

INCLUDED IN THIS ISSUE

Crop Weather Agricultural Prices Received ERS

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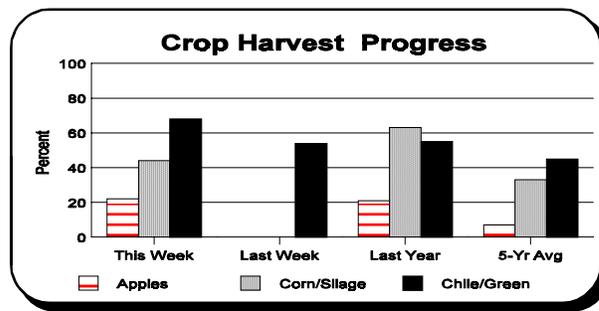
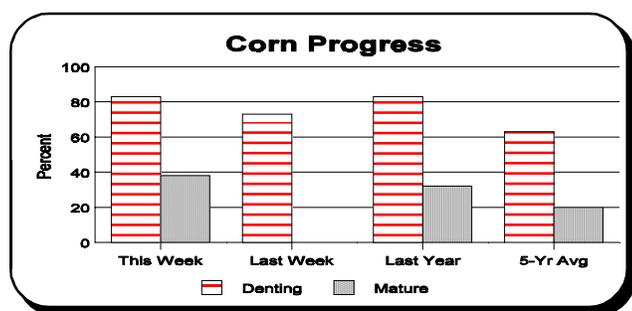
CROP SUMMARY FOR THE WEEK ENDING SEPTEMBER 1, 2002

NEW MEXICO: There were 6.4 days suitable for field work. Farmers were busy cutting hay and silage, irrigating, and maintaining their crops. Corn improved from the previous week, with conditions listed as 3% poor, 26% fair, 68% good, and 3% excellent. Doughing was at 92%, denting at 83%, and 38% of the crop reached maturity. Corn silage was 44% harvested. Cotton was reported as 5% very poor, 6% poor, 26% fair, 61% good, and 2% excellent, with bolls opening at 48%. Peanuts were in fair to good condition and pecans were still in fair to excellent condition. Irrigated sorghum improved to 56% fair, 43% good, and 1% excellent, with 97% headed and 34% coloring. Dryland sorghum improved to 54% very poor, 26% poor, 15% fair, and 5% good, with 65% headed and 15% turning color. Apples were 22% harvested and the green chile harvest was 68% complete. Alfalfa was listed as 19% very poor, 15% poor, 32% fair, 31% good, and 3% excellent. The 4th cutting was 92% complete, the 5th was 68%, and the 6th was 22% finished. Livestock conditions improved, with cattle reported as 7% very poor, 15% poor, 34% fair, 43% good, and 1% excellent. Sheep were 3% very poor, 20% poor, 54% fair, 22% good, and 1% excellent. Range and pasture conditions benefitted from the recent rains and were listed as 35% very poor, 35% poor, 21% fair, 7% good, and 2% excellent.

CROP PROGRESS PERCENTAGES WITH COMPARISONS

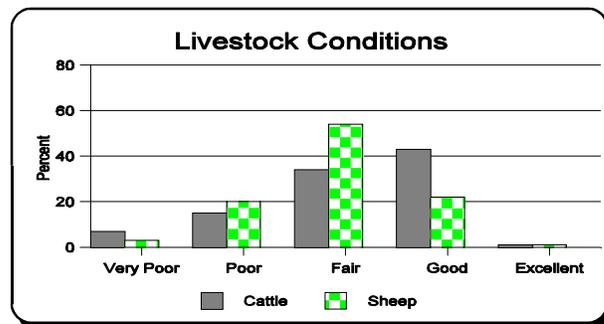
CROP PROGRESS		This Week	Last Week	Last Year	5-Year Average
APPLES	Harvested	22	1/	21	7
CHILE	Harvested-Green	68	54	55	45
CORN	Denting	83	73	83	63
	Mature	38	1/	42	20
	Harvested-Silage	44	1/	63	33
COTTON	Bolls Opening	48	45	48	38
LETTUCE	Planted	75	55	89	95
SORGHUM (All)	Headed	77	69	88	76
	Coloring	23	15	28	22

1/ Not available



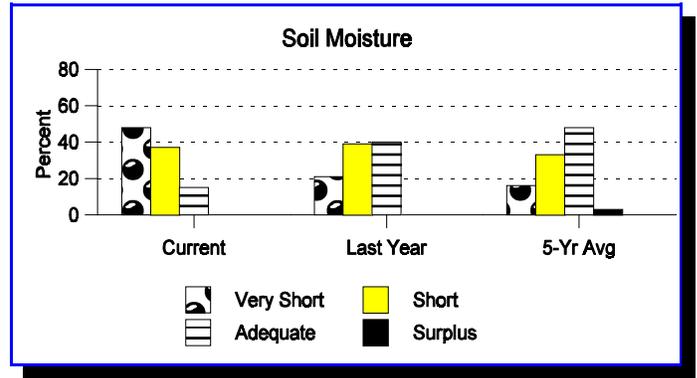
CROP AND LIVESTOCK CONDITION PERCENTAGES

	Very Poor	Poor	Fair	Good	Excellent
Alfalfa	19	15	32	31	3
Apples	11	78	11	--	--
Chile	--	--	17	55	28
Corn	--	3	26	68	3
Cotton	5	6	26	61	2
Lettuce	--	--	15	42	43
Peanuts	--	--	38	62	--
Pecans	--	--	32	63	5
Sorghum (All)	33	17	31	19	--
Cattle	7	15	34	43	1
Sheep	3	20	54	22	1



SOIL MOISTURE PERCENTAGES

	Very Short	Short	Adequate	Surplus
Northwest	94	6	--	--
Northeast	39	43	18	--
Southwest	60	40	--	--
Southeast	39	35	26	--
State	48	37	15	--
State-Last Year	21	39	40	--
State-5-Yr Avg.	16	33	48	3



WEATHER SUMMARY

The week started hot and dry, but clouds and moisture moved into the state midweek resulting in some much needed rainfall along with more seasonal temperatures for the last week of August. For the second week in a row, Clovis received a heavy thunderstorm rain.

NEW MEXICO WEATHER CONDITIONS AUGUST 26 - SEPTEMBER 1, 2002

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	08/26 09/01	09/01 09/01	Normal Sept	01/01 09/01	Normal Jan-Sept
Carlsbad	82.6	107	62	0.60	0.00	2.75	8.04	10.74
Hobbs	78.3	100	61	0.29	0.00	2.36	11.61	13.53
Roswell	81.3	107	63	0.05	0.00	1.87	8.88	10.64
Clayton	73.7	99	59	0.60	0.07	1.77	3.18	13.38
Clovis	76.3	99	61	1.69	0.00	2.16	9.47	14.90
Roy	72.1	89	54	0.60	0.00	1.90	10.70	13.74
Tucumcari	79.1	104	61	0.21	0.00	1.47	8.52	12.45
Chama	60.9	87	36	0.07	0.00	2.23	5.50	16.13
Johnson Ranch	66.3	93	41	0.17	0.00	1.33	4.24	9.05
Capulin	66.8	91	49	0.61	0.00	2.22	8.01	15.30
Las Vegas	66.7	91	46	0.12	0.00	2.07	5.21	14.85
Los Alamos	66.8	86	46	0.25	0.02	2.12	5.78	15.30
Raton	66.8	92	45	0.10	0.00	1.61	5.88	14.64
Santa Fe	70.2	94	48	0.00	0.00	1.51	4.67	11.54
Red River	56.9	82	30	0.10	0.00	1.66	9.57	16.69
Farmington	70.6	95	46	0.01	0.00	0.97	1.16	6.33
Gallup	65.2	90	43	0.60	0.00	1.31	5.60	9.67
Grants	66.4	92	42	0.07	0.00	1.56	3.26	8.51
Silver City	72.1	93	46	0.30	0.00	2.22	2.72	12.86
Quemado	65.7	91	36	0.93	0.00	1.73	7.52	11.41
Albuquerque	76.1	95	60	0.02	0.00	1.00	3.46	7.06
Carrizozo	74.0	96	51	0.43	0.00	1.88	7.01	10.12
Gran Quivera	71.2	92	51	0.19	0.00	1.95	6.47	12.74
Moriarty	69.3	97	42	0.20	0.00	1.61	4.37	10.67
Ruidoso	66.2	87	48	0.52	0.03	2.50	10.79	17.53
Socorro	73.4	95	48	0.34	0.00	1.53	5.18	7.37
Alamogordo	83.3	102	66	0.00	0.00	1.99	3.66	9.91
Animas	81.1	100	63	0.00	0.00	1.68	3.08	8.76
Deming	81.1	102	62	0.02	0.02	1.63	5.39	8.11
T or C	79.9	100	61	0.12	0.00	1.08	2.76	7.67
Las Cruces	81.3	104	57	0.04	0.00	1.36	4.34	7.28

(T) Trace (-) No Report (*) Correction

All reports based on preliminary data. Precipitation data corrected monthly from official observation forms.

AGRICULTURAL PRICES RECEIVED

NEW MEXICO: The August alfalfa hay price remained steady from the previous month at \$144.00 and was \$19.00 above the August 2001 price of \$125.00. The all hay price of \$140.00 was \$1.00 below the previous month's price and \$17.00 above the previous year's price of \$123.00. Persisting drought conditions, which decrease supply continue to keep prices at a higher level. Cow prices increased by \$0.30 cents to \$36.80 per hundredweight over the previous month's total of \$36.50. This price was \$0.70 cents above the national average of \$36.10. Steer and heifer prices also increased to \$75.80 per hundredweight compared to \$74.40 in July 2002 and were \$9.50 above the national average of \$66.30. Calf prices increased to \$90.90 per hundredweight, \$0.90 cents above the July 2002 total. This price was \$3.80 below the national average of \$94.70. Milk prices in the state held steady from the previous months' total of \$11.00, but were \$5.10 below last year's price of \$16.10 and \$0.20 below the current national average of \$11.20.

Prices Received by Farmers: Selected Commodities, July 2002 and August 2001-02

Commodity	Unit	New Mexico			U.S.
		Aug 2001	Jul 2002 ^{2/}	Aug 2002 ^{1/}	Aug ^{1/}
-----Dollars-----					
CROPS					
Grain Sorghum	Cwt	--	--	--	4.43
Cotton, Upland	Lb	--	--	--	.315
Potatoes	Cwt	--	--	--	8.64
Hay, all baled	Ton	123.00	141.00	140.00	93.70
Alfalfa, baled	Ton	125.00	144.00	144.00	101.00
Peanuts	Lb	--	--	--	--
Corn	Bu	--	--	--	2.48
Wheat, all	Bu	--	--	--	3.60
LIVESTOCK					
Sheep ^{3/}	Cwt	--	--	--	27.50
Lambs ^{3/}	Cwt	--	--	--	75.70
Cows	Cwt	47.00	36.50	36.80	36.10
Steers & Heifers	Cwt	84.90	74.40	75.80	66.30
Calves	Cwt	99.30	90.00	90.90	94.70
Milk Cow Replacement ^{4/}	Head	--	1670.00	--	--
Milk	Cwt	16.10	11.00	11.00	11.20

^{1/} Mid-month. ^{2/} Entire month. ^{3/} July - Entire Month ^{4/} Animals sold for dairy herd replacement only. Prices available for Jan, Apr, Jul, and Oct.

FEED OUTLOOK

USDA, ERS, August 2002

2002/03 Feed Grain Production Down 28 Million Tons:

U.S. feed grain production in 2002 is forecast at 242.9 million tons, down from 270.5 million last month and 261.7 million a year earlier. This is the smallest level of production since 1995/96 and largely reflects lower corn and sorghum production. Imports were lowered 4 percent to 2.6 million tons. Total 2002/03 supply is forecast at 291.5 million tons, down from 318.5 million in July and the lowest since 1997/98. Total 2002/03 feed grain use was lowered more than 8 million tons to 268.6 million, caused mainly by a decline in domestic use. Feed and residual use was lowered 6.4 million tons to 150.7 million. Food, seed, and industrial use was raised slightly to 61.1 million tons. Feed grain exports for 2002/03 were lowered nearly 4 percent to 56.9 million tons, but are still larger than the 55 million from the previous year.

2001/02 Changes: The modest changes made to the 2001/02 sorghum and corn crops are summarized as follows:

Corn: Food, seed, and industrial use was raised 10 million bushels to 2,055 million; exports were lowered 25 million bushels to 1,900 million; season-average farm price was raised 2 cents to \$1.93. **Sorghum:** exports were lowered 10 million bushels to 240 million; season-average farm price

was raised 5 cents to \$1.90.

Corn Crop Forecast Down Sharply: Corn production in 2002 is forecast at 8.89 billion bushels, down 904 million from last month's projection and the smallest since 1995/96. This is the first survey-based forecast of the season and reflects August 1 conditions. Average corn yield is forecast at 125.2 bushels per acre compared with last month's adjusted trend yield of 135.8 bushels and the actual 2001 yield of 138.2 bushels. This sharp month-to-month drop in yield is the result of warm and dry conditions during pollination throughout much of the Corn Belt and Great Plains. However, Minnesota and Iowa received timely rains. The August 1 survey data indicate the second highest stalk count on record for the combined seven Objective Yield States (Illinois, Indiana, Iowa, Minnesota, Nebraska, Ohio, and Wisconsin).

However, forecast ears per acre were at the lowest level since 1997. Estimated planted and harvested corn acres were also lowered this month. Planted area was cut 100,000 acres to 78.8 million because the August survey indicated that Illinois did not plant all of their intended acreage. Harvested area for 2002/03 was 71 million acres, down more than 1 million from last month but up from 68.8 million in 2001/02.

The smaller supplies led to reductions in 2002/03 corn utilization. Feed and residual was lowered 150 million bushels to 5.6 billion, the lowest since 1998/99. Exports were lowered 50 million bushels to 2 billion, but are up from 1.9 billion in 2001/02. Even with the reduction, corn exports will be the largest since 1995/96. Food, seed, and industrial use was raised 10 million bushels to a record 2.17 billion. This month-to-month increase is caused by continued strong corn demand for ethanol production. Total corn utilization in 2002/03 is projected at 9.77 billion bushels, down fractionally from the previous year.

Projected ending stocks for 2002/03 were lowered nearly 700 million bushels to 767 million. These are the lowest corn ending stocks since 1995/96. The stocks-to-use ratio for 2002/03 is projected at 7.9 percent, down from 14.7 percent last month. With dramatically tighter 2002/03 corn supplies, the price was raised 50 centson each end of the range to \$2.30-\$2.70.

Sorghum Crop Forecast At 380 Million Bushels: The first survey-based forecast for sorghum indicates production of 380 million bushels in 2002, down more than 160 million from July and the smallest crop since 1956. Yields for 2002/03 are forecast at 50.3 bushels per acre, down from last month's trend yield estimate of 69 bushels per acre. This month-to-month yield reduction is caused by hot and dry conditions in the Great Plains, which has also increased abandonment and forage use. Sorghum harvested area in 2002/03 was lowered 360,000 acres to 7.5 million compared with 8.6 million a year earlier.

Beginning stocks were raised 10 million bushels to 56 million, a result of slower export pace for 2001/02. Total 2002/03 sorghum supply is projected at 436 million bushels, down 156 million from last month and the lowest in more than 50 years. Low sorghum supplies led to a sharp decrease in utilization, especially feed and residual.

Feed and residual was lowered 100 million bushels to 135 million, the lowest since 1951. Food, seed, and industrial use in 2002/03 was lowered 5 million bushels to 45 million, unchanged from the previous year. Sorghum exports were lowered 30 million bushels to 220 million, the lowest since 1998. Total utilization in

2002/03 is projected at 400 million bushels, down 135 million from July.

The decrease in total supply exceeded the drop in total utilization, and ending stocks were lowered more than 20 million bushels to 36 million, the lowest since 1995/96. The stocks-to-use ratio is now projected at 8.9 percent down from 10.7 percent last month. Tighter feed grain supplies raised the 2002/03 sorghum price projection 65 cents on both ends of the range to \$2.30-\$2.70, compared with \$1.90 a year earlier.

Alfalfa Production To Decrease: Alfalfa hay production (including alfalfa mixtures) is forecast at 74.6 million tons, down 5.6 million from 2001. This decrease is the result of poor July weather experienced in most parts of the country, which resulted in lower yields. Forecast 2002 yields are 3.09 tons per acre, down more than 8 percent from a year earlier. Harvested area is forecast at 24.1 million acres in 2002, up from the previous year's 23.8 million.

Other hay production is forecast at 78 million bushels, up from 76.4 million in 2001. Yields are projected at 1.92 tons per acre, down fractionally from 2001. Harvested area, at 40.6 million acres, is up from 39.7 million from 2001.

All hay production in 2002 is forecast at 153 million tons, down 4 million from 2001 because of 198,000 fewer harvested acres and reduced yields. The all-hay yield is expected to be down 4 percent to 2.36 tons per acre due to dry weather.

Roughage consuming animal units (RCAUs) in 2002/03 are projected to be 71.6 million, down fractionally from the previous year. With hay production down but beginning stocks up, hay supply per RCAU is 2.45 tons, compared with 2.46 tons in 2001/02.

Prices received by farmers for all hay averaged \$97.13 per short ton in May-July 2002 compared with \$99.7 in 2001. Alfalfa hay prices in May-July 2002 were \$104 per ton compared with \$107 in 2001. Prices received by farmers for hay other than alfalfa or alfalfa mixtures averaged \$74.03 per ton during May-July 2002, down slightly from \$74.83 in 2001.