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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 2005/06 marketing year are forecast by World Agricultural Outlook Board (WAOB) to total 2.40 billion bushels, down 25 million bushels from the previous forecast, but 287 million bushels above the 2004/05 marketing year. No changes were made to projected feed and residual use or exports, but projected use of corn to produce ethanol was up 25 million bushels from last month. The average price for the 2005 crop is expected to be between $1.75 and $2.05 per bushel, unchanged from last month.

Soybeans. Ending U.S. soybean stocks for the 2005/06 marketing year are forecast by WAOB to total 555 million bushels, up 50 million bushels from the previous forecast and 299 million bushels above the 2004/05 marketing year. If realized, this would be the highest ending stocks level on record. Projected U.S. exports were down 40 million from last month as record Brazilian exports reduced demand for U.S. soybeans. Crush prospects decreased by 10 million bushels, reflecting lower domestic soybean meal and oil consumption. The average price for the 2005 crop is expected to be between $5.20 and $5.80 per bushel.

Wheat. U.S. wheat ending stocks for the 2005/06 marketing year are forecast by WAOB to total 542 million bushels, unchanged from the previous month. No changes were made to projected imports, domestic use, or exports. The average price for the 2005 crop is expected to be between $3.35 and $3.45 per bushel.

Cattle. Mid-February **prices** for choice steers (Nebraska direct, 1100-1300 pounds) averaged $89 per cwt, down $3 from mid-January. Feeder steer prices (Oklahoma City, medium-large frame, 750-800 pounds) were roughly $107 per cwt, down $4 from a month ago.

Hogs. For the first two weeks of February, hog **slaughter** was running 1.1% above a year ago. Cash **prices** at mid-January (Iowa-Southern Minnesota direct, 51-52 percent lean) averaged $44 per cwt, up $7 from the mid-December price. First quarter prices are expected to average $43 per cwt.

Other. January **milk production** was up 5.4% from the previous year. Production per cow increased 4.1%, while the number of cows increased 1.3% from a year earlier. The **cheddar cheese price** (U.S. 40 pound blocks, wholesale) was down the first two weeks of February. Total **cheese** production reported for the month of December 2005 was 2.2% above the previous year. **Butter** production during this same time period was 5.9% above last year. Production of **nonfat dry milk for human food** was up 10.2% from December 2004. US table **egg production** during December 2005 totaled 6.70 billion, up 1% from December 2004. Wholesale market **egg prices** for the first quarter of 2006 (Grade A large, New York) are expected to average 69-71 cents per dozen, compared with 64.5 cents a year ago. **Broiler**-Type chicks hatched during December 2005 totaled 808 million, up 2% from last year. Weekly Broiler-Type Placements in 19 selected states for the week ending February 11, 2006, were 176 million, up slightly from a year ago. Cumulative placements for the 19 selected states for the period January 1, 2006 - February 11, 2006 totaled 1.05 billion, up 1% from chicks placed for the same period a year ago. The wholesale 12-city average price for whole **broilers** for the first quarter 2006 is expected to average 64-66 cents per pound, compared with the 71.9 cents a year earlier. **Turkey** poult placements in January 2006, at 24.4 million, were up 11% from January 2005. Cumulative placements for the 2006 marketing year are 114.0 million poults, up 5% from a year ago. Turkey prices (8-16 lb. hens, Eastern Region) for the first quarter of 2006 are expected to average 66-68 cents per pound, compared with the 65.9 cents average for the first quarter of 2005. **Supplies in refrigerated warehouses** at the end of January 2006 compared with a year earlier were: total chicken, up 46%; turkey, down 21%; pork, up 6%; bellies, down 3%; beef, up 1%; frozen orange juice, down 32%; butter, up 48% and American cheese, up 9%.

Trade. February U.S. **trade projections** for improved while 2005/2006 export prospects for soybeans and beef declined, compared with last month. Wheat, corn, rice, cotton, pork, broilers, and turkeys were unchanged from January. February projections for the volume of exports for the 2005/2006 marketing year compared to 2004/2005 are: **wheat** down 6%; **corn** up 2%; **rice** up 8%; **soybeans** down 17%; **soybean meal** down 10%; **soybean oil** up 2%; and **cotton** up 14%. February projections for the volume of meat exports in calendar 2005 compared to 2004 are: **beef** up 35%; **pork** up 4%; **broilers** up 4%; and **turkeys** up 5%. The **U.S. trade** deficit for goods and services increased to $65.7 billion in December, from a revised $64.7 billion in November. The **U.S. agricultural trade** surplus was $205 million in December, compared with $896 million in November.

Prices. The rate of **inflation**, as monitored by the **CPI** for all urban consumers, increased 0.8% in January and has increased 4.1% over the last 12 months. The **PPI** increased 0.3% in January and 5.7% over the last 12 months. The January **prime rate**, averaging 7.26%, was up from 7.15% in December. Compared to a year earlier, **feed** prices in January were up 5%; **feeder livestock and poultry** up 8%; **fertilizer** up 18%; **ag chemicals** up 2%; **farm machinery** up 2%, **seeds** up 8%, and **fuels** up 43%.

World Weather and Crop Developments (February 6-12). In the **United States**, temperatures averaged below normal across the Southeast, Mississippi Delta, southern Corn Belt, Ohio River Valley, and much of the Rocky Mountains. However, above-normal temperatures persisted across the rest of the Nation, including the Pacific Coast, New England, and most of the Corn Belt and Great Plains. Lack of protective snow cover, especially in the northern and central Great Plains, remained a concern for winter wheat growers. Adding to these concerns was the continued lack of precipitation across the Great Plains. In the southern Great Plains, warm, dry weather continued to stress winter grains. Elsewhere, moderate to heavy snowfall blanketed much of the Appalachians, middle Atlantic Coast, and Northeast, while moderate to heavy rainfall in the Delta and Southeast was welcomed. However, except for isolated pockets of light precipitation, the western half of the Nation was mostly dry. In **Brazil** beneficial rain covered soybean areas of the Center-West and northeast, but dryness limited moisture for reproduction in parts of the south. Showers maintained favorable prospects for vegetative winter wheat in northwest **Africa**. Showers kept reproductive to filling corn well watered in most major production areas of south **Africa**.

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