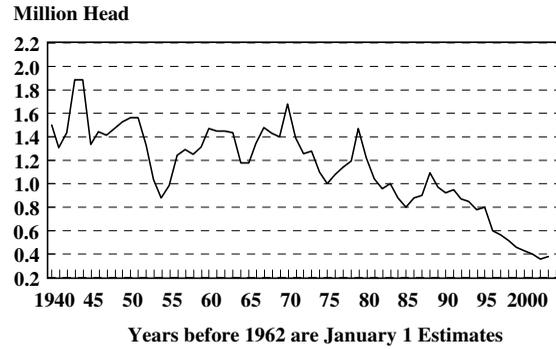


KENTUCKY HOGS AND PIGS

December 1
(1940 - 2003)



HOGS & PIGS DISTRICT ESTIMATES DECEMBER 1, 2002 - 2003

| District | December 1 2002 | December 1 2003 |
|-----------------|--------------------|--------------------|
| | (Number) | |
| District 1 | 51,000 | 57,000 |
| District 2 | 142,000 | 145,000 |
| District 3 | 135,000 | 145,000 |
| District 4 | 4,000 | 4,000 |
| District 5 | 21,000 | 21,500 |
| District 6 | 7,000 | 7,500 |
| KENTUCKY | 360,000 | 380,000 |

KENTUCKY OPERATIONS WITH HOGS 1980 - 2003

| | |
|------|--------|
| 1980 | 29,000 |
| 1985 | 15,000 |
| 1990 | 6,500 |
| 1995 | 3,800 |
| 1996 | 2,500 |
| 1997 | 2,100 |
| 1998 | 1,700 |
| 1999 | 1,400 |
| 2000 | 1,300 |
| 2001 | 1,300 |
| 2002 | 1,200 |
| 2003 | 1,000 |

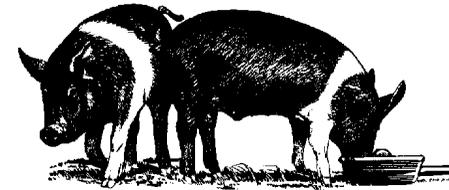
KENTUCKY HOGS & PIGS - DECEMBER 1

| Year | Total (000) | Breeding (000) | Market (000) | Value Per Head (dollars) |
|------|----------------|-------------------|-----------------|--------------------------------|
| 1875 | 1,604 | | | 4.85 |
| 1880 | 1,900 | | | 3.85 |
| 1885 | 2,032 | | | 3.50 |
| 1890 | 2,050 | | | 3.65 |
| 1895 | 1,800 | | | 3.60 |
| 1900 | 1,920 | | | 4.20 |
| 1905 | 1,781 | | | 4.70 |
| 1910 | 1,500 | | | 7.20 |
| 1915 | 1,360 | | | 6.50 |
| 1920 | 1,320 | | | 10.40 |
| 1925 | 839 | | | 12.40 |
| 1930 | 828 | | | 7.60 |
| 1935 | 1,004 | | | 9.40 |
| 1940 | 1,305 | | | 5.80 |
| 1945 | 1,443 | | | 19.10 |
| 1950 | 1,561 | | | 26.20 |
| 1955 | 1,242 | | | 16.30 |
| 1960 | 1,400 | | | 23.80 |
| 1965 | 1,176 | 171 | 1,005 | 40.10 |
| 1970 | 1,680 | 252 | 1,428 | 20.00 |
| 1975 | 1,000 | 168 | 832 | 77.00 |
| 1980 | 1,220 | 183 | 1,037 | 73.50 |
| 1985 | 800 | 124 | 676 | 68.00 |
| 1990 | 920 | 130 | 790 | 78.00 |
| 1991 | 950 | 135 | 815 | 67.00 |
| 1992 | 870 | 120 | 750 | 68.00 |
| 1993 | 850 | 120 | 730 | 66.00 |
| 1994 | 780 | 100 | 680 | 50.00 |
| 1995 | 800 | 110 | 690 | 60.00 |
| 1996 | 600 | 85 | 515 | 82.00 |
| 1997 | 570 | 70 | 500 | 74.00 |
| 1998 | 520 | 65 | 455 | 35.00 |
| 1999 | 460 | 55 | 405 | 52.00 |
| 2000 | 430 | 50 | 380 | 62.00 |
| 2001 | 405 | 50 | 355 | 63.00 |
| 2002 | 360 | 40 | 320 | 54.00 |
| 2003 | 380 | 45 | 335 | 54.00 |

TOP FIVE HOG PRODUCING COUNTRIES ^{1/}

| | 2002 | 2003 ^{2/} |
|--------------------------------|--------------|--------------------|
| | (1,000 head) | |
| 1. China, People's Republic of | 462,915 | 467,327 |
| 2. European Union | 121,462 | 120,400 |
| 3. United States | 59,513 | 60,040 |
| 4. Brazil | 32,655 | 32,081 |
| 5. Poland | 18,998 | 18,100 |

^{1/} Various dates of enumeration are used by the countries reporting animal numbers. Data presented in this table are end of year inventories. ^{2/} Preliminary.



☞ KENTUCKY RANKED 18TH, TIED WITH VIRGINIA, IN TOTAL HOG INVENTORY ON DECEMBER 1, 2003.

☞ KENTUCKY HOG AND PIG INVENTORY DECLINED 51 PERCENT IN THE 10 YEARS FROM 1994.

☞ IN 1950, KENTUCKY HAD 138,000 FARMS WITH HOGS, BUT ONLY 1,000 FARMS WITH HOGS IN 2003.

☞ IN 2003, CASH RECEIPTS FROM HOGS ACCOUNTED FOR 1.9% OF THE TOTAL CASH RECEIPTS IN KENTUCKY.

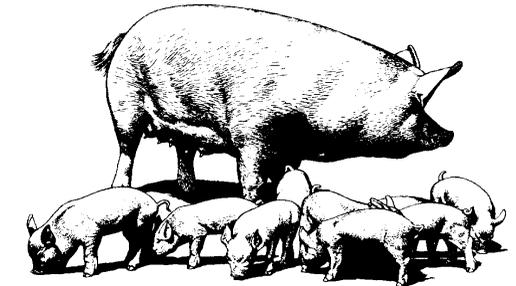


United States
Department of
Agriculture



National
Agricultural
Statistics
Service

KENTUCKY HOG AND PIG FACTS



This brochure highlights some of the significant facts about Kentucky's hog industry. Additional information may be obtained by calling the Kentucky Agricultural Statistics Service at 1-800-928-5277 or visiting our internet web page at <http://www.nass.usda.gov/ky/>.

Kentucky Agricultural Statistics Service
Leland E. Brown, Director

In cooperation with

Kentucky Department of Agriculture
Richie Farmer, Commissioner

Commonwealth of Kentucky
Ernie Fletcher, Governor

KENTUCKY HOGS AND PIGS RECORD HIGHS AND LOWS

| Item | HIGH | | LOW | |
|-----------|-------------|---------------------|-----------|--------------------|
| | Year | Amount | Year | Amount |
| Inventory | 1872-73 | 2,190,000 | 2002 | 360,000 |
| Price | August 1982 | \$63.50 Per Cwt. | Dec. 1933 | \$3.15 Per Cwt. |



ALL HOGS AND PIGS INVENTORY December 1, 2003

| Rank | State | Production | | 2003 2002 |
|------------|-----------------|------------|------------|--------------|
| | | 2002 | 2003 | |
| | | 1,000 head | | Percent |
| 1. | Iowa | 15,500 | 15,900 | 103 |
| 2. | North Carolina | 9,700 | 10,000 | 103 |
| 3. | Minnesota | 6,100 | 6,500 | 107 |
| 4. | Illinois | 4,150 | 4,000 | 96 |
| 5. | Indiana | 3,250 | 3,100 | 95 |
| 6. | Missouri | 2,950 | 2,950 | 100 |
| 7. | Nebraska | 3,000 | 2,900 | 97 |
| 8. | Oklahoma | 2,240 | 2,380 | 106 |
| 9. | Kansas | 1,530 | 1,650 | 108 |
| 10. | Ohio | 1,440 | 1,520 | 106 |
| 18. | KENTUCKY | 360 | 380 | 106 |
| | UNITED STATES | 59,554 | 60,389 | 101 |

KENTUCKY - PRICES RECEIVED

| MONTH | HOGS ^{1/} | | | |
|------------------------|--------------------|-------|-------|-------|
| | 2001 | 2002 | 2003 | 2004 |
| | (Dollars per cwt.) | | | |
| Dec ^{2/} | 37.70 | 32.60 | 29.70 | 33.80 |
| Jan | 33.90 | 37.50 | 31.60 | 37.60 |
| Feb | 36.80 | 37.60 | 32.60 | 43.60 |
| Mar | 43.60 | 34.80 | 33.60 | 46.70 |
| Apr | 43.80 | 29.80 | 34.70 | 47.60 |
| May | 47.60 | 30.70 | 40.50 | 56.40 |
| Jun | 49.60 | 33.50 | 45.40 | 55.60 |
| Jul | 49.60 | 35.30 | 42.60 | |
| Aug | 48.60 | 27.60 | 39.70 | |
| Sept | 42.60 | 23.70 | 39.60 | |
| Oct | 37.80 | 28.60 | 36.70 | |
| Nov | 33.80 | 27.70 | 33.80 | |
| Market | | | | |
| Yr. avg. ^{2/} | 42.00 | 31.00 | 36.40 | |

^{1/} Barrows and gilts and sows combined.

BARROWS AND GILTS

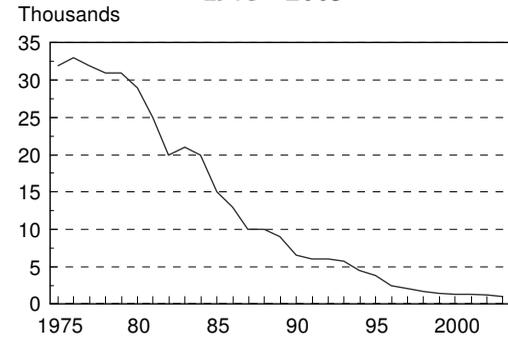
| MONTH | BARROWS AND GILTS | | | |
|------------------------|--------------------|-------|-------|-------|
| | 2001 | 2002 | 2003 | 2004 |
| | (Dollars per cwt.) | | | |
| Dec ^{2/} | 38.00 | 33.00 | 30.00 | 34.00 |
| Jan | 34.00 | 38.00 | 32.00 | 38.00 |
| Feb | 37.00 | 38.00 | 33.00 | 44.00 |
| Mar | 44.00 | 35.00 | 34.00 | 47.00 |
| Apr | 44.00 | 30.00 | 35.00 | 48.00 |
| May | 48.00 | 31.00 | 41.00 | 57.00 |
| Jun | 50.00 | 34.00 | 46.00 | 56.00 |
| Jul | 50.00 | 36.00 | 43.00 | |
| Aug | 49.00 | 28.00 | 40.00 | |
| Sept | 43.00 | 24.00 | 40.00 | |
| Oct | 38.00 | 29.00 | 37.00 | |
| Nov | 34.00 | 28.00 | 34.00 | |
| Market | | | | |
| Yr. avg. ^{2/} | 42.30 | 31.40 | 36.80 | |

SOWS

| MONTH | SOWS | | | |
|------------------------|--------------------|-------|-------|-------|
| | 2001 | 2002 | 2003 | 2004 |
| | (Dollars per cwt.) | | | |
| Dec ^{2/} | 30.00 | 24.00 | 22.00 | 28.00 |
| Jan | 31.00 | 25.00 | 22.00 | 28.00 |
| Feb | 31.00 | 27.00 | 23.00 | 35.00 |
| Mar | 34.00 | 30.00 | 24.00 | 40.00 |
| Apr | 40.00 | 24.00 | 27.00 | 39.00 |
| May | 39.00 | 23.00 | 28.00 | 41.00 |
| Jun | 41.00 | 21.00 | 30.00 | 46.00 |
| Jul | 40.00 | 18.00 | 33.00 | |
| Aug | 39.00 | 18.00 | 33.00 | |
| Sept | 34.00 | 16.00 | 30.00 | |
| Oct | 32.00 | 20.00 | 30.00 | |
| Nov | 29.00 | 21.00 | 29.00 | |
| Market | | | | |
| Yr. avg. ^{2/} | 35.00 | 22.30 | 27.60 | |

^{2/} Marketing year is December preceding year through November. Prices were computed by weighting monthly prices by the estimated percentage of sales made each month.

OPERATIONS WITH HOGS IN KENTUCKY 1975 - 2003

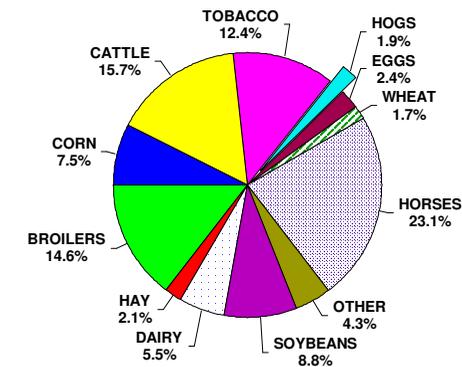


KENTUCKY HOGS AND PIGS MARKET YEAR AVERAGE PRICE, CASH RECEIPTS, AND GROSS INCOME

| Year | Price Per Cwt. | Cash Receipts from Sales ^{1/2/} | Gross Income |
|------|-------------------|---|-----------------|
| | | | |
| 1997 | 52.60 | 142,486 | 145,400 |
| 1998 | 35.20 | 89,304 | 92,062 |
| 1999 | 28.50 | 77,692 | 79,734 |
| 2000 | 40.20 | 89,614 | 91,552 |
| 2001 | 42.00 | 94,321 | 96,182 |
| 2002 | 31.00 | 72,847 | 74,076 |
| 2003 | 36.40 | 66,700 | 67,982 |

^{1/} Receipts from marketings and sale of farm slaughtered meats. ^{2/} Includes allowance for higher average price of State inshipments and outshipments of feeder pigs.

2003 KENTUCKY CASH RECEIPTS FROM FARM MARKETINGS STATE TOTAL = \$3,469,002,000



HOG PRODUCTION COST AND RETURNS 2002

| Item | Heartland | Eastern Uplands |
|---|-------------------------------------|--------------------|
| Gross value of production | Dollars Per Cwt. Gain ^{1/} | |
| Market hogs | 32.90 | 26.04 |
| Feeder pigs | 9.10 | 16.19 |
| Cull stock | 0.84 | 1.85 |
| Breeding stock | 0.36 | 3.22 |
| Inventory change | -0.07 | -2.37 |
| Other income ^{2/} | 1.48 | 1.06 |
| Total, gross value of production | \$44.61 | \$45.99 |
| Operating costs: | | |
| Grain | 8.08 | 5.63 |
| Protein sources | 6.40 | 2.57 |
| Complete mixes | 7.96 | 12.30 |
| Other feed items ^{3/} | 0.22 | 0.87 |
| Total, feed costs | \$22.66 | \$21.37 |
| Other | | |
| Feeder pigs | 11.37 | 7.62 |
| Veterinary and medicine | 1.19 | 1.22 |
| Bedding and litter | 0.04 | 0.03 |
| Marketing | 0.64 | 1.57 |
| Custom services | 0.32 | 0.15 |
| Fuel, lube, and electricity | 1.27 | 1.69 |
| Repairs | 0.91 | 1.07 |
| Other operating costs ^{4/} | 0.03 | 0.08 |
| Interest on operating capital | 0.32 | 0.29 |
| Total, operating costs | \$38.75 | \$35.09 |
| Allocated overhead: | | |
| Hired labor | 2.61 | 2.78 |
| Opportunity cost of unpaid labor | 5.70 | 10.00 |
| Cap. recovery of machinery & equip. ^{5/} | 10.86 | 12.95 |
| Opportunity cost of land (rental rate) | 0.05 | 0.09 |
| Taxes and insurance | 0.49 | 0.78 |
| General farm overhead | 1.03 | 1.14 |
| Total, allocated overhead | \$20.74 | \$27.74 |
| Total, costs listed | \$59.49 | \$62.83 |
| Value of production less total costs | -14.88 | -16.84 |
| Value of production less oper. costs | 5.86 | 10.90 |
| Supporting information: | | |
| Production arrangement (% of prod) ^{6/} | | |
| Independent | 71 | 42 |
| Under contract | 29 | 58 |
| Size of oper. (head sold/removed) ^{6/} | | |
| Market hogs | 1,852 | 1,015 |
| Feeder pigs | 1,045 | 1,725 |

The Economic Research Service revised its accounting methodology for corn, soybeans, cotton, grain sorghum, peanuts, hogs and cow-calf enterprises to conform with the new standards recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. For these same commodities, ERS is publishing regional estimates using new resource regions. **Western Kentucky is considered Heartland while eastern Kentucky is included in Eastern Uplands.** ^{1/}Cwt gain = (cwt sold - cwt purchased) + cwt inventory change. ^{2/}Value of manure production. ^{3/}Milk replacer, milk, milk by-products, antibiotics, and other medicated additives. ^{4/}Costs for odor control and fees, permits, licenses, and other regulatory costs. ^{5/}Machinery and equipment, and housing, manure handling, and feed storage structures, and breeding herd. ^{6/}Developed from survey base year, 1998.