

**INCLUDED IN THIS ISSUE**

Milk Production Cattle on Feed ERS Weather Summary

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**MILK PRODUCTION**

**NEW MEXICO:** Milk production in New Mexico during December totaled 528 million pounds, a 5.0 percent increase over the 503 million pounds produced in November. Production one year ago was 490 million pounds. Production per cow increased to an average of 1,710 pounds during December. The number of milk cows on farms during December was 309,000 head, 2,000 head above the November total of 307,000. Milk cows on farms during the same time period in 2001 was 288,000. New Mexico remains 7<sup>th</sup> in the nation in milk production.

**UNITED STATES:** Milk production in the 20 major States during December totaled 12.2 billion pounds, up 1.8 percent from December 2001. November revised production, at 11.7 billion pounds, was up 1.4 percent from November 2001. The November revision represented a decrease of 0.4 percent or 43 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,567 pounds for December, 18 pounds above December 2001. The number of cows on farms in the 20 major States was 7.80 million head, 47,000 head more than December 2001, and 6,000 head more than November 2002.

**Milk Cows and Production: November 2002<sup>1/</sup> and December 2001-2002**

State	Milk Cows <sup>2/</sup>			Milk per Cow <sup>3/</sup>			Milk Production <sup>3/</sup>		
	12/01	11/02	12/02	12/01	11/02	12/02	12/01	11/02	12/02
	-----1,000 Head-----			-----Pounds-----			-----Million Pounds-----		
AZ	140	150	150	1,730	1,795	1,915	242	269	287
CA	1,618	1,670	1,676	1,740	1,685	1,750	2,815	2,814	2,933
FL	152	147	147	1,320	1,155	1,315	201	170	193
ID	377	390	390	1,750	1,690	1,740	660	659	679
IL	115	115	115	1,490	1,420	1,505	171	163	173
IN	155	148	146	1,395	1,400	1,475	216	207	215
IA	206	208	208	1,550	1,470	1,550	319	306	322
KY	125	120	120	1,130	1,020	1,100	141	122	132
MI	298	301	301	1,635	1,610	1,675	487	485	504
MN	500	480	480	1,460	1,360	1,465	730	653	703
MO	141	135	134	1,145	1,110	1,180	161	150	158
<b>NM</b>	<b>288</b>	<b>307</b>	<b>309</b>	<b>1,700</b>	<b>1,640</b>	<b>1,710</b>	<b>490</b>	<b>503</b>	<b>528</b>
NY	675	675	675	1,450	1,420	1,470	979	959	992
OH	258	260	260	1,450	1,350	1,440	374	351	374
PA	592	591	590	1,540	1,460	1,515	912	863	894
TX	310	309	311	1,385	1,350	1,465	429	417	456
VT	154	153	153	1,490	1,380	1,470	229	211	225
VA	119	119	119	1,335	1,235	1,310	159	147	156
WA	247	247	247	1,845	1,800	1,890	456	445	467
WI	1,280	1,266	1,266	1,435	1,390	1,445	1,837	1,760	1,829
<b>20 STS</b>	<b>7,750</b>	<b>7,791</b>	<b>7,797</b>	<b>1,549</b>	<b>1,496</b>	<b>1,567</b>	<b>12,008</b>	<b>11,654</b>	<b>12,220</b>

1/ Revised. 2/ Includes dry cows, excludes heifers not yet fresh. 3/ Excludes milk sucked by calves.

## CATTLE ON FEED

**NEW MEXICO:** Cattle and calves on feed for slaughter market in New Mexico on January 1, 2003 totaled 119,000 head. Placements in feedlots during December 2002 were 12,000 head, down by 6,000 from the November total of 18,000. Marketings of fed cattle were 15,000 head compared to 11,000 head in November. Other disappearance remained steady at 1,000 head.

**UNITED STATES:** Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.6 million head on January 1, 2003. The inventory was 8 percent below January 1, 2002 and 10 percent below January 1, 2001. Placements in feedlots during December totaled 1.59 million, 1 percent above 2001 but 6 percent below 2000. Net placements were 1.49 million. Marketings of fed cattle during December totaled 1.80 million, 1 percent below 2001 but 3 percent above 2000. Other disappearance totaled 99,000 during December, 6 percent above 2001 and 4 percent above 2000.

**Cattle on Feed: Number on Feed, Placements, Marketings, and Other Disappearance, 1,000+ Capacity Feedlots <sup>1/</sup>**

	Number on Feed			Placed			Marketed			Other Disappearance <sup>2/</sup>		
	1/1/02	12/1/02	1/1/03	DURING								
				12/01	11/02	12/02	12/01	11/02	12/02	12/01	11/02	12/02
	-----1,000 Head-----											
AZ	305	295	289	30	32	25	26	24	27	2	3	4
CA	480	500	490	50	65	55	50	50	55	10	5	10
CO	1,180	1,070	1,020	165	190	145	135	170	185	10	10	10
ID	330	300	295	51	60	44	59	53	47	2	2	2
IA	355	350	355	55	80	65	49	63	59	1	2	1
KS	2,480	2,300	2,200	370	420	390	510	395	470	20	25	20
NE	2,230	2,180	2,140	300	410	340	325	330	370	15	10	10
<b>NM</b>	<b>108</b>	<b>123</b>	<b>119</b>	<b>14</b>	<b>18</b>	<b>12</b>	<b>13</b>	<b>11</b>	<b>15</b>	<b>1</b>	<b>1</b>	<b>1</b>
OK	360	340	330	42	55	34	65	53	41	2	2	3
SD	195	195	205	35	56	38	34	30	27	1	1	1
TX	2,880	2,700	2,630	360	470	360	450	475	400	20	25	30
WA	247	195	180	38	40	27	47	29	40	4	1	2
Oth Sts	415	350	335	68	81	55	48	48	65	5	3	5
<b>US</b>	<b>11,565</b>	<b>10,898</b>	<b>10,588</b>	<b>1,578</b>	<b>1,977</b>	<b>1,590</b>	<b>1,811</b>	<b>1,731</b>	<b>1,801</b>	<b>93</b>	<b>90</b>	<b>99</b>

<sup>1/</sup> Cattle and calves on feed are animals for slaughter market being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade select or better. <sup>2/</sup> Includes death losses, movement from feedlots to pastures, and shipments to other feedlots for further feeding.

## LIVESTOCK, DAIRY, AND POULTRY OUTLOOK

*Economic Research Service, USDA, January 2003*

**Beef Cattle Inventory Remains Under Pressure of Poor Forage Conditions** Widespread drought extended the liquidation phase of this cattle cycle another year, with few hints of movement toward expansion. Much of the Northern and Central Plains, as well as the intermountain west, remain in severe drought with record low moisture levels and drought extending for 2 to 4 years straight. Dry conditions expanded into the western Corn Belt in the fall of 2002. Conditions are much improved in the Southeast quadrant of the country, following severe drought through early fall.

**Hay-Forage Conditions Short** Stocks of all hay on December 1, 2002, declined 6 percent from a year earlier to the lowest level for this date since 1997, but the second lowest since 1993. Hay production estimates for 2002 were

revised upward from the October forecast to 151 million tons, down 4 percent from a year earlier, and the smallest harvest since 1996. Disappearance for May/December 2002 was up sharply reflecting the dry spring and summer conditions limiting pasture and extending the hay feeding period in the northern and central Great Plains, Southeast, and intermountain west. Stocks were down in 33 of the 48 reporting States, however stocks were up sharply in Texas and Oklahoma due to excellent grazing and production conditions in 2002, following extremely poor conditions in the prior 2 to 3 years.

Although hay stocks are short, the price for all hay in December was \$3 per ton lower than a year earlier, with alfalfa hay prices down \$5 per ton, but prices for other hay up \$1.30 per ton. In spite of reduced beef cattle inventories

and much improved small grain grazing conditions, hayforage conditions in the beef sector are very tight. In addition, increased supplemental feeding due to a more severe winter, particularly when compared with the very mild winter of 2001/02, and prospects for continued heavier feeding is raising concerns. Beef cow slaughter as a proportion of the January 1, 2002, inventory has risen above year-earlier levels.

**Few Signs of Beef Herd Expansion** USDA's Cattle report for January 1, 2003, will be released on January 31 and forecasts for 2003 beef production prospects will be revised further in February. Cow slaughter remained large last year and the proportion of the January 1, 2002, inventory slaughtered increased. The cattle inventory decline began in 1996, and likely will not show any hint of female retention for expansion until summer. But even this start would not begin to expand the inventory until 2005, and that would be modest due to the continued relatively high cow slaughter, and still larger numbers of heifers that might have been bred in 2003 already in feedlots. Heifer slaughter in 2002 was about unchanged from a year

**Cattle-on-Feed Inventories Down** Cattle-on-feed inventories remain down 7 to 9 percent from a year earlier. Cattle inventories are down and more stocker cattle are on wheat pasture, but feedlot placements in November rose above the low levels of a year earlier. Still, placements were well below the 5-year averages. Stocker-feeder cattle imports from Mexico are down sharply, although they have been rising seasonally this fall. Offsetting the lower Mexican imports are sharply reduced U.S. feeder cattle exports to Canada due to drought and a second year of poor grain crops in Canada. Instead, more Canadian feeder cattle were shipped to U.S. feedlots for finishing. Fed marketings and weight gain have been disrupted since late October as a series of winter storms spread across the country in sharp contrast to the very mild weather of a year earlier resulting in some cattle marketings being shifted into the first quarter. If present weather trends continue, the slower marketing pace may push some cattle from the first quarter into the second quarter. Although this winter may not be as severe as the winter of 2000/01, it is already much more severe than last year. Steer and heifer slaughter weights have varied up and down with the weather, not necessarily in unison, but remain above the record levels of a year earlier.

## 2002 CENSUS OF AGRICULTURE

The 2002 Census of Agriculture is now underway. Your response will help provide official facts representing all U.S. producers and commodities.

Don't be left out when decisions are made about you and American agriculture. Take the time to fill out your report form and return it by February 3, 2003. It's the law.

### **You Make It Know - Agriculture Counts!**

For help completing your census form, call 1-888-4AG-STAT  
[www.usda.gov/nass/](http://www.usda.gov/nass/)

**WEATHER SUMMARY**

It was another warm, dry week in New Mexico as El Nino continued its vacation. Temperatures averaged about 5 degrees above normal for the state, and readings at a few lower elevation spots in the south hit the low 70's on Sunday. Farmington was the only location to measure any precipitation at all, and that was only two hundredths of an inch.

**NEW MEXICO WEATHER CONDITIONS JANUARY 13-19, 2003**

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	01/13 01/19	01/01 01/19	Normal Jan	01/01 01/19	Normal Jan-Jan
Carlsbad	43.0	73	20	0.00	0.00	0.35	0.00	0.35
Hobbs	40.7	69	16	0.00	0.00	0.39	0.00	0.39
Roswell	41.7	70	21	0.00	0.05	0.43	0.05	0.43
Clayton	38.9	69	16	0.00	0.00	0.24	0.00	0.24
Clovis	42.0	68	19	0.00	0.00	0.39	0.00	0.39
Roy	35.4	60	15	0.00	0.00	0.34	0.00	0.34
Tucumcari	38.6	68	16	0.00	0.00	0.28	0.00	0.28
Chama	26.8	51	5	0.00	0.10	1.77	0.12	1.77
Johnson Ranch	33.1	54	13	0.00	0.00	0.67	0.00	0.67
Capulin	32.8	61	10	0.00	0.30	0.40	0.30	0.40
Las Vegas	36.1	63	11	0.00	0.00	0.32	0.00	0.32
Los Alamos	35.5	50	21	0.00	0.01	0.86	0.01	0.86
Raton	32.4	63	9	0.00	0.02	0.47	0.02	0.47
Santa Fe	35.8	57	13	0.00	0.00	0.63	0.00	0.63
Red River	25.5	48	0	0.00	0.57	1.07	0.57	1.07
Farmington	35.8	51	18	0.02	0.14	0.59	0.14	0.59
Gallup	35.0	57	12	0.00	0.01	0.80	0.01	0.80
Grants	37.1	60	14	0.00	0.00	0.49	0.00	0.49
Silver City	42.0	61	24	0.00	0.10	1.16	0.10	1.16
Quemado	35.1	58	14	0.00	0.00	0.83	0.00	0.83
Albuquerque	41.7	58	25	0.00	0.00	0.44	0.00	0.44
Carrizozo	30.4	53	9	0.00	0.22	0.60	0.22	0.60
Gran Quivera	38.6	62	17	0.00	0.00	0.70	0.00	0.70
Moriarty	35.4	60	10	0.00	0.00	0.43	0.00	0.43
Ruidoso	38.6	62	17	0.00	0.14	1.12	0.14	1.12
Socorro	38.6	66	15	0.00	0.00	0.39	0.00	0.39
Alamogordo	45.9	70	28	0.00	0.00	0.67	0.00	0.67
Animas	47.1	68	22	0.00	0.02	0.68	0.02	0.68
Deming	45.2	71	25	0.00	0.01	0.56	0.01	0.56
T or C	44.0	67	24	0.00	0.00	0.46	0.00	0.46
Las Cruces	45.7	74	24	0.00	0.00	0.46	0.03	0.46

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

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