National Agricultural Statistics Service
New Mexico Statistical Office

Weekly Ag Update

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Issue 55-18

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Crop Weather Livestock Outlook Cattle on Feed

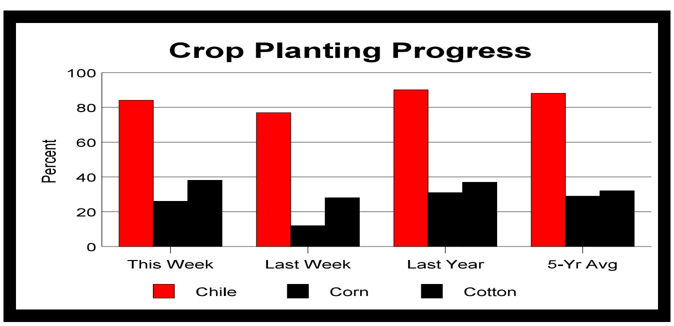
Available on the Internet: www.nass.usda.gov/nm , or by e-mail (1-800-530-8810 for information)

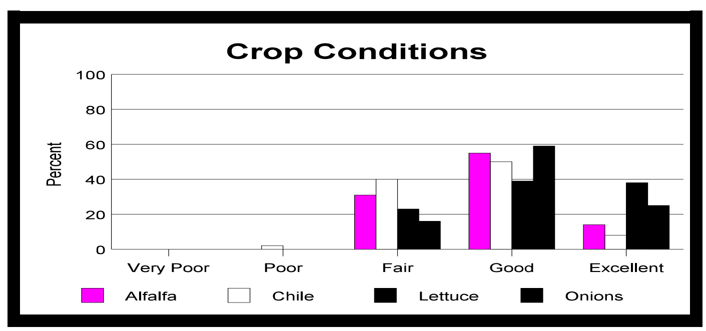
CROP SUMMARY FOR THE WEEK ENDING APRIL 24, 2005

NEW MEXICO: There were 6.7 days suitable for fieldwork. Topsoil moisture was 7% very short, 23% short, 67% adequate, and 3% surplus. Wind damage was 11% light, 23% moderate, and 4% severe. Freeze damage was 7% light and 10% moderate. Farmers were busy with land preparation, planting chile and corn, spraying for weeds and irrigating. Alfalfa conditions were reported as 31% fair, 55% good and 14% excellent with the first cutting complete at 59%. Cotton progress was 38% planted and corn was 26% planted. Total wheat condition was reported as 22% fair, 66% good, and 12% excellent with 26% being grazed. Lettuce condition was 23% fair, 39% good and 38% excellent. Chile condition was 2% poor, 40% fair, 50% good and 8% excellent with 84% planted. Onion condition was in 16% fair, 59% good and 25% excellent. Cattle conditions were 2% poor, 23% fair, 70% good, and 5% excellent. Sheep were reported as 3% very poor, 5% poor, 27% fair, 60% good, and 5% excellent. Range and pasture conditions were 2% very poor, 10% poor, 29% fair, 56% good and 3% excellent. Ranchers were busy maintaining herds, waters and working on fences and pipeline.

CROP PROGRESS PERCENTAGES WITH COMPARISONS

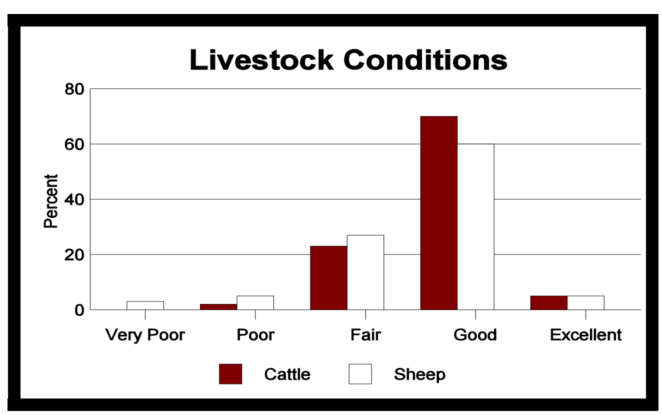
CROP PROGRESS		This Week	Last Week	Last Year	5-Year Average
CHILE	Planted	84	77	90	88
CORN	Planted	26	12	31	29
COTTON	Planted	38	28	37	32
WHEAT (ALL)	Grazed	26	13	N/A	N/A





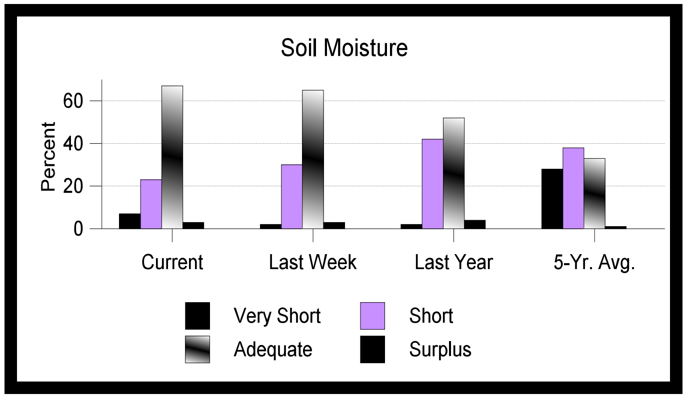
CROP AND LIVESTOCK CONDITION PERCENTAGES

	Very Poor	Poor	Fair	Good	Excellent
Alfalfa	--	--	31	55	14
Chile	--	2	40	50	8
Lettuce	--	--	23	39	38
Onions	--	--	16	59	25
Wheat (All)	--	--	22	66	12
Cattle	--	2	23	70	5
Sheep	3	5	27	60	5
Range/Pasture	2	10	29	56	3



SOIL MOISTURE PERCENTAGES

	Very Short	Short	Adequate	Surplus
Northwest	3	20	75	2
Northeast	13	28	58	1
Southwest	6	24	70	--
Southeast	1	19	75	5
State Current	7	23	67	3
State-Last Week	2	30	65	3
State-Last Year	2	42	52	4
State-5-Yr Avg.	28	38	33	1



WEATHER SUMMARY

Warm temperatures and scattered rains were the highlight for the week. Average temperatures ranged from 5 to 6 degrees above normal across both the northern and southwestern areas of the state to 1 to 3 degrees warmer than normal across the central and eastern counties. Strong, but scattered thunderstorms developed from the southwest counties northeastward into central valleys and eastern plains while the northern border areas saw a mix of rain and snow.

NEW MEXICO WEATHER CONDITIONS - APRIL 18- 24, 2005

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	04/18 04/24	04/01 04/24	Normal Apr	01/01 04/24	Normal Jan-Apr
Farmington	53.8	78	27	0.90	0.92	0.51	4.18	2.48
Gallup	49.3	77	20	0.63	0.66	0.64	6.01	3.23
Capulin	49.7	72	30	0.25	2.15	1.01	5.56	2.86
Chama	43.2	67	17	0.42	0.73	1.27	10.89	6.61
Johnson Ranch	49.0	77	23	0.00	0.14	0.49	4.09	2.47
Las Vegas	50.4	70	32	0.17	0.94	0.83	4.69	2.54
Los Alamos	48.9	65	33	0.00	0.73	1.00	7.38	3.88
Raton	47.9	72	27	0.31	1.10	1.06	6.61	2.90
Red River	41.1	61	19	0.49	1.29	1.68	9.05	5.75
Santa Fe	52.5	72	36	0.56	0.96	0.81	6.62	2.87
Clayton	54.2	79	33	0.18	0.93	0.94	4.90	2.04
Clovis	59.0	83	41	0.01	0.06	0.81	3.92	2.30
Roy	53.1	75	32	0.25	1.01	0.82	5.14	2.14
Tucumcari	58.9	82	40	0.11	0.93	0.87	4.52	2.00
Grants	50.7	74	24	0.17	0.27	0.45	3.85	1.95
Quemado	47.2	75	19	0.45	0.59	0.60	3.86	2.95
Silver City	54.3	75	33	0.00	0.00	0.53	8.06	3.90
Albuquerque	58.7	77	41	0.37	1.14	0.52	5.42	1.96
Carrizozo	57.6	74	34	0.07	0.88	0.36	5.42	2.10
Socorro	58.8	81	35	0.08	0.36	0.36	3.77	1.41
Gran Quivera	54.2	71	33	0.20	0.64	0.64	5.82	2.88
Moriarty	48.5	72	28	0.00	0.21	0.66	5.25	2.10
Ruidoso	50.0	67	34	0.30	0.56	0.63	6.61	4.24
Carlsbad	65.5	89	44	0.07	0.15	0.49	3.44	1.49
Roswell	60.6	86	39	0.02	0.17	0.65	2.73	1.99
Tatum	58.2	85	36	0.10	0.20	0.64	2.69	2.05
Alamogordo	64.9	80	47	0.63	1.11	0.26	5.72	1.93
Animas	63.9	84	43	0.11	0.11	0.20	4.78	1.86
Deming	63.0	85	40	0.53	0.57	0.18	3.78	1.54
Las Cruces	64.2	84	45	0.00	0.03	0.21	3.63	1.26
T or C	63.5	82	44	0.11	0.21	0.22	3.14	1.40

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

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

Beef/Cattle Border Opening Uncertainty Continues: Supply uncertainties due to the Canadian border court injunctions and poor feeding conditions pushed first-quarter cattle prices to a new record. On December 29, 2004 USDA released the Minimal Risk rule reopening the U.S. border to Canadian cattle under 30 months of age and beef from cattle over 30 months of age effective March 7. On February 9, the Department delayed the effective date for allowing imports of meat from animals 30 months and over.
http://www.aphis.usda.gov/lpa/issues/bse/bse.html

When court injunctions in early March further delayed implementation of the minimal-risk rule, prices rose sharply as end users competed for a less-than expected supply of fed and cow beef. The cattle/beef sector continues to be buffeted by uncertainties on full implementation of the rule. The market expected trade to resume March 7 with cattle under 30 months of age and beef from cattle over 30 months of age moving into the United States. The present forecasts assume the border will remain open to boneless beef from cattle under 30 months of age and beginning in the summer quarter, open to live cattle under 30 months of age for placement into feedlots and then slaughter or for immediate slaughter. Just as the unexpectedly tight supplies now have resulted in price spikes, the market will come under downward price pressure as supplies increase and end users become more comfortable with forward supply expectations. Supplies will increase fairly sharply for the first 6 to 12 months following the border's reopening, but then supplies will again become cyclically tight in both countries.

Beef Supplies Remain Tight: The market this past winter was complicated by poor weather conditions holding down feedlot gains and the court injunction. First-quarter production was down 2 percent from the low levels of a year ago and down almost 9 percent from first quarter 2003. Steer and heifer slaughter declined over 3 percent, while cow slaughter was down nearly 6 percent. Commercial slaughter weights were record high last fall, but are going to average about 3 pounds under the 2002 record of 758 pounds dressed weight during the first quarter. In both years, cow slaughter comprised 16.3 to 16.5 percent of commercial slaughter. Commercial dressed weights are up about 14 pounds from the low levels last year.

The female retention phase of the cattle cycle is holding down cow slaughter and feeder cattle supplies remain very tight with last years calf crop down nearly 1 percent from a year earlier and the lowest since 1951. With reduced cow slaughter and 3 percent more beef heifers expected to calve this year, the calf crop is expected to begin a cyclical rise, but the rise begins from decades- low levels which will continue to hold down beef supplies through at least 2007. The additional beef that enters the U.S. market when the border opens will be assimilated within a year of the border's fully opening. The United States will still be at the initial stages of herd expansion and Canadian reaction to expansion may be very guarded, at least for the first few years as producers rebuild their financial base and adjust to new trading rules. Both countries will have more feedlot and slaughter capacity than cattle, and cyclical firm adjustments due to low cattle inventories will continue as both sectors compete strongly for the available inventory.

Beef production in the second quarter is expected to rise from the low winter quarter levels as feeding conditions improve and fed cattle marketings rise. In addition, slaughter weights are expected to average well above those of a year ago, and likely above the 2002 record of 746 pounds. As the border reopens in the second half of the year, production is expected to rise 6 to 7 percent above the low year earlier levels. Most of the year-to-year increases due to the border's opening are expected to be worked through the market by mid 2006. USDA will release its 2006 forecasts in May.

Retail Prices Rise With Tight Supplies: Retail prices for Choice beef are again rising. Prices averaged about $408 at the beginning of the year and rose to $4.13 in February. As the supply tightness continues, retail prices are likely to rise seasonally through spring. In 2001 and 2002 retail beef prices were about 25 percent above pork prices; in 2003, with the ban on Canadian beef, the ratio moved up to 40 percent. In 2004 and so far in 2005 the ratio has risen to 45 percent. The high beef price and uncertain supply situation is increasingly making both pork and broiler meat relatively attractive. Beef demand and prices remain strong, but relatively lower prices for competing meats will force adjustments as end users turn to competing meats at more consistent supply levels as well as lower relative prices.

UNITED STATES DEPARTMENT OF AGRICULTURE
NEW MEXICO AGRICULTURAL STATISTICS
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CATTLE ON FEED

NEW MEXICO: Cattle and calves on feed for the slaughter market in New Mexico feedlots with capacity of 1,000 or more head totaled 113,000 head on April 1, 2005, down from 125,000 head on March 1st. Placements during March held at 13,000 head, while marketings increased to 23,000 head. Other disappearance dropped to 2,000 head, down 1,000 from the previous month.

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 10.9 million head on April 1, 2005. Placements in feedlots during March totaled 1.76 million, 3 percent below 2004 and 13 percent below 2003. Marketings of fed cattle during March totaled 1.97 million, up slightly from 2004 and 9 percent above 2003. Other disappearance totaled 69,000 during March, 3 percent above 2004 and 11 percent above 2003.

Cattle on Feed: Number on Feed, Placements, Marketings, and Other Disappearance, 1,000+ Capacity Feedlots [1/]

	Number on Feed			Placed			Marketed			Other Disappearance[2/]		
				DURING								
	4/1/04	3/1/05	4/1/05	3/04	2/05	3/05	3/04	2/05	3/05	3/04	2/05	3/05
	1,000 Head											
AZ	293	322	323	33	23	27	32	24	24	3	2	2
CA	495	515	500	70	49	65	71	54	70	4	5	10
CO	970	1,040	1,020	150	175	175	190	185	185	10	10	10
ID	255	250	240	39	33	44	46	52	53	3	1	1
IA	415	465	455	69	57	55	56	55	64	3	2	1
KS	2,360	2,370	2,340	460	360	445	470	390	460	20	20	15
NE	2,210	2,320	2,260	295	315	300	350	330	350	5	15	10
NM	**105**	**125**	**113**	**16**	**13**	**13**	**21**	**14**	**23**	**2**	**3**	**2**
OK	330	340	325	74	48	61	77	56	73	2	2	3
SD	205	210	205	33	32	31	36	26	34	2	1	2
TX	2,640	2,690	2,620	490	340	480	530	360	540	10	10	10
WA	185	185	159	35	32	22	34	35	47	1	2	1
Oth Sts	300	320	310	46	46	42	54	53	50	2	3	2
US	**10,763**	**11,152**	**10,870**	**1,810**	**1,523**	**1,760**	**1,967**	**1,634**	**1,973**	**67**	**76**	**69**

[1/] 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. [2/] Includes death losses, movement from feedlots to pastures, and shipments to other feedlots for further feeding.