



National Agricultural Statistics Service  
New Mexico Statistical Office

# Weekly

# Ag Update

Issue 54-42

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### INCLUDED IN THIS ISSUE

Crop Weather ERS

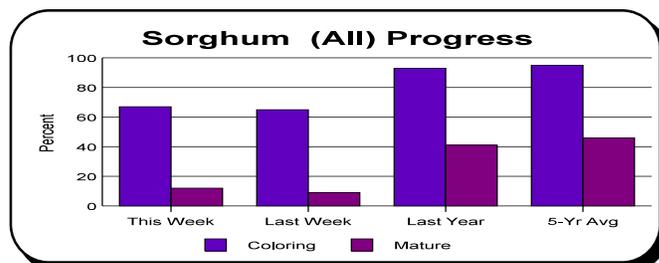
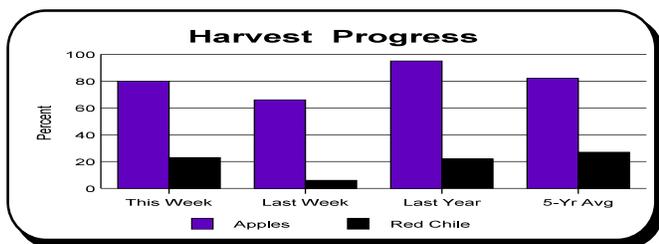
Available on Internet at: [www.nass.usda.gov/nm](http://www.nass.usda.gov/nm) OR by e-mail (call 1-800-530-8810 for information)

### CROP SUMMARY FOR THE WEEK ENDING OCTOBER 10, 2004

**NEW MEXICO:** There were 3.7 days suitable for fieldwork. Farmers continued to prepare for fall harvest activities with heavy rains delaying harvest of most crops. Alfalfa conditions declined as farmers had difficulty getting into their fields due to the wet weather. Conditions were reported as 1% very poor, 8% poor, 29% fair, 61% good and 1% excellent. The 6<sup>th</sup> cutting was 65% complete and the 7<sup>th</sup> was 19% complete. Cotton conditions declined due to heavy rains and some hail damage. Cotton bolls opening were reported at 70%, well behind last years average of 88%. Corn was reported in fair to excellent condition with 24% of the crop harvested. Sorghum conditions continued to improve, reported in fair to excellent condition. Sorghum harvest was just getting started with 67% of the crop reported coloring, and 12% mature. Peanut harvest was again delayed by rain which could also cause some quality concerns. Wheat was reported in fair to excellent condition as planting neared completion and 82% of the crop emerged. Ranchers continued to sell calves and prepare for the winter as rains have improved pasture conditions tremendously. Cattle conditions were reported as 5% poor, 19% fair, 54% good and 22% excellent. Sheep conditions were at 13% poor, 28% fair, 49% good and 10% excellent. Pasture conditions were reported at 3% very poor, 10% poor, 38% fair, 37% good, and 12% excellent.

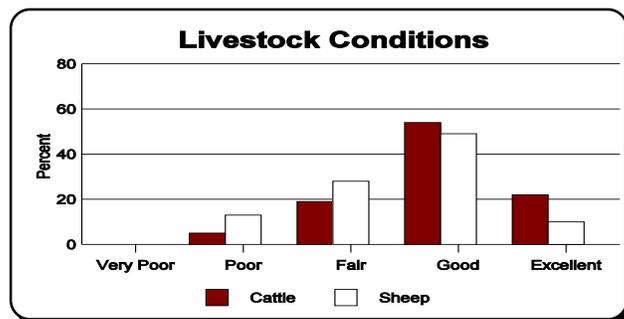
### CROP PROGRESS PERCENTAGES WITH COMPARISONS

CROP PROGRESS		This Week	Last Week	Last Year	5-Year Average
APPLES	Harvested	80	66	95	82
CHILE	Harvested-Red	23	6	22	27
CORN	Harvested-Grain	24	3	45	57
COTTON	Opening Bolls	70	65	88	90
ONIONS	Planted	26	16	51	57
PEANUTS	Harvested	10	5	17	23
SORGHUM (All)	Coloring	67	65	93	95
SORGHUM (All)	Mature	12	9	41	46
WHEAT (All)	Emerged	82	78	67	72



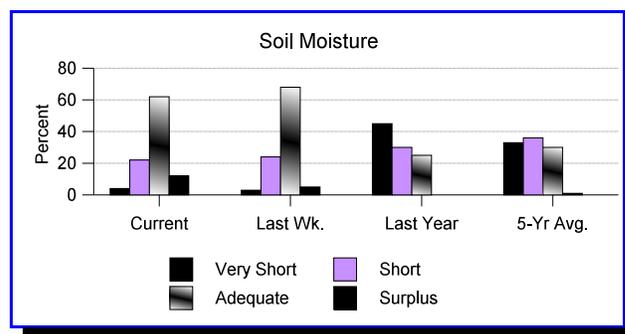
### CROP AND LIVESTOCK CONDITION PERCENTAGES

	Very Poor	Poor	Fair	Good	Excellent
Alfalfa	1	8	29	61	1
Chile	--	10	27	46	17
Corn	--	--	28	44	28
Cotton	1	14	55	30	--
Lettuce	--	--	--	40	60
Peanuts	--	--	53	47	--
Pecans	--	8	22	50	20
Sorghum	--	2	52	38	8
Cattle	--	5	19	54	22
Sheep	--	13	28	49	10
Range/Pasture	3	10	38	37	12



### SOIL MOISTURE PERCENTAGES

	Very Short	Short	Adequate	Surplus
Northwest	10	20	70	--
Northeast	--	23	58	19
Southwest	30	70	--	--
Southeast	--	--	99	1
<b>State Current</b>	<b>4</b>	<b>22</b>	<b>62</b>	<b>12</b>
State-Last Wk.	3	24	68	5
State-Last Year	45	30	25	--
State-5-Yr Avg.	33	36	30	1



### WEATHER SUMMARY

A generally wet week was reported across central and eastern New Mexico with periods of damaging hail reported from Albuquerque south to Socorro where hail of near 3 inch diameter pounded the city.

#### NEW MEXICO WEATHER CONDITIONS OCTOBER 4 - 10, 2004

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	10/04 10/10	10/01 10/10	Normal Oct	01/01 10/10	Normal Jan-Oct
Carlsbad	66.4	79	50	0.43	0.44	1.05	16.65	11.79
Tatum	61.4	77	45	3.00	3.47	1.49	31.30	15.02
Roswell	63.1	80	49	0.90	0.90	1.19	17.72	11.83
Clayton	56.8	73	40	0.11	0.11	0.90	24.15	14.28
Clovis	58.6	75	45	1.89	1.89	1.34	19.87	16.24
Roy	51.9	69	35	0.95	0.95	1.05	17.67	14.79
Tucumcari	59.1	77	44	1.63	1.65	0.94	17.83	13.39
Chama	47.8	70	28	0.18	0.27	1.96	13.02	18.09
Johnson Ranch	51.9	74	30	0.01	0.01	1.11	10.63	10.16
Capulin	48.1	65	27	0.38	0.42	0.97	21.21	16.27
Las Vegas	49.6	66	34	1.88	1.91	1.51	19.56	17.78
Los Alamos	50.8	65	37	0.82	0.89	1.32	15.08	16.62
Raton	50.0	70	31	1.16	1.16	0.97	24.17	15.61
Santa Fe	53.6	71	34	0.71	0.71	1.04	9.30	12.58
Red River	43.1	63	25	0.55	0.68	1.46	19.00	18.15
Farmington	58.1	76	40	0.14	0.16	0.85	7.01	7.18
Gallup	51.8	74	28	T	0.00	1.29	5.58	10.96
Grants	54.2	74	31	0.01	0.01	1.05	7.38	9.56
Silver City	59.8	78	40	0.00	0.00	1.16	19.55	14.02
Quemado	51.1	79	25	0.00	0.01	1.18	8.64	12.59
Albuquerque	61.4	77	47	0.34	0.34	0.89	9.34	7.95
Carrizozo	56.4	75	39	0.06	0.06	1.19	8.82	11.31
Gran Quivera	55.9	72	38	1.67	1.67	1.27	13.92	14.01
Moriarty	51.4	73	29	0.82	0.82	1.10	11.37	11.77
Ruidoso	52.7	69	33	0.18	0.18	1.31	18.78	18.84
Socorro	58.4	78	39	0.05	0.05	1.11	7.26	8.48
Alamogordo	66.9	82	51	0.36	0.36	1.30	9.12	11.21
Animas	66.8	89	42	0.00	0.00	1.15	11.37	9.91
Deming	66.4	87	45	0.00	0.00	0.98	8.52	9.09
T or C	65.4	83	46	T	0.00	0.95	6.47	8.62
Las Cruces	68.0	85	48	0.16	0.16	0.91	10.34	8.19

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

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

**LIVESTOCK OUTLOOK**  
*USDA ERS, SEPTEMBER 2004*

**Beef production** in 2004 is expected to decline nearly 7 percent from a year earlier. The decline is sharper than earlier expected due to a slower pace of cattle placements and marketings. Feedlot inventories remain above a year earlier, and feedlots have more cattle to market than can be sold at a profit. The current marketing pace is not sufficient to keep cattle current and weights are increasing. However, even at these reduced marketing levels boxed beef prices have been declining to keep the product moving and cattle prices under pressure. While the wholesale retail price spread remains record wide, both cattle feeders and beef packers are losing money.

Cattle feeding breakevens are expected to rise toward the low-\$90 per hundredweight (cwt) this fall, and the present price/supply scenario indicates Choice steer prices averaging \$85-89 per cwt in the fourth quarter.

**Dairy market** fundamentals changed in early summer as milk production began to expand. Additional milk in the coming months should ease dairy markets during the remainder of 2004. Even so, some tightness likely will continue. Demand is expected to stay fairly good, and the growth in supplies probably will be gradual.

**WHEAT: DOMESTIC OUTLOOK**  
*USDA ERS, SEPTEMBER 2004*

**U.S. Spring Wheat Harvest Delayed:** With crop development delayed by cool summer conditions, harvest progress was over 3 weeks behind normal in Minnesota and over 2 weeks behind in North Dakota. For the six States that harvested 99 percent of last year's spring wheat acreage, only 62 percent of the crop had been harvested as of September 5, 2004, 34 points behind last year and 21 points behind normal as reported in *Crop Progress*.

**U.S. Winter Wheat Planting Underway:** Growers had planted 7 percent of their acreage, 1 point ahead of last year and 2 points ahead of normal as reported in *Crop Progress*. Planting had begun throughout the Great Plains, but was most advanced in Washington, where 21 percent of the expected acreage had been planted, 2 points behind normal. Winter wheat sowing had not begun in the Corn Belt.

**COTTON: DOMESTIC OUTLOOK**  
*USDA ERS, SEPTEMBER 2004*

**2004/05 Production Forecast in September a Record:** According to USDA's September forecast of the 2004 cotton crop, U.S. production is projected at 20.9 million bales, up 2.6 million (14 percent) from last season. Excellent growing conditions have continued throughout most of the Cotton Belt this season, leading to the current record U.S. cotton forecast. Upland production is projected at about 20.2 million bales, up 13 percent from 2003/04, while the extra long staple (ELS) crop is expected to increase 278,000 bales (64 percent) to 710,000 bales. Both the upland and ELS crops are forecast to be records.

where yield is expected to be well below last season's record. Delta production this season is forecast to reach the 10-year average of 5.8 million bales, compared with 6.5 million in 2003.

The Southwest region, at nearly 7.4 million bales, is forecast to produce an upland crop that is more than 2.5 million bales above average and will rival the 1926 crop. A forecast of low abandonment and a record yield are expected to produce a 37-percent share of the upland crop this season, a mark last reached in 1988.

During the previous 20 years, the September forecast has been above final cotton production 10 times and below 10 times. Past differences between the September forecast and the final production estimate indicate that chances are two out of three for the 2004 U.S. cotton crop to range between 19.6 and 22.2 million bales.

In the Southeast, cotton production is expected to approach 4.6 million bales in 2004, unchanged from August. Cotton production in the West in 2004—forecast at nearly 2.5 million bales—is above the last two seasons but equal to the 5-year average. Upland area is estimated at 866,000 acres, the highest in 3 years. The yield forecast of 1,386 pounds per harvested acre is the second highest on record.

Compared with last season, upland production is forecast higher in each region of the Cotton Belt, except the Delta,

In contrast to upland production, the West is the main region for the ELS crop. ELS production is forecast to rise significantly in 2004, as stocks declined to a 6-year low last season. California continues as the leading ELS-producing State, accounting for 90 percent of the production in 2004.

Total area planted to cotton is estimated at about 13.8 million acres, while abandonment is expected to reach only 4 percent, the lowest since the 1997 season. As a result, U.S. cotton to be harvested is forecast at 13.2 million acres, the highest in 3 years. Based on the harvested area, the national yield is estimated at a record 759 pounds per harvested acre.

U.S. cotton crop development in September continues near that of last season but below the historical average. As of September 5th, 35 percent of the U.S. crop had bolls opening, compared with 32 percent in 2003 but with a 5-year average of 45 percent. On the other hand, this season's crop conditions have been quite impressive, remaining well above any recent season. In fact, U.S. cotton crop conditions have not been this high since 1987, a season of low abandonment and a then-record yield. As of September 5th, 70 percent of the area was rated "good" or "excellent," compared with 50 percent a year ago, while only 8 percent was rated "poor" or "very poor" this year, compared with 19 percent in 2003. However, the effects of

Hurricane Frances were not yet accounted for as of September 5th.

***Demand and Stock Estimates Revised:*** The U.S. cotton demand estimate for 2004/05 was raised 400,000 bales this month to 18.3 million. U.S. exports are now projected at 12.2 million bales, up slightly from August but well below last season's 13.8 million. With a global cotton trade forecast below last year due to increased foreign production, the current U.S. share of world trade is estimated at 39 percent, about 3 percentage points below 2003/04. Similarly, U.S. mill use was increased this month to 6.1 million bales, as recent activity and the upward revision to last season's mill use have provided a slightly more optimistic outlook than previously anticipated. However, U.S. cotton mill use remains 6 percent below 2003/04 and is expected to be the lowest since 1984/85.

Based on these supply and demand projections, U.S. ending stocks for 2004/05 are expected to rise slightly from last month to 6.1 million bales. However, the expectation for increased production and decreased demand during 2004/05 are set to push ending stocks to their highest level in 3 years. Likewise, this season's stocks-to-use ratio is estimated at 33 percent, also the highest since the 2001 season.