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The following estimates, forecasts, and projections are mainly taken from recent publications of the National Agricultural Statistics Service, Economic Research Service, and the World Agricultural Outlook Board of the USDA.

Corn. U.S. corn ending stocks for the 2003/04 marketing year are forecast by World Agricultural Outlook Board (WAOB) to total 901 million bushels, down 80 million bushels from the previous forecast, and 186 million bushels below the 2002/03 marketing year. Projected exports increased 25 million bushels from last month because of increased world import demand and the strong pace of sales to date. The average price for the 2003 crop is expected to be between $2.35 and $2.55 per bushel.

Soybeans. Ending U.S. soybean stocks for the 2003/04 marketing year are forecast by WAOB to total 125 million bushels, unchanged from the previous forecast, but 53 million bushels below the 2002/03 marketing year. Export and crush prospects are unchanged from last month. The average price for the 2003 crop is expected to be between $6.95 and $7.55 per bushel.

Wheat. U.S. wheat ending stocks for the 2003/04 marketing year are forecast by WAOB to total 534 million bushels, down 25 million bushels from last month due to increased exports. Projected exports are 25 million bushels above last month because of increased world import demand and higher-than-expected U.S. sales and shipments to date. Both HRW and SRW exports increased 10 million bushels while White wheat exports rose by 5 million bushels. The average price for the 2003 crop is expected to be between $3.30 and $3.40 per bushel.

Cattle. Mid-February **prices** for choice steers (Nebraska direct, 1100-1300 pounds) averaged $79 per cwt, down $3 from mid-January. Feeder steer prices (Oklahoma City, medium-large frame, 750-800 pounds) were roughly $87 per cwt, up $1 from a month ago.

Hogs. For the first two weeks of February, hog **slaughter** was roughly 2.4% above a year ago. Cash **prices** at mid-February (Iowa-Southern Minnesota direct, 51-52% lean) averaged $45 per cwt, up $8 from the mid-January price. First quarter prices are expected to average $39 per cwt.

Other Livestock. January **milk production** was down 0.9% from the previous year. Production per cow increased 0.3%, while the number of cows decreased 1.2% from a year earlier. The **cheddar cheese price** (U.S. 40 pound blocks, wholesale) was up the first two weeks of February. Total **cheese** production reported for the month of December 2003 was 0.8% above the previous year. **Butter** production during this same time period was 10.4% below last year. Production of **nonfat dry milk for human food** was down 0.2% from December 2002. US table **egg production** during January 2004 totaled 6.32 billion, up slightly from January 2003. Wholesale market **egg prices** for the first quarter of 2004 (Grade A large, New York) are expected to average 103-107 cents per dozen, compared with 77.2 cents a year ago. Second quarter 2004 egg prices are expected to average 92-98 cents per dozen, compared with 73.9 cents a year earlier. **Broiler**-Type chicks hatched during January 2004 totaled 774 million, up 2% from last year. Weekly Broiler-Type Placements in 19 selected states for the week ending Feb.14, 2004, were 166 million, up slightly from a year ago. Cumulative placements for the 19 selected states for the period December 28, 2003 - February 14, 2004 totaled 1.17 billion, up 1% from the 1.15 million chicks placed for the same period a year ago. The wholesale 12-city average price for whole **broilers** for the first quarter of 2004 is expected to be 68-70 cents, compared with 60.3 cents from the first quarter of last year. Second quarter 2004 broiler prices are expected to average 70-74 cents per pound, compared with the 59.6 cents for a year earlier. Turkey Poult Placements in January 2004, at

23.3 million, were down 8% from last January. Cumulative placements for the 2004 marketing year are 114 million poults, down 5% from a year ago. Prices (8-16 lb. hens, Eastern Region) for the first quarter of 2004 are expected to be 60-62 cents compared with 61.1 cents for the first quarter last year. Turkey prices for the second quarter of 2004 are expected to average 60-64 cents per pound, compared with the 60.6 cents average for the second quarter of 2004. **Supplies in refrigerated warehouses** at the end of January 2004 compared with a year earlier were: total chicken, down 26%; turkey, down 9%; pork, unchanged; bellies, up 78%; beef, down 10%; frozen orange juice, down 4%; butter, down 29% and American cheese, down 1%.

Trade. February U.S. **trade projections** for wheat, corn, and broilers improved while 2003/2004 export prospects for rice declined, compared with last month. Soybeans, cotton, beef, pork, and turkeys were unchanged from January. February projections for the volume of exports for the 2003/2004 marketing year compared to 2002/2003 are: **wheat** up 35%; **corn** up 26%; **rice** down 23%; **soybeans** down 14%; **soybean meal** down 29%; **soybean oil** down 62%; and **cotton** up 11%. February projections for the volume of meat exports in calendar 2004 compared to 2003 are: **beef** down 91%; **pork** up 3%; **broilers** up 7%; and **turkeys** up 5%. The **U.S. trade** deficit for goods and services increased to $42.5 billion in December, from a revised $38.4 billion in November. The **U.S. agricultural trade** surplus was $1.623 billion in December, compared with $2.179 billion in November.

Prices. The rate of **inflation**, as monitored by the **CPI** for all urban consumers, increased 0.5% in January and has increased 1.9% over the last 12 months. The January **prime rate**, averaging 4%, has been unchanged since July. Compared to a year earlier, **feed** prices in January were up 8%; **feeder livestock and poultry** were up 7%; **fertilizer** up 18%; **ag chemicals** down 2%; **farm machinery** up 1%**, seeds** up 9% and **fuels** up 6%.

World Weather and Crop Developments (February 8-15). In the **United States**, temperatures were again below normal across most of the Nation. Only in the Northeast, peninsular Florida, and coastal areas of the middle Atlantic Coast States and Pacific Northwest were temperatures slightly above normal. Average temperatures for the week were 6 degrees or more below normal in the Mississippi Delta, central and southern Great Plains, and Southwest, and were at least 12 degrees below normal across the central Rockies and Great Basin. Freezing temperatures reached as far south as the central Gulf Coast but missed the citrus-producing areas of Florida and Texas. Though the California citrus area had near-freezing temperatures, they were brief. Conditions were dry across most of the Nation, with the exception being the Gulf Coast, Mississippi Delta, and Southeast. Heavy rainfall inundated southern and central Louisiana, while moderate precipitation fell from eastern Texas to the southern Atlantic Coast States. The Great Plains and Corn Belt remained mostly dry, with only light, widely scattered precipitation. Dry weather persisted across winter grain areas in the Iberian Peninsula, while snow covered most winter crop areas in eastern **Europe**, providing protection from bitterly cold weather. In eastern **Asia** mostly dry, warmer-than-normal weather dominated primary winter grain and oilseed areas, with southern crops likely losing some winter hardiness. Cool, dry, weather prevailed throughout southeast **Asia**, reducing moisture supplies and slowing crop development. Dry weather returned to eastern **Australia**, but moisture supplies remained adequate for dryland and irrigated summer crops. In northwestern **Africa**, dry weather continued over the region, raising concerns about adequate moisture for winter grain development, particularly in Morocco. Late-week showers brought some relief to reproductive filling summer crops, especially in the corn belt of south **Africa**. A late-week storm brought snow to central **Turkey**, protecting dormant winter grains from much colder weather. Showers benefited immature summer crops in previously dry portions of **Argentina** and southern **Brazil's** northern crops.

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