

INCLUDED IN THIS ISSUE

Crop Weather

Agricultural Prices Received

NASS Monthly Newsletter

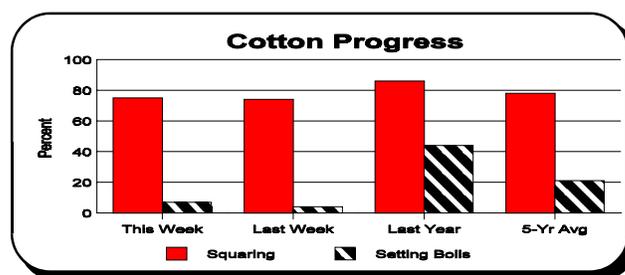
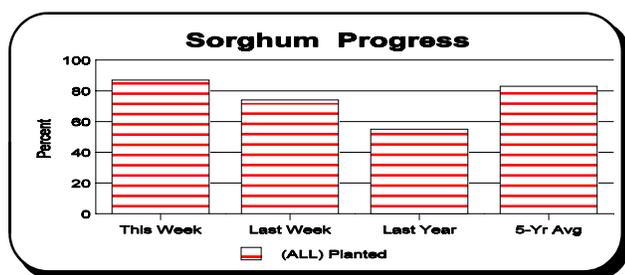
Available on Internet at: www.nass.usda.gov/nm OR by e-mail (call 1-800-530-8810 for information)

CROP SUMMARY FOR THE WEEK ENDING JULY 6, 2003

NEW MEXICO: There were 7.0 days suitable for fieldwork. There was some damage to cotton due to hail. Hail damage was 1% light and 1% severe. Wind damage was 13% light. Farmers spent the week irrigating, weeding, baling alfalfa and reported 83% of the second cut and 29% of the third. Alfalfa conditions were listed as mostly fair to good. Corn conditions reported in mostly fair to excellent, with 9% silked (tasseled). Cotton was reported in mostly fair to good condition, with 75% squaring and 7% setting bolls. Total sorghum was 87% planted with conditions drifting toward fair with 7% poor, 65% fair, and 28% good. Total winter wheat was getting close to completion at 90% harvested. Peanuts had 57% of the crop pegging and conditions remained in mostly fair condition. Onion harvesting slowed and was reported as 65% harvested. Chile conditions were reported as mostly fair to excellent, apple condition dropped to mostly very poor to fair, and pecans were reported as fair to excellent with nutset at 16% light, 73% average, and 11% heavy. Farmers also reported presence of some grasshoppers in Guadalupe County and blister beetles in Catron County. Ranchers spent the week maintaining water and supplemental feeding. Cattle conditions were reported with little change at 8% very poor, 10% poor, 36% fair, 25% good, and 21% excellent. Sheep were listed as 14% very poor, 29% poor, 37% fair, 19% good, and 1% excellent. Range and pasture conditions showed little change at 37% very poor, 32% poor, 20% fair, and 11% good.

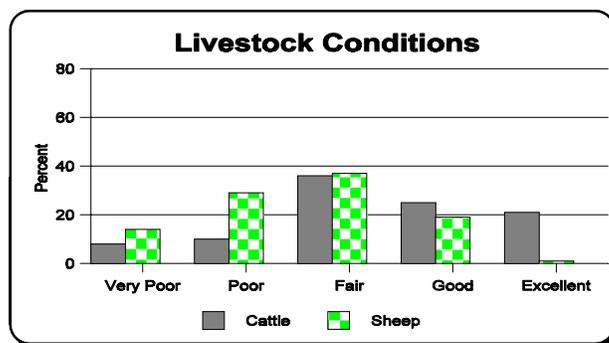
CROP PROGRESS PERCENTAGES WITH COMPARISONS

CROP PROGRESS		This Week	Last Week	Last Year	5-Year Average
CORN	Silking	9	9	32	18
COTTON	Squaring	75	74	86	78
COTTON	Setting Bolls	7	4	44	21
ONIONS	Harvested	65	64	92	66
PEANUTS	Pegging	57	55	40	28
SORGHUM (ALL)	Planted	87	74	55	83
WHEAT (ALL)	Harvested	90	70	94	92



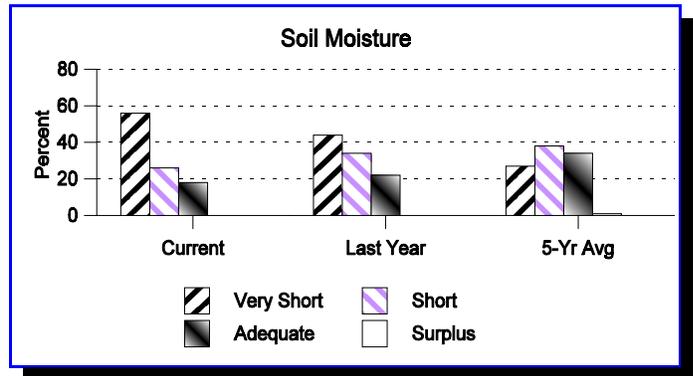
CROP AND LIVESTOCK CONDITION PERCENTAGES

	Very Poor	Poor	Fair	Good	Excellent
Alfalfa	—	14	47	36	3
Apples	30	40	20	10	—
Chile	3	8	10	67	12
Corn	—	3	32	50	15
Cotton	6	14	30	50	—
Peanuts	—	—	95	5	—
Pecans	—	—	33	52	15
Sorghum (All)	—	7	65	28	—
Cattle	8	10	36	25	21
Sheep	14	29	37	19	1
Range/Pasture	37	32	20	11	—



SOIL MOISTURE PERCENTAGES

	Very Short	Short	Adequate	Surplus
Northwest	80	18	2	--
Northeast	24	51	25	--
Southwest	84	13	3	--
Southeast	55	12	33	--
State	56	26	18	--
State-Last Year	44	34	22	--
State-5-Yr Avg.	27	38	34	1



WEATHER SUMMARY

High pressure over the northwest part of the state resulted in hot daytime temperatures and limited afternoon and evening thunderstorms to the mountain regions. Most thunderstorms generated little rainfall but rather gusty winds and lightning. Scattered significant moisture from storms was generally limited to the Gila region and from the Sacramento mountains to adjacent west slopes.

NEW MEXICO WEATHER CONDITIONS JUNE 30 - JULY 6, 2003

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	06/30 07/06	07/01 07/06	Normal July	01/01 07/06	Normal Jan-Jul
Carlsbad	80.4	98	64	0.00	0.00	1.79	3.30	5.74
Tatum	77.1	95	59	0.20	0.00	2.52	4.30	8.69
Roswell	80.3	99	62	0.00	0.00	1.99	1.71	6.74
Clayton	76.4	95	55	0.00	0.00	2.70	6.21	9.00
Clovis	75.8	94	59	0.00	0.00	2.56	6.24	9.57
Roy	73.4	103	50	0.00	0.00	2.97	2.50	9.03
Tucumcari	80.1	100	61	0.00	0.00	3.30	7.43	8.57
Chama	64.8	90	39	0.00	0.00	2.24	7.68	11.08
Johnson Ranch	73.4	98	48	0.00	0.00	1.66	4.34	5.43
Capulin	71.1	91	52	0.11	0.11	3.25	7.03	10.52
Las Vegas	70.6	92	46	T	0.00	3.31	2.91	9.07
Los Alamos	72.7	90	51	0.01	0.00	3.25	4.22	9.66
Raton	71.5	96	50	0.00	0.00	2.66	5.86	9.82
Santa Fe	74.9	99	51	T	0.00	2.38	2.48	7.64
Red River	60.8	85	39	0.00	0.00	3.01	8.49	11.93
Farmington	77.2	101	51	0.00	0.00	0.94	1.90	4.31
Gallup	72.9	96	47	0.00	0.00	1.91	1.57	6.10
Grants	73.5	97	47	0.00	0.00	1.76	1.93	4.79
Silver City	75.1	96	53	0.54	0.27	2.65	2.48	7.55
Quemado	63.6	93	33	0.00	0.00	2.37	3.32	6.56
Albuquerque	83.7	100	65	T	0.00	1.37	2.76	4.42
Carrizozo	76.4	98	53	0.85	0.85	2.05	4.20	5.55
Gran Quivera	75.1	100	51	0.11	0.11	2.81	3.09	7.52
Moriarty	73.4	100	45	0.00	0.00	2.38	2.74	6.37
Ruidoso	67.1	89	45	0.32	0.06	4.02	4.34	10.99
Socorro	78.5	101	54	0.00	0.00	1.44	0.95	3.94
Alamogordo	82.9	102	63	T	0.00	2.23	1.31	5.51
Animas	86.6	104	69	0.00	0.00	2.26	1.46	4.74
Deming	83.9	104	62	0.01	0.00	2.15	2.67	4.43
T or C	83.2	102	62	0.03	0.03	1.86	1.30	4.44
Las Cruces	82.7	103	63	T	0.00	1.36	2.72	3.63

(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 June 2003 alfalfa hay price was \$153.00 per ton, \$5.00 higher than May and \$13.00 higher than last year. The average alfalfa price for the US in June was \$98.90 per ton. State cow prices averaged \$41.80 per hundredweight, up 80 cents from May and 50 cents higher than the US average for June. Steer and heifer prices rose \$3.30 from May to \$83.40 per hundredweight in June. The US average was \$79.20. Calf prices increased to \$93.90 per hundredweight, compared to the May price of \$92.60. Milk prices increased by 10 cents to \$10.60 per hundredweight, but remain below the US average price of \$11.10.

Prices Received by Farmers: Selected Commodities, May 2003 and June 2002-03

Commodity	Unit	New Mexico			U.S.
		June 2002 ^{2/}	May 2003 ^{2/}	June 2003 ^{1/}	June ^{1/}
-----Dollars-----					
CROPS					
Grain Sorghum	Cwt	--	--	--	3.91
Cotton, Upland	Lb	--	--	--	.435
Potatoes	Cwt	--	--	--	6.49
Hay, all baled	Ton	137.00	144.00	149.00	94.60
Alfalfa, baled	Ton	140.00	148.00	153.00	98.90
Peanuts	Lb	--	--	--	.172
Corn	Bu	--	--	--	2.33
Wheat, all	Bu	--	--	--	3.09
LIVESTOCK					
Sheep ^{3/}	Cwt	--	--	--	31.10 ^{3/}
Lambs ^{3/}	Cwt	--	--	--	97.50 ^{3/}
Cows	Cwt	36.70	41.00	41.80	41.30
Steers & Heifers	Cwt	74.60	80.10	83.40	79.20
Calves	Cwt	93.80	92.60	93.90	102.00
Milk	Cwt	11.00	10.50	10.60	11.10

^{1/} Mid-month. ^{2/}Entire month. ^{3/}May - Entire Month

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The following estimates, forecasts, and projections are mainly taken from recent publications of the National Agricultural Statistics Service, Economic Research Service, and the World Agricultural Outlook Board of the USDA.

Wheat: Winter wheat production is forecast at 1.63 billion bushels, up 4% from May 1, and up 42% from last year. Based on June 1 conditions, the U.S. yield is forecast at 44.6 bushels per acre, up 1.7 bushels from the May forecast. Grain area totals 36.4 million acres, unchanged from last month. The World Agricultural Outlook Board (WAOB) projected U.S. 2003/04 ending stocks of all wheat are up 93 million bushels from last month due to larger supplies and unchanged use. The projected price range for 2003/04 is \$2.90 to \$3.50 per bushel, compared with an estimated \$3.56 for 2002/03.

Corn: The U.S. 2003 corn crop is projected at 10.06 billion bushels by the WAOB, unchanged from last month, but up 12% from last year. Ending stocks of corn are forecasted to be 25 million bushels above last month due to lower prospective exports. Prospective exports are reduced due to increased competition from Argentina and Brazil. The projected price range for the 2003 corn crop is \$1.90 to \$2.30 per bushel, compared with \$2.25 to \$2.35 for 2002/03.

Soybeans: U.S. 2003 soybean output is projected by the WAOB at 2.86 billion bushels, no change from last month, but up 5% from 2002. Ending stocks for the 2003/04 season are forecast at 250 million bushels, up 5 million bushels from last month. Projected exports are projected at 960 million bushels, no change from last month. Soybean prices for 2003/04 are projected at \$4.45 to \$5.45 per bushel, compared \$5.50 for 2002/03.

Cotton: The U.S. 2003 cotton production is projected by the WAOB at 17.2 million bales, the same as last month. Lower beginning and ending stocks were also projected. Domestic mill use was reduced as recent activity indicates a slightly more pessimistic outlook. World projections reflect lower production and stock prospects. World production is lower due to unfavorable early-season conditions in some key cotton-producing regions.

Cattle: Mid-June prices for choice steers (Nebraska direct,

1100-1300 pounds) averaged \$79 per cwt., unchanged from mid-May. Feeder steer prices (Oklahoma City, medium-large frame, 750-800 pounds) were \$86 per cwt., up \$3 from a month ago.

Hogs: During the first two weeks of June, hog **slaughter** has been nearly level with a year ago. Cash **prices** at mid-June (Iowa-Southern Minnesota direct, 51-52% lean) were \$48 per cwt, up \$4 from mid-May. Second quarter prices are expected to average \$42 per cwt.

Other Livestock: May **milk production** was down 0.4% from the previous year. Production per cow decreased 0.5%, and the number of cows increased 0.2% from a year ago. The **cheddar cheese price** (U.S. 40 pound blocks, wholesale) was up the first two weeks of June. Total **cheese** production reported for the month of April, 2003 was 0.4% above the previous year. US table **egg production** during May 2003 totaled 6.15 billion, down slightly from May 2002. Wholesale market **egg prices** for the second quarter of 2003 (Grade A large, New York) are expected to average 72-73 cents per dozen, compared with 58.4 cents a year ago. Third quarter 2003 egg prices are expected to average 73-77 cents per dozen, compared with 65.3 cents a year earlier. **Broiler**-Type chicks hatched during May 2003 totaled 792 million, down 1% from last year. Weekly Broiler-Type Placements in 19 selected states for the week ending June 14, 2003, were 173 million, up slightly from a year ago. The wholesale 12-city average price for whole **broilers** for the second quarter of 2003 is expected to be 59-60 cents, compared with 56.1 cents from the second quarter of last year. Third quarter 2003 broiler prices are expected to average 59-63 cents per pound, compared with the 56.4 cents for a year earlier. Turkey Poults Placements in May 2003, at 24.9 million, were down 2% from last May. Cumulative placement for the 2003 marketing year are 218 million poults, down 2% from a year ago. Prices (8-16 lb. hens, Eastern Region) for the second quarter of 2003 are expected to be 61-62 cents compared with 62.9 cents for the second quarter last year. Turkey prices for the third quarter of 2003 are expected to average 64-68 cents per pound, compared with the 66.7 cents average for the third quarter of 2002. **Supplies in refrigerated warehouses** at the end of May 2003 compared with a year

earlier were: total chicken, down 17%; turkey, up 13%; pork, down 9%; bellies, down 26%; beef, down 3%; frozen orange juice, up 5%; butter, up 30% and American cheese, up slightly.

Prices: The rate of **inflation**, as monitored by the **CPI** for all urban consumers, decreased 0.2% in May but has increased 2.1% over the last 12 months. The **PPI** decreased 0.3% in May but has increased 2.5% over the last 12 months. The May **prime rate**, averaging 4.25%, has been unchanged since December 2002. Compared to a year earlier, **feed** prices in May were up 5%; **feeder livestock and poultry** were up 4%; **fertilizer** up 23%; **ag chemicals** up 2%, **farm machinery** down 1%, **seeds** up 9% and **fuels** up 20%.

World Weather and Crop Developments (May 8-15). In the **United States**, warm and dry weather conditions continued in the Pacific Northwest, which resulted in irrigating some crops earlier or more than normal. In northern California, the warm and dry conditions accelerated crop development after a wetter and cooler than normal spring. temperatures remained above freezing in the northern Rocky Mountains, enhancing crop development. Widely scattered showers in the Great Plains delayed spraying and stopped some growers from planting. Severe weather moved across most of the southern Great Plains and Delta States, providing beneficial precipitation for crop development. Soil moisture levels were mostly adequate in the central Great Plains. Rain fell across the Corn Belt with the heaviest showers occurring in the central and eastern portions. This precipitation along with warm temperatures promoted growth and crop development. Fieldwork and crop development were delayed by continued wet conditions across the Southeast and along the Atlantic Coastal Plains. Across southern **Europe**, a severe heat wave stressed summer crops but benefitted maturing winter grains. On-going drought conditions stretched from **Moldova** eastward through **Ukraine** into southern **Russia**, negatively affecting winter wheat in the filling stage and increasing stress on spring-sown crops. Warm, showery weather favored rapid spring grain emergence in Siberia, Russia, while unseasonably cool weather hampered crop emergence in Kazakstan.