// Montana Crop & Livestock Reporter

survey results summary issued twice monthly by the
Montana Agricultural Statistics Service

USDA-NASS

Issue: 04-02 (0279-0394) Released: January 27, 2004

HIGHLIGHTS:

- Cattle on Feed
- Potato Stocks
- Quarterly Milk Production
- December Red Meat Production
- Annual Crop Production
- Wheat Supply & Demand Estimates
- Annual Oilseeds Production

U.S. Cattle on Feed Up 6 Percent

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.2 million head on January 1, 2004. The inventory was 6 percent above January 1, 2003 but 3 percent below January 1, 2002. The inventory included 6.84 million steers and steer calves, up 5 percent from the previous year. This group accounted for 61 percent of the total inventory. Heifers and heifer calves accounted for 4.33 million head, up 9 percent from January 1, 2003.

Placements in feedlots during December totaled 1.75 million, 10 percent above 2002 and 11 percent above 2001. Net placements were 1.66 million. During December, placements of cattle and calves weighing less than 600 pounds were 503,000, 600-699 pounds were 529,000, 700-799 pounds were 448,000, and 800 pounds and greater were 268,000.

Marketings of fed cattle during December totaled 1.74 million, 3 percent below 2002 and 4 percent below 2001. Other disappearance totaled 90,000 during December, 9 percent below 2002 and 3 percent below 2001.

Montana Potato Stocks Up 3 Percent; U.S. Stocks Up 1 Percent

Montana potato producers held 3.1 million cwt. in storage on January 1, 2004, up 3 percent from the previous year. Ninety-three percent of the 2003 Montana potato crop was still in storage.

The 15 major potato States held 234 million cwt of potatoes in storage January 1, 2004, up 1 percent from last year and 4 percent above 2002. Potatoes in storage account for 58 percent of the 2003 fall storage States' production, up 1 percentage point from last year. Stocks by type show more round whites and fewer russets than a year ago. Disappearance of 170 million cwt of potatoes is down 3 percent from last year but 5 percent above 2001 movement. Shrink and loss, at 17.4 million cwt so far this season, is down 4 percent from last year but 1 percent above the same date in 2001.

Processors in the 9 major States used 86.8 million cwt of potatoes this season, down 6 percent from a year ago but 8 percent above two years ago. Dehydrating usage accounts for 18.4 million cwt of the total processing, down 6 percent from last year. December 1, 2003, stocks were revised up slightly, with changes in Colorado, Nebraska, and New York.

December 2003 Red Meat Production

Montana slaughter plants produced 1.6 million pounds, dressed weight, of red meat during December 2003, down 4 percent from the previous December, but up 13 percent from November 2003. Cattle slaughter totaled 2,000 head, unchanged from a year ago. The average live weight, at 1,153 pounds, decreased 10 pounds from 2002.

During December there were 1,500 hogs slaughtered, up 7 percent from a year ago. The average live weight, at 243 pounds, rose 5 pounds from last year. December sheep slaughter in the state totaled 400 head, the same as December 2002. The average live weight decreased 2 pounds from last year to 125 pounds.

Commercial red meat production for the United States totaled 3.88 billion pounds in December, up slightly from the 3.86 billion pounds produced in December 2002.

Beef production, at 1.97 billion pounds, was 6 percent below the previous year. Cattle slaughter totaled 2.67 million head, down 4 percent from December 2002. The average live weight was down 21 pounds from the previous year, at 1,244 pounds.

Veal production totaled 19.0 million pounds, 6 percent above December a year ago. Calf slaughter totaled 97,500 head, down 1 percent from December 2002. The average live weight was 17 pounds above last year, at 322 pounds.

Pork production totaled 1.87 billion pounds, up 9 percent from the previous year. Hog kill totaled 9.35 million head, 8 percent above December 2002. The average live weight was 1 pound above the previous year, at 269 pounds.

Lamb and mutton production, at 18.0 million pounds, was down 3 percent from December 2002. Sheep slaughter totaled 262,000 head, 6 percent below last year. The average live weight was 137 pounds, up 4 pounds from December a year ago.

January to December 2003 commercial red meat production was 46.5 billion pounds, down 1 percent from 2002. Accumulated beef production was down 3 percent from last year, veal was down 2 percent, pork was up 1 percent from last year, and lamb and mutton production was down 9 percent.

U.S. October-December Milk Production Down 0.6 Percent

Milk production in the U.S. during the October-December quarter totaled 41.3 billion pounds, down 0.6 percent from the October-December quarter last year. The average number of milk cows in the U.S. during the quarter was 9.01 million head, 141,000 head less than the same period last year.

Milk production in the 20 major States during December totaled 12.3 billion pounds, down 0.3 percent from December 2002. November revised production, at 11.7 billion pounds, was down 0.1 percent from November 2002. The November revision represented an increase of 13 million pounds or 0.1 percent from last month's preliminary production estimate.

Production per cow in the 20 major States averaged 1,589 pounds for December, 14 pounds above December 2002.

The number of milk cows on farms in the 20 major States was 7.71 million head, 93,000 head less than December 2002, but unchanged from November 2003.

2003 Annual Crop Summary 1/

Crop	Year	MONTANA Planted	Harvested	Yield Per Acre	Total Production	Season Avg. Price	Value of Production	U.S. Production
		(000)		Bu.	(000) Bu.		(000)	(000)
Winter Wheat	2001	1,300	870	22.0	19,140	$3.07	$58,760	1,361,479
	2002	1,450	750	28.0	21,000	$3.73	$78,330	1,145,602
	2003	1,800	1,720	37.0	63,640	--	--	1,707,069
Durum Wheat	2001	510	495	24.0	11,880	$3.80	$45,144	83,556
	2002	590	565	23.0	12,995	$4.49	**$58,348	79,450
	2003	640	630	23.0	14,490	--	--	96,637
Other Spring Wheat	2001	3,550	2,850	23.0	65,550	$3.06	$200,583	512,008
	2002	3,750	3,450	22.0	75,900	$4.08	$309,672	393,949
	2003	2,850	2,700	22.0	59,400	--	--	532,820
All Wheat	2001	5,360	4,215	22.9	96,570	$3.14	$304,487	1,957,043
	2002	5,790	4,765	23.1	109,895	$4.04	$446,350	1,619,001
	2003	5,290	5,050	27.2	137,530	--	--	2,336,526
Barley	2001	1,100	720	41.0	29,520	$2.65	$78,228	249,420
	2002	1,200	950	42.0	39,900	$2.86	$114,114	226,573
	2003	1,100	810	39.0	31,590	--	--	276,087
Oats	2001	130	60	40.0	2,400	$1.96	$4,704	117,024
	2002	145	55	49.0	2,695	$2.02	$5,444	118,628
	2003	120	*45	44.0	1,980	--	--	144,649
Corn for Grain 2/	2001	65	13	**148.0	1,924	$1.89	$3,636	9,506,840
	2002	65	13	140.0	1,820	$2.45	$4,459	9,007,659
	2003	65	17	140.0	2,380	--	--	10,113,887
Corn for Silage	2001	--	51	22.0	1,122	--	--	102,077
	2002	--	49	22.0	1,078	--	--	104,979
	2003	--	47	**24.0	1,128	--	--	105,864
Sugar Beets	2001	57.4	53.5	21.5	1,150	$38.80	$44,620	25,764
	2002	58.0	55.9	19.6	1,096	--	--	27,718
	2003	51.7	51.5	*25.4	1,308	--	--	30,605
Alfalfa Hay	2001	--	1,450	2.10	3,045	**$95.50	$290,798	80,327
	2002	--	1,400	2.10	2,940	$85.00	$249,900	73,824
	2003	--	1,600	2.10	3,360	--	--	76,307
Other Hay	2001	--	1,000	1.40	1,400	**$87.00	$121,800	76,437
	2002	--	1,200	1.40	1,680	$74.50	**$125,160	77,138
	2003	--	850	1.50	1,275	--	--	80,816
All Hay 3/	2001	--	2,450	1.81	4,445	**$94.00	$412,598	156,764
	2002	--	2,600	1.78	4,620	$82.50	$375,060	150,962
	2003	--	2,450	1.89	4,635	--	--	157,123
Sweet Cherries 4/	2001	--	--	--	1,850	$1,130.00	$2,082	230,380
	2002	--	--	--	2,080	$1,820.00	**$3,791	181,225
	2003	--	--	--	1,730	$1,670.00	$2,884	236,960
		(000)		Cwt.	(000)		(000)	(000)
Fall Potatoes	2001	10.5	10.3	**320	3,296	$9.15	$30,158	393,750
	2002	10.5	10.4	310	3,224	**$11.40	**$36,754	414,317
	2003	10.7	10.6	315	3,339	--	--	411,386
All Dry Beans	2001	43.5	28.5	13.2	376	$17.30	$6,505	19,583
	2002	26.9	23.0	15.7	361	$15.20	$5,487	29,974
	2003	13.0	12.8	18.2	233	--	--	22,515
Pinto Beans 5/	2001	11.5	10.0	*20.0	*200	--	--	8,721
	2002	13.5	12.9	22.2	287	--	--	12,880
	2003	*9.7	*9.7	21.5	209	--	--	10,437
Garbanzo Beans 5/	2001	31.5	18.0	9.5	**171	--	--	1,612
	2002	12.7	9.6	7.4	71	--	--	838
	2003	*3.2	*3.0	*7.3	*22	--	--	434
All Other Beans 5/	2001	0.5	0.5	1.0	5	--	--	747
	2002	0.7	0.5	0.6	3	--	--	1,005
	2003	0.1	0.1	2.0	2	--	--	772
Lentils 5/	2001	22.0	20.0	11.0	220	$11.00	$2,420	2,898
	2002	25.0	21.0	*7.1	*149	$12.50	*$1,863	2,508
	2003	**30.0	**26.0	10.5	**273	--	--	2,442
Dry Peas	2001	26.0	16.5	15.1	249	$4.90	$1,220	3,763
	2002	32.0	27.0	*7.6	205	**$6.90	$1,415	4,242
	2003	33.0	31.0	14.5	450	--	--	5,202
Austrian Winter Peas 6/	2001	9.9	2.5	7.9	20	$11.00	$220	97
	2002	9.5	3.5	5.8	20	$9.35	$187	164
	2003	9.5	7.0	8.0	56	--	--	174

1/ All estimates for 2003 are preliminary and season average price and value of production for 2003 are not yet available. 2/ Planted for all purposes. 3/ Price of baled hay. 4/ Utilized production in actual tons. 5/Data series begun in 1998. 6/Data series begun in 2001. -- Not Available * Record Low ** Record High

World Ag Supply and Demand Estimates

Projected U.S. 2003/04 ending stocks of wheat are down 24 million bushels from last month due to increased exports. Projected exports are 25 million bushels above last month because of increased world import demand and the strong pace of exports to date. Both HRW and SRW exports increase 10 million bushels while HRS exports rise by 5 million bushels. Changes in use of the wheat classes result in a 44-million-bushel drop in HRW ending stocks and an increase of 23 million in SRW stocks. The projected 2003/04 wheat price range is up 5 cents on both ends to $3.25 to $3.45 per bushel.

Winter wheat seedings are estimated at 43.46 million acres, 3 percent less than last year.

Global 2003/04 wheat production is projected 2.2 million tons higher this month, due primarily to a larger crop in India. Global consumption increased 2.7 million tons, mainly due to larger food use in India and Ukraine and more wheat feeding in the EU. Global imports are up 1.7 million tons from last month. Projected imports by China are 1 million tons higher because of recent sales agreements made with Canada and Australia as well as the stronger-than-expected pace of purchases from the United States. Projected global ending stocks are down slightly from last month, and are 23 percent less than last year's level.

Note: The recent discovery of bovine spongiform encephalopathy (BSE) in a cow in the State of Washington has caused importers to either ban or restrict the importation of beef from the United States. Trade forecasts in this report reflect actions announced by importing countries as of January 11. Due to uncertainties as to the length of the bans, it is assumed that these restrictions will remain in place until such time as importing countries announce a change in policy. Subsequent forecasts will reflect any announced changes. Although the discovery of a BSE-infected cow has had significant impacts on international trade, the effects on U.S. meat production are expected to be minimal. U.S. beef demand has remained firm and biological lags inherent in the sector are expected to limit changes. Beef production projections for 2004 are unchanged from last month. The January 30 Cattle report will provide an opportunity to reevaluate production forecasts for 2004. Pork production projections are raised due to larger-than-expected December 1, 2003, hog inventories and greater first-half 2004 farrowing intentions. Poultry production projections are little changed from last month. Expected broiler production is unchanged as eggs set data and higher weights continue to point toward an industry expansion. Turkey production is lowered slightly as turkey hatchery data point toward lower production in first-half 2004. The meat production forecast for 2003 is reduced slightly this month as lower beef and turkey production offset stronger-than-expected pork production.

The 2004 beef export forecast is reduced more than 90 percent as Canada remains the only major importer currently accepting beef from the United States, with the restriction that imported beef must be boneless and from animals less than 30 months of age. Beef import forecasts for 2004 are reduced from last month as world markets adjust to bans on imports from the United States. Pork export forecasts for 2003 and 2004 are raised to reflect both the strong pace of exports to date and increased opportunities for sales in Asia following the ban on U.S. beef imports. Poultry export forecasts are raised as sales to Russia and Mexico have been strengthening. Pork and poultry exports are expected to continue to be helped by the declining value of the U.S. dollar.

The increase in supplies of beef now available on the domestic market is expected to pressure cattle prices. Cattle prices in 2004 are now forecast at $72 to $78 per cwt compared to $84 to $91 per cwt last monthPork price forecasts for 2004 are lowered as higher pork production and larger beef supplies pressure red meat markets. Broiler price forecasts for 2004 are unchanged from last month as exports strengthen.

Dairy production forecasts for 2003/04 are lowered 400 million pounds from last month as forecasts of both cow numbers and milk per cow are reduced. Forecast commercial use is lowered slightly from last month but continues to reflect improved demand from 2002/2003. As a result, forecast milkfat-basis CCC net removals are lowered from last month. Milk price forecasts are raised with the Class III price range expected at $11.20 to $11.70 per cwt and the Class IV price at $10.00 to $10.70 per cwt. The higher Class IV price reflects expectations of continued strength in butter prices. The all milk price range is narrowed to $12.40 to $12.90 per cwt.

Wheat: Supply, Disappearance, and Price, United States, 1988-2003

Year Beginning June 1	SUPPLY				DISAPPEARANCE						Ending Stocks May 31	Season Avg. Price
	Beginning Stocks	Production	Imports 1/	Total	Domestic Use				Exports 1/	Total Disappearance		
					Food	Seed	Feed 2/	Total				
	---Million Bushels---											$
1988 . . .	1,261	1,812	23	3,096	715	103	157	975	1,419	2,394	702	3.72
1989 . . .	702	2,037	23	2,765	749	104	139	992	1,233	2,225	536	3.72
1990 . . .	536	2,730	36	3,302	790	93	482	1,365	1,068	2,434	868	2.61
1991 . . .	868	1,980	41	2,888	789	94	244	1,127	1,280	2,412	475	3.00
1992 . . .	475	2,467	70	3,012	834	99	194	1,128	1,354	2,481	531	3.24
1993 . . .	531	2,396	109	3,036	872	96	272	1,240	1,228	2,467	568	3.26
1994 . . .	568	2,321	92	2,981	853	89	344	1,287	1,188	2,475	507	3.45
1995 . . .	507	2,183	68	2,757	883	104	153	1,140	1,241	2,381	376	4.55
1996 . . .	376	2,277	92	2,746	891	102	308	1,301	1,001	2,302	444	4.30
1997 . . .	444	2,481	95	3,020	914	92	251	1,257	1,040	2,298	722	3.38
1998 . . .	722	2,547	103	3,373	908	81	397	1,385	1,042	2,427	946	2.65
1999 . . .	946	2,299	95	3,339	929	92	279	1,300	1,090	2,390	950	2.48
2000 . . .	950	2,232	90	3,272	950	80	304	1,334	1,062	2,396	876	2.62
2001 . . .	876	1,957	108	2,941	926	84	191	1,201	962	2,164	777	2.78
2002 . . .	777	1,619	77	2,473	918	84	126	1,128	854	1,982	491	3.56
2003.. 3/	491	2,337	75	2,903	910	84	225	1,219	1,125	2,344	559	3.25-3.45

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual, approximates feed use and includes negligible quantities used for distilled spirits. 3/ Preliminary. SOURCE: World Agricultural Supply and Demand Estimates, January, 2004--ERS. Totals may not add due to independent rounding.

2003 Annual Oilseed Summary 1/

Crop	Year	MONTANA						US Production
		Acreage		Yield Per Acre	Total Production	Season Avg. Price	Value of Production	
		Planted	Harvested					
		(000)		Bu.	(000)		(000)	(000)
Flaxseed 2/	2000	16.0	14.0	14.0	196	*$4.00	$784	10,730
	2001	14.0	*12.0	15.0	*180	$4.35	*$783	11,455
	2002	17.0	15.0	*13.0	195	**$6.15	**$1,199	12,569
	2003	17.0	17.0	*13.0	221	--	--	10,426
Canola 2/	2000	**65.0	**58.0	960	55,680	--	--	1,998,310
	2001	58.0	49.5	910	45,045	--	--	1,998,515
	2002	37.5	34.5	*860	29,670	--	--	1,552,520
	2003	*28.0	*27.0	940	*25,380	--	--	1,512,250
Mustard Seed 2/	2000	12.0	*10.0	700	*7,000	--	--	36,930
	2001	*11.0	*10.0	**850	8,500	--	--	41,106
	2002	**27.0	**25.0	*440	11,000	--	--	123,450
	2003	20.5	20.2	610	12,322	--	--	77,372
Safflower 2/	2000	**41.5	**39.0	*770	30,030	--	--	282,545
	2001	*31.0	*28.0	**850	*23,800	--	--	241,665
	2002	39.5	38.0	800	30,400	--	--	297,980
	2003	42.5	42.0	*770	**32,340	--	--	272,555
Sunflower 2/	2000	5.5	4.1	741	3,039	--	--	3,544,428
	2001	2.5	2.0	*370	*740	--	--	3,418,759
	2002	*1.7	1.6	580	928	--	--	2,489,606
	2003	2.6	*1.2	763	915	--	--	2,665,226

1/ All estimates for 2003 are preliminary and season average price and value of production for 2003 are not yet available.
2/ Data series begun in 1999. -- Not Available * Record Low ** Record High

COMING IN NEXT REPORTER

- Ag Prices Received
- Cattle Inventory
- Chicken Inventory
- Egg Production
- Sheep & Lamb Inventory
- Wool & Mohair Production

Peggy Stringer, State Statistician
Curtis E. Lund, Deputy State Statistician
Wendy Bruski, Editor
10 W. 15th Street, Suite 3100, Helena, Montana 59626
406-441-1240 or 1-800-835-2612
www.nass.usda.gov/mt/ nass-mt@nass.usda.gov