



Tennessee Market Highlights

UF Extension

July 3, 2009
Number :27

Livestock Comments by Emmitt L. Rawls

The fed cattle trade was a bit light for the holiday shortened week with most of the trade at \$82 to \$83.50, \$1 to \$2 higher than last week. Packers reduced buys in the face of lower wholesale values. Cutout values on 7/2 compared to 6/25 were down \$1.80 on the Choice and down .15 on the Select. At Midday Monday the Choice cutout was \$137.98 up .09 and the Select was \$132.66 up .22. The Choice Select spread was \$5.32 compared to \$6.83 a week ago. The 5 area prices thru last Thursday were \$82.81 live and \$131 dressed compared to \$80.74 and \$129.61 the week before and \$101.05 and \$159.72 a year ago. Some continuation of reduced processing by packers is likely this week as a result of their lower margins. Price weakness following the July 4 holiday is typical, though it did not occur last year. Over the past 10 years, in 8 years July prices averaged lower than June and the average decline over the 10 years was \$1.22. Typically the hot weather reduces the extent of picnics and outdoor grilling. Prices for fed cattle usually improve in August with those prices rising 7 of the past 10 years. The overall average increase has been \$1.12 per cwt. Prices for feeder steers and bulls were generally \$3 to \$4 higher on Wednesday of last week on Tennessee auctions, the last report available for Tennessee due to the holiday. The crop acreage report on 6/30 indicated the 2nd largest corn crop acreage on record and was followed by sharply lower corn prices.

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Crop comments by Chuck Danehower\Corn, wheat are down, cotton and soybeans up for the week and as traders start to consider the implications of the June 30 Acreage Report. This report was released on June 30 and contained several surprise numbers. Comments on this report can be found online at <http://economics.ag.utk.edu/outlook.html>. The Dollar traded up .57 from last week at 80.665. Crude Oil was down 2.54 dollar a barrel for the week trading at 66.73. On a disappointing jobs report, the Dow Jones Industrial Average was down 2% for the week. These outside influences along with the overall bearish tone of the Acreage Report will continue to put pressure on prices. The overnight electronic trading has been expanded with hours from 6 p.m. to 7:15 a.m. Central time. Grain buyers have been using the overnight trade in forward pricing before the regular market opens. USDA will release the monthly Supply & Demand Report on July 10.

Corn:

New Crop: September 2009 futures closed at \$3.46 bushel, down \$.46 bushel from last week. Weekly exports sales were 50.1 million bushels, above expectations. The June 1 corn stocks were estimated at 4.27 billion bushels or 80 million bushels over the average pre report guess. The ending stocks in future USDA reports will most likely be increased as this stocks number indicates more corn is available than was thought. The acreage report number of 87 million acres is no doubt bearish and a complete surprise to the market.

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Slaughter cows: not reported

Slaughter bulls: not reported

Feeder steers: not reported

Feeder heifers: not reported

Fed cattle: 5 area live price of \$82.81 is up \$2.07 and the dressed price is up \$1.39 at \$131.00

Feeder cattle index: \$98.68

Corn: September 2009 futures closed at \$3.46 bushel, down \$.46 bushel from last week

Soybean: August futures closed at \$11.54 bushel, up \$.26 from last week

Wheat: September 2009 futures contract closed at \$5.29 bushel, down \$.34 bu. from last week

Cotton: October Cotton futures closed at 59.00 cents/lb , up .41 cents/lb from last week

Livestock Comments by *Emmit L. Rawls*

Prices for 700 to 800 # steers historically improve about \$1.50 in July and another \$1 in August compared to June, as the fall fed cattle futures when these cattle would normally finish usually carry a premium relative to summer prices. Prices for 500 to 600# steers usually weaken about \$1.50 in August compared to June prices. The lower prices are usually offset by cheaper gains on summer grass, making the later marketing date more profitable. According to a CWT news release, the auditing of dairy herds was finished at the end of June with 367 herds in 41 states amounting to 101,000 cows being removed. In addition 818 bred heifers were removed. The early rush of moving those cows to market lowered prices about 10%, but prices have recovered most of that in late June. Unless there is a dramatic rise in milk prices, I expect there to be an additional dairy buyout sponsored by the Cooperatives Working Together (CWT) group this year.

TECHNICALLY SPEAKING: Based on Thursday's closing prices. August fed cattle closed at \$84.88. Support is at \$84.57, then \$84.02. Resistance is at \$85.12, then \$85.67. The RSI is 64.37. October cattle closed at \$90.22. Support is at \$89.67, then \$88.82. Resistance is at \$90.52, then \$91.37. The RSI is 66.33. August feeder cattle closed at \$103.45. Support is at \$102.73, then \$101.58. Resistance is at \$103.88, then \$105.03. The RSI is 77.12, an overbought condition. September feeders closed at \$102.13. Support is at \$101.35, then \$100.15. Resistance is at \$102.55, then \$103.75. The RSI is 73.68, again an overbought condition. Monday's closing prices were as follows: August fed cattle \$84.42 -.45; October cattle \$89.82 -.40; August feeder cattle \$103.80 +.35; September feeder cattle \$102.95 +.82; July corn \$3.43 down .02. Feeder cattle continue to be support by the lower corn market.

Crop comments by *Chuck Danehower*

If this acreage is correct, then instead of ending stocks below 1 billion bushels, we should have a comfortable 1.4 – 1.6 billion bushel carryover for the 09/10 marketing year with the potential for close to 2 billion bushels. This could be beneficial to building demand. As of June 28, the crop condition ratings for corn improved and were 72% in the good to excellent rating compared to 70% the previous week and 61% a year ago. Crops in the Western Corn Belt continue to look good, indicating above trend line yields may be achieved. In addition to chart gaps at \$4.25 - \$4.30, and \$4.00 - \$4.05, prices this week created another gap at \$3.60 - \$3.80. The latest gaps might get filled with a weather scare. If growing conditions remain favorable, the next weather watch will be harvest conditions and a later crop could be susceptible to frost damage. The September contract will probably be off the board by then. I would anticipate the market trading sideways to down as we go through the summer, looking for confirmation from yields as well as demand. Favorable growing conditions through harvest could cause prices to go below \$3.00 bushel. I am currently 40% forward priced and would look at any rallies as an opportunity to either increase forward pricing or use put options. There is support at the December 5, 2008 close of \$3.38 bushel. A December \$3.60 strike price put would cost \$0.32 bushel leaving a futures floor of \$3.28 bushel.

Deferred: The March 2009 futures contract closed at \$3.71 bushel, down \$.45 from last week. Producers planning on storing any un-priced corn will need to be following the deferred contract months.

Cotton:

Nearby: The October Cotton futures closed at 59.00 cents/lb, up .411 cents/lb from last week. Weekly exports sales were 156,200 bales, below expectations.

New Crop: The December 09 futures closed at 60.92 cents/lb. up 4.08 cents/lb. from last week. Cotton acreage is estimated at 9.05 million acres for 2009, a 240,000 increase from planting intentions. Tennessee acreage was listed at 340,000 acres, the 5th largest cotton state. The market quickly digested the acreage number and is looking more at the crop condition ratings, particularly in Texas where 4.9 million acre is estimated to have been planted. Crop condition ratings as of June 28 were 42% good to excellent compared to 44% last week and 45% last year. In the very poor to poor condition were 26% of the crop which compared to 22% last week and 22% last year. The Texas crop is deteriorating with 40% very poor to poor, 32% fair, and 28 % good to excellent. Currently it is estimated that 1.3 million of the 4.9 million acre Texas crop will be abandoned, with the possibility of more if timely rains don't develop. This could put the U.S. crop at around 12.8 million bales produced and ending stocks for 2009/10 in the 4 – 5 million bale range. Prices will need to move above the mid 60 cent range for producers to net additional benefits out of the loan program than what is currently offered. The market will continue to be sensitive to economic news as well as the U. S. dollar. I would look to evaluate options as a price enhancement tool – buying calls in the low to mid 50s and buying puts if prices reach the 68 – 72 cent

range.

Soybean:

Nearby: August futures closed at \$11.54 bushel, up \$.26 from last week. Weekly exports were a strong 16.3 million bushels, above expectations. USDA estimated June 1 soybean stocks at 597 million bushels up 11 million bushels over the pre report trade guess. This could indicate that soybean ending stocks won't be quite as tight at the end of the current marketing year.

New Crop: The November 2009 futures contract closed at \$10.06 bushel, up \$.15 from last week. The soybean market has reacted positively to the acreage report that planted soybean would be a record 77.5 million acres. Although a 1.5 million acre increase over the March report, it was 820,000 acres less than expected. In soybeans, the trade has shifted to yield potential as a drop of a bushel or two from current projections could tighten ending stocks for the 09/10 marketing year. The crop is a little later than average. Still, without yield problems, stocks will build to a more comfortable position and if South America has a normal crop, exports could drop from current projections and ending stocks swell. As of June 28, crop conditions have the crop rated at 68% good to excellent compared to 67% last week and 58% in 2008. There is a chart gap at \$10.50 - \$10.75 bushel that could get filled if weather concerns persist. I am 45% forward priced and would look at pricing another 5% in the \$10.50 - \$10.75 range. The next trailing stop trigger point is at \$9.76 bushel and if the market drops back to that point, I would price another 5%. If producers have not done so, start implementing a put option strategy either through a broker or grain elevator/buyer. Like forward pricing, start in increments of 5%-10% of anticipated production. Using put options a futures floor of \$9.37 bu. could be locked in - \$10.20 strike price minus \$.83 premium. I would encourage producers to use put options to set a floor, and still allow an upside if the market goes up.

Wheat:

Nearby: The September 2009 futures contract closed at \$5.29 bushel, down \$.34 bu. from last week. Weekly exports were 8.9 million bushels, about expected. The USDA estimate for June 1 wheat stocks of 667 million bushel was as expected. All wheat acreage of 59.8 million acres was a bearish surprise coming in 1.4 million acres above the average trade guess and above even the high side of the range of guesses. This has continued to put pressure on prices and could indicate a 09/10 ending stock number over 700 million bushels.

Deferred: The December 2009 futures contract closed at \$5.55 bushel, down \$.32 for the week. There is not a fundamental reason to be holding or storing wheat. Foreign production and the U.S. Dollar will however have an influence on the wheat market. Producers planning on wheat for 2010 will want to look for any rallies to price next year's crop. July 2010 wheat closed at \$5.95.

PRICES ON 7 TENNESSEE REPORTED LIVESTOCK AUCTIONS (\$/cwt)

July 3, 2009

	This Week Low	This Week High	This Week Weighted Average	Last Week Weighted Average	Year Ago Weighted Average
<u>Steers: Medium/Large Frame #1-2</u>					
300-400 lbs.	----	----	----	114.18	----
400-500 lbs.	----	----	----	104.40	----
500-600 lbs.	----	----	----	99.97	----
600-700 lbs.	----	----	----	95.91	----
700-800 lbs.	----	----	----	92.99	----
<u>Steers: Small Frame #1-2</u>					
300-400 lbs.	----	----	----	94.29	----
400-500 lbs.	----	----	----	91.46	----
500-600 lbs.	----	----	----	86.88	----
600-700 lbs.	----	----	----	-----	----
<u>Steers: Medium/Large Frame #3</u>					
300-400 lbs.	----	----	----	100.51	----
400-500 lbs.	----	----	----	93.41	----
500-600 lbs.	----	----	----	90.12	----
600-700 lbs.	----	----	----	85.71	----
700-800 lbs.	----	----	----	79.91	----
<u>Holstein Steer</u>					
300-400 lbs.	----	----	----	64.97	----
500-600 lbs.	----	----	----	65.62	----
700-800 lbs.	----	----	----	63.06	----
<u>Slaughter Cows</u>					
Breaking Utility	----	----	0.00	50.75	----
Cutter & Boning	----	----	0.00	49.25	----
Canner	----	----	0.00	42.00	----
Bull YG 1-2	----	----	0.00	63.25	----
<u>Heifers: Medium/Large Frame #1-2</u>					
300-400 lbs.	----	----	----	97.97	----
400-500 lbs.	----	----	----	93.90	----
500-600 lbs.	----	----	----	90.00	----
600-700 lbs.	----	----	----	86.83	----
<u>Heifers: Small Frame #1</u>					
300-400 lbs.	----	----	----	81.36	----
400-500 lbs.	----	----	----	80.12	----
500-600 lbs.	----	----	----	78.66	----
600-700 lbs.	----	----	----	-----	----
<u>Heifers: Medium/Large Frame #3</u>					
300-400 lbs.	----	----	----	87.65	----
400-500 lbs.	----	----	----	86.02	----
500-600 lbs.	----	----	----	82.08	----
600-700 lbs.	----	----	----	79.32	----

Cattle Receipts: This week: not reported

Week ago: not reported

Year ago: not reported

FUTURES SETTLEMENT PRICES
Crops & Livestock
Friday, June 26, 2009 - Thursday, July 2, 2009

Commodity	Contract Month	Fri. 26	Mon 29	Tues 30	Wed. 1	Thurs. 2
Soybeans (\$/bu)	Jul	12.01	12.15	12.26	12.58	12.43
	Aug	11.28	11.22	11.19	11.60	11.54
	Sep	10.46	10.36	10.30	10.68	10.61
	Nov	9.91	9.83	9.81	10.15	10.06
	Jan	9.92	9.86	9.83	10.17	10.08
	Mar	9.86	9.79	9.77	10.11	10.01
Corn (\$/bu)	Jul	3.84	3.77	3.48	3.52	3.46
	Sep	3.92	3.84	3.54	3.56	3.46
	Dec	4.04	3.97	3.67	3.69	3.58
	Mar	4.16	4.09	3.79	3.82	3.71
	May	4.24	4.18	3.88	3.92	3.81
	Jul	4.31	4.25	3.96	4.02	3.90
Wheat (\$/bu)	Jul	5.34	5.28	5.11	5.06	5.00
	Sep	5.63	5.58	5.41	5.35	5.29
	Dec	5.87	5.83	5.66	5.61	5.55
	Mar	6.04	6.00	5.83	5.79	5.73
	May	6.16	6.12	5.95	5.91	5.85
Soybean Meal (\$/ton)	Jul	405	411	412	418	411
	Aug	371	371	374	384	382
	Sep	338	336	339	349	349
	Oct	314	312	314	325	324
	Dec	306	304	306	316	315
	Jan	299	298	299	308	307
Cotton (¢/lb)	Jul	52.54	52.86	53.30	56.73	56.80
	Oct	54.89	55.00	55.63	58.63	59.00
	Dec	56.84	56.97	57.48	60.48	60.92
	Mar	59.37	59.41	59.72	62.72	63.19
	May	60.79	60.73	60.92	63.92	64.39
Choice Fed Cattle (\$/cwt)	Jun	82.47	84.62	-----	-----	-----
	Aug	82.40	85.40	85.25	85.75	84.87
	Oct	88.12	90.40	90.17	90.77	90.22
	Dec	88.67	90.25	89.75	90.12	90.05
	Feb	88.80	90.05	89.22	89.90	90.10
Feeder Cattle (\$/cwt)	Aug	98.97	101.72	102.82	103.77	103.45
	Sep	98.97	101.70	101.80	102.17	102.12
	Oct	98.57	101.32	101.55	102.25	102.47
	Nov	98.70	101.35	101.75	102.40	102.50
	Jan	98.00	100.20	100.45	101.00	101.40
Market Hogs (\$/cwt)	Jul	56.70	58.02	58.67	59.25	59.97
	Aug	57.70	58.62	60.65	60.70	61.15
	Oct	54.77	55.10	56.05	56.92	57.17
	Dec	55.85	55.32	55.70	57.20	58.25
	Feb	61.75	61.25	61.60	62.60	63.80

Milk Futures, Thursday , July 2, CME Futures

Month	Class III Close	Class IV Close
May	10.05	10.51
June	10.52	10.68
July	11.26	11.06
August	12.17	11.38
September	13.15	11.60

Feeder Cattle Sales

J U L Y	7	FAYETTEVILLE	TLP (TN LIVESTOCK PROD)
	8	MCMINNVILLE	WARREN CO. LIVESTOCK
	13	COOKEVILLE	CBBA
	14	FAYETTEVILLE	TLP
	21	FAYETTEVILLE	TLP
	28	FAYETTEVILLE	TLP
A U G	4	FAYETTEVILLE	TLP
	4	COLUMBIA	ALLIANCE CATTLE
	5	MCMINNVILLE	WARREN CO. LIVESTOCK
	7	SWEETWATER	FEEDER CALF SALE
	7	COLUMBIA	VIDEO BOARD SALE
	10	COOKEVILLE	CBBA
	11	FAYETTEVILLE	TLP
	12	MCMINNVILLE	PVP
	14	SWEETWATER	HOLSTEIN STEER
	18	FAYETTEVILLE	TLP
	24	SAVANNAH	FEEDER CALF SALE
	25	FAYETTEVILLE	TLP
26	MCMINNVILLE	WARREN CO. LIVESTOCK	
28	SWEETWATER	FEEDER CALF SALE	
S E P T	1	FAYETTEVILLE	TLP
	4	COLUMBIA	VIDEO BOARD SALE
	8	FAYETTEVILLE	TLP
	11	SWEETWATER	FC/SOUTHEAST PRIDE PLUS
	14	COOKEVILLE	CBBA
	14	COLUMBIA	FEEDER CALF SALE
	14	KNOXVILLE	PVP
	15	FAYETTEVILLE	TLP
	16	MCMINNVILLE	WARREN CO. LIVESTOCK
	18	SWEETWATER	HOLSTEIN STEER
	22	FAYETTEVILLE	TLP
	25	SWEETWATER	FEEDER CALF SALE
	29	FAYETTEVILLE	TLP
29	COLUMBIA	ALLIANCE CATTLE	
	2	COLUMBIA	VIDEO BOARD SALE
	6	FAYETTEVILLE	TLP
	7	MCMINNVILLE	WARREN CO. LIVESTOCK

O C T	9	SWEETWATER	FEEDER CALF SALE
	12	COOKEVILLE	CBBA
	13	FAYETTEVILLE	TLP
	20	FAYETTEVILLE	TLP
	23	SWEETWATER	FC/SELECT VAC
	26	COLUMBIA	HEREFORD CATTLE
	27	FAYETTEVILLE	TLP
	28	MCMINNVILLE	WARREN CO. LIVESTOCK
N O V	3	FAYETTEVILLE	TLP
	6	COLUMBIA	VIDEO BOARD SALE
	6	SWEETWATER	HOLSTEIN STEER
	9	COOKEVILLE	CBBA
	10	FAYETTEVILLE	TLP
	13	SWEETWATER	FEEDER CALF SALE
	17	FAYETTEVILLE	TLP
18	MCMINNVILLE	TLP	
D E C	1	COLUMBIA	ALLIANCE CATTLE
	1	FAYETTEVILLE	TLP
	4	COLUMBIA	VIDEO BOARD SALE
	8	FAYETTEVILLE	TLP
	9	MCMINNVILLE	WARREN CO. LIVESTOCK
	11	SWEETWATER	SEP PLUS
15	FAYETTEVILLE	TLP	

The following news summary is from the National Livestock Producers Association*

For more information please go to www.NLPA.org

NMPF Calls for Temporary Expansion of Dairy Price Support Program (DairyLea, 6/26) -- The National Milk Producers Federation (NMPF), of which DairyLea and DFA are members, asked the US Department of Agriculture today to boost its purchase price for cheese and milk powder in an effort to boost the current low milk prices that threaten the livelihoods of dairy farmers. NMPF says higher product prices will translate into higher farm-level prices. We will update you on the status of this program.

A Look at Climate Change Legislation in the Senate (Brownfield Network, 6/30) -- With the House passing the climate change bill last Friday, the focus now turns to the Senate. Darren Samuelsohn covers environmental and energy issues in Washington for the online subscription news service

Greenwire. He says the process will begin in the Senate when they return from the July 4th recess. The Environment and Public Works Committee chaired by Barbara Boxer of California will write the bill, "She's planning to have the legislation marked up in her committee at the end of July before the August recess." Samuelsohn says Boxer should be able to put the bill together easily in her committee because the Democrats have a four-or-five seat cushion in the committee and it includes "Some of the more liberal Senators in the whole Congress." Upon return from the August recess, five other Senate committees will deal with the measure, Agriculture, Commerce, Energy and Natural Resources, Finance and Foreign Relations. Samuelsohn says Senate Majority Leader Harry Reid wants all elements of the bill on his desk by September 18th. "He will then cobble all of those bills together into one giant package for floor debate," which should take place this fall.

NCFC Statement on the Peterson Climate Bill Compromise (National Council of Farmer Cooperatives, 6/25) -- "The National Council of Farmer Cooperatives commends House Agriculture Committee Chairman Collin Peterson on his efforts to secure an amendment to the Waxman-Markey climate change bill that begins to address the concerns that NCFC, along with many in

agriculture, have with this legislation,” said NCFC President Charles F. Conner today. “The Chairman’s work represents a solid first step towards achieving legislation that recognizes the importance and unique nature of agriculture, from farm to fork. “NCFC’s members fail to see the necessity to move this legislation forward in a compressed timeframe, thereby not giving the public the opportunity to fully gauge the total costs and benefits of the legislation. As such, while we strongly support Mr. Peterson’s amendment, NCFC can not endorse the overall legislation at this time.”

Concerns: Water Quality Policy (Southwest Farm Press, 6/25) -- Recent actions by the Federal Environmental Protection Agency (EPA) seem to signal a move away from locally-led, cooperative approaches to controlling nonpoint source pollution from agriculture and toward greater federal regulation, said Trey Lam, president of the Oklahoma Association of Conservation Districts (OACD) in a letter sent to the members of the Oklahoma Congressional Delegation.

Chambliss Blocks Regulatory Pick Over Animal Lawsuits (The Hill, 6/28) -- Sen. Saxby Chambliss (R-Ga.) has blocked President Obama’s candidate for regulation czar, Harvard law professor Cass Sunstein, because Sunstein has argued that animals should have the right to sue humans in court. Obama has picked Sunstein, his adviser and longtime friend, to head the Office of Information and Regulatory Affairs, an office that has power to review and assess all draft regulations proposed within the administration. But Chambliss worries that Sunstein’s innovative legal views may someday lead to a farmer having to defend himself in court against a lawsuit filed on behalf of his chickens or pigs.

USDA Launches New Recovery Act Website Highlighting USDA Efforts to Create Jobs and Stimulate Economic Growth (USDA, 6/26) -- Agriculture Secretary Tom Vilsack today launched a new USDA Recovery Act website, including features and functionality that will allow people to learn about, share, and discuss American Recovery and Reinvestment Act funding in states and communities throughout the country. The website, www.usda.gov/recovery, also includes a blog, podcasts, RSS feeds, and other interactive tools so that folks from throughout the country can participate by sharing stories and providing feedback about how USDA stimulus funding are impacting their community.

California Legislature Considers Changes to States Milk Pooling (Dairy Today, 6/22) --A controversial bill to amend California’s Gonsalves Milk Pooling Act has moved to the State Assembly for consideration. The legislative proposal, known as SB 362, would amend the state’s milk pooling plan, which allows for dairy producers to share revenues generated by milk sales in California. All processing plants, or pool handlers, now pay the minimum prices for their milk purchases from dairy producers into a statewide revenue pool. The pool is then equitably shared among all dairy producers that ship their milk to the pool handlers.

NMA v. California (National Meat Assn., 6/26) --Oral argument is scheduled at the Ninth Circuit Court of Appeals in San Francisco in the case of National Meat Association v. Brown. NMA has so far successfully argued that California's law which bans livestock downers is, in fact, preempted by the Federal Meat Inspection Act and therefore unenforceable. The state's appeal will be heard on August 10.

Florez's Antibiotic Bill Up For Hearing Wednesday Before Assembly Ag Committee (CattleNetwork, 6/30) -- Sen. Dean Florez's (D-Shafter) latest attempt to limit the use of antibiotics in animal agriculture. will be heard Wednesday before the Assembly Agriculture Committee. , Florez has turned to a tried and true tactic known as "gut and amend" whereby he took an existing bill, SB 562 that dealt with the citrus industry, and amended it so that it now mandates a warning on the label of any animal product derived from an animal that was administered a non-therapeutic dosage of an antibiotic. Many legislative observers believe that this new attempt at antibiotic labeling faces a rough road ahead as federal labeling laws preempt any attempts by state governments to label products. The Assembly Ag Committee hearing begins at 1:30 p.m. on Wednesday, July 1 in Room 126 of the Capitol.

If China Bans U.S. Chicken, Mixed Views on Impact (Meatingplace.com, 7/30) -- China appears to be on the verge of banning U.S. chicken imports, according to importers who say U.S. exporters will be denied import permits starting today, but analysts and industry leaders have mixed views on the impact it will have on the U.S. chicken industry. While no official confirmation has come from either the U.S. or Chinese governments, USA Poultry and Egg Export Council President James Sumner told the Wall Street Journal he has learned from "several importers" in China that the U.S. wouldn't receive any import permits from the country's ministry of commerce starting July 1.

Taiwan to Lift Ban on U.S. Beef (National Meat Assn., 6/26) -- The Ministry of Foreign Affairs for Taiwan has reported to the Taipei Times that it was optimistic that US beef would gain full access to the Taiwan market “sometime this year,” prompting the media to speculate the ban would be lifted by the end of this month or early next month. As a result of this, the Taiwan’s Democratic Progressive Party (DPP) caucus stated on June 24th that it plans to mobilize a massive campaign against the Department of Health (DOH) if the government agrees to a full opening to US beef products. The DPP will publicly launch a “one person, one call”

campaign to make the DOH aware of the public's objection to lifting the ban.

Canadian Plant Files to Buy Raided Iowa Slaughterhouse (USA Today, 6/23) -- The president of a Canadian plastics plant and two others filed court documents Tuesday to buy a struggling kosher slaughterhouse in northeast Iowa that was the site of a massive raid by immigration agents last year. Bankruptcy trustee Joe Sarachek said the move should end months of uncertainty for the plant, Agriprocessors Inc., and the town of Postville. The sale would be subject to the approval of a bankruptcy court. A previous attempt to auction the plant failed three months ago.

Ireland: Farmers in Urgent Call for Action on Milk Prices (Irish Independent, 6/23) -- Angry Irish farmers joined thousands of their European colleagues yesterday in an urgent call for action over falling milk prices. The Irish delegation was held up in traffic chaos as hundreds of tractors from Germany, France, Belgium and Lithuania descended on Luxembourg. They formed a 4,000-strong demonstration as a meeting of the EU Council of Agriculture Ministers got under way. Later riot police, armed with shields and batons, were forced to guard the entrance to the building as a militant faction tried to gain access to the gathering. The Irish Farmers' Association warned there were 30,000 Irish jobs under threat due to the massive slump in milk prices.

Iowa, Nebraska Producers Wrap Up Corn-Fed Beef Trade Mission in Korea (U.S. Meat Export Federation, 6/30) -- A delegation of corn and beef producers from Iowa and Nebraska wrapped up its Asian trade mission this weekend with a series of events in South Korea. The group had several meetings with retailers, distributors, cold storage operators and packer representatives, and observed a retail beef sampling promotion at an E-Mart outlet in Bundang, a southern suburb of Seoul.

More Stockyards Packing It In (USA Today, 6/26)

— Jim Woster, now retired, was among the many stockyard workers, farmers and ranchers, their children and grandchildren who made final trips this month across the catwalk. This week marked the last cattle sale at the stockyard, ending an era in which the Sioux Falls Stockyards was the focal point for livestock in this region.

Cattle Barn King Arrested for Grand Theft (Wadena Pioneer Journal, 6/27) -- The owner or co-owner of 15 cattle sale barns in Long Prairie, Motley, Fergus Falls, and other locations in three states was taken into custody in Fergus Falls June 23 and faces a class three felony theft charge in South Dakota. Joey J. Varner, 52, of Pierz, Minn., is accused of stealing 188 head of 800-pound heifer cattle reporting missing from the Watertown (S.D.) Livestock Auction on March 3, according to the Todd County (Minn.) Sheriff's Department.

Beware of Predatory Lenders (Drover's Alert, 6/24) -- The Wisconsin Department of Agriculture, Trade and Consumer Protection is cautioning producers, especially dairy farmers, that predatory loan companies are out in full force attempting to take advantage of the current economic situation. According to Paul Dietmann with the Wisconsin Farm Center, these are usually companies or individuals who offer to loan farmers about 60 percent of the value of their farm. Predatory lenders targeting farmers are charging exorbitant interest rates, putting in high closing costs and establishing short timelines with big balloon payments that come due in two or three years, Dietmann notes. The end result is often the creation of a situation where it is very unlikely the farmer will be able to pay the loan back, so the lender ends up with the farm for 60 cents on the dollar.

Farm Loans Surge as Demand for Livestock Product Falters (Lincoln Journal Star, 6/25) -- Dry milk exports to Europe are drying up. That's one of many contributing factors to a faltering livestock economy in Nebraska. It's also a precursor to what a Federal Reserve economist describes as the biggest national surge in requests for farm loans from the federal government in 20 years.

Approved applications for direct operating loans had reached almost \$65.8 million in Nebraska by mid-June, said Barta, state farm loan chief in Lincoln for the Farm Service Agency. That's up 72 percent from the same date last year, although it also reflects an increase in the individual loan cap from \$200,000 to \$300,000. Meanwhile, approved applications for farm ownership loans were at

almost \$33.7 million. That's up 28 percent. Confidentiality is Major NAIS Concern (Brownfield Network, 6/30) -- The 14th and final National Animal Identification System (NAIS) listening session was held just outside of Omaha Tuesday. As with previous sessions, there was very little support for a mandatory program. One of the major objections to NAIS is confidentiality. Ken Pruismann of Rock Valley, Iowa, president of the Iowa Cattlemen's Association, says it's a big concern with his group's members.

Neil Hammerschmidt, a NAIS coordinator with the USDA, says Secretary of Agriculture Vilsack and his staff will now begin the arduous task of reviewing the listening session comments and discussing how best to proceed.

Farm Aid Rallies Thousands In Urgent Call To USDA For Fair Milk Price (AgNetwork, 6/23) -- More than 13,200 Americans signed on to Farm Aid's petition to the U.S. Department of Agriculture (USDA) this month, which called on Secretary Tom Vilsack to take immediate action to stop the loss of dairy farmers due to low milk prices. According to Farm Aid and its supporters, the dairy crisis is threatening the health of local and regional economies and promising increased reliance on imports and factory farms for dairy products. Food and Water Watch rallied its members to sign Farm Aid's petition and a push by Food Democracy Now! resulted in an additional 9,000 faxes to the USDA.

Bank of America Partners Up with HSUS (National Meat Assn., 6/26) -- Just when you thought the banks couldn't make things any worse for themselves. Bank of America found itself in hot water last week for partnering with the Humane Society of the United States (HSUS). The bank's MyExpression program is offering an HSUS checking account, and a Visa check and credit card. Both of these products financially support HSUS. According to the Bank of America, it will donate 25 cents to the animal rights organization for every \$100 in purchases made with the HSUS WorldPoints Platinum Plus Visa credit card.

CattleNetwork has issued a template letter for livestock producers to submit to Bank of America expressing their concerns about providing financial support to HSUS. This template can be viewed at on their website at www.cattlenetwork.com. In response to this, Bank of America senior vice president in Amarillo, Texas issued a letter to the cattle industry which is also posted on CattleNetwork's website referencing the importance of the industry to Bank of America and says "the matter has been elevated and is being looking into so that we can further address your concerns."

U.S. Seeks New Approach to Food Security: Vilsack (Reuters, 6/29) -- The United States will shift its emphasis in the fight against global hunger from giving emergency aid to helping countries produce more of their own food, U.S. Agriculture Secretary Tom Vilsack said on Monday. Under the new approach, the United States will focus on providing expertise and training to boost agricultural productivity abroad, Vilsack said in a speech to the Chicago Council on Global Affairs.

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