



HAWAII DEPARTMENT OF AGRICULTURE
1428 South King Street
HONOLULU, HI 96814-2512

FACT FINDERS FOR AGRICULTURE

U.S. DEPARTMENT OF AGRICULTURE
Phone: (808) 973-9588
FAX: (808) 973-2909

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AUGUST EGG PRODUCTION 8 PERCENT BELOW YEAR AGO

Egg production during August, totaled **9.6 million eggs** (26,667 cases) 8 percent less than a year earlier, according to the *Hawaii Agricultural Statistics Service*. Fewer layers on hand with a lower average rate of lay accounted for the decline in production. The average number of layers on hand during August 2002 was 538,000, compared with 561,000 a year ago and 540,000 during July 2002. The average rate of lay was 1,784 eggs per 100 layers (57.5 percent lay rate) compared with 1,854 (59.8 percent) a



year ago. Cumulative egg production for the first 8 months of 2002 was 78.6 million eggs, 11 percent less than the same period in 2001.

U.S. EGG PRODUCTION

U.S. egg production totaled 7.35 billion during August 2002, up 2 percent from last year. Production included 6.26 billion table eggs and 1.09 billion hatching eggs, of which 1.03 billion were broiler-type and 61.0 million were egg-type. The total number of layers during August 2002 averaged 336 million, up 1 percent from a year earlier. August egg production per 100 layers was 2,189 eggs, up 1 percent from the 2,170 eggs in August 2001.

August 2002 contained 22 weekdays and five Saturdays, compared to August 2001 which contained 23 weekdays and four Saturdays.

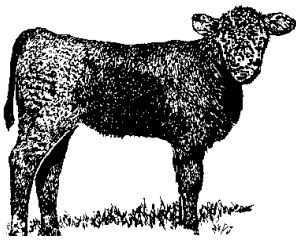
All layers in the U.S. on September 1, 2002 totaled 336 million, up 1 percent from a year ago. The 336 million layers consisted of 278 million layers producing table or commercial type eggs, 55.9 million layers producing broiler-type hatching eggs, and 2.51 million layers producing egg-type hatching eggs. Rate of lay per day on September 1, 2002, averaged 70.8 eggs per 100 layers, up 1 percent from a year ago.

Laying flocks in the 30 major egg producing States produced 6.89 billion eggs during August 2002, up 2 percent from a year ago. The average number of layers during August, at 315 million, was up 1 percent from a year ago.

Number of layers and egg production, State of Hawaii, August 2002 ¹

County	Number of layers on hand during month			Eggs per 100 layer		Total eggs produced			
	Aug. 2001	July 2002	Aug. 2002	Aug. 2001	Aug. 2002	Aug. 2001	Aug. 2002	Year-to-date	
	----- Thousands -----			--- Number ---		----- Millions -----			
Hawaii/Kauai/Maui	143	128	129	1,888	1,897	2.7	2.4	22.6	19.2
Honolulu	418	412	409	1,851	1,770	7.7	7.2	65.8	59.4
State	561	540	538	1,854	1,784	10.4	9.6	88.4	78.6

¹ State totals may not add due to rounding.



AUGUST MARKETINGS 36 PERCENT BELOW A YEAR AGO

Cattle marketings during August 2002 totaled 3,500 head, compared with 5,500 head a year ago and 2,400 head during July 2002. The decline in out-of-state shipments and local slaughter, accounted for the 36 percent drop in marketings when compared with a year earlier. Year-to-date marketings at 31,300 head were 17 percent less than the same 8-month period in 2001. The number of cattle and calves shipped out-of-State totaled 2,400 head compared with 4,300 a year earlier and 1,400 during July. Out-of-state marketings during the first two-thirds of 2002 was 23,300 head, 18 percent below the same period in 2001.

Cattle Marketings, State of Hawaii, August 2002

Month	Total Marketings ¹		Exports ²							
	Number of Head ³		Number of Head						Average Live Weight	
			Steers		Heifers		Total ³			
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
August	5,500	3,500	2,300	1,400	2,000	1,000	4,300	2,400	430	460
Year-to-date ⁴	37,600	31,300	16,400	13,900	12,000	9,400	28,400	23,300	440	440

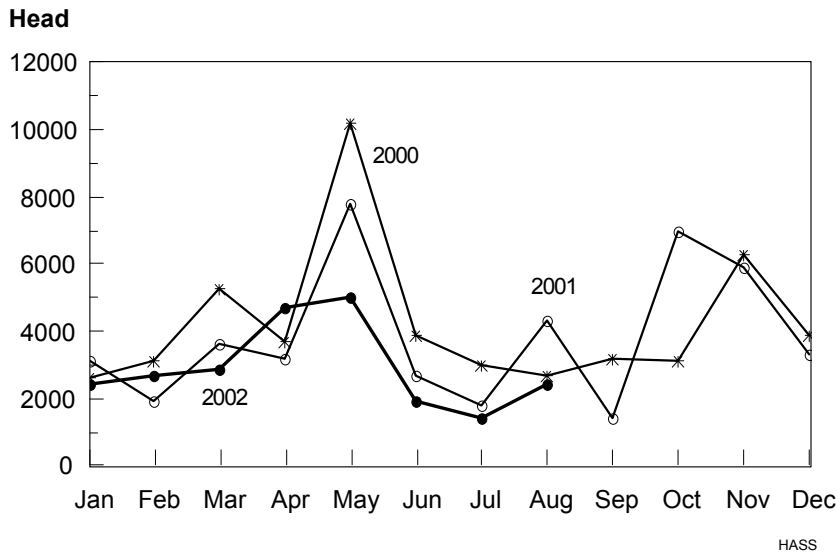
¹ Sum of Commercial Slaughter and Exports.

² Cattle and calves shipped out-of-State.

³ Total may not add to sum due to rounding.

⁴ Includes any revisions made to previous month figures.

CATTLE & CALF OUTSHIPMENTS STATE OF HAWAII, 2000-2002



SLAUGHTER CATTLE (U.S.)

Weekly Simple Average of Daily Quotations, Choice 2-4

Dollars per 100 pounds

Week ending	Steers	Heifers
	(1,100 - 1,300 pounds)	(1,000 - 1,200 pounds)
from California		
8-10-02	—	—
8-24-02	—	—
from Sioux Falls		
8-10-02	61.50	61.00
8-24-02	63.50	62.75

Source: Livestock, Meat and Wool Weekly Summary and Statistics; **Agricultural Marketing Service, Livestock and Seed Division**

DONALD A. MARTIN

State Agricultural Statistician

REGINA W. HIDANO

Agricultural Statistician

NILS K. MORITA

Research Statistician

JOYCE JAY

Statistical Assistant

KAREN A. LEE

Statistical Assistant

Contributing by County

James Yamaki	Hawaii
Robert Miyake	Hawaii
Naomi Landgraf	Maui
June Okamura	Kauai, Honolulu
Wendell Au	Honolulu

COMMERCIAL BEEF PRODUCTION 6 PERCENT BELOW A YEAR AGO

Commercial beef production (local slaughter) during August 2002 totaled 646,000 pounds, compared with 684,000 pounds a year earlier. Commercial kill for August 2002 totaled 1,100 head, 100 fewer than a year ago. Average live weight per head, at 1,069 pounds, was 5 percent heavier than a year ago. Cumulative production for the first eight months of the year was 4.5 million pounds, 10 percent below the same period last year.

U.S. BEEF PRODUCTION

Beef production, at 2.47 billion pounds, was 2 percent above the previous year. Cattle slaughter totaled 3.21 million head, down 1 percent from August 2001. The average live weight was 1,259 pounds, up 31 pounds from August a year ago.

PORK PRODUCTION DOWN 6 PERCENT FROM A YEAR AGO

Commercial pork production during August 2002 totaled 461,000 pounds, compared with 490,000 pounds a year ago. Total hog kill of 2,800 head was 500 fewer than a year ago. Average live weight per head, at 219 pounds, was 9 percent heavier than August a year ago. Cumulative production for the first 8 months of 2002 was 3.4 million pounds, 5 percent less than the same period in 2001.

Pork production totaled 1.64 billion pounds, up 2 percent from the previous year. Hog kill totaled 8.54 million head, 2 percent above August 2001. The average live weight was 259 pounds, up 1 pound from August a year ago.

U.S. PORK PRODUCTION

Commercial slaughter, State of Hawaii, August 2002 ¹

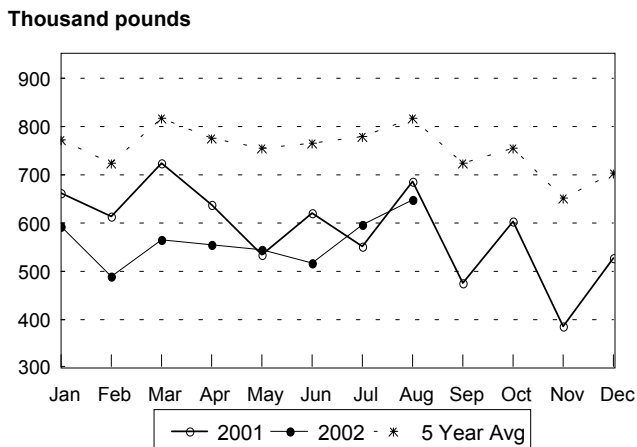
Species	Number of head		Average live weight		Total live weight ²		Total dressed weight	
	2001	2002	2001	2002	2001	2002	2001	2002
----- pounds ----- 1,000 pounds -----								
Cattle								
August	1,200	1,100	1,017	1,069	1,245	1,176	684	646
Year-to-date	9,200	7,900			9,152	8,197	5,024	4,500
Hogs ³								
August	3,300	2,800	201	219	653	615	490	461
Year-to-date	23,600	21,400			4,778	4,538	3,584	3,404

¹ Excludes non-inspected farm slaughter and live cattle and calves shipped out-of-state; includes custom slaughter.

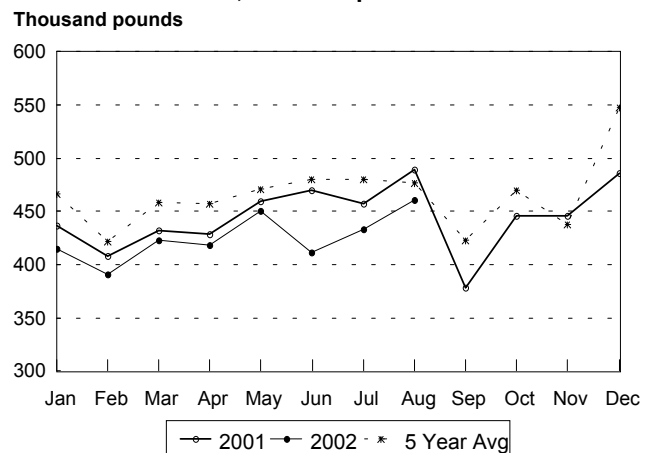
² Estimates based on 54.9 dressing percentage for cattle; 75.0 dressing percentage for hogs.

³ Excludes non-inspected farm slaughter; includes custom slaughter and live hog inshipments from the mainland for slaughter.

Commercial Beef Production, State of Hawaii 2002, with comparisons



Commercial Pork Production, State of Hawaii 2002, with comparisons



PASTURE AND LIVESTOCK CONDITION, SEPTEMBER 1, 2002



Hawaii County

Hilo and Puna:

Near normal to above normal rainfall during August, kept pastures in good to excellent condition. Rainfall at the higher elevations, however,

was lighter, resulting in lower soil moisture and lighter forage supply. Although isolated, an invasion of undesirable weeds was noticed in the Mountain View area. Cattle and calves were in fair to good condition.

Ka'u: Mostly dry conditions prevailed throughout the district leaving many pastures in fair to poor condition. However, more consistent and steady showers in the southern portion of the district helped to maintain those pastures in fair to good condition with good grass growth. Cattle and calves were in fair to good condition.

Kona: Light frequent showers, combined with the results from good rains received earlier this year, over most Central and South Kona sectors kept pastures in fair to good condition. Heavier rainfall activity near month's end may further improve pasture quality. Pastures located in North Kona continued mostly dry. Shower activity had been very light and confined mainly to the upper elevation pastures, leaving many lower elevation pasture poor with little dry feed on hand. Cattle and calves were in fair to good condition with some supplement being fed.

Kohala: Light rains during August, coupled with heavier rains at month's end, were generally beneficial for pastures in Kohala. Forage supplies remained adequate with prospects for new grass growth good. Rainfall along Kohala Mountain had started to recede upward leaving many lower elevation pastures dry. Lower elevation pastures in the Hawi and Upolu areas were green, while the Kawaihae and Mahukona

pastures were very dry, with little or no dry feed. Cattle and calves were in fair to excellent condition.

Hamakua: Near normal August rainfall totals had most pastures in good condition with an adequate supply of feed. Higher elevation pastures, however, were in need of more rains to help maintain new grass growth. Stock water supplies were adequate with water hauling kept to a minimum. Cattle and calves were in fair to good condition.

Honolulu County

Generally drier conditions prevailed during August. However, areas which received good rainfall during July were in better condition than areas receiving lighter rainfall during the past few months. This left most pastures and livestock in fair to good condition.

Kauai County

Near normal rainfall amounts along northern and eastern areas helped to maintain most pastures in fair to good condition. New grass growth was fair with forage supplies adequate. Drier conditions, however, prevailed along western and southern areas. Pastures were generally dry with sufficient old feed available in many areas. Cattle and calves were in fair condition.

Maui County

Except for three areas, mostly dry conditions prevailed throughout the county. Only the rain gage stations at Kahakuloa, Mahinahina, and Kula recorded above normal rainfall totals, with the rain gage stations at Kahului and Waikapu C recording zero amount. Most windward pastures were in fair condition with adequate supply of old feed. Many leeward and lower elevation pastures were dry and in poorer condition. Cattle and calves were in fair condition.

Rainfall Data Source: National Weather Service Forecast Office.
NWS-NOAA.

Disclaimer: Data from Hydronet state-wide network of automated rain gages. Gages are not certified and rainfall information is provided for informational purposes only.

U.S. AGRICULTURAL OUTLOOK

Pork Production to Reach Record Levels in 2002 & 2003

U.S. hog producers are expected to respond to higher feed costs by reducing the number of sows that farrow in 2003. Sow farrowings in 2003 are expected to decline about 1 percent from 2002. Pigs per litter are expected to increase slightly, as less productive sows are eliminated from the breeding herd. The pig crop is expected to be down about 1 percent next year, with slaughter to increase just slightly. Average dressed weights will be lower, with the higher cost of gain.

USDA produces a *Quarterly Hogs and Pigs* report. This information, combined with pork production figures for the first half of 2002, indicates record quantities of U.S. pork products, both this year and in 2003. USDA forecasts 2002 pork production at 19.8 billion pounds and 2003 production at 19.85 billion pounds. Both quantities exceed all previous U.S. production levels.

Total red meat and poultry production is expected to be about 85.3 billion pounds this year, but may decline slightly in 2003. This year's large meat production, combined with an 8-9 percent decline in exports and a 3-4 percent increase in imports, will create an abundant supply of meat for domestic consumption.

Hog Prices to Average in the Mid-\$30s in 2002 & 2003

Prices of 51-52 percent lean hogs (liveweight equivalent) ended the second quarter on a high note, averaging \$35 per hundredweight (cwt). Seasonally lower slaughter in June and higher demand for pork products, particularly since mid-June, have increased hog prices. With demand expected to remain comparatively strong through the summer months, prices are expected to average \$35-\$37 per cwt in the third quarter. Because of the seasonally heavy slaughter, prices are expected to decline into the high-\$20s per cwt in the fourth quarter of 2002, while first quarter 2003 prices are expected to average around \$34 per cwt. Second-quarter 2003 hog prices are expected to rise again, and average around \$37 per cwt.

Retail pork prices are expected to average about \$2.68

a pound this year and decline slightly in 2003. The difference between prices received by the producer, the wholesaler, and the retailer indicates the total price spread. The spread has averaged about \$1.86 a pound since 1999, but in second-quarter 2002 the total spread was \$2.06. Over the last 3 years, the wholesale-retail price spread has accounted for 80 percent of the total spread. So far in 2002, the wholesale-retail price spread accounts for about 82 percent of the total. The total price spread is expected to narrow toward the 3-year average next year, pointing to lower retail prices.

The U.S. is expected to export almost 6 percent less pork in 2002 than in 2001. Lower demand for U.S. pork products can be attributed generally to muted consumer demand resulting from slower-than-anticipated economic growth in foreign markets. Specifically, weakness in several markets has already been noted or is likely to become apparent in the near future.

U.S. Pork Imports Increase

So far through May 2002, the U.S. has imported 17 percent more pork than over the same period last year. About 80 percent of the U.S. imports are from Canada, representing the continuing integration of the U.S. and Canadian pork and food service industries. Denmark accounts for about 13 percent of U.S. imports. The American appetite for pork ribs is the primary factor driving Danish exports to the U.S.

Despite concerns about low fourth-quarter 2002 prices, and uncertainty surrounding requirements for Country of Origin Labeling contained in the 2002 Farm Act, the U.S. continued to import large numbers of live Canadian hogs. In the first 5 months of 2002, imports were 18 percent higher than for the same period last year. So far this year, nearly 64 percent of live Canadian imports have been feeder pigs destined largely for finishing in the Corn Belt States. The U.S. is expected to import 6.2 million hogs from Canada this year, 17 percent more than in 2001.

Source: *Agricultural Outlook, September 2002, Economic Research Service, United States Department of Agriculture.*

NEWS RELEASE

Farm Service Agency

ANNOUNCING MONETARY DROUGHT RELIEF BENEFITS FOR ELIGIBLE LIVESTOCK PRODUCERS

LIVESTOCK COMPENSATION PROGRAM (LCP)

Honolulu, Hawaii, October 1, 2002. The USDA, Farm Service Agency has announced the availability of the Livestock Compensation Program (LCP). The LCP provides drought disaster assistance in the form of monetary relief benefits to eligible livestock ranchers in counties that have received primary disaster designation due to drought in 2001 and/or 2002. Number, type, and weight of eligible livestock will determine the amount of assistance. The following are livestock eligible for LCP beef and dairy cattle, buffalo and beefalo (when maintained on the same basis as beef cattle), goats, and sheep.

Interested livestock producers with operational headquarters located in the State of Hawaii should contact the USDA Service Center or County FSA Office in the county where the livestock operation's headquarters are located. County FSA Offices in Hawaii are located at the addresses below:

Honolulu County FSA Office

Phone: (808) 483-8600

Fax: (808) 483-8615

Hawaii County FSA Office

Phone: (808) 933-8381

Fax: (808) 933-8345

Kauai County FSA Office

Phone: (808) 245-9014

Fax: (808) 246-4639

Maui County FSA Office

Phone: (808) 244-3100

Fax: (808) 244-7005

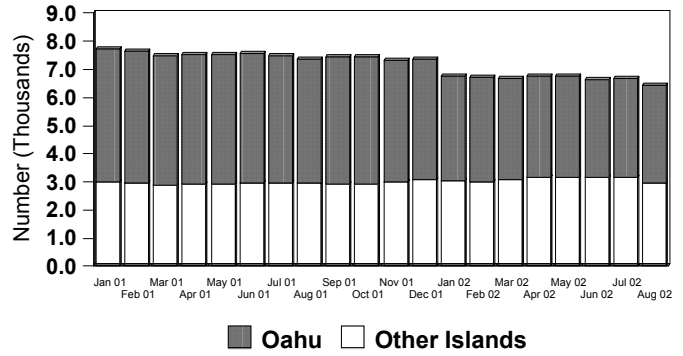
AUGUST OUTPUT LOWER



In August, Hawaii's dairy cows produced 7.9 million pounds compared to 8.9 million during the same month in 2001 and 8.5 million during the previous month. The cow inventory, both dry and in milk, numbered 6,500 head, 900 less than August 2001 and 200 below July 2002. During the month,

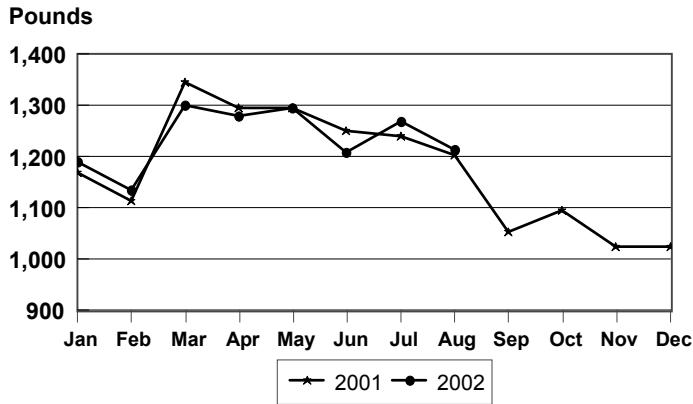
cows averaged 1,215 pounds, 10 pounds more than August last year but 55 pounds less than July. Production for the first eight months of 2002 was down 11 percent from the comparable period in 2001 to 66.5 million pounds.

Milk Cows
State of Hawaii, 2001-2002



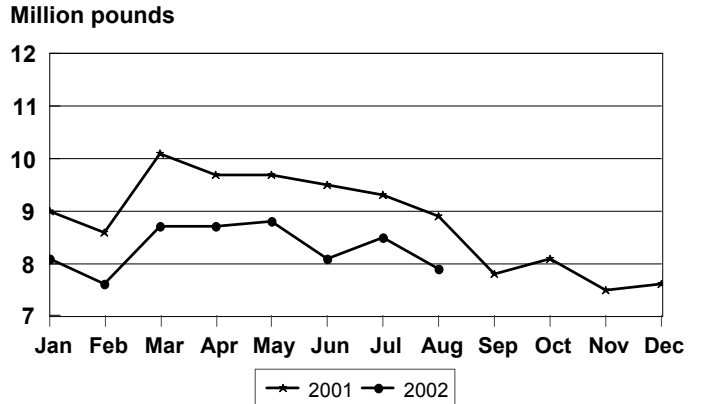
HASS

Milk Production Per Cow,
State of Hawaii, 2001-2002



HASS

Total Milk Production,
State of Hawaii, 2001-2002



HASS

Milk cows and milk production, State of Hawaii, August 2002

County	All milk cows ^{1,2,3}			Milk per cow ³		Milk production ^{1,3}			
	Aug. 2001	July 2002	Aug. 2002	Aug. 2001	Aug. 2002	Aug. 2001	Aug. 2002	Year-to-date	
	Number			Pounds		1,000 pounds			
Hawaii	2,950	3,170	2,950	1,005	980	2,965	2,885	23,355	23,605
Honolulu	4,400	3,500	3,500	1,350	1,435	5,940	5,015	51,465	42,905
State	7,400	6,700	6,500	1,205	1,215	8,900	7,900	74,800	66,500

¹ State totals may not add due to rounding.

² Includes dry cows and cows on non-commercial dairy farms.

³ Figures for 2001 are final but preliminary for 2002.

U.S. PRODUCTION UP 3.8 PERCENT

Milk production in the 20 major States during August totaled 12.2 billion pounds, up 3.8 percent from August 2001. July revised production, at 12.3 billion pounds was up 2.3 percent from July 2001. The July revision represented an increase of 1 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,568 pounds for August, 48 pounds above August 2001. The number of milk cows on farms in the 20 major States was 7.79 million head, 51,000 head more than August 2001, and 3,000 head more than July 2002.

Average farm prices, State of Hawaii, August 2002

Commodity	August 2001	July 2002	August 2002
	----- cents per pound -----		
Range steers and heifers ¹			
- <i>dressed weight</i>	78.0	79.0	77.0
- <i>(live weight equivalent)</i>	(42.8)	(43.4)	(42.3)
Cows ¹			
- <i>dressed weight</i>	50.0	52.0	52.0
- <i>(live weight equivalent)</i>	(27.5)	(28.5)	(28.5)
Market hogs ^{1 2}			
- <i>dressed weight</i>	113.0	115.5	114.0
- <i>(live weight equivalent)</i>	(84.8)	(86.6)	(85.5)
	----- dollars per 100 pounds -----		
Milk ³	25.90	23.30	23.30
	----- cents per dozen -----		
Eggs ⁴	84.0	83.0	83.0

¹Equivalent delivered slaughterhouse for sales on island of production and delivered shippers dock for off-island sales. Factors of 0.549 and 0.75 used to convert dressed weight prices to live weight equivalent for cattle and hogs, respectively.

²Includes roasters.

³Beginning 1999, monthly average price rounded to the nearest dime.

⁴Prices are for all eggs, equivalent delivered processing plant. Preliminary prices are based on processor reports from Hawaii, Kauai, Maui and adjusted Market Analysis & News Branch wholesale prices for Oahu. Final prices are based on processor reports from all islands.