

KENTUCKY AGRI-NEWS



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FEATURING: ▶Agricultural Prices ▶Hogs & Pigs ▶Cattle on Feed ▶Milk Production
▶Slaughter ▶Cold Storage ▶Small Grains ▶Grain Stocks

PRICES FOR KENTUCKY LIVESTOCK AND CROPS CONTINUE TO BE MIXED

Prices received by **Kentucky** farmers were mixed as cattle, milk and soybean prices were up, while hogs, corn and winter wheat were down.

Prices for cattle and calves continue to increase. **Steers and heifers** 500 lbs. and over at mid-September averaged \$89.00 per cwt. This was up \$4.00 from the August price and \$18.00 from a year earlier. Prices have steadily advanced from a recent low \$73.00 per cwt. in March and the \$89.00 for September would be a record high. **Beef cows** averaged \$44.00 per cwt., up \$2.00 from the previous month and \$11.00 from September 2002. Beef cow prices were the highest in 25 months. **Calves** under 500 pounds averaged \$98.00 per cwt., up \$5.00 from August and \$19.00 from a year earlier. Calf prices were the highest since July 2001.

Prices of hogs were down from a month earlier. **Barrows and gilts** for mid-September averaged \$39.00 per cwt., down \$1.00 from a month earlier while up \$15.00 from a year earlier. **Sows** averaged \$28.00 per cwt. This was down \$5.00 from August while up \$12.00 from September 2002.

The **all milk** price for mid-September averaged \$16.00 per cwt., up \$2.50 from a month earlier and \$3.30 from a year earlier. This was the highest milk price in 22 months.

Grain prices continue to be mixed. The mid-September **corn** price was \$2.20 per bushel, down 12 cents from a month earlier and 35 cents from a year earlier. The **soybean** price for mid-month was \$6.15 per bushel, up 36 cents from the August price and 59 cents from September 2002. The mid-month price for **winter wheat** was \$3.30 per bushel, down 8 cents from August and a year earlier.

The preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in September was 109, based on 1990-92=100, unchanged from the August index. Since last month, a higher Livestock and Products Index more than offset a lower All Crops Index. Higher commodity prices for cattle, lettuce, dairy, and broccoli more than offset lower prices for tomatoes, eggs, potatoes, and grapes. 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, peanuts, corn, and apples more than offset decreased marketings of cattle, broilers, wheat and grapes. The preliminary All Farm Products Index was up 11 points (11.2 percent) from September 2002. Higher prices for cattle, hogs, broilers, and lettuce more than offset lower prices for corn, wheat, potatoes, and hay.

AVERAGE PRICES RECEIVED BY FARMERS - (Dollars)

COMMODITY	UNIT	KENTUCKY			US	
		SEPT	AUG	SEPT	SEPT	
		2002	2003	2003	2003	
		Entire Month		Mid-Month ^{g/}		
All Corn ^{b/} _{c/}	Bu.	2.55	2.32	2.20	2.13	
Soybeans ^{b/}	Bu.	5.56	5.79	6.15	6.04	
Winter Wheat ^{b/}	Bu.	3.38	3.38	3.30	3.25	
Alfalfa Hay, baled	Ton	105.00	115.00	110.00	89.00	
All Other Hay,	Ton	61.00	67.00	64.00	70.10	
All Hogs	Cwt.	23.60	39.70	38.60	39.20	
Barrows & Gilts	Cwt.	24.00	40.00	39.00	39.70	
Sows	Cwt.	16.00	33.00	28.00	30.10	
All Beef Cattle ^{d/}	Cwt.	61.90	74.70	78.20	84.00	
Steers & Heifers ^{e/}	Cwt.	71.00	85.00	89.00	88.20	
Cows	Cwt.	33.00	42.00	44.00	46.00	
Calves ^{f/}	Cwt.	79.00	93.00	98.00	106.00	
Milk Wholesale						
All	Cwt.	12.70	13.50	16.00	14.00	
Hog-Corn Ratios ^{g/}	Bu.	9.3	17.1	17.5	18.4	

^{g/} 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/} Number of bushels of corn equal in value to 100 lbs. of hog live weight.

SEPTEMBER 1 HOG & PIG INVENTORY

U.S. inventory of all hogs and pigs on September 1, 2003, was 59.6 million head. This was 2 percent below September 1, 2002, but 2 percent above June 1, 2003. Breeding inventory, at 5.88 million head, was down 3 percent from September 1, 2002, and 1 percent below last quarter. Market hog inventory, at 53.7 million head, was 2 percent below last year, but 2 percent above last quarter.

The June-August 2003 **U.S.** pig crop, at 25.2 million head, was 2 percent less than both 2002 and 2001. Sows farrowing during this period totaled 2.83 million head, 2 percent below last year. The sows farrowed during this quarter represented 48 percent of the breeding herd. The average pigs per litter was 8.90 pigs saved per litter for the June-August 2003

period, equivalent to last year. Pigs saved per litter by size of operation ranged from 7.60 for operations with 1-99 hogs to 9.00 for operations with more than 5,000 hogs and pigs.

U.S. hog producers intend to have 2.80 million sows farrow during the September-November 2003 quarter, 1 percent below the actual farrowings during the same period in 2002 and 3 percent below 2001. Intended farrowings for December 2003-February 2004, at 2.77 million sows, are 2 percent below the same period in 2002, but 1 percent above 2001. The total number of hogs under contract, owned by operations with over 5,000 head, but raised by contractees, accounted for 35 percent of the total U.S. hog inventory, unchanged from last year.

HOGS AND PIGS: INVENTORY NUMBERS BY CLASS & WEIGHT GROUPS SEPTEMBER 1, 2002 - 2003, SELECTED STATES AND U.S.

State	TOTAL		BREEDING		MARKET		MARKET HOGS							
	2003	2002	2003	2002	2003	2002	Under 60 lbs.		60-119 lbs		120-179 lbs		180 lbs +	
	1,000 Head	% of 2002	1,000 Head	% of 2002	1,000 Head	% of 2002	2002	2003	2002	2003	2002	2003	2002	2003
	(1,000 Head)													
AR	280	51	80	89	200	44	225	110	65	35	75	30	90	25
CO	740	97	110	76	630	102	310	325	95	95	90	90	120	120
IL	3,850	91	420	98	3,430	90	1,390	1,270	960	860	790	720	680	580
IN	3,000	94	300	91	2,700	94	1,050	1,000	720	680	570	540	530	480
IA	15,700	101	1,020	93	14,680	101	4,490	4,560	4,040	4,100	3,160	3,210	2,810	2,810
KS	1,630	104	165	103	1,465	105	485	490	260	340	240	225	415	410
MI	890	95	100	83	790	96	315	290	210	205	160	155	135	140
MN	6,300	103	590	102	5,710	103	2,170	2,230	1,410	1,510	1,140	1,180	800	790
MO	2,900	98	330	94	2,570	99	1,190	1,220	550	550	470	480	390	320
NE	3,000	103	375	104	2,625	103	1,000	1,030	650	690	500	500	390	405
NC	9,900	97	1,000	100	8,900	97	3,600	3,550	2,300	2,250	1,800	1,750	1,500	1,350
OH	1,450	97	155	97	1,295	97	540	545	320	330	280	265	190	155
OK	2,430	98	360	109	2,070	96	890	950	370	300	340	290	550	530
PA	1,130	106	120	96	1,010	107	340	360	250	240	180	200	175	210
SD	1,260	95	135	96	1,125	95	400	370	320	305	270	260	190	190
TX	920	92	95	95	825	92	265	290	240	160	195	150	200	225
WI	500	104	60	109	440	104	160	175	100	100	75	85	90	80
Other	3,743	96	467	97	3,276	96	1,250	1,097	795	820	684	718	671	641
U.S.	59,623	98	5,882	97	53,741	98	20,070	19,862	13,655	13,570	11,019	10,848	9,926	9,461

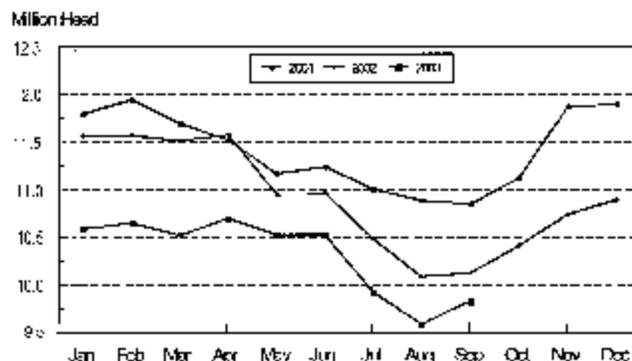
1/ Individual State estimates not available for the 33 other states. Kentucky included in other States.

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 9.83 million head on September 1, 2003. The inventory was 3 percent below September 1, 2002 and 9 percent below September 1, 2001.

Placements in feedlots during August totaled 2.37 million, 7 percent above 2002 and 8 percent above 2001. Net placements were 2.31 million. During August, placements of cattle and calves weighing less than 600 pounds were 592,000, 600-699 pounds were 529,000, 700-799 pounds were 659,000, and 800 pounds and greater were 594,000. **Marketings** of fed cattle during August totaled 2.08 million, 3 percent below 2002 and 5 percent below 2001. **Other disappearance** totaled 60,000 during August, 40 percent above 2002 and 11 percent above 2001.

United States Cattle on Feed
1,000+ Capacity Feedlots



MILK PRODUCTION

Kentucky milk production for August 2003 totaled 113 million pounds, down 10 percent from August 2002, and down 3 percent from July 2003. Average number of cows, at 113,000 head, was 9,000 head below the previous year and 2,000 head below last month. Milk per cow, at 1,000 pounds during August, was down 25 pounds from a year ago, and down 5 pounds from last month.

Milk production in the **20 major States** during August totaled 12.1 billion pounds, down 0.8 percent from August 2002. July

revised production, at 12.3 billion pounds, was up 0.5 percent from July 2002. The July revision represented a decrease of 5 million pounds from last month's preliminary production estimate. **Production per cow** in the 20 major States averaged 1,563 pounds for August, 7 pounds below August 2002. **The number of milk cows** on farms in the 20 major States was 7.76 million head, 26,000 head less than August 2002, and 6,000 head less than July 2003.

RED MEAT PRODUCTION

Commercial red meat production for the U.S. totaled 3.91 billion pounds in August, down 5 percent from the 4.14 billion pounds produced in August 2002. August 2002 contained 22 weekdays and 5 Saturdays. August 2003 contained 21 weekdays and 5 Saturdays.

Beef production, at 2.33 billion pounds, was 6 percent below the previous year. Cattle slaughter totaled 3.13 million head, down 2 percent from August 2002. The average live weight was down 34 pounds from the previous year, at 1,225 pounds.

Pork production totaled 1.56 billion pounds, down 5 percent from the previous year. Hog kill totaled 8.04 million head, 6 percent below August 2002. The average live weight was 1 pound above the previous year, at 260 pounds.

COMMERCIAL RED MEAT PRODUCTION 1/

Type	Aug 2002	Jul 2003	Aug 2003	Aug '03 % of	
				Aug 2002	Jul 2003
	Million Pounds			Percent	
Beef	2,469	2,438	2,328	94	95
Veal	16.7	14.8	14.2	85	96
Pork	1,637	1,577	1,555	95	99
Lamb & Mutton	16.6	15.7	15.7	94	100
Total U.S.	4,140	4,046	3,913	95	97
Total Kentucky	37.5	36.6	36.8	98	101

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

COMMERCIAL SLAUGHTER, AUGUST 2002 & 2003 1/

Type	Number Slaughtered		Total Live Weight		Average Live Weight	
	2002	2003	2002	2003	2002	2003
	1,000 head		1,000 lbs.		Pounds	
Kentucky						
Cattle	1.0	1.0	914	899	909	889
Hogs	193.1	185.2	49,630	48,390	257	261
Sheep & Lambs	0.8	1.1	95	138	125	130
United States						
Cattle	3,212.8	3,134.1	4,044,479	3,840,340	1,259	1,225
Hogs	8,545.8	8,043.1	2,211,899	2,094,310	259	260
Sheep & Lambs	265.1	241.2	33,381	31,228	126	129

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

COLD STORAGE HIGHLIGHTS

Frozen food stocks in refrigerated warehouses on August 31, 2003, were greater than year earlier levels for butter, frozen eggs, total turkey, and potatoes.

ALL U.S. WAREHOUSE STOCKS

Commodity	Aug 31 2002	Jul 31 2003	Aug 31 2003	Aug 03 as % of	
				Aug '02	Jul '03
Frozen Poultry		1,000 lbs		Percent	
Chicken	824,021	635,590	620,296	75	98
Turkey	685,621	722,543	716,038	104	99
Ducks	7,654	5,034	4,058	53	81
Total Frozen Poultry	1,517,296	1,363,167	1,340,392	88	98
Meat					
Total Frozen Beef	461,757	368,248	372,721	81	101
Frozen Pork					
Bellies	14,250	32,075	17,895	126	56
Total Frozen Pork 1/	464,377	440,654	426,099	92	97
Total Meat 2/	950,681	825,019	815,084	86	99

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.

SMALL GRAINS

Farmers in **Kentucky** planted 480,000 acres of **winter wheat** in the fall of 2002 for harvest in 2003. The acreage was down 70,000 acres from the previous year and the smallest acreage since 1986. Acreage for harvest as grain totaled 330,000 acres, down 10,000 acres from the 2002 crop and the smallest harvested acreage in 16 years. Yield at 62 bushels per acre was up 9 bushels from the previous year. Grain production was 20.5 million bushels, up 2.44 million bushels from a year earlier. The winter wheat crop in Kentucky was good with adequate to surplus moisture available for filling grain heads. Harvesting this year was slowed by persistent rains but the crop remained relatively unharmed. The 150,000 acres not harvested for grain were cut for hay and silage or used for other purposes like a cover crop for tobacco acreage. **U.S. all wheat** production totaled

2.34 billion bushels in 2003, up 2 percent from the last forecast and 44 percent above 2002. Grain area was 52.8 million acres, up 15 percent from last year. The yield was 44.2 bushels per acre, up 8.9 bushels from a year ago.

Barley production this year by **Kentucky** farmers totaled 600,000 bushels, up 88,000 bushels from the previous year. Yield was estimated at 75 bushels per acre, up 11 bushels from the 2002 crop. Acreage for grain was 8,000 acres, the same as the previous 4 years. **U.S. barley** was estimated at 276 million bushels, down 2 percent from the last forecast but up 22 percent from last year. Average yield per acre, at 58.9 bushels, was up 1.4 bushels from the last forecast and 4.0 bushels above 2002. The area harvested for grain was estimated at 4.69 million acres, down 4 percent from August but 14 percent above a year earlier.

SEPTEMBER 1 GRAIN STOCKS

Kentucky corn stocks totaled 6.31 million bushels of old crop corn on September 1, 2003. Corn currently being harvested was excluded from the stock's estimate. Total stocks were down 44 percent from the September 1, 2002 estimate and 37 percent from September 1, 2001. The September corn stocks were the smallest for September 1 since 1996. Corn stored on farms totaled 2.50 million bushels, 58 percent below the previous year and 57 percent below the September 2001 level. On farm stocks were also the smallest in 7 years. Corn stored on farms accounted for 40 percent of total stocks. Corn stored in off-farm facilities totaled 3.81 million bushels, down 26 percent from September 2002, and the smallest September off-farm stocks in 3 years. Off-farm stocks accounted for 60 percent of the total corn in storage. Off-farm stocks include grain stored at mills, elevators, warehouses, terminals and processors. Wheat and oat stocks estimates in Kentucky were made only for off-farm stocks. Off-farm stocks of **wheat** was 8.16 million bushels, compared with 7.77 million bushels a year earlier. Off-farm stocks of **oats** totaled 165,000 bushels, compared with 112,000 bushels a year earlier. **Soybean, barley** and **grain sorghum** stocks stored in off-farm facilities were not published to avoid disclosure of individual operations.

U.S. old crop **corn** stocks in all positions on September 1, 2003 totaled 1.09 billion bushels, down 32 percent from September 1, 2002. Of the total stocks, 485 million bushels were stored on farms, down 17 percent from a year earlier. Off-farm stocks, at 601 million bushels, were down 40 percent from the previous year. The June - August 2003 indicated disappearance was 1.90 billion bushels, compared with 2.00 billion bushels during the same period last year. Old crop **soybeans** stored in all positions on September 1, 2003 totaled 169 million bushels, down 19 percent from September 1, 2002. On-farm stocks totaled 58.0 million bushels, down 7 percent from a year ago. Off-farm stocks, at 111 million bushels, were down 23 percent from the previous year. Indicated disappearance for the June - August 2003 totaled 433 million bushels, down 9 percent from the same period a year earlier. **All wheat** stored in all positions on September 1, 2003 totaled 2.04 billion bushels, up 16 percent from a year ago. On-farm stocks were estimated at 690 million bushels, up 19 percent from last year. Off-farm stocks, at 1.35 billion bushels, were up 15 percent from a year ago. The June - August 2003 indicated disappearance was 792 million bushels, up 23 percent from the same period a year earlier.

KENTUCKY AND UNITED STATES STOCKS OF GRAIN SEPTEMBER 1, 2003 WITH COMPARISONS

CROP	POSITION	KENTUCKY			UNITED STATES		
		Sept. 1 2002	June 1 2003	Sept. 1 2003	Sept. 1 2002	June 1 2003	Sept. 1 2003
(Thousand Bushels)							
Corn	On-Farm	6,000	9,000	2,500	586,800	1,620,200	484,900
(Old Crop)	Off-Farm <u>1/</u>	5,171	11,798	3,810	1,009,626	1,364,485 <u>5/</u>	600,869
	Total	11,171	20,798	6,310	1,596,426	2,984,685 <u>5/</u>	1,085,769
Sorghum	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	7,400	11,150	4,500
(Old Crop)	Off-Farm <u>1/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	53,573	70,744	38,049
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	60,973	81,894	42,549
Oats	On-Farm	<u>3/</u>	<u>3/</u>	<u>3/</u>	70,500	20,600	82,100
	Off-Farm <u>1/</u>	112	115	165	41,212	29,233 <u>5/</u>	49,421
	Total	112	115	165	111,712	49,833 <u>5/</u>	131,521
Barley	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	131,600	14,860	139,900
	Off-Farm <u>1/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	92,419	54,480 <u>5/</u>	99,125
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	224,019	69,340 <u>5/</u>	239,025
All Wheat	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	580,200	132,110	689,970
	Off-Farm <u>1/</u>	7,766	2,030	8,162	1,170,787	359,306 <u>5/</u>	1,345,635
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	1,750,987	491,416 <u>5/</u>	2,035,605
Soybeans	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	62,700	272,500	58,000
(Old Crop)	Off-Farm <u>1/</u>	<u>4/</u>	3,913	<u>4/</u>	145,320	329,862 <u>5/</u>	111,431
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	208,020	602,362 <u>5/</u>	169,431

1/ Includes stocks at mills, elevators, warehouses, terminals and processors. 2/ Kentucky is a minor State, not published separately. 3/ On-farm stocks estimates not made. 4/ Not published to avoid disclosure of individual operations. 5/ Revised.

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/>