last month's preliminary production estimate. **Production per cow** in the 20 major States averaged 1,529 pounds for September, 18 pounds above September 2003. The **number of cows** on farms in the 20 major States was 7.77 million head, 6,000 head less than September 2003, but 4,000 head more than August 2004.

Milk production in the **20 major States** during September totaled 11.9 billion pounds, up 1.3

MILK COWS & MILK PRODUCTION FOR SEPTEMBER, SELECTED STATES

| STATE | Milk Cows <u>1/</u> | | Milk Per Cow <u>2/</u> | | Production <u>2/</u> | | 2004 as % of 2003 |
|-----------|---------------------|------------|------------------------|--------------|----------------------|------------|----------------------|
| | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | |
| | Thousands | | Pounds | | Million Pounds | | Percent |
| CA | 1,695 | 1,737 | 1,670 | 1,710 | 2,831 | 2,970 | 105 |
| IL | 109 | 107 | 1,420 | 1,440 | 155 | 154 | 99 |
| IN | 155 | 150 | 1,575 | 1,540 | 244 | 231 | 95 |
| KY | 111 | 109 | 975 | 1,000 | 108 | 109 | 101 |
| MO | 127 | 121 | 1,090 | 1,150 | 138 | 139 | 101 |
| OH | 259 | 266 | 1,380 | 1,380 | 357 | 367 | 103 |
| VA | 111 | 104 | 1,175 | 1,290 | 130 | 134 | 103 |
| WI | 1,253 | 1,239 | 1,430 | 1,440 | 1,792 | 1,784 | 100 |
| 20-State | | | | | | | |
| Total | 7,764 | 7,770 | 1,511 | 1,529 | 11,731 | 11,879 | 101 |

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

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/>