

INCLUDED IN THIS ISSUE - SEPTEMBER 6, 2005

Crop Weather Agricultural Prices Received Feed Outlook

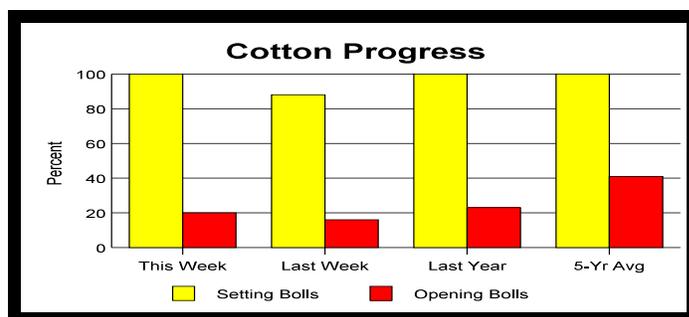
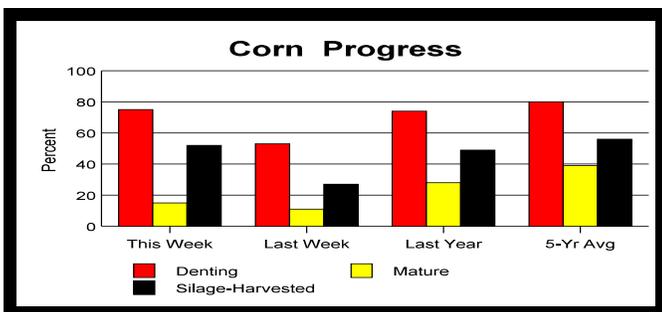
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CROP SUMMARY FOR THE WEEK ENDING SEPTEMBER 4, 2005

NEW MEXICO: There were 6.5 days suitable for field work. Topsoil moisture was 6% very short, 33% short, 60% adequate and 1% surplus. Wind damage was 11% light, 8% moderate and 1% severe. Farmers were busy planting wheat and harvesting silage and green chile. Alfalfa was in mostly fair to excellent condition with 93% of the fourth cutting complete, 46% of the fifth cutting complete and 16% of the sixth cutting complete. Cotton was in mostly fair to excellent condition with 100% setting bolls and 20% bolls opening. Corn was in fair to excellent condition with 100% doughed, 75% dented and 15% mature. Corn silage was 52% harvested. Sorghum was in mostly fair to good condition with 94% headed, 30% colored and 4% mature. Wheat was 38% planted. Peanuts were in fair to good condition. Lettuce was in fair to excellent condition and was 85% planted. Chile was 54% harvested with conditions reported as 12% poor, 23% fair, 52% good and 13% excellent. Apples were in very poor to fair condition. Pecans were in fair to excellent condition. Ranchers were busy branding and preparing calves to market. Cattle were reported as 6% poor, 15% fair, 69% good and 10% excellent. Sheep were 3% very poor, 6% poor, 16% fair, 54% good and 21% excellent. Range and pasture conditions were 4% very poor, 16% poor, 31% fair, 45% good and 4% excellent.

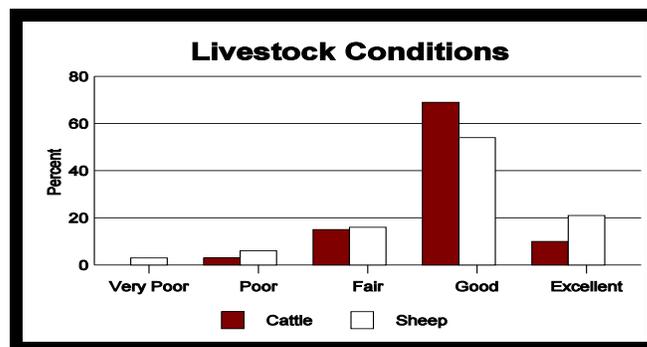
CROP PROGRESS PERCENTAGES WITH COMPARISONS

CROP PROGRESS		This Week	Last Week	Last Year	5-Year Average
CHILE	Harvested-Green	54	39	71	67
CORN	Denting	75	53	74	80
CORN	Mature	15	11	28	39
CORN SILAGE	Harvested	52	27	49	56
COTTON	Setting Bolls	100	88	100	100
COTTON	Opening Bolls	20	16	23	41
LETTUCE	Planted	85	80	97	95
SORGHUM	Headed	94	89	71	75
SORGHUM	Coloring	30	10	14	26
WHEAT	Planted	38	N/A	50	28



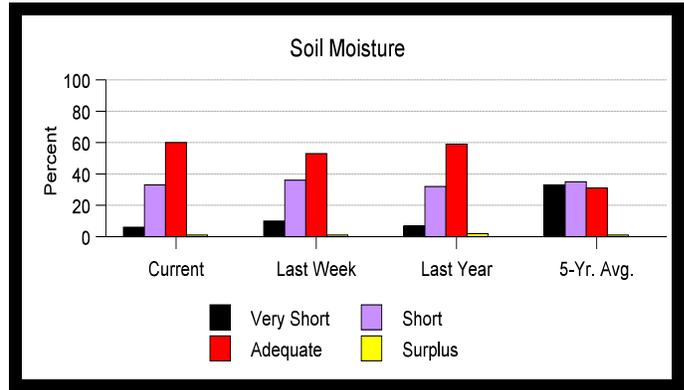
CROP AND LIVESTOCK CONDITION PERCENTAGES

	Very Poor	Poor	Fair	Good	Excellent
Alfalfa	--	1	48	37	14
Apples	50	30	20	--	--
Chile	--	12	23	52	13
Corn	--	--	28	59	13
Cotton	--	4	37	33	26
Lettuce	--	--	20	20	60
Peanuts	--	--	20	80	--
Pecan	--	--	27	31	42
Sorghum (All)	--	15	43	41	1
Cattle	--	3	15	69	10
Sheep	3	6	16	54	21
Range/Pasture	4	16	31	45	4



SOIL MOISTURE PERCENTAGES

	Very Short	Short	Adequate	Surplus
Northwest	13	53	30	4
Northeast	1	32	67	--
Southwest	27	70	3	--
Southeast	--	3	97	--
State Current	6	33	60	1
State-Last Week	10	36	53	1
State-Last Year	7	32	59	2
State-5-Yr Avg.	33	35	31	1



WEATHER SUMMARY

Relatively moist air remained over New Mexico during the week, helping to fuel a daily round of showers and thunderstorms that produced measurable rainfall at most reporting locations. Heaviest activity occurred in the Plains on Thursday, with Tucumcari reporting 2.93 inches of rain. Temperatures for the week ranged from close to normal in the east to generally 5 to 7 degrees above normal in the far west.

NEW MEXICO WEATHER CONDITIONS - AUGUST 29 - SEPTEMBER 4, 2005

Station	Temperature			Precipitation				
	Mean	Maximum	Minimum	08/29 09/04	09/01 09/04	Normal Sep	01/01 09/04	Normal Jan-Sep
Farmington	73.4	92	53	0.01	0.01	0.97	7.15	6.33
Gallup	69.1	88	50	0.20	0.20	1.31	10.57	9.67
Capulin	61.2	86	39	0.00	0.00	2.22	13.23	15.30
Chama	60.3	82	38	0.11	0.11	2.23	23.15	16.13
Johnson Ranch	65.6	90	40	0.34	0.34	1.33	6.96	9.05
Las Vegas	63.8	88	44	0.80	0.80	2.40	14.12	16.27
Los Alamos	61.2	82	39	0.38	0.38	2.12	17.05	15.30
Raton	64.1	90	45	0.02	0.02	1.61	13.84	14.64
Red River	54.5	78	35	0.09	0.09	1.66	19.18	16.69
Santa Fe	66.8	90	44	0.38	0.38	1.51	9.92	11.54
Clayton	69.1	87	53	0.07	0.07	1.77	13.04	13.38
Clovis	71.9	88	55	0.77	0.77	2.16	15.26	14.90
Roy	66.2	84	51	1.04	1.04	1.90	17.28	13.74
Tucumcari	72.9	92	56	2.93	2.93	1.47	16.82	12.45
Grants	67.4	90	45	0.35	0.35	1.56	6.53	8.51
Quemado	63.3	85	42	0.71	0.71	1.73	11.14	11.41
Silver City	0.0	0	0	0.00	0.00	2.22	13.74	12.86
Albuquerque	74.5	93	60	0.11	0.11	1.00	7.57	7.06
Carrizozo	71.2	93	50	0.32	0.32	1.88	11.58	10.12
Socorro	73.9	95	57	0.09	0.09	1.53	6.55	7.37
Gran Quivera	68.7	89	50	0.02	0.02	1.95	11.83	12.74
Moriarty	66.1	90	43	0.23	0.23	1.61	8.30	10.67
Ruidoso	61.7	83	43	0.21	0.21	2.50	15.08	17.53
Carlsbad	77.7	96	62	0.14	0.14	2.75	8.15	10.74
Roswell	72.9	91	57	0.79	0.79	1.87	10.85	10.64
Tatum	71.1	88	55	0.00	0.00	2.36	10.05	13.53
Alamogordo	78.2	97	62	0.09	0.09	1.99	10.40	9.91
Animas	78.3	97	63	0.10	0.10	1.68	7.70	8.76
Deming	78.1	98	60	0.01	0.01	1.63	5.82	8.11
Las Cruces	78.4	100	62	0.22	0.16	1.36	6.56	7.28
T or C	76.7	97	61	1.37	1.37	1.08	9.24	7.67

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

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

AGRICULTURAL PRICES RECEIVED

NEW MEXICO: Alfalfa hay prices in August averaged \$132.00 per ton, a \$2.00 increase over the July price of \$130.00 per ton. All Hay in August averaged \$130.00 per ton compared to \$127.00 in July. Cow prices in New Mexico for August averaged \$53.80 per hundredweight, a drop of \$1.50 from the previous month, but still \$1.90 above the national average of \$51.90. Steer and Heifer prices increased by \$1.00 to \$106.00 per hundredweight and were \$18.00 above the national average of \$88.00 per hundredweight. Calf prices dropped by \$1.00 to \$132.00 per hundredweight, \$1.00 above the national average of \$131.00 per hundredweight. Milk prices for the month increased by \$0.20 to \$14.20, but remained \$0.50 under the national average of \$14.70 per hundredweight.

Prices Received by Farmers: Selected Commodities, July 2005 and August 2004-05

Commodity	Unit	New Mexico			U.S. ^{1/}
		August 2004 ^{1/}	July 2005 ^{2/}	August 2005 ^{1/}	August
-----Dollars-----					
CROPS					
Grain Sorghum	Cwt.	--	--	--	3.68
Cotton, Upland	Lb.	--	--	--	.408
Potatoes	Cwt.	--	--	--	7.51
Hay, all baled	Ton	117.00	127.00	130.00	99.70
Alfalfa, baled	Ton	120.00	130.00	132.00	109.00
Peanuts ^{3/}	Lb.	--	--	--	.173
Corn	Bu.	--	--	--	1.89
Wheat, all	Bu.	--	--	--	3.21
LIVESTOCK					
Sheep ^{4/}	Cwt.	--	--	--	40.30
Lambs ^{4/}	Cwt.	--	--	--	109.00
Cows	Cwt.	58.60	55.30	53.80	51.90
Steers & Heifers	Cwt.	114.00	105.00	106.00	88.00
Calves	Cwt.	131.00	133.00	132.00	131.00
Milk	Cwt.	14.00	14.00	14.20	14.70

^{1/} Mid-Month. ^{2/} Entire month. ^{3/} In shell. ^{4/} July - entire month.

FEED OUTLOOK

USDA, ERS, AUGUST 16, 2005

Feed Grain Supply To Decline From Last Year: U.S. feed grain production in 2005 is forecast at 280 million metric tons, down 12 million from a month ago and down 40 million from 2004. This mainly reflects lower corn, sorghum, and barley production. Feed grain supply in 2005/06 is forecast at 340 million tons, down 3 percent from both last month and 2004/05. Forecast beginning stocks are down fractionally from last month, but up 103 percent from the previous year.

Total feed grain use is projected at 287 million tons in 2005/06, down 1 percent from the previous year. Domestic use of 233 million tons is down 3 million from last month and down 7 million from a year earlier. Feed and residual use in 2005/06 is expected to total 154 million metric tons and account for 54 percent of total use.

Corn Crop Forecast Down 7 Percent From Last Year: Corn production in 2005 is forecast at 10.35 billion bushels, down 435 million from last month and 1.457 billion below last year. This is the first survey-based forecast of the season and reflects August 1 conditions. The average corn yield is forecast at 139.2 bushels per acre, compared with last month's adjusted trend yield of 145 bushels and the actual 2004 yield of 160.4 bushels. The August 1 survey data indicate lower stalk and ear counts for

the combined 10 objective yield States (Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, South Dakota, and Wisconsin). This year's ear count total was 4 percent lower than last year's record high. Of the 23 States only conducting a farmer-reported survey, 19 States are expecting lower yields than in 2004. With the exception of Michigan, forecast yields are lower in all the Corn Belt States as warm, dry weather throughout the growing season depleted soil moisture levels and stressed the crop. Across the United States., yields are forecast lower than last year in 29 of the 33 published corn States. The largest decreases occurred in Missouri, Illinois, and Kansas.

Estimated acres of corn planted and harvested for grain were unchanged this month at 81.6 million planted and 74.4 million harvested, respectively. Plantings and harvested for grain are up 1 percent from 2004.

Sorghum Crop Forecast Down 16 Percent From Last Year: The first survey-based forecast for sorghum indicates production of 380 million bushels in 2005, down 20 million from last month and down 75 million from last year. Plantings and area to be harvested for grain were unchanged from last

month. Yields are forecast at 63.1 bushels per acre, down 3.2 bushels from the earlier projection (based on a yield model for major producing States adjusted for crop conditions), and down almost 7 bushels from 2004.

No changes were made in supplies or use in 2004/05 this month, so beginning stock was unchanged. Sorghum supplies in 2005/06 are down 19 million bushels from last month and down 61 million bushels from 2004/05 because of the lower production.

Given lower production, total use of sorghum in 2005/06 is expected to be down 15 million bushels from last month. Feed and residual use was lowered 10 million bushels this month and is down 40 million from the estimated use for 2004/05. Exports were lowered 5 million bushels this month, and are down 15 million from the forecasted 190 million bushels in 2004/05.

In the 2004/05 marketing year, prices received by farmers for sorghum are expected to average \$1.75 per bushel, 85 percent of the projected corn price and down from 99 percent in 2003/04. Prices in 2005/06 are projected at \$1.60-\$2.00, 89-91 percent of the corn price.

All Hay Production To Decrease: All hay production in 2005 is forecast at 150 million tons, down 8 million from 2004 because of lower harvested acres and lower yield than last year. The all-hay yield is expected to be 2.43 tons per

acre, down from 2.55 tons per acre in 2004. Harvested acres are unchanged from last month at 61.7 million acres, down from 61.9 million last year.

Alfalfa hay production, at 74 million tons, decreased 1.5 million tons from 2004. Forecast yields are 3.34 tons per acre, down from 2.55 tons in 2004. Harvested area is 22.1 million acres, unchanged from June but up 2 percent from 2004.

Other hay production is forecast at 76.1 million tons, down 6.3 million from last year. Yields are expected to average 1.92 tons per acre, vs. 2.05 tons last year. Harvested area at 39.6 million acres, is down from 40.2 million in 2004.

Roughage consuming animal units (RCAUs) in 2005/06 are estimated to be up nearly 3 percent from 2004/05. With hay production down and RCAUs up, hay supply per RCAU is 2.42 tons, compared with 2.57 tons in 2004/05.

The weighted average price for prices received by farmers for all hay was \$89.70 per ton in 2004/05, up from \$85.50 in 2003/04. The alfalfa hay price in 2004/05 was \$97.50 per ton, compared with \$90.80 in 2003/04. The weighted average price received by farmers for hay other than alfalfa and alfalfa mixtures was \$70.00 per ton in 2004/05, down slightly from \$70.90 in 2003/04.