

AG UPDATE

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LIVESTOCK SLAUGHTER - NOVEMBER 2008

Production of red meat in **Colorado** during November 2008 totaled 149.8 million pounds, 9 percent below the same month last year and 15 percent below October 2008. Beef slaughter was down 8 percent from a year ago to 171,500 head and the average live weight decreased 4 pounds to 1,337. Hog slaughter at 800 head was unchanged from the previous year but the average live weight decreased 1 pound to 260. Accumulated production of all red meat for the January-November 2008 period totaled 1.97 billion pounds, up 13 percent from the 1.74 billion pounds produced during the same period in 2007.

Commercial red meat production for the United States totaled 3.87 billion pounds in November, down 10 percent from the 4.30 billion pounds produced in November 2007. Beef production, at 1.96 billion pounds, was 12 percent below the previous year. Cattle slaughter totaled 2.52 million head, down 11 percent from November 2007. The average live weight was down 2 pounds from the previous year, at 1,302 pounds.

Veal production totaled 11.3 million pounds, 13 percent above November a year ago. Calf slaughter totaled 81,400 head, up 38 percent from November 2007. The average live weight was down 51 pounds from last year, at 240 pounds.

Pork production totaled 1.89 billion pounds, down 8 percent from the previous year. Hog kill totaled 9.32 million head, down 7 percent from November 2007. The average live weight was down 1 pound from the previous year, at 271 pounds.

Lamb and mutton production, at 12.9 million pounds, was down 20 percent from November 2007. Sheep slaughter totaled 193,700 head, 18 percent below last year. The average live weight was 133 pounds, down 3 pounds from November a year ago.

January to November 2008 commercial red meat production was 46.1 billion pounds, up 3 percent from 2007. Accumulated beef production was up 1 percent from last year, veal was up 2 percent, pork was up 7 percent from last year, and lamb and mutton production was down 5 percent.

| Red Meat Production - Colorado and United States | | | | | | |
|---|----------------|---------|---------|------------|----------|--|
| Area | Nov. | Oct. | Nov. | January-No | ovember | |
| And Species | 2007 | 2008 | 2008 | 2007 | 2008 | |
| | Million Pounds | | | | | |
| Colorado: | 165.5 | 177.1 | 149.8 | 1,739.6 | 1,969.6 | |
| United States: | 4,300.2 | 4,530.7 | 3,871.6 | 44,623.8 | 46,067.0 | |
| Beef | 2,228.8 | 2,342.0 | 1,960.9 | 24,359.1 | 24,482.5 | |
| Veal | 10.1 | 13.6 | 11.3 | 126.8 | 130.0 | |
| Pork | 2,045.2 | 2,160.1 | 1,886.5 | 19,970.1 | 21,296.0 | |
| Lamb & Mutton | 16.1 | 15.0 | 12.9 | 167.8 | 158.5 | |

1/ Totals may not add due to rounding.

CATTLE ON FEED - DECEMBER 1, 2008

The number of cattle and calves on feed for the slaughter market in Colorado feedlots with a capacity of 1,000 head or larger was estimated at 1,010,000 head as of December 1, 2008. The latest inventory was up 5 percent from November 1, 2008 but down 6 percent from the 1,070,000 on feed on December 1, 2007. Cattle feeders with 1,000 head or larger capacity marketed an estimated 130,000 head of fed cattle during November 2008. This is 13 percent below the marketings of the previous month and 10 percent below the marketings of a year ago. An estimated 185,000 cattle and calves were placed on feed during November, down 24 percent from the October 2008 placements, and down 3 percent from last year's placements of 190,000. Of the November placements, 27 percent weighed less than 600 pounds, 30 percent weighed from 600 to 699 pounds, 22 percent weighed from 700 to 799 pounds, and 22 percent weighed 800 pounds and greater. Other disappearance for November, at 5,000 head, equals the 5,000 head from last month and 5,000 head last year.

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.3 million head on December 1, 2008. The inventory was 6 percent below December 1, 2007 and 5 percent below December 1, 2006. Placements in feedlots during November totaled 2.02 million, 5 percent below 2007 but 7 percent above 2006. Net placements were 1.95 million head. During November, placements of cattle and calves weighing less than 600 pounds were 565,000, 600-699 pounds were 630,000, 700-799 pounds were 450,000, and 800 pounds and greater were 370,000.

Marketings of fed cattle during November totaled 1.58 million, 9 percent below 2007 and 12 percent below 2006. This is the second lowest fed cattle marketings for the month of November since the series began in 1996. Other disappearance totaled 67,000 during November, 18 percent above 2007 and 19 percent below 2006.

| Cattle on Feed, Colorado and United States, |
|--|
| 1,000 Plus Capacity, Nov. 1 to Dec. 1, 2007-2008 |

| | Colorado | | United States | |
|--------------------------|------------|-------|---------------|--------|
| Item | 2007 | 2008 | 2007 | 2008 |
| | 1,000 head | | | |
| On Feed Nov. 1 | 1,030 | 960 | 11,769 | 10,972 |
| Placements During Nov. | 190 | 185 | 2,125 | 2,015 |
| < 600 pounds | 55 | 50 | 685 | 565 |
| 660- 699 Pounds | 60 | 55 | 660 | 630 |
| 700 - 799 Pounds | 35 | 40 | 420 | 450 |
| 800 Plus Pounds | 40 | 40 | 360 | 370 |
| Marketings During Nov. | 145 | 130 | 1,738 | 1,575 |
| Other Disap. During Nov. | 5 | 5 | 57 | 67 |
| On Feed Dec 1. | 1,070 | 1,010 | 12,099 | 11,345 |

HOG AND PIG INVENTORY – DECEMBER 1, 2008

Colorado's December 1, 2008 inventory of all hogs and pigs, at 720,000 head, decreased 16 percent from a year ago and was down 3 percent from the September 2008 total. The breeding hog inventory of 155,000 head decreased 3 percent from December 1, 2007 but increased 3 percent from September 2008. The market hog inventory for December 1, 2008 was 565,000 head, down 19 percent from a year earlier and down 4 percent from September 1, 2008.

Colorado's 2007 pig crop of 2.79 million head was 6 percent below 2007. There were 313,000 sows farrowed during the December 2007 through November 2008 time period compared with 329,000 sows farrowed during the comparable period a year earlier. The 2007 average litter size was 8.90 pigs this year, down from 8.97 pigs per litter in 2007.

United States inventory of all hogs and pigs on December 1, 2008 was 66.7 million head. This was down 2 percent from both December 1, 2007 and September 1, 2008. Breeding inventory, at 6.08 million head, was down 2 percent from last year but up slightly from the previous quarter. Market hog inventory, at 60.6 million head, was down 2 percent from both last year and last quarter.

The September-November 2008 pig crop, at 28.4 million head, was down 4 percent from 2007 but up 6 percent from 2006. Sows farrowing during this period totaled 2.99 million head, down 6 percent from 2007 but up 1 percent from 2006. The sows farrowed during this quarter represented 49 percent of the breeding herd. The average pigs saved per litter was 9.50 for the September-November 2008 period, compared to 9.28 last year. Pigs saved per litter by size of operation ranged from 7.50 for operations with 1-99 hogs and pigs to 9.60 for operations with more than 5,000 hogs and pigs.

U.S. hog producers intend to have 2.97 million sows farrow during the December 2008-February 2009 quarter, down 3 percent from the actual farrowings during the same period in 2008 but up 2 percent from 2007. Intended farrowings for March-May 2009, at 3.01 million sows, are down 2 percent

from 2008 and down 1 percent from 2007. The total number of hogs under contract owned by operations with over 5,000 head, but raised by contractees, accounted for 43 percent of the total U.S. hog inventory, up from 39 percent last year.

Revisions

All inventory and pig crop estimates for March 2007 through September 2008 were reviewed using slaughter, death loss and current import and export data. Based on this review, adjustments of less than one half of one percent were made to the June 2008 total inventory and March-May 2007 pig crop. An adjustment of less than two percent was made to the March-May 2008 pig crop while an adjustment of less than one percent was made to the September 2008 total inventory.

| Hogs and | Pigs, | December | 1, 20 | 07-2008 |
|----------|-------|----------|-------|---------|
| | | | | |

| | Colorado | | United | States |
|----------------------------|------------|-------|---------|---------|
| Item | 2007 | 2008 | 2007 | 2008 |
| | 1,000 Head | | | |
| All Hogs & Pigs | 860 | 720 | 68,177 | 66,708 |
| Kept for breeding | 160 | 155 | 6,233 | 6,081 |
| Market | 700 | 565 | 61,944 | 60,627 |
| Under 60 lbs | 360 | 300 | 22,545 | 21,297 |
| 60-119 lbs | 90 | 70 | 15,173 | 15,096 |
| 120-179 lbs | 90 | 70 | 12,658 | 12,716 |
| 180 lbs. & over | 160 | 125 | 11,569 | 11,518 |
| Sows Farrowed 1/ | 329 | 313 | 12,247 | 12,190 |
| Pigs per litter <u>1</u> / | 8.97 | 8.90 | 9.22 | 9.41 |
| Pig Crop <u>1</u> / | 2,952 | 2,787 | 112,874 | 114,704 |

1/ Annual: December previous year - November current year

CHICKENS AND EGGS - NOVEMBER 2008

Colorado laying flocks produced 91 million eggs during November 2008, unchanged from a month earlier and from November 2007. The number of layers during November 2008 totaled 3.88 million, nearly unchanged from a year earlier but up 4 percent from the previous month. The average rate of lay for November 2008, at 2,344 eggs per 100 layers, compares with 2,342 eggs per 100 layers during November 2007 and 2,442 for October 2008.

United States egg production totaled 7.51 billion during November 2008, down slightly from last year. Production included 6.47 billion table eggs, and 1.04 billion hatching eggs, of which 970 million were broiler-type and 71 million were egg-type. The total number of layers during November 2008 averaged 339 million, down 2 percent from last year. November egg production per 100 layers was 2,217 eggs, up 1 percent from November 2007.

All layers in the U.S. on December 1, 2008 totaled 341 million, down 1 percent from last year. The 341 million layers consisted of 285 million layers producing table or market type eggs, 52.4 million layers producing broiler-type hatching eggs, and 3.03 million layers producing egg-type hatching eggs. Rate of lay per day on December 1, 2008, averaged 74.2 eggs per 100 layers, up 1 percent from December 1, 2007.

AGRICULTURAL PRICES - DECEMBER 15, 2008

The preliminary All Farm Products Index of Prices Received by Farmers in December, at 133 percent, based on 1990-92=100, decreased 8 points (5.7 percent) from November. The Crop Index is down 11 points (7.1 percent) and the Livestock Index decreased 4 points (3.2 percent). Producers received lower prices for cattle, corn, milk, and soybeans and higher prices for broilers, strawberries, lettuce, and hogs. In addition to prices, the overall index is also affected by the seasonal change based on a 3-year average mix of commodities producers sell. Increased monthly marketings of wheat, milk, broilers, and oranges offset decreased marketings of soybeans, corn, cattle, and grapes.

The December All Crops Index is 145, down 7.1 percent from November and 3.3 percent below December 2007. The December all wheat price, at \$5.91 per bushel, is down 37 cents from November and \$1.80 below December 2007. The corn price, at \$4.05 per bushel, is down 21 cents from last month but 28 cents above December 2007. The all hay price, at \$141 per ton, is down \$6.00 from November but up \$14.00 from last December. The soybean price, at \$8.97 per bushel, decreased 41 cents from November and is \$1.03 below December 2007. The all potato price, at \$9.11 per cwt, is up 20 cents from November and \$2.09 from last December. The all dry bean price, at \$34.30 per cwt, is down 20 cents from the previous month but \$7.00 above December 2007.

The December Livestock and Products Index, at 104, is down 5.5 percent from last month and 8.0 percent lower than last year. The December hog price, at \$42.40 per cwt, is up \$1.60 from November and \$2.80 higher than a year ago. The December beef cattle price of \$79.90 per cwt is down \$5.00 from last month and \$9.30 lower than December 2007. The December all milk price of \$15.90 per cwt is down \$1.20 from last month and down \$5.60 from December 2007.

| Index | 2007 | | 2008 | |
|------------------|-----------|-----|------|------|
| 1990-92 = 100 | Nov. Dec. | | Nov. | Dec. |
| | Percent | | | |
| Prices Received | 141 | 142 | 141 | 133 |
| Prices Paid | 165 | 166 | 181 | 177 |
| Ratio <u>1</u> / | 85 | 86 | 78 | 75 |

1/ Ratio of Index of Prices Received by Farmers to Index of Prices Paid, Interest, Taxes, and Farm Wage Rates.

Colorado's December 2008 crop prices averaged higher or remained unchanged from a year ago except for wheat. All livestock prices averaged below a year ago. Mid-December 2008 wheat, at \$5.08 per bushel, decreased \$1.43 from the previous month and was \$2.17 below December a year ago. Corn prices decreased 50 cents from November to \$4.00 per bushel but averaged 40 cents above December 2007. Potatoes decreased 50 cents to \$14.30 per cwt but averaged \$5.85 per cwt above the \$8.45 per cwt received in December 2007. Dry bean prices averaged \$43.00 per cwt in December, up \$2.70 from the previous month and \$12.60 above the same month in

U.S. DEPT. OF AGRICULTURE

2007. Mid-December 2008 alfalfa hay prices at \$170.00 per ton remained unchanged from the previous month but up \$30.00 from a year ago. Other hay prices at \$130.00 per ton up \$5.00 from the previous month and December 2007. Steer and heifer prices, at \$87.30 per cwt decreased \$6.80 from November and was \$18.70 per cwt below December 2007. December 2008 cow prices, at \$40.00 per cwt, averaged \$2.30 below the November price and \$5.20 below December a year ago. Calves, at \$98.50 per cwt, was down \$3.50 from the previous month and \$18.50 per cwt below December 2007. The December all milk price of \$16.00 was down \$1.10 from last month and decreased \$5.30 from a year ago.

| | | Colorado | | |
|----------------------|------|----------|---------------------|--------|
| | | Dec. | Nov. | Dec. |
| Item | Unit | 2007 | 2008 | 2008 |
| Crops | Cint | 2007 | Dollars | 2000 |
| Wheat | Bu. | 7.25 | 6.51 | 5.08 |
| Corn | Bu. | 3.60 | 4.50 | 4.00 |
| Barley (All) | Bu. | 3.43 | 5.21 | 2/ |
| Potatoes | Cwt | 8.45 | 14.80 | 14.30 |
| Dry edible beans | Cwt | 30.40 | 40.30 | 43.00 |
| Alfalfa hay (baled) | Ton | 140.00 | 170.00 | 170.00 |
| Other hay (baled) | Ton | 125.00 | 125.00 | 130.00 |
| Livestock & Products | TON | 125.00 | 125.00 | 150.00 |
| Beef Cattle | Cwt | 105.00 | 93.10 | 86.40 |
| Steers & heifers | Cwt | 106.00 | 94.10 | 87.30 |
| Cows | Cwt | 45.20 | 42.30 | 40.00 |
| Calves | Cwt | 117.00 | 102.00 | 98.50 |
| Sheep | Cwt | 30.00 | 30.00 | 3/ |
| Lambs | Cwt | 100.00 | 99.00 | 3/ |
| Milk sold to plants | Cwt | 21.30 | 17.10 | 16.00 |
| | | τ | Inited State | 5 |
| Crops | | | Dollars | |
| Wheat | Bu. | 7.71 | 6.28 | 5.91 |
| Corn | Bu. | 3.77 | 4.26 | 4.05 |
| Soybeans | Bu. | 10.00 | 9.38 | 8.97 |
| Barley (All) | Bu. | 4.44 | 5.41 | 4.36 |
| Barley (Feed) | Bu. | 4.79 | 3.32 | 3.01 |
| Sorghum | Cwt | 6.92 | 6.57 | 5.26 |
| Potatoes | Cwt | 7.02 | 8.91 | 9.11 |
| Dry edible beans | Cwt | 27.30 | 34.50 | 34.30 |
| Alfalfa hay (baled) | Ton | 135.00 | 163.00 | 155.00 |
| Other hay (baled) | Ton | 115.00 | 116.00 | 113.00 |
| Onions | Cwt | 4.39 | 10.60 | 9.00 |
| Livestock & Products | | | | |
| Beef Cattle | Cwt | 89.20 | 84.90 | 79.90 |
| Steers & heifers | Cwt | 95.30 | 91.00 | 85.70 |
| Cows | Cwt | 45.00 | 43.10 | 39.80 |
| Calves | Cwt | 120.00 | 106.00 | 101.00 |
| Sheep | Cwt | 30.20 | 27.00 | 3/ |
| Lambs | Cwt | 98.40 | 99.60 | 3/ |
| Hogs | Cwt | 39.60 | 40.80 | 42.40 |
| Milk sold to plants | Cwt | 21.50 | 17.10 | 15.90 |
| Broilers | Lb. | 0.400 | 0.460 | 0.480 |

Average Prices Received By Farmers 1/

1/ Prices received by farmers refer to prices at the point of first sale out of farmer's hands and should not be confused with prices of specific grades or classes of a particular agricultural commodity. They do not include direct government payments. 2/ Insufficient sales to establish a price 3/ Price not published to avoid disclosure of individual firms.

COLD STORAGE November 30, 2008

Frozen food stocks in refrigerated warehouses on November 30, 2008 were greater than year earlier levels for turkey, chicken, pork, and cheese.

Butter stocks were down 20 percent from last month and down 16 percent from a year ago.

Total red meat supplies in freezers were up 2 percent from the previous month and up 5 percent from last year. Frozen pork supplies were up 1 percent from the previous month and up 9 percent from last year. Stocks of pork bellies were up 59 percent from last month and up slightly from last year.

Total frozen poultry supplies on November 30, 2008 were down 13 percent from the previous month but up 28 percent from a year ago. Total stocks of chicken were up 4 percent from the previous month and up 14 percent from last year. Total pounds of turkey in freezers were down 36 percent from last month but up 79 percent from November 30, 2007.

UPCOMING REPORTS

Colorado and U.S. data from most of the following reports will appear in subsequent issues of AG UPDATE. However, those who have an immediate need for the data may call this office after 1:15 P.M. on the day of release - toll free 1-800-392-3202. The complete USDA report is also available on the Worldwide Web at: http://www.nass.usda.gov

- Jan. 11 Crop Production Annual
- Jan. 11 Grain Stocks
- Jan. 11 Winter Wheat Seeding 2007 Crop
- Jan. 17 Potato Stocks
- Jan. 18 Milk Production
- Jan. 23 Fruit Crops Annual
- Jan. 25 Cattle On Feed
- Jan. 25 Livestock Slaughter
- Jan. 25 Vegetables Annual

Bill Meyer Director Steve Anderson Deputy Director

Stocks in Storage, United States

| BIOCKS III | Stocks in Storage, United States | | | | | |
|--------------------------|----------------------------------|------------------|------------------|--|--|--|
| Commodity | Nov. 30, 2007 | Oct. 31, 2008 | Nov. 30, 2008 | | | |
| | 1,000 Pounds | | | | | |
| Butter | 143,244 | 149,391 | 120,114 | | | |
| Cheese, total natural | 805,921 | 828,973 | 821,263 | | | |
| Eggs, frozen | 15,184 | 22,358 | 21,404 | | | |
| Poultry, total frozen | 930,762 | 1,367,688 | 1,190,392 | | | |
| Chicken | 717,855 | 787,930 | 818,259 | | | |
| Turkey | 206,862 | 577,984 | 370,178 | | | |
| Fruits, frozen | 1,319,875 | 1,393,582 | 1,342,733 | | | |
| Fruit Juices, frozen | 935,857 | 1,433,835 | 1,425,420 | | | |
| Vegetables, total frozen | 2,366,537 | 2,621,466 | 2,561,255 | | | |
| Potatoes, total frozen | 1,078,427 | 1,201,464 | 1,212,301 | | | |
| Meats, total red | 968,357 | 1,004,641 | 1,020,665 | | | |
| Beef, total frozen | 475,307 | 465,063 | 474,320 | | | |
| Pork, total frozen | 474,571 | 510,827 | 517,235 | | | |

Data for this report are collected from public and private refrigerated warehouses storing commodities for 30 days or more. Stocks in space owned or leased by the Armed Forces are excluded. Food stocks held under bond are included in the storage data.