

KENTUCKY AGRI-NEWS



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FEATURING: ▶ Agricultural Prices ▶ Farm Labor ▶ Slaughter ▶ Cattle on Feed
 ▶ Chickens & Eggs ▶ Cold Storage ▶ Milk Production

KENTUCKY LIVESTOCK AND CROP PRICES MIXED

Prices received by **Kentucky** farmers at mid-August were mixed for livestock while generally down for crops.

Steers and heifers 500 lbs. and over at mid-August averaged \$84.00 per cwt., up \$1.00 from a month earlier and \$12.00 from August 2002. Prices were at their highest level since August 2001. **Beef cows** averaged \$42.00 per cwt. This was down \$1.00 from July while up \$6.00 from year earlier. **Calves** under 500 pounds averaged \$93.00 per cwt., up \$1.00 from a month earlier and \$13.00 from August 2002. Calf prices were the highest in 17 months.

Price received for **barrows and gilts** for mid-month was \$41.00 per cwt., down \$2.00 from July while up \$13.00 from a year earlier. **Sows** averaged \$33.00 per cwt. for August, unchanged from a month earlier while up \$15.00 from a year earlier.

The price of **all milk** for mid-August was \$13.80 per cwt. This was up \$1.30 per cwt. from the previous month and \$1.00 from a year earlier. Milk prices were at their highest point in 18 months.

Prices for corn, soybeans and winter wheat were mixed for mid-August. Corn and soybean prices were down while winter wheat was up. The **corn** price for mid-August was \$2.30 per bushel, down 27 cents from July and 18 cents from a year earlier. **Soybeans** at mid-month averaged \$5.50 per bushel. This was a decline of 48 cents from the previous month and 8 cents from August 2002. **Winter wheat** for mid-August was \$3.50 per bushel, up 42 cents from the previous month and 41 cents from a year earlier.

The preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in August was 108, based on 1990-92=100, up 3 points (2.9 percent) from the July index. Since last month both the All Crops Index and the Livestock and Products Index showed increases. Higher prices for wheat, dairy, cattle, and lettuce more than offset lower prices for grapes, cantaloupe, soybeans, and hogs. 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 tobacco, cattle, grapes, and sweet corn more than offset decreased marketings of wheat, hay, dairy, and broilers.

This preliminary All Farm Products Index was up 8 points (8.0 percent) from August, 2002. Higher prices for cattle, broilers, hogs, and tomatoes more than offset lower prices for corn, wheat, hay, and turkeys.

AVERAGE PRICES RECEIVED BY FARMERS - (Dollars)

COMMODITY	UNIT	KENTUCKY			US	
		AUG 2002	JULY 2003	AUG 2003	AUG 2003	
		Entire Month		Mid-Month ^{a/}		
All Corn ^{b/} _{c/}	Bu.	2.48	2.57	2.30	2.13	
Soybeans ^{b/}	Bu.	5.58	5.98	5.50	5.56	
Winter Wheat ^{b/}	Bu.	3.09	3.08	3.50	3.39	
Alfalfa Hay, baled	Ton	95.00	110.00	115.00	91.00	
All Other Hay,	Ton	55.00	64.00	67.00	69.10	
All Hogs	Cwt.	27.60	43.60	41.60	41.10	
Barrows & Gilts	Cwt.	28.00	43.00	41.00	41.60	
Sows	Cwt.	18.00	33.00	33.00	33.00	
All Beef Cattle ^{d/}	Cwt.	63.40	73.40	73.90	78.50	
Steers & Heifers ^{e/}	Cwt.	72.00	83.00	84.00	81.70	
Cows	Cwt.	36.00	43.00	42.00	44.80	
Calves ^{f/}	Cwt.	80.00	92.00	93.00	105.00	
Milk Wholesale						
All	Cwt.	12.80	12.50	13.80	13.00	
Hog-Corn Ratios ^{g/}	Bu.	11.1	17.0	18.1	19.3	

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

U.S. HIRED WORKERS UP 1 PERCENT, WAGE RATES UP 4 PERCENT

There were 1,273,000 hired workers on the Nation's farms and ranches the week of July 6-12, 2003, up 1 percent from a year ago. Of these hired workers, 953,000 workers were hired directly by farm operators. Agricultural service employees on farms and ranches made up the remaining 320,000 workers.

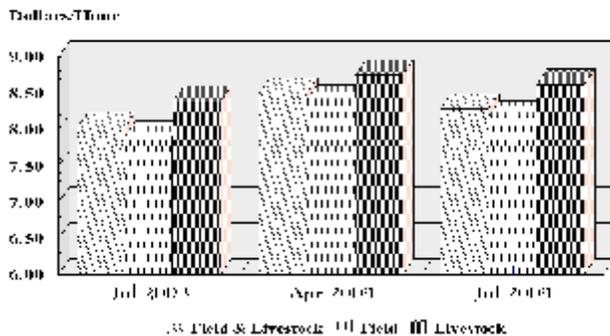
Farm operators paid their hired workers an average wage of \$8.88 per hour during the July 2003 reference week, up 31 cents from a year earlier. Field workers received an average of \$8.18 per hour, up 28 cents from last July, while livestock workers earned \$8.62 per hour compared with

\$8.38 a year earlier. The field and livestock worker combined wage rate, at \$8.28 per hour, was up 26 cents from last year.

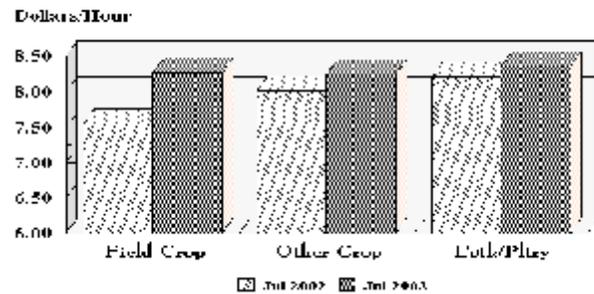
The number of hired workers in the 3-State Region including Kentucky, West Virginia, and Tennessee totaled 36,000 during the week of July 6-12, 2003.

Field workers in the region were paid \$7.79 per hour compared to \$7.22 during the same period last year. Livestock workers were paid \$7.98 per hour compared to \$7.64 last year. The wage rate for all hired workers in the 3-State Region was \$8.27.

U.S. Wage Rates by Type of Worker



Wage Rate of Field & Livestock Workers By Type of Farm



RED MEAT PRODUCTION

Commercial red meat production for the United States totaled 4.05 billion pounds in July, a new monthly high and up 1 percent from the 4.02 billion pounds produced in July 2002. July 2002 contained 23 weekdays (including one holiday) and 4 Saturdays. July 2003 contained 23 weekdays (including one holiday) and 4 Saturdays. **Beef production**, at 2.44 billion pounds, was slightly above the previous year. Cattle slaughter totaled 3.29 million head, up 3 percent from July 2002. The average live weight was down 23 pounds from the previous year, at 1,225 pounds. **Pork production** totaled 1.58 billion pounds, up 1 percent from the previous year. Hog kill totaled 8.10 million head, slightly above July 2002. The average live weight was 2 pounds above the previous year, at 262 pounds.

COMMERCIAL RED MEAT PRODUCTION: U. S. & KENTUCKY ^{1/}

Type	July 2002	June 2003	July 2003	July 03 % of	
				July 2002	June 2003
Million Pounds				Percent	
Beef	2,427	2,391	2,438	100	102
Veal	16.7	15.0	14.8	88	99
Pork	1,557	1,527	1,577	101	103
Lamb & Mutton	16.3	15.2	15.7	96	103
Total U.S.	4,016	3,948	4,046	101	102
Total Kentucky	34.5	34.9	36.6	106	105

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

COMMERCIAL SLAUGHTER: KENTUCKY & U.S. JULY 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	1.2	885	1,086	921	921
Hogs	178.0	184.3	45,626	47,876	256	260
Sheep & Lambs	1.0	1.0	120	136	120	133
United States						
Cattle	3,187.7	3,285.3	3,978,539	4,024,014	1,248	1,225
Hogs	8,068.3	8,101.9	2,101,546	2,125,365	260	262
Sheep & Lambs	259.0	239.2	32,712	31,236	126	131

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

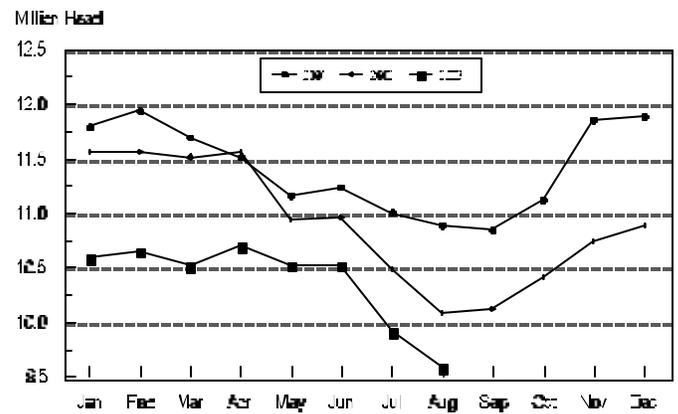
U.S. CATTLE ON FEED

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 9.59 million head on August 1, 2003. The inventory was 5 percent below August 1, 2002 and 12 percent below August 1, 2001.

Placements in feedlots during July totaled 1.99 million, 8 percent above 2002 and slightly above 2001. Net placements were 1.93 million. During July, placements of cattle and calves weighing less than 600 pounds were 421,000, 600-699 pounds were 414,000, 700-799 pounds were 593,000, and 800 pounds and greater were 564,000.

Marketings of fed cattle during July totaled 2.27 million, 4 percent above 2002 and 11 percent above 2001. **Other disappearance** totaled 60,000 during July, 33 percent above 2002 and 2 percent above 2001.

United States Cattle on Feed
1,000+ Capacity Feedlots



UNITED STATES EGG PRODUCTION & HATCH

Item	July 2002	July 2003	July '03 as % of July '02
Egg Production			
Eggs Produced (Million)	7,347	7,343	100
Average Layers (000)	335,498	331,702	99
Eggs Per 100 Layers	2,190	2,214	101
Egg Type Hatchery			
Eggs Set Aug 1 (000)	32,832	30,710	94
Chicks Hatched (000)	35,573	35,593	100
Broiler Type Hatchery			
Eggs Set Aug 1 (000)	644,725	640,775	99
Chicks Hatched (000)	781,707	777,341	99

COLD STORAGE HIGHLIGHTS

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

All U.S. Warehouse Stocks				July 2003 as % of	
Commodity	July 31 2002	June 30 2003	July 31 2003	July 2002	June 2003
			1,000 lbs		
			Percent		
Frozen Poultry					
Chicken	869,226	653,259	645,793	74	99
Turkey	706,194	718,212	742,188	105	103
Ducks	7,173	6,872	4,345	61	63
Total Frozen Poultry	1,582,593	1,378,343	1,392,326	88	101
Meat					
Total Frozen Beef	416,534	371,477	370,772	89	100
Frozen Pork					
Bellies	29,925	43,504	32,189	108	74
Total Frozen Pork <u>1/</u>	472,184	455,012	433,581	92	95
Total Meat <u>2/</u>	912,606	842,487	820,493	90	97

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 July 2003 totaled 116 million pounds, down 9 percent from July 2002, and down 3 percent from June 2003. Average number of cows on farms, at 115,000, was down 8,000 head from a year earlier, and down 2,000 head from last month. Milk per cow averaged 1,005 pounds, down 30 pounds from last year, and down 20 pounds from last month.

Milk production in the **20 major States** during July totaled 12.4 billion pounds, up 0.6 percent

from July 2002. June revised production, at 12.4 billion pounds, was up 0.1 percent from June 2002. The June revision represented an increase of 0.3 percent or 33 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,590 pounds for July, 12 pounds above July 2002. The number of milk cows on farms in the 20 major States was 7.77 million head, 15,000 head less than July 2002, and 9,000 head less than June 2003.

MILK COWS & MILK PRODUCTION FOR JULY, SELECTED STATES

STATE	Milk Cows ^{1/}		Milk Per Cow ^{1/}		Production ^{2/}		2003 as %
	2002	2003	2002	2003	2002	2003	of 2002
	Thousands		Pounds		Million Pounds		Percent
CA	1,647	1,693	1,810	1,750	2,981	2,963	99
IL	115	109	1,420	1,490	163	162	99
IN	150	143	1,410	1,505	212	215	101
KY	123	115	1,035	1,005	127	116	91
MO	137	129	1,120	1,170	153	151	99
OH	263	261	1,390	1,450	366	378	103
VA	120	115	1,275	1,210	153	139	91
WI	1,265	1,255	1,455	1,510	1,841	1,895	103
20 State							
Total	7,781	7,766	1,578	1,590	12,281	12,350	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/>