



**National
Agricultural
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Service**

Arizona Livestock October 2005

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Arizona Cattle on Feed Inventory Up 7 Percent From Last Year

On October 1, 2005, Arizona had 318,000 head of cattle on feed for the slaughter market, up 7 percent from a year ago and up 4,000 head from last month. Placements totaled 29,000 head, 4 percent above September 2004. During September, 24,000 head were marketed, 1,000 less than last September.

On October 1, 2005, California had 535,000 head of cattle on feed for the slaughter market, up 3 percent from last year, and up 5,000 from last month. Placements totaled 68,000 head, up 6 percent from last year. During September, 57,000 head were marketed, 3,000 less than last September.

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.5 million head on October 1, 2005. The inventory was slightly below October 1, 2004 but up 3 percent from October 1, 2003. The inventory included 6.87 million steers and steer calves, up 6 percent from the previous year. This group accounted for 66 percent of the total

inventory. Heifers and heifer calves accounted for 3.55 million head, down 11 percent from 2004.

Placements in feedlots during September totaled 2.36 million, 1 percent below 2004 and 5 percent below 2003. Net placements were 2.30 million head. During September, placements of cattle and calves weighing less than 600 pounds were 565,000, 600-699 pounds were 505,000, 700-799 pounds were 550,000, and 800 pounds and greater were 735,000.

Marketings of fed cattle during September totaled 1.82 million, 1 percent above 2004 but 11 percent below 2003.

Other disappearance totaled 57,000 during September, 7 percent below 2004 and 10 percent below 2003.

Cattle on Feed: Number on Feed, Number Placed on Feed, Number Marketed, and Other Disappearance, 1000+ Capacity Feedlots, By Month, State, and United States 2004-2005

State	Number on Feed 1/					Number Placed on Feed			Number Marketed			Other Disappearance		
	Oct 1, 2004	Sep 1, 2005	Oct 1, 2005			During September			During September			During September 2/		
			Number	as % of 2004	as % of Sep	2004	2005	2005 as % of 2004	2004	2005	2005 as % of 2004	2004	2005	2005 as % of 2004
	<i>1,000 Head</i>		<i>Percent</i>			<i>1,000 Head</i>		<i>Percent</i>	<i>1,000 Head</i>		<i>Percent</i>	<i>1,000 Head</i>		<i>Percent</i>
AZ	298	314	318	107	101	28	29	104	25	24	96	1	1	100
CA	520	530	535	103	101	64	68	106	60	57	95	4	6	150
CO	1,020	770	900	88	117	265	280	106	170	145	85	5	5	100
ID	275	250	270	98	108	84	69	82	53	48	91	1	1	100
IA	375	395	410	109	104	70	90	129	69	74	107	1	1	100
KS	2,220	2,210	2,250	101	102	520	510	98	410	455	111	20	15	75
NE	1,940	1,770	1,940	100	110	470	500	106	320	320	100	10	10	100
NM	136	135	136	100	101	29	26	90	19	22	116	3	3	100
OK	340	320	335	99	105	80	69	86	62	53	85	3	1	33
SD	143	132	130	91	98	41	40	98	35	40	114	1	2	200
TX	2,770	2,800	2,830	102	101	600	550	92	490	510	104	10	10	100
WA	180	139	153	85	110	48	40	83	42	25	60	1	1	100
Other Sts	285	235	275	96	117	76	84	111	45	43	96	1	1	100
US	10,502	10,000	10,482	100	105	2,375	2,355	99	1,800	1,816	101	61	57	93

1/ Cattle and calves on feed are animals for slaughter market being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade select or better.

2/ Includes death losses, Movement from feedlots to pasture, and shipments to other feedlots for further feeding.

Happy Thanksgiving

Lamb & Mutton Production at Record Low for September

Commercial red meat production for the United States totaled 3.93 billion pounds in September, up 1 percent from the 3.91 billion pounds produced in September 2004.

Beef production, at 2.16 billion pounds, was 3 percent above the previous year. Cattle slaughter totaled 2.78 million head, up 1 percent from September 2004. The average live weight was up 11 pounds from the previous year, at 1,276 pounds.

Veal production totaled 13.2 million pounds, 2 percent above September a year ago. Calf slaughter totaled 60,700 head, down 10 percent from September 2004. The average live weight was 43 pounds above last year, at 363 pounds.

Pork production totaled 1.74 billion pounds, down 2 percent from the previous year. Hog kill totaled 8.87 million head, 1 percent below

September 2004. The average live weight was unchanged the previous year, at 265 pounds.

Lamb and mutton production, at 15.6 million pounds, was down 4 percent from September 2004. Sheep slaughter totaled 231,300 head, 5 percent below last year. The average live weight was 135 pounds, up 2 pounds from September a year ago.

January to September 2005 commercial red meat production was 33.9 billion pounds, up slightly from 2004. Accumulated beef production was up slightly from last year, veal was down 7 percent, pork was up 1 percent from last year, and lamb and mutton production was down 4 percent.

Commercial Red Meat Production: By Arizona and United States 1/

Class	September 2004	August 2005	September 2005	September 2005 as % of 2/	
				September 2004	August 2005
	<i>1,000 Pounds</i>			<i>Percent</i>	
Arizona 3/ Total Red Meat	28,300	33,800	31,100	110	92
	<i>Million Pounds</i>			<i>Percent</i>	
United States					
Beef	2,105	*2,320	2,161	103	93
Veal	12.9	13.7	13.2	102	97
Pork	1,772	1,751	1,743	98	100
Lamb and Mutton	16.3	15.4	15.6	96	102
Total Red Meat	3,906	4,099	3,933	101	96

* Revised

1/ Based on packers' dressed weights and excludes farm slaughter.

2/ Percentages based on unrounded data.

3/ Breakdown by class not available, includes total beef, veal, pork, lamb, and mutton.

Cattle Feeding and Wholesale Sectors Squeezed; Supplies of Higher Grading Cattle Remain Very Tight

Cattle on feed on September 1, 2005, were up marginally from a year earlier and about 2 percent above 2003. August placements were 5 percent below August 2004 placements and 16 percent below August 2003 placements. Marketings were 6 percent above last year, but 2 percent below August 2003. Much of the increase from last year reflects an extra slaughter day in August 2005.

The price spread between Choice and Select carcasses continues to widen and indicates a relative shortage of Choice beef. The proportion of cattle grading Choice and higher in September averaged about 53 percent, down from about 56 percent a year earlier. The Choice/Select spread has widened to \$12 to \$14 per cwt. in the first half of October. Although larger numbers of feeder cattle weighing over 700 pounds have been placed on feed every month

over a year earlier (except July) since April, it seems unlikely that this is the primary source of the problem. Slaughtered weights continue at record or near record levels, and feedlot performance has apparently been fairly good. Steer weights are heavier than a year ago, and well above the low weights of 2003. The fact remains that fed cattle marketings have not graded up to expectations. These are the lowest percent grading Choice numbers observed since mid-to-late 2003, during the Canadian BSE incidents when U.S. marketings were being pulled forward to satisfy the strong beef demand. Packers continue to be squeezed by stronger fed cattle prices and unfavorable price spreads, leaving their margins in the red.

Source: Livestock, Dairy, & Poultry Outlook, October 18, 2005, Economic Research Service, USDA

September Milk Production Up 4.9 Percent

Milk production in the 23 major States during September totaled 13.0 billion pounds, up 4.9 percent from September 2004. August revised production, at 13.6 billion pounds, was up 4.8 percent from August 2004. The August revision represented an increase of 22 million pounds from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,597 pounds for September, 64 pounds above September 2004.

The number of milk cows on farms in the 23 major States was 8.16 million head, 54,000 head more than September 2004, and 1,000 head more than August 2005.

July-September Milk Production Up 4.2 Percent

Milk production in the U.S. during the July-September quarter totaled 44.0 billion pounds, up 4.2 percent from the July-September quarter last year. The average number of milk cows in the U.S. during the

quarter was 9.05 million head, 27,000 head more than the same period last year.

Milk Cows and Production: By State, September 2004-2005

State	Milk Cows 1/		Milk Per Cow 2/		Milk Production 2/		Percent change from 2004
	2004	2005	2004	2005	2004	2005	
	<i>1,000 Head</i>		<i>Pounds</i>		<i>Million Pounds</i>		<i>Percent</i>
AZ	165	161	1,660	1,740	274	280	2.2
CA	1,737	1,765	1,715	1,745	2,979	3,080	3.4
CO	103	106	1,750	1,855	180	197	9.4
FL	137	134	1,025	1,130	140	151	7.9
ID	431	470	1,780	1,860	767	874	14.0
IL	107	104	1,440	1,450	154	151	-1.9
IN	150	156	1,540	1,615	231	252	9.1
IA	191	187	1,580	1,610	302	301	-0.3
KS	115	112	1,550	1,650	178	185	3.9
KY	109	105	990	1,000	108	105	-2.8
MI	303	312	1,670	1,735	506	541	6.9
MN	465	450	1,365	1,435	635	646	1.7
MO	121	115	1,150	1,125	139	129	-7.2
NM	325	333	1,670	1,710	543	569	4.8
NY	654	649	1,420	1,515	929	983	5.8
OH	266	270	1,370	1,410	364	381	4.7
OR	120	121	1,565	1,550	188	188	0.0
PA	562	561	1,415	1,500	795	842	5.9
TX	320	320	1,405	1,515	450	485	7.8
VT	145	142	1,430	1,480	207	210	1.4
VA	104	105	1,290	1,300	134	137	2.2
WA	235	243	1,870	1,915	439	465	5.9
WI	1,239	1,237	1,440	1,520	1,784	1,880	5.4
23-State Total	8,104	8,158	1,533	1,597	12,426	13,032	4.9

1/ Includes dry cows, excludes heifers not yet fresh.

2/ Excludes milk sucked by calves.

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November 16.....Milk Production
 November 18.....Cattle on Feed
 November 18.....Farm Labor
 November 25.....Livestock Slaughter
 November 30.....Agricultural Prices

Steve Manheimer, Director
 Dave DeWalt, Deputy Director
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 Dianne Matta, Agricultural Statistician
 Jeff Lemmons, Agricultural Statistician
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October Farm Prices Received Index Decreased 7 Points From Last Month

The preliminary All Farm Products Index of Prices Received by Farmers in October, at 110, based on 1990-92=100, decreased 7 points (6.0 percent) from September. The Crop Index is down 11 points (9.8 percent) while the Livestock Index is unchanged. Producers received lower commodity prices for broilers, corn, eggs, and soybeans. Higher prices were received for cattle, sweet corn, wheat, and turkeys. The overall index is also affected by the seasonal change based on a 3-year average mix of commodities a producer sells. Decreased average marketings of dairy, sweet corn, grapes, and

wheat offset increased marketings of soybeans, corn, cotton, and cottonseed.

Preliminary All Farm Products Index is down 4 points (3.5 percent) from October 2004. The Food Commodities Index, at 115, decreased 6 points (5.0 percent) from last month and 3 points (2.5 percent) from October 2004.

Prices Paid Index Increased 1 Point

The October Index of Prices Paid for Commodities and Services, Interest, Taxes, and Farm Wage Rates (PPITW) is 143 percent of the 1990-92 average. The index increased 1 point (0.7 percent) from September and 7 points (5.1 percent) above October 2004. Higher

prices in October for feeder cattle, diesel fuel, LP gas, and feeder pigs offset lower prices for feed concentrates, complete feeds, feed grains, and gasoline.

Prices Received by Farmers: Arizona and United States, October 2004 and 2005 and September 2005

Commodity	Unit	Arizona			United States		
		October 2004 Entire Month	September 2005 Entire Month	October 2005 Mid-Month	October 2004 Entire Month	September 2005 Entire Month	October 2005 Mid-Month
Upland Cotton	¢ Lb	42.20	1/	1/	50.60	44.30	46.90
Cottonseed 2/	\$ Ton	170.00	---	149.00	107.00	96.00	89.40
Durum Wheat 3/	\$ Cwt	---	---	---	129.00	113.33	108.33
Alfalfa Hay Baled 4/	\$ Ton	95.00	120.00	120.00	100.00	107.00	106.00
Lemons 5/	\$ Box	26.70	28.10	27.20	25.60	28.80	27.10
Cows 6/	\$ Cwt	52.00	51.10	48.80	49.80	49.80	47.70
Steers and Heifers	\$ Cwt	107.00	102.00	103.00	91.10	92.30	96.00
Beef Cattle 7/	\$ Cwt	106.00	101.00	102.00	86.50	88.20	90.80
Calves	\$ Cwt	125.00	123.00	121.00	126.00	133.00	132.00
All Milk 8/	\$ Cwt	15.30	15.10	15.70	15.60	15.30	15.40

1/ Prices not published to avoid disclosure of individual operations.

2/ Marketing year August – February.

3/ Not available for Arizona.

4/ Mid-month.

5/ F.O.B. packed fresh Arizona box weights: Lemons 76 lbs.

6/ Beef cows and cull dairy cows sold for slaughter.

7/ "Cows" and "steers and heifers" combined.

8/ Preliminary; before for hauling. Includes quality and other premiums. Excludes hauling subsidies. October 2005 Fat test percent: all milk 3.71.

United States Price Index Summary Table

Index 1990-92 = 100	2004		2005	
	September	October	September	October
Prices Received	116	114	117	110
Prices Paid	135	136	142	143
Ratio 1/	86	84	82	77

1/ Ration of index prices received by farmers to index of prices paid.