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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 are forecast by the World Agricultural Outlook Board (WAOB) at 2.06 billion bushels for the 2004/05 marketing year compared with 958 million bushels for the 2003/04 season. Projected U.S. corn exports are down 50 million bushels from last month due to increased competition from Argentina and South Africa and smaller global imports. Domestic use for 2004/05 is unchanged from last month. The market year average price for the 2004 crop is expected to be between \$1.95 and \$2.15 per bushel.

Soybeans. U.S. soybean ending stocks for the 2004/05 marketing year are forecast at 410 million bushels by the WAOB, down 30 million bushels from the previous forecast, but still the highest since 1986/87. U.S. soybean exports are increased 35 million bushels from last month reflecting record shipments to China and reduced competitor supplies, particularly in Brazil. Crush prospects are reduced 5 million bushels from last month, to 1,650 million bushels, as lower domestic meal disappearance is only partly offset by higher prospective meal exports. The 2004/05 market year average price is projected between \$5.05 and \$5.45 per bushel.

Cattle. Mid-March **prices** for choice steers (Nebraska direct, 1100-1300 pounds) averaged \$92 per cwt, up \$3.00 from mid-February. Feeder steer prices (Oklahoma City, medium-large frame, 750-800 pounds) were roughly \$105 per cwt, up \$1.00 from a month ago.

Hogs. For the first two weeks of March, hog **slaughter** was running 0.1% below a year ago. Cash **prices** at mid-March (Iowa-Southern Minnesota direct, 51-52 percent lean) averaged \$48 per cwt, down \$1.00 from the mid-February price. Second quarter prices are expected to average \$53 per cwt.

Other. February **milk production** was down 0.7% from the previous year. However, production was 2.8% above last year after adjusting for the leap year. Production per cow decreased 1.0%, while the number of cows increased 0.3% from a year earlier. The **cheddar cheese price** (U.S. 40 pound blocks, wholesale) was up the first two weeks of March. Total **cheese** production reported for the month of January 2005 was 2.4% above the previous year. **Butter** production during this same time period was 4.6% below last year. Production of **nonfat dry milk for human food** was down 22.2% from January 2004. US table **egg production** during February 2005 totaled 5.90 billion, unchanged from February 2004. Wholesale market **egg prices** for the first quarter of 2005 (Grade A large, New York) are expected to average 66-67 cents per dozen, compared with 114.9 cents a year ago. Second quarter 2005 egg prices are expected to average 60-64 cents per dozen, compared to 79.7 cents a year earlier. **Broiler**-Type chicks hatched during February 2005 totaled 731 million, up slightly from last year. Weekly Broiler-Type Placements in 19 selected states for the week ending March 19, 2005, were 176 million, up 2% from a year ago. Cumulative placements for the 19 selected states for the period January 2, 2005 - March 19, 2005 totaled 1.92 billion, up 4% from the 1.85 million chicks placed for the same period a year ago. The wholesale 12-city average price for whole **broilers** for the first quarter of 2005 is expected to be 71-72 cents, compared with 73.2 cents from the first quarter of last year. Second quarter 2005 broiler prices are expected to average 71-75 cents per pound, compared with the 79.3 cents for a year earlier. Turkey Poults Placements in February 2005, at 21.3 million, were down 7% from last February. Cumulative placements for the 2005 marketing year are 130 million poults, down 5% from a year ago. Prices (8-16 lb. hens, Eastern Region) for the first quarter of 2005 are expected to be 66-67

cents compared with 62.1 cents for the first quarter last year. Turkey prices for the second quarter of 2005 are expected to average 67-71 cents per pound, compared with the 66.6 cents average for the second quarter of 2004. **Supplies in refrigerated warehouses** at the end of February 2005 compared with a year earlier were: total chicken, up 16%; turkey, down 18%; pork, up 14%; bellies, up 32%; beef, down 7%; frozen orange juice, down 4%; butter, down 30% and American cheese, down 7%.

Trade. March U.S. **trade projections** for wheat, soybeans, and cotton improved while 2004/2005 export prospects for corn declined, compared with last month. Rice, beef, pork, broilers, and turkeys were unchanged from February. March projections for the volume of exports for the 2004/2005 marketing year compared to 2003/2004 are: **wheat** down 9%; **corn** down 2%; **rice** unchanged; **soybeans** up 18%; **soybean meal** up 36%; **soybean oil** up 45%; and **cotton** down 4%. March projections for the volume of meat exports in calendar 2005 compared to 2004 are: **beef** up 39%; **pork** up 5%; **broilers** up 5%; and **turkeys** up 15%. The U.S. **trade** deficit for goods and services increased to \$58.3 billion in January, from a revised \$55.7 billion in December. The U.S. **agricultural trade** surplus was \$325 million in January, compared with \$799 million in December.

Prices. The rate of **inflation**, as monitored by the **CPI** for all urban consumers, increased 0.6% in February but has increased 3.0% over the last 12 months. The **PPI** increased 0.4% in February and has increased 8.4% over the last 12 months. The February **prime rate**, averaging 5.49%, was up from 5.25% in January. Compared to a year earlier, **feed** prices in February were down 14%; **feeder livestock and poultry** were up 22%; **fertilizer** up 11%; **ag chemicals** was unchanged; **farm machinery** up 11%, **seeds** up 1%, and **fuels** up 4%.

World Weather and Crop Developments (March 13-20). In the **United States**, temperatures were below normal across most of the Nation, except along the Pacific Coast, where above-normal temperatures prevailed. Light snowfall in the Pacific Northwest, northern Rocky Mountains, and northern Great Plains improved soil moisture conditions. However, expectations remained low for spring and summer runoff due to well-below-normal snow accumulation during the winter. An arctic air mass brought heavy snow and below-zero temperatures to the northern Corn Belt, while mostly dry but cool conditions prevailed across the remainder of the Corn Belt. Dry weather in the central and southern Great Plains was beneficial for winter wheat development. In the Delta and Southeast, stormy weather continued through most of the week, delaying land preparation and planting. However, fieldwork resumed over the weekend as drier conditions returned. Unseasonably mild weather likely prompted some early spring fieldwork in southern **Ukraine** and the Southern Region in **Russia**. Warm weather and adequate soil moisture benefited winter wheat in **China**. Showers intensified in **Indochina**, benefiting oil palm, while a typhoon struck the central **Philippines**, providing much-needed rain. In South **Africa**, mild, showery weather benefited immature corn and other summer crops in their final developmental stages. In the Middle East, dry weather benefited winter wheat, while locally heavy rain increased moisture supplies for cotton in **Iran**. Showers brought some relief to the drought-stricken south but came too late to significantly improve the condition of maturing soybeans in **Brazil**. Showers benefited immature second-crop soybeans but hampered harvesting of main-season summer crops in **Argentina**.

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