Tennessee Market Highlights

UT Extension

July 10, 2009
Number :28

Livestock Comments *by Emmit L. Rawls*

The fed cattle trade took place a little earlier than recent weeks as cutout values were lower on Thursday following modest strength early in the week. In addition some weakness in fed futures gave cattle feeders little reason to hold for steady to higher prices. Most cattle sold for $81.50 to $82, $1 to $1.50 lower than a week ago with dressed prices mostly $129. The 5 area weighted average prices were $81.32 live and $129.38 dressed, compared to $82.81 and $131 last week. A year ago the live average was $99.52 and dressed prices averaged $158.03. It is also noteworthy that Omaha corn was $3.05 this week compared to $6.30 a year ago. Cutout values Thursday compared to a week ago were down .67 on the Choice and down .19 on Select. At midday the Choice was $137.40 down .12 and Select was $132.51 +.22. The Choice Select spread was $4.89, down from $5.32 a week ago. The spread continues to reflect weakness in the demand for the higher valued product used more in mid range and higher priced restaurants. On Tennessee auctions on 7/8 feeder steers and bulls were called steady to $4 higher with feeder heifers steady. Slaughter cows and bulls were called $2 to $5 lower. Receipts on the auctions this week averaged 978 head on 8 reported markets, compared to 765 on 5 markets a week ago and 788 on 16 markets a year ago. Current fed cattle projections by the Livestock Market Information Center are for 3rd qtr. $82 to $84 and 4th qtr. $85 to $89.

Continued on page 2

Crop comments *by Chuck Danehower*

As the market continues to digest the June 30 acreage, wheat, corn, soybeans are down, with cotton up slightly for the week. Funds liquidated their positions early in the week putting additional pressure on grain and soybean prices. The Dollar traded down .21 from last week at 80.46, but was stronger earlier in the week. Crude Oil was down 10.5 % for the week at mid-day trading at 59.84 a barrel. The Dow Jones is down 2% for the week at mid day on Friday. Positive export sale data was released on Thursday which gave a little life to the market. USDA released their monthly Supply & Demand Report on July 10. Overall, the report had a bearish tone, but there were no real surprises. A summary table for the current marketing year and the 2009/2010 year is at the end of this report and more detailed comments can be found at http://economics.ag.utk.edu/outlook.html .

Corn:

New Crop: September 2009 futures closed at $3.28 bushel, down $.18 bushel from last week. Weekly exports sales were 45.9 million bushels, above expectations. The 08/09 U.S. corn ending stocks were raised 177 billion bushels to 1.77 million bushels, slightly higher than expected. The projected ending stocks for 09/10 were increased 460 million bushels to 1.55 billion bushels. After the increase in corn planted acres in the June 30 USDA report, this was not unexpected. As of July 5, the crop condition ratings for corn were about the same as 71% was in the good to excellent rating compared to 72% the previous week and 62% a year ago. *Continued on page 2*

Slaughter cows: $2 to $5 lower

Slaughter bulls: $2 to $5 lower

Feeder steers: not well tested

Feeder heifers: not well tested

Fed cattle: 5 area live price of $81.32 is down $1.49 and the dressed price is down $1.62 at $129.38

Feeder cattle index: Wednesday's index $99.15

Corn: September 2009 futures closed at $3.28 bushel, down $.18 bushel from last week

Soybean: August futures closed at $10.45 bushel, down $1.09 from last week

Wheat: September 2009 futures contract closed at $5.19 bushel, down $.10 bu. from last week

Cotton: October Cotton futures closed at 60.39 cents/lb, up 1.39 cents/lb from last week

Livestock Comments *by Emmit L. Rawls*

The Cooperatives Working Together (CWT) announced today that it will conduct its second dairy herd buyout of 2009 due to continued low milk prices and losses to milk producers. There will be a shortened bidding period which will end July 24 and the maximum bid allowed will be $5.25 per cwt. of milk. In addition to bidding for their milk herds, participating farmers will have the option of offering all of their bred heifers, at a flat price of $700 per animal. Milk cow slaughter increases during the current buyout lowered cull cow prices about $8 per cwt. at times. It was offset to some extent by reduced beef cow slaughter. The stronger dollar in the first half of this year has also led to increased imports of lean beef from Australia. Hopefully, this second buyout of 2009 will be completed before Fall when beef cow slaughter typically increases due to culling before the Winter feeding period.

TECHNICALLY SPEAKING: Based on Thursday's closing prices. August fed cattle closed at $83.47. Support is at $83.23, then $82.53. Resistance is at $83.93, then $84.63. The RSI is 48.76. October cattle closed at $88.82. Support is at $88.43, then $87.68. Resistance is at $89.18, then $89.93. The RSI is 45.32. August feeder cattle closed at $102.95. Support is at $102.20, then $100.90. Resistance is at $103.87, then $105.47. The RSI is 56.07. September feeders closed at $103.30. Support is at $102.27, then $100.67. Resistance is at $103.87, then $105.47. The RSI is 63.01 nearing an overbought condition. Friday's closing prices were August fed cattle $83.47 unch; October $88.65 -.17; December $88.90 +.12; February $88.70 unch. August feeders $102.92 unch; September $103.22 -.07; October $103.22 +.12; November $103.50 +.62. July corn closed at $3.47 +.02 per bushel but .37 lower than on 6/26.

September feeder cattle have risen $6.62 per cwt. since 6/11 and October fed cattle futures have risen $1.60 per cwt. July corn has dropped .97 per bushel since 6/11. For the period 7/2 to 7/10 October fed cattle are $1.57 lower while September feeders are $1.10 higher. The September feeder cattle contract seems to have significant resistance at about $103. Higher fed cattle or lower corn could easily take out that resistance. How likely is that to happen? The decline in December corn futures so far is about what would be expected in an average year. Historically, fed cattle prices do increase from July into November. Reduced placements on feed should be positive for fed cattle prices this fall. So, the improvement in feeder futures gives the opportunity to buy some down side protection using put options or the Livestock Risk Protection (LRP) insurance.

Crop comments *by Chuck Danehower*

The Western Corn Belt and Eastern Corn Belt are in contrast as Iowa is rated 82% good to excellent compared to IL at 54%. Favorable weather is expected in the coming week. Additional chart gaps were created this week at $3.40 - $3.45 along with the $3.60 - $3.80 gap from last week. The market could be oversold at this point in the growing season and I would look for opportunities for prices to move up to fill those gaps. Producers will need to adjust their corn price outlook from this spring and from even a month ago. With favorable weather and the estimated planted acreage, prices could move below $3.00 at harvest. The market should continue to trade sideways to down as we go through the summer, looking for confirmation from yields as well as demand. I am currently 40% forward priced and would look at any rallies in the trading channel as an opportunity to either increase forward pricing or use put options.

Deferred: The March 2009 futures contract closed at $3.51 bushel, down $.20 from last week.

Cotton:

Nearby: The October Cotton futures closed at 60.39 cents/lb, up 1.39 cents/lb from last week. Weekly exports sales were 83,500 bales, below expectations. USDA lowered the 08/09 cotton ending stocks 600,000 bales on an increase in exports.

New Crop: The December 09 futures closed at 62.45 cents/lb. up 1.53 cents/lb. from last week. Cotton basically was the only bright spot in prices this week. The reduction in ending old stocks was favorable to new crop prices. The 09/10 cotton ending stocks were left unchanged from the June USDA report at 5.6 million bales. That left possibilities that ending stocks could be further reduced from either a pick up in exports from a worldwide economic recovery in 2010 or from a reduction in supplies. The Texas crop improved this week, but has a long way to go. Overall crop condition ratings as of July 5 were 42% good to excellent compared to 44% last week and 45% last year. 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.

Soybean:

Nearby: August futures closed at $10.45 bushel, down $1.09 from last week. Weekly exports were 45.2 million bushels, above expectations. USDA left 08/09 ending stocks unchanged at 110 million bushels, about what was expected by the trade.

New Crop: The November 2009 futures contract closed at $9.17 bushel, down $.89 from last week. Soybean prices declined hard this week as fund liquidation of positions contributed to a nearly limit down day earlier in the week. USDA estimated 09/10 carryover at 250 million bushels, 32 million bushels higher than the average trade guess. As of July 5, crop conditions have the crop rated at 66% good to excellent compared to 68% last week and 59% in 2008. As in corn, there is a 20% difference in rating from IA and IL reflecting the planting weather. Prices hit the trailing stop trigger of $9.76 during the week pricing another 5% for 50% forward priced overall with another 10% priced with put options. Current prices appear to be oversold for the current situation. There is a chart gap in the $9.75 - $9.90 range that if hit should be rewarded with catch up forward pricing, additional sales, or put options. A weather scare could rally prices to the $10.50 area, but with favorable weather soybean prices this fall could approach $8.00.

Wheat:

Nearby: The September 2009 futures contract closed at $5.19 bushel, down $.10 bu. from last week. Weekly exports were 21.5 million bushels, above expectation and a reflection that lower prices will help move the burdensome supplies. USDA lowered ending stocks for the 08/09 marketing year a scant 2 million bushels to 667 million bushels. The projections for the 09/10 marketing year are for an increase in carryover to 706 million bushels. This will continue to make it difficult for wheat prices to rally without foreign production problems.

Deferred: The December 2009 futures contract closed at $5.45 bushel, down $.10 for the week. Producers planning on wheat for 2010 will want to look for any rallies to $6.00 to price next year's crop. July 2010 wheat closed at $5.84, down $.09 for the week.

USDA U.S. 2008/09 Projected Supply & Demand (6/10/09)

	Wheat	Corn	Soybeans	Cotton
Planted (mil. acres)	63.1	86.0	75.7	9.47
Harvested (mil. acres)	55.7	78.6	74.6	7.57
Yield per acre	44.9 bu.	153.9 bu.	39.6 bu.	813 lbs.
Production (mil. bu. or bales)	2,500	12,101	2,959	12.82
Beg. Stocks	**306**	**1,624**	**205**	**10.04**
Imports	125	15	15	0.01
Supply	2,930	13,740	3,179	22.86
Total Domestic Use	1,248	10,170	1,822	3.55
Exports	1,015	1,800	1,260	13.30
Total Use	2,263	11,970	3,082	16.55
Ending Stocks(mil. bu. or bales)	**667**	**1,770**	**110**	**6.00**
Projected Season Avg. Price	$6.78 bu.	$4.05 bu.	$10.00 bu.	$0.49 lb.

USDA U.S. 2009/10 Projected Supply & Demand (6/10/09)

	Wheat	Corn	Soybeans	Cotton
Planted (mil. acres)	59.8	87.0	77.5	9.05
Harvested (mil. acres)	50.4	80.1	76.5	7.90
Yield per acre	41.9 bu.	153.4 bu.	42.6 bu.	805 lbs.
Production (mil. bu. or bales)	2,112	12,290	3,260	13.25
Beg. Stocks	**667**	**1,770**	**110**	**6.00**
Imports	115	15	10	0.01
Supply	2,894	14,075	3,380	19.26
Total Domestic Use	1,280	10,575	1,855	3.50
Exports	925	1,950	1,275	10.20
Total Use	2,205	12,525	3,130	13.70
Ending Stocks(mil. bu. or bales)	**706**	**1,550**	**250**	**5.60**
Projected Season Avg. Price	$5.30 bu.	$3.75 bu.	$9.30 bu.	$0.54 lb.

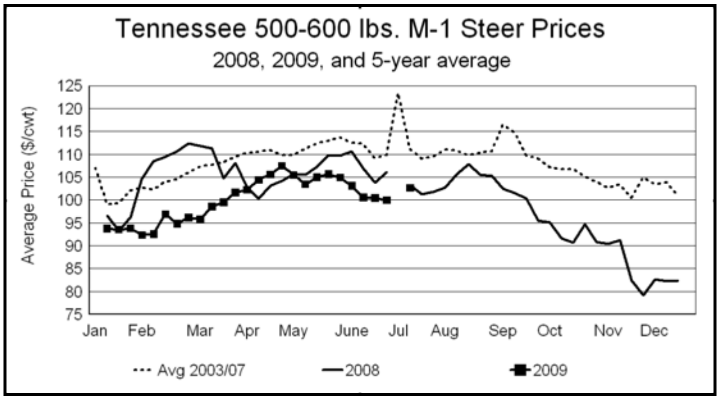
PRICES ON 7 TENNESSEE REPORTED LIVESTOCK AUCTIONS ($/cwt)

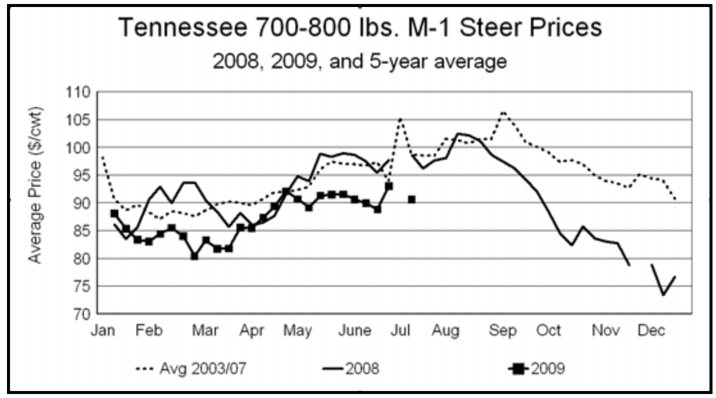
July 10, 2009

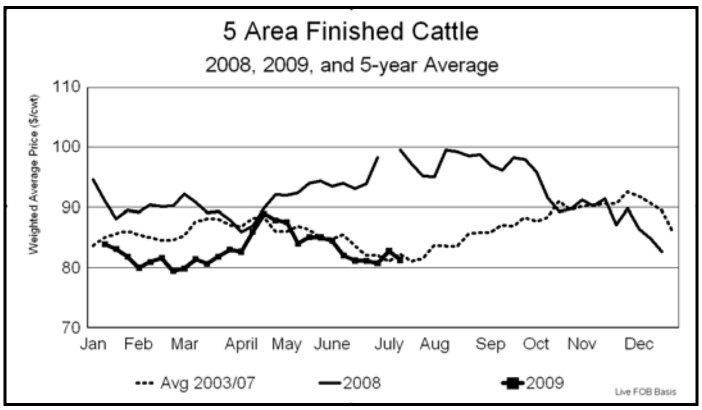
	This Week Low	This Week High	This Week Weighted Average	Last Week Weighted Average	Year Ago Weighted Average
Steers: Medium/Large Frame #1-2					
300-400 lbs.	102.50	130.00	123.14	-----	113.37
400-500 lbs.	100.00	120.00	108.77	-----	107.15
500-600 lbs.	94.00	112.00	102.66	-----	103.22
600-700 lbs.	85.00	105.00	97.85	-----	101.73
700-800 lbs	78.00	99.00	90.62	-----	98.56
Steers: Small Frame #1-2					
300-400 lbs.	89.00	96.00	93.36	-----	93.15
400-500 lbs.	77.50	101.00	93.08	-----	93.61
500-600 lbs.	-----	-----	-----	-----	89.82
600-700 lbs.	91.00	91.00	91.00	-----	82.71
Steers: Medium/Large Frame #3					
300-400 lbs.	95.50	114.00	103.58	-----	104.33
400-500 lbs.	83.00	104.00	97.99	-----	97.12
500-600 lbs.	81.00	103.00	95.22	-----	94.10
600-700 lbs.	80.00	94.00	90.04	-----	92.36
700-800 lbs.	84.00	92.00	87.55	-----	87.69
Holstein Steer					
300-400 lbs.	63.00	63.00	63.00	-----	65.19
500-600 lbs.	62.00	66.00	65.12	-----	53.49
700-800 lbs.	63.00	63.00	63.00	-----	61.11
Slaughter Cows					
Breaking Utility	43.00	56.00	49.50	-----	57.75
Cutter & Boning	42.50	56.00	49.25	-----	57.25
Canner	35.00	47.00	41.00	-----	48.25
Bull YG 1-2	54.00	68.00	61.00	-----	71.50
Heifers: Medium/Large Frame #1-2					
300-400 lbs.	86.00	110.00	99.96	-----	
400-500 lbs.	82.00	106.00	93.96	-----	100.51
500-600 lbs.	80.00	107.00	91.31	-----	98.28
600-700 lbs.	76.00	96.00	88.35	-----	94.05
Heifers: Small Frame #1					90.87
300-400 lbs.	64.00	86.00	78.59	-----	
400-500 lbs.	70.00	88.00	81.02	-----	85.04
500-600 lbs.	72.00	84.00	77.75	-----	84.49
600-700 lbs.	81.00	81.00	81.00	-----	80.71
Heifers: Medium/Large Frame #3					75.20
300-400 lbs.	75.00	94.00	87.94	-----	
400-500 lbs.	70.00	93.50	85.82	-----	90.54
500-600 lbs	73.00	90.00	84.20	-----	89.43
600-700 lbs.	72.00	87.00	83.40	-----	85.70

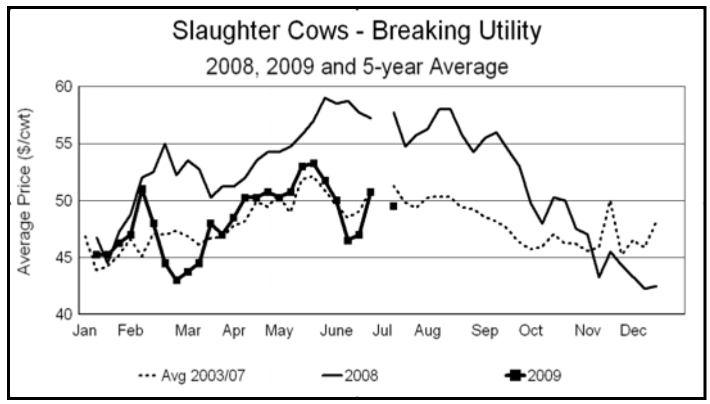
Cattle Receipts: This week: (8) 7,821 Week ago: (5) 3,825 Year ago: (16) 12,600

July 10, 2009









Average Daily Slaughter (number of head)

	This week (4 days)	Last week (3 days)	Year ago (4 days)	This week as percentage of Week ago (%)	This week as percentage of Year ago (%)
Hogs	391,750	413,750	418,500	95%	94%
Cattle	123,750	128,250	126,250	96%	98%

USDA Box Beef Cutout Value ($/cwt)

	Thursday	Week ago	Year ago	Change from week ago	Change from year ago
Choice 1 - 3					
600-900 #	137.52	137.89	173.80	-0.37	-36.28
Select 1 - 3					
600-990 #	132.29	132.44	166.62	-0.15	-34.33

PRICES PAID TO FARMERS BY ELEVATORS ($ / bushel)

Friday, July 3, 2009 - Thursday, July 9, 2009

	Fri.	Mon.	Tues.	Wed.	Thurs.	Thurs. Harvest
	Low High	Low High	Low High	Low High	Low High	Low High
No. 2 Yellow Soybeans						
Memphis	-----	12.03-12.03	11.38-11.38	10.75-10.75	11.12-11.12	-----
N.W. B.P.	-----	9.55-10.08	8.83-9.40	8.85-9.22	9.12-9.46	9.07-9.13
N.W. TN.	-----	11.81-11.81	10.60-11.11	10.37-10.49	10.46-10.46	8.66-8.88
S.W. TN.	-----	-----	-----	-----	-----	-----
Upper Md.	-----	9.43-12.28	8.78-11.63	8.75-11.15	9.02-11.22	8.96-8.96
Lower Md.	-----	11.59-11.59	10.45-10.70	10.42-10.67	10.66-10.91	8.46-8.76
Yellow Corn						
Memphis	-----	3.19-3.37	3.12-3.22	3.12-3.30	3.16-3.31	-----
N.W. B.P.	-----	3.28-3.84	3.35-3.37	3.35-3.37	3.16-3.19	3.16-3.19
N.W. TN.	-----	3.46-3.60	3.35-3.55	3.35-3.59	3.19-3.46	3.19-3.46
S.W. TN.	-----	-----	-----	-----	-----	-----
Upper Md.	-----	3.34-3.39	3.25-3.27	3.28-3.35	3.10-3.10	3.10-3.10
Lower Md.	-----	3.97-3.97	3.38-3.56	3.45-3.45	3.05-3.20	3.05-3.20
Wheat						
Memphis	-----	4.09-4.34	3.97-4.22	4.05-4.22	4.06-4.22	-----
N.W. B.P.	-----	-----	-----	-----	-----	-----
N.W. TN.	-----	-----	-----	-----	-----	-----
S.W. TN.	-----	-----	-----	-----	-----	-----
Upper Md.	-----	-----	-----	-----	-----	-----
Lower Md.	-----	-----	-----	-----	-----	-----

FUTURES SETTLEMENT PRICES
Crops & Livestock
Friday, July 3, 2009 - Thursday, July 9, 2009

Commodity	Contract Month	Fri. 3	Mon 6	Tues 7	Wed. 8	Thurs. 9
Soybeans	Jul	-----	12.00	11.33	10.84	11.10
($/bu)	Aug	-----	11.18	10.53	10.15	10.47
	Sep	-----	10.22	9.58	9.43	9.73
	Nov	-----	9.63	8.95	8.92	9.16
	Jan	-----	9.66	9.01	9.00	9.24
	Mar	-----	9.61	9.00	9.00	9.26
Corn	Jul	-----	3.43	3.35	3.39	3.43
($/bu)	Sep	-----	3.35	3.25	3.25	3.29
	Dec	-----	3.44	3.36	3.34	3.40
	Mar	-----	3.56	3.49	3.48	3.53
	May	-----	3.65	3.58	3.56	3.62
	Jul	-----	3.73	3.66	3.64	3.71
Wheat	Jul	-----	4.90	4.84	4.88	4.94
($/bu)	Sep	-----	5.19	5.12	5.17	5.22
	Dec	-----	5.45	5.38	5.43	5..48
	Mar	-----	5.63	5.56	5.61	5.66
	May	-----	5.75	5.68	5.72	5.77
Soybean Meal	Jul	-----	401	381	365	372
0($/ton)	Aug	-----	371	352	338	347
	Sep	-----	336	316	312	323
	Oct	-----	309	289	288	297
	Dec	-----	301	281	281	290
	Jan	-----	294	275	276	286
Cotton	Jul	-----	55.90	55.36	54.71	57.03
(¢/lb)	Oct	-----	58.30	57.70	57.00	59.11
	Dec	-----	60.24	59.71	59.11	61.13
	Mar	-----	62.63	62.24	61.67	63.60
	May	-----	63.83	63.48	63.07	64.98
Choice Fed	Aug	-----	84.42	84.20	83.35	83.47
Cattle	Oct	-----	89.82	89.20	88.32	88.82
($/cwt)	Dec	-----	89.87	89.05	88.37	88.77
	Feb	-----	90.10	89.40	88.30	88.70
	Apr	-----	90.70	90.65	90.00	90.20
Feeder Cattle	Aug	-----	103.80	102.65	101.65	102.95
($/cwt)	Sep	-----	102.95	102.40	101.85	103.30
	Oct	-----	102.92	102.25	101.95	101.10
	Nov	-----	102.87	102.45	101.82	102.87
	Jan	-----	101.85	101.40	100.60	101.75
Market Hogs	Jul	-----	60.65	60.70	58.92	59.70
($/cwt)	Aug	-----	62.05	62.20	61.02	63.70
	Oct	-----	57.95	58.15	56.75	58.97
	Dec	-----	59.00	58.07	57.00	58.15
	Feb	-----	64.05	63.85	62.50	64.07

Milk Futures, Thursday , July 9, CME Futures

Month	Class III Close	Class IV Close
July	9.98	10.28
August	10.41	10.51
September	11.22	10.79
October	12.06	11.03
November	13.00	11.45

Weighted Average Monthly Prices on Tennessee Auctions

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year to Date Average
Fed Steers (Kansas)													
2008	91.45	92.02	89.42	89.19	94.08	94.78	97.62	99.35	98.59	91.94	90.88	84.61	91.82
2009	83.08	81.74	82.22	86.39	84.54	81.85							83.30
700-800 lbs. Steers													
2008	87.03	92.85	88.45	90.68	97.80	97.58	97.68	101.14	94.11	84.16	81.28	76.30	92.40
2009	85.35	83.86	83.13	89.82	90.97	90.31							87.24
600-700 lbs. Steers													
2008	90.25	100.87	96.87	96.75	102.43	102.03	100.12	103.42	96.59	86.81	82.37	78.02	98.20
2009	87.39	87.54	91.25	97.79	98.69	94.83							92.92
500-600 lbs. Steers													
2008	98.08	110.45	108.97	103.62	107.62	106.62	102.36	106.11	99.35	92.38	87.69	82.39	105.89
2009	93.32	96.00	99.87	105.44	104.92	101.03							100.10
400-500 lbs. Steers													
2008	107.87	121.28	117.59	109.96	112.76	109.47	105.87	110.58	106.09	99.08	94.73	88.72	113.16
2009	100.75	102.78	104.77	109.82	110.42	106.82							105.89
300-400 lbs. Steers													
2008	117.40	127.95	124.80	116.21	117.65	115.27	110.97	116.97	115.37	107.13	105.04	97.85	119.88
2009	108.92	108.74	110.37	115.42	117.52	113.49							112.41
Utility Cows													
2008	46.47	53.89	52.19	53.16	56.81	58.45	57.26	56.90	54.97	49.77	45.34	42.68	53.50
2009	46.39	45.78	46.63	50.25	53.00	49.05							48.52

Source: USDA/Tennessee Department of Agriculture Market News Service

EAST TENNESSEE LIVESTOCK CENTER JULY 8, 2009

1 load out of 190 steers, est. wt. 750 lbs., range 690 to 800 lbs., $.04 slide up if over $751 lbs., 100% L&M -1, med flesh, 75% Black & BWF, 20% ChaX & Smoky, 5% Red 7 RWF, wormed, no implants, hauled 25 miles to barn, selling with 1% shrink. Price: $97.50

1 load out of 90 heifers, est. wt. 650 lbs., range 600-700 lbs., $..04 slide up if over 651 lbs., 95% m -1, 5% M -2, med flesh, 75% Black 7 BWF, 15% ChaX & Smoky, 10% Red 7 RWF, wormed and implanted, hauled 20 miles to barn, selling wtih 1% shrink. Price: $93.75

1 load out of 150 heifers, est. wt. 690 lbs., range 640 to 760 lbs., $.04 slide up if over 691 lbs., 100% M -1, med flesh, 80% Black 7 BWF, 15% Chax & Smoky, 5% Red 7 RWF, wormed, no implants, hauled 25 miles to barn, selling with 1% shrink. Price:$93.40

1 load out of 90 heifers, est. wt. 740 lbs., range 690 to 800 lbs., $.04 slide up if over 741 lbs., 100% M -1, med flesh, wormed and implanted, hauled 8 miles to barn, selling with 1% shrink. Price: $91.35

1 load out of 69 heifers, est. wt. 740 lbs., range 675 to 800 lbs., $.04 slide up if over 741 lbs., 100% M -1, med flesh, 100% Black & BWF, wormed, no implants, weighed on grounds, selling with a 2% shrink. Price:$92.40

HARDIN COUNTY STOCKYARD JULY 8, 2009

2 loads out of 135 steers, wt. 800 lbs. $95.85

Nashville, TN   Thursday, July 09, 2009 USDA-TN Dept Market News

Tennessee Video Board Sale and Graded Sale

07/08/2009 McMinnville

Receipts: 2116 Blk, Bwf and Char X only

Steers: Med and Lg 1		Heifers: Med & Lg 1	
300-350 lbs	-------------	300-350 lbs	-------------
350-400 lbs	120.00-130.00	350-400 lbs	96.00-97.00
400-450 lbs	107.00-110.50	400-450 lbs	90.00-93.00
450-500 lbs	106.00-115.50	450-500 lbs	91.50-94.25
500-550 lbs	108.50-109.75	500-550 lbs	90.00-94.30
550-600 lbs	103.00-106.50	550-600 lbs	89.00-92.60
600-700 lbs	98.40-101.70	600-700 lbs	87.00-91.50
700-850 lbs	93.50-95.25	700-850 lbs	81.00-87.50
850-900 lbs	-----------		

Steers: Med & Lg 2		Heifers: Med & Lg 2	
300-350 lbs	114.50	300-350 lbs	94.00-99.50
350-400 lbs	110.00-115.00	350-400 lbs	92.50-95.00
400-450 lbs	102.00-114.50	400-450 lbs	88.00-93.00
450-500 lbs	100.50-106.50	450-500 lbs	87.50-93.25
500-600 lbs	98.25-106.50	500-600 lbs	82.00-90.00
600-700 lbs	89.75-99.70	600-700 lbs	82.50-87.00
700-850 lbs	91.50-93.00	700-850 lbs	74.50-82.75
900-950 lbs	-----------	850-900 lbs	-----------

07/02/2009 Hodge Livestock Network, Newport, TN,

Video Board Sale

Receipts: 37.5 Loads

Steers: Med & Lg 1-2

Ld 625 lbs 97.50 TN

5 Lds 700-780 lbs 94.00-97.70 TN Ld ARK 99.85

16 Lds 825-890 lbs 91.90-96.00 TN, NC

Holstein Steers Lg 3

Ld 575 lbs 76.50 NC

Heifers: Med & Lg 1-2

3 Lds 600-660 lbs 94.00-95.05 TN Ld ARK 97.10

10 Lds 740-790 lbs 85.00-91.50 VA, GA, TN, NC, Ld ARK 95.00

Mixed Loads: Steers & Heifers Med & Lg 1-2

.5 Ld 550 lbs 97.25 NC

Ld 600 lbs 98.30 SC

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

For more information please go to www.NLPA.org

Registrations Due for NLPA Meeting in Sacramento (National Livestock Producers Association, 7/8) – The National Livestock Producers Association will hold is Summer Board Meeting in Sacramento, Calif., from Aug. 6 through Aug. 8, 2009. The meeting will include a tour of the University of California - Davis Branch of the California Animal Health & Food Safety Laboratory System**.** Dr. Richard Breitmeyer, State Veterinarian-Executive Branch in the California Department of Food and Agriculture (CDFA); Dr. John Adaska, associate professor, California Animal Health and Food Safety Laboratory – Tulare Lab.; Dr. Frank Mitloehner, director for the UC Davis Agricultural Air Quality Center; we will be joined for the tour by Dr. John Maas, Veterinarian / Specialist, Cooperative Extension, are all scheduled as guest speakers at the meeting. Registrations are due to Scharee Atchison by July 10th.

Agriculture Secretary Vilsack Announces New Livestock Indemnity Program (USDA, 7/7) -- Agriculture Secretary Tom Vilsack today announced that eligible ranchers and livestock producers can begin applying for benefits under the provisions of the Livestock Indemnity Program in the 2008 Farm Bill on July 13. The Livestock Indemnity Program (LIP) provides assistance to producers for livestock deaths that result from disaster. Using funds from the Agricultural Disaster Relief Trust Fund established under section 902 of the Trade Act of 1974, the program is administered by the USDA Farm Service Agency (FSA). LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, disease, wildfires, extreme heat and extreme cold. Eligible losses must have occurred on or after Jan. 1, 2008, and before Oct. 1, 2011.

<u>President</u>'s Food Safety Group Issues New Standards (Brownfield Network, 7/7) -- The White House has announced new food safety standards for eggs, meats and vegetables. The tougher standards, including stiffer penalties for violators and increased inspections, were developed by President Obama's Food Safety Working Group. That group was headed by Agriculture Secretary Tom Vilsack and Health and Human Services Secretary Kathleen Sebelius. Under the new rules, egg and poultry producers will have to follow new standards designed to reduce salmonella contamination, including increased testing and refrigeration for eggs. And the Food Safety Inspection Service, the Agriculture Department agency that inspects meat, will increase sampling of ground beef ingredients in an effort to better find E. coli contamination.

Agriculture Secretary Vilsack says a beefed-up trackback system is also part of the upgrade. "In order to protect consumers and their families, we are going to create a unified incident command system, and within 90 days, federal agencies will implement this new incident command system to address outbreaks of food-borne illness," Vilsack said.

Midwest Ag Secretaries Ask Vilsack to Help Out U.S. Pork Producers (Farm World, 7/8) – In a joint letter to USDA Secretary Tom Vilsack, Iowa and Minnesota's top agriculture officials have called on the former Iowa governor to use $50 million of pork products from federal emergency funds to help struggling producers. In the letter written four days before the release of the USDA's latest Quarterly Hogs and Pigs Report, Iowa Agriculture Secretary Bill Northey and Minnesota Agriculture Commissioner Gene Hugoson urged Vilsack to use the USDA's Section 32 funds to purchase the pork products to be used in federal emergency food programs, food pantries, senior food programs and other non-commercial food channels.

According to the National Pork Producers Council (NPPC), last month marked the pork industry's 21st straight month of posted losses, with the average loss over that period of $22 to $23 per head, which was recently down to about $11 a head.

USDA Announces Initial 2009-2010 Allocations For Dairy Export Incentive Program (USDA, 7/6) -- Agriculture Secretary Tom Vilsack today announced initial allocations under USDA's Dairy Export Incentive Program (DEIP) for the period July 1, 2009, through June 30, 2010. The program helps U.S. dairy exporters meet prevailing world prices and encourages the development of international export markets in areas where U.S. dairy products are not competitive due to subsidized dairy products from other countries.

Transparency Means Allowing for Opposing Views (The Hill Blog by Sen. John Thune, 7/2) -- Last week the House of Representatives barely passed a "cap and trade" bill, and the Senate may take up similar legislation later this year. Should a cap and trade program similar to the one passed by the House become law, it would have a significant impact on all sectors of our economy, so it is important that Congress considers this legislation with thoughtful debate and an open exchange of ideas. Unfortunately, it appears as though the Obama Administration's Environmental Protection Agency is not interested in open debate, but rather pushing through a closed ideological agenda.

Taiwan Health Minister Predicts Opening To U.S. Beef Imminent (Taiwan News, 7/8) --Taiwan will decide to liberalize the import of U.S. beef very soon, Department of Health Minister Yeh Chin-chuan said Wednesday. Taiwan banned U.S. beef completely in 2003 after a case of bovine spongiform encephalopathy (BSE) or mad cow disease was diagnosed in Seattle. In 2005, Taiwan lifted the ban and then reimposed it after a new case was discovered.

People May Have Brought H1N1 Virus from Asia (Pork, 6/30) -- A UDSA swine Influenza researcher says the influenza A/H1N1 virus may have originated in Asia and travelled to North America via human carrier. Previously, it was thought that the new swine flu pandemic arose in swine operations in Mexico. The researchers however, emphasized that there was no way to prove the theory. American breeding pigs are frequently exported to Asia thereby possibly leading to the mixing of flu strains. But because of disease quarantines that make it hard to import Asian pigs it is unlikely that a pig brought the new strain back West, according to the experts.

Argentine Herd Infected with H1N1 (Pork, 7/5) -- The second case where humans have exposed swine with the Type A H1N1 influenza virus has surfaced in Argentina. A government spokesperson in the country said the case is not fully confirmed, but it is suspected that humans passed the virus on to the pigs. About 800 pigs with in the herd tested positive for Type A H1N1 flu. However, the two workers who may have passed the virus on to the pigs were never examined by a doctor so it was never confirmed that they carried flu strain.

Dairy Retirement Removes 101,000 Cows (Meatingplace, 7/6) -- Cooperatives Working Together announced it finished its latest herd retirement round by removing 101,040 cows from 41 states that produced almost two billion pounds of milk. As has been the case with its previous herd retirement rounds, most of the cows removed were in the western regions of the country. CWT said 38,245 cows were removed from the West, followed by 43,121 from the Southwest, 8,153 from the Midwest, 6,400 from the Southeast and 5,121 from the Northeast. This round also removed 818 bred heifers.

USDA Help For Dairy Producers on the Way (Brownfield Network, 7/7) -- Some more help may be on the way for struggling dairy producers. U.S. Ag Secretary Tom Vilsack told a group of dairy farmers in New Hampshire yesterday he will announce a plan in the next week or so which will help producers stay afloat until prices recover. The plan includes providing farmers with operating loans at lower interest rates, reducing the principle of outstanding loans or allowing farmers to forgo payments for a time. The Secretary said his department is also working with commercial lenders to guarantee loans to dairy farmers. To go with that, Vilsack says he has told his staff to assemble a commission to review the federal milk pricing system as ordered by the 2008 farm bill.

World Champion Bullfighter Pleads Guilty To Cattle Theft (CattleNetwork, 7/1) - On June 16, Michael Eugene Matt, 36, of Blanco, Texas, was sentenced to a five-year deferred sentence, including supervised probation and was ordered to pay nearly $15,000 in restitution after assisting in the theft of 300 head of cattle worth approximately $244,000 from a California couple who owned a ranch in Oklahoma.

Animal Rights Groups Launch “Horses on the Hill” Anti-Slaughter Campaign (Livestock Marketing Assn., 7/8) -- The Humane Society of the U.S. (HSUS) and the Animal Welfare Institute (AWI) have launched a national effort to get supporters of the bills to come to Washington on July 14 and lobby their lawmakers “to end horse slaughter once and for all.” To learn more about this campaign, go to www.horsesonthehill.org.

Another Campaign by PETA Against Wisconsin Dairies (DairyHerd, 6/29) -- Wisconsin's license plate slogan "America's Dairyland" would be changed to "America's Cow Hell" if the animal-rights group PETA had its way. "Today's factory farms are hell on Earth for animals and shouldn't be celebrated on Wisconsin license plates," says PETA campaign coordinator Lindsay Rajt. "People who care about cows shouldn't be forced to use their cars as free advertising for an industry that forcibly impregnates cows and then tears their babies away and locks them up in veal crates for the remainder of their short lives."

Rethink Approach to National Animal ID (Ag Web, 6/30) -- In a letter to Secretary of Agriculture Tom Vilsack, two Minnesota ag authorities are urging that the discussion be re-shaped with states, rather than USDA, taking the lead on animal identification. Minnesota Ag Commissioner Gene Hugoson and Minnesota State Veterinarian Bill Hartman make a case that a less centralized system with greater state involvement may be easier for producers to accept. “We believe enhancing state systems will garner more producer participation and improve animal disease response and traceability,” the officials write. “Additionally, data privacy concerns can be better addressed by state statutes.”Climate Change Not Aberration (Delta Farm Press, 7/1) -- The world’s climate is getting warmer, and that could have a profound impact on U.S. agriculture, says Jerry Hatfield, supervisory plant physiologist with USDA’s National Soil Tilth Research Laboratory at Iowa State University. Hatfield says the world can expect warmer temperatures for the next 30 to 50 years, rising carbon dioxide concentrations and increased variability in temperature and precipitation. Hatfield isn’t some off-the-wall environmentalist with an agenda. He’s a respected scientist who shared the Nobel Peace Prize in 2007 and chaired last year’s USDA Greenhouse Gas Symposium. He also says the phenomenon is not new.

One Bid Made for Agriprocessors (Des Moines Register, 7/7) —The troubled plant was the subject of an auction in bankruptcy court on Tuesday. No one made a higher offer than the bid announced last month by Hershey Friedman and his partners. The only bid for the company was made by SHF Industries LLC, a newly formed Iowa corporation. The company's lawyer, Anita Shodeen of Des Moines, declined to identify the firm's leaders or discuss details of their intentions. But other officials have previously said the group is led by Friedman, who lives in Montreal and runs a plastics company.

Most Online Resources Biased Against Meat (National Meat Assn., 7/6) -- V-Fluence Interactive has conducted a study involving what consumers will find when looking for information about the production practices of meat and dairy products. The study shows that consumers are more likely to find the same one-sided content featured in the documentary Food Inc., at the expense of content reflecting the points of view of most conventional producers or major food brands. This content is biased toward organic or grass-fed methods, suggesting they're safer alternatives. Meanwhile, documentaries such as Food Inc. contain very little content accurately representing conventional animal production or the brands under which it is sold. More information regarding this study can be found on v-Fluence Interactive’s website at www.v-fluence.com/.

Safe Food Inc: New Web Site to Counter Negative Information (SafeFoodInc.org, 6/27) -- America’s food supply is a modern miracle and one in which we as a society can take pride. American consumers deserve all the facts – just what this web site aims to deliver. We produce America’s meat and poultry. We are proud of our safe, affordable and abundant products and we aren’t afraid to stand up and say so. Check out the facts and if you need more, just contact us. We are in the business of meeting consumer demand whether for food – or facts.

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