

Tennessee Market Highlights

UF Extension

July 31, 2009
Number :30

Livestock Comments by Emmitt L. Rawls

Fed cattle trade has been slow to develop this week with packers hoping for a strengthening in cutouts which has never come. Feedlots have of course hoped for higher money but with live cattle futures never making a surge upward this week it seems they will have to settle for deals steady with last week. The morning saw a few cattle traded in Nebraska at \$132, steady with last week. Asking prices at midday are \$84+ in the South and \$134+ in the North. The 5 area weighted average prices thru Thursday were \$82.61 live and \$133.63 dressed, compared to \$83.38 and \$132.21 a week ago. A year ago the average prices were \$95.09 live and \$152.21 dressed. Cutout values Thursday compared to a week ago were down \$0.79 on Choice and up \$0.08 on Select. At midday Friday cutouts were \$141.66 on Choice, down \$0.60, and \$136.30 on Select, down \$0.52. The Choice/Select spread was \$5.37 compared to \$6.14 a week ago. It appears that after a run-up in cutout values driven largely by packers reducing processing, the wholesale market is stalling out. On Tennessee auctions this week feeder steers/bulls under 600 lbs were called steady to \$2 lower and over 600 lbs were called fully steady. Feeder heifers were called unevenly steady. Slaughter cows and bulls were steady to \$2 lower with instance of \$3 lower. Average receipts per sale were 783 head on 11 sales this week, 832 head on 11 sales last week and 616 head on 16 sales a year ago.

Continued on page 2

Crop comments by Chuck Danehower

The commodity markets ended up for the week on the heels of the 3rd largest soybean purchase in US history. This provided strength across all markets. Also contributing were a slightly weaker dollar and a rebound in oil prices. The Dow Jones Industrial Average at mid-day was up 1% for the week before the close on Friday. The Dollar weakened from last week at 78.39, down .51 before the close. Crude Oil on the NYMEX is up 1.29 barrel for the week at 69.34 a barrel before the close. More important is that oil has rebounded 8% from lows mid-week. This recent strength in the market has given us additional pricing opportunities. The August 12 USDA crop report will set the tone as the summer ends and we head into fall.

Corn: New Crop: September 2009 futures closed at \$3.395 a bushel on Friday, up \$.23 bushel from last week. Weekly exports sales were 49.4 million bushels (19.1 mb old crop, 30.3 mb new crop), above expectations. As of July 26, the crop condition ratings for corn were 70% in the good to excellent rating compared to 71% the previous week and 63% a year ago. The nationwide average of 55% silking is the third slowest on record with a 5 year average of 76%. The market has not pushed through resistance at \$3.38. If it can, the next target would be the chart gap of \$3.45 and then the gap at \$3.50 - \$3.80 bushel. I am currently 40% forward priced and would look at adding to it in the \$3.50 range. Producers who have not priced much corn should price some at current levels and add to it if prices move to \$3.50 bushel. **Deferred:** The March 2010 futures contract closed at \$3.62 bushel, up \$.22 from last week.

Continued on page 2

Slaughter cows: steady to \$2 lower, instances \$3 lower

Slaughter bulls: steady to \$2 lower, instances \$3 lower

Feeder steers: under 600 lbs. steady to \$2 lower, over 600 lbs. fully steady

Feeder heifers: unevenly steady

Fed cattle: 5 area live price of \$82.61 is down \$.77 and the dressed price is down \$.58 at \$131.63

Feeder cattle index: Wednesday's index \$101.61

Corn: September 2009 futures closed at \$3.395 a bushel on Friday, up \$.23 bushel from last week

Soybean: September futures closed at \$10.44 bushel, up \$.93 from last week

Wheat: September 2009 futures contract closed at \$5.28 bushel, up \$.12 bushel from last week

Cotton: October Cotton futures closed at 57.93 cents/lb, up .54 cents/lb from last week

Livestock Comments by *Emmit L. Rawls*

U.S. Consumer Demand Indexes for January - June were released this week by the University of Missouri and continue to show declines in beef and chicken demand, down 0.9% and 4.4%, respectively, and an increase in pork demand of 4.2%. As reported in the Daily Livestock Report, the decline in both beef and chicken demand has been caused by prices not improving as expected with the reductions seen in domestic output and disappearance. Beef disappearance in June was 2.6% lower than a year ago. Another factor impacting beef and cattle prices has been the less than impressive performance of beef exports. The USDA weekly export sales report indicated for the week ending July 16 exports of fresh or frozen beef cuts were down 23% from a year ago. We have seen exports to South Korea decline to 500 MT per week (week ending July 16) from the surge of 3,000 MT per week we saw after the market opened once again last fall. We have also seen a decline in exports to Mexico which is our largest market for exported beef. The decline in exports has been attributed to the strengthened dollar earlier this year, however, in the second quarter the dollar has weakened which should have helped renew exports. We normally get some rally in fed cattle and feeder prices in August with schools going back in session, however, the sluggish demand both domestically and abroad could minimize that rally. Cash trade picked up on Friday afternoon with trades mostly \$1 under last week at \$131 dressed and \$82 live.

TECHNICALLY SPEAKING: Based on Thursday's closing prices: August fed cattle closed at \$84.57. Support is at \$84.27, then \$83.72. Resistance is at \$84.82, then \$85.37. The RSI is 48.66. October cattle closed at \$89.85. Support is at \$89.43, then \$88.73. Resistance is at \$90.13, then \$90.83. The RSI is 48.57. August feeder cattle closed at \$102.13. Support is at \$101.77, then \$101.15. Resistance is at \$102.40, then \$103.02. The RSI is 44.84. September feeders closed at \$102.28. Support is at \$102.03, then \$101.53. Resistance is at \$102.53, then \$103.03. The RSI is 47.20. Friday's closing prices were: Fed cattle: August \$84.70 +0.12; October \$90.20 +0.35; December \$89.22 no change; February \$89.17 +0.12. Feeder cattle: August \$102.35 +0.22; September \$102.55 +0.27; October \$102.52 +0.25; November \$102.65 +0.25. September corn closed up \$0.07 at \$3.39, up \$0.23 over last Friday.

Crop comments by *Chuck Danehower*

Cotton:

Nearby: The October Cotton futures closed at 57.93 cents/lb, up .54 cents/lb from last week. Weekly exports sales were 108,700 bales (46,800 bales old crop, 61,900 bales new crop), above expectations.

New Crop: The December 09 futures closed at 60.02 cents/lb. up .41 cents/lb. from last week. Cotton has support 58 – 59 cents with resistance in the 61-62 cent range. Cotton has benefitted from the late week strength in the soybean market. Overall crop condition ratings as of July 26 were 46% good to excellent compared to 45% last week and 47% last year. Cotton development is slightly behind average with 48% of the crop setting bolls compared to 53% last year and the 5 year average of 54%. Prices in the 65 – 70 cent range should be rewarded with either sales or purchase of put options.

Soybeans:

Nearby: September futures closed at \$10.44 bushel, up \$.93 from last week. Weekly exports were 35.1 million bushels (9 mb old crop, 26.1 mb new crop), above expectations. Announced on July 30 was a surprise sale to China of 4.4 million bushels of old crop and 66 million bushels of new crop soybeans. This will be included in next week's totals. Although the market responded positively, this is not necessarily a sign that China will be buying more soybeans than normal. They may have forward booked purchases in anticipation of currency gains from a weaker dollar at the time of actual shipment. If that is the case, then the fundamental picture has not actually changed for new crop soybeans.

New Crop: The November 2009 futures contract closed at \$9.80 bushel, up \$.65 from last week. There is support at \$9.46 and then at \$9.21 with resistance at \$9.90. As of July 26, crop conditions have the crop rated at 67% good to excellent compared to 67% last week and 62% in 2008. Soybean blooming nationwide is the 6th slowest on record at 63% compared to the average of 76%. Pod set is at 20% compared to the average of 36%. Fall weather will be a key to soybean production and as we get closer to harvest, just the threat of an early frost could have market implications. The tight old crop soybean stocks have helped support new crop. This market has given us additional opportunities to price soybeans. Producers with little priced should use recent strength to catch up sales. I am currently 50% forward priced with another 10% priced with put options. I would add another 5% pricing using put options. A November \$9.80 strike price put would have a premium of \$0.76 bushel and set a futures floor of \$9.04 bushel. Put options allow us to set a floor price and leave the upside open in case we do actually have a yield reducing early frost and prices turn upward.

Wheat:

Nearby: The September 2009 futures contract closed at \$5.28 bushel, up \$.12 bushel from last week. Support is at \$5.12 a bushel with resistance at \$5.40 bushel. Weekly exports were 21.1 million bushels, above expectations, but short of the pace needed to reach USDA export projection. The fundamentals of wheat are bearish, but were helped by strength in the soybean market. A weaker

dollar will help US wheat become more competitive in the global market. For improved prices, demand will need to strengthen. Wheat remains a follower of soybeans and corn.

Deferred: The December 2009 futures contract closed at \$5.56 bushel, up \$.12 for the week. The July 2010 futures closed at \$5.97 bushel, up \$0.13 bushel from last week. For the 2010 crop, I would be 5% priced at \$6.00 bushel.

PRICES ON 11 TENNESSEE REPORTED LIVESTOCK AUCTIONS (\$/cwt)

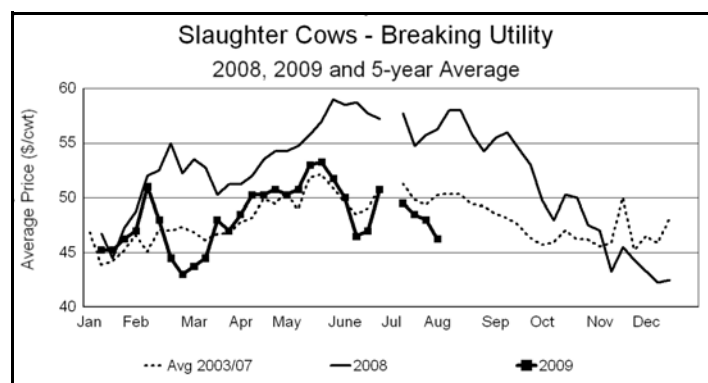
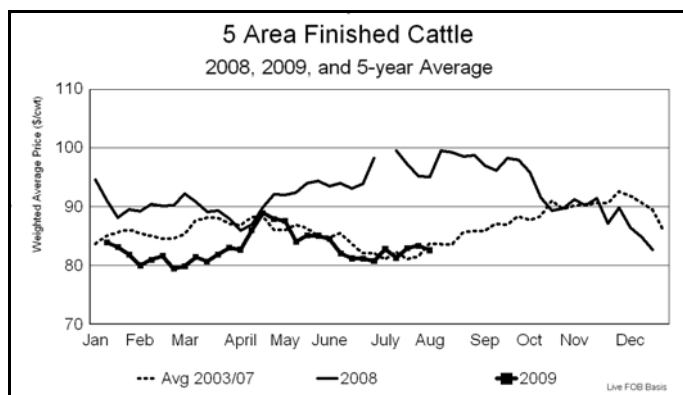
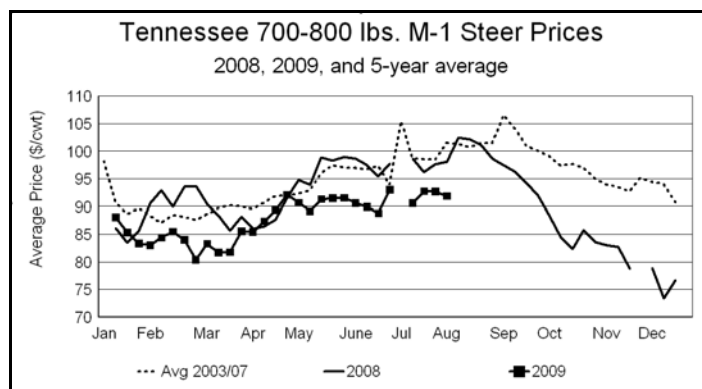
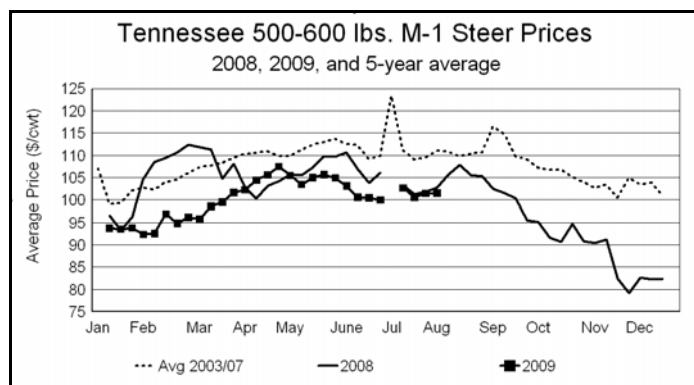
July 31, 2009

	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.	102.00	135.00	112.37	112.58	113.92
400-500 lbs.	96.00	117.00	106.45	106.35	107.76
500-600 lbs.	92.00	111.00	101.53	101.44	102.73
600-700 lbs.	87.00	109.00	97.49	96.70	100.01
700-800 lbs	85.00	96.50	91.85	92.71	98.09
<u>Steers: Small Frame #1-2</u>					
300-400 lbs.	93.00	93.50	93.27	90.98	94.99
400-500 lbs.	84.00	96.00	88.19	86.32	87.19
500-600 lbs.	82.50	87.00	84.18	79.99	85.42
600-700 lbs.	75.00	86.50	82.38	83.00	-----
<u>Steers: Medium/Large Frame #3</u>					
300-400 lbs.	90.00	115.00	103.37	98.28	103.39
400-500 lbs.	87.00	105.00	96.46	95.24	96.96
500-600 lbs.	84.00	102.00	91.94	90.78	93.02
600-700 lbs.	75.00	98.50	89.55	86.28	89.85
700-800 lbs.	82.00	89.00	85.35	83.35	85.24
<u>Holstein Steer</u>					
300-400 lbs.	64.00	78.00	73.99	65.45	70.00
500-600 lbs.	65.00	75.00	68.44	68.57	61.22
700-800 lbs.	60.00	67.25	66.61	-----	-----
<u>Slaughter Cows</u>					
Breaking Utility	42.00	50.50	46.25	48.00	56.25
Cutter & Boning	38.50	49.00	43.75	45.50	55.25
Canner	33.50	45.50	39.50	38.50	47.60
Bull YG 1-2	54.50	64.00	59.25	59.50	71.50
<u>Heifers: Medium/Large Frame #1-2</u>					
300-400 lbs.	87.00	111.00	98.18	98.81	97.84
400-500 lbs.	84.00	109.00	94.57	94.76	95.60
500-600 lbs.	79.00	102.50	91.87	91.13	94.16
600-700 lbs.	78.00	94.00	87.36	87.61	91.78
<u>Heifers: Small Frame #1</u>					
300-400 lbs.	73.00	91.00	82.06	79.18	82.86
400-500 lbs.	74.00	88.00	80.78	79.68	81.96
500-600 lbs.	70.00	90.00	76.92	76.68	80.86
600-700 lbs.	65.00	81.00	71.93	72.51	71.00
<u>Heifers: Medium/Large Frame #3</u>					
300-400 lbs.	78.00	99.00	89.65	88.19	90.04
400-500 lbs.	78.00	95.00	86.50	86.45	88.00
500-600 lbs	72.00	91.00	83.37	84.60	86.25
600-700 lbs.	75.00	86.50	82.41	79.42	82.88

Cattle Receipts: This week: (11) 8,613

Week ago: (11) 9,150

Year ago: (16) 9,850



Average Daily Slaughter (number of head)

	This week (4 days)	Last week (4 days)	Year ago (4 days)	This week as percentage of Week ago (%)	Year ago (%)
Hogs	416,250	399,500	415,000	104%	100%
Cattle	126,250	124,000	125,500	102%	101%

USDA Box Beef Cutout Value (\$/cwt)

	Thursday	Week ago	Year ago	Change from week ago	Change from year ago
Choice 1 - 3					
600-900 #	142.26	143.05	158.48	-0.79	-16.22
Select 1 - 3					
600-990 #	136.82	136.74	151.97	0.08	-15.15

FUTURES SETTLEMENT PRICES
Crops & Livestock
Friday, July 24, 2009 - Thursday, July 30, 2009

Commodity	Contract Month	Fri. 24	Mon 27	Tues 28	Wed. 29	Thurs. 30
Soybeans (\$/bu)	Aug	10.21	10.21	10.54	10.57	11.28
	Sep	9.51	9.45	9.68	9.64	10.29
	Nov	9.15	9.06	9.27	9.16	9.71
	Jan	9.22	9.14	9.31	9.20	9.74
	Mar	9.25	9.17	9.32	9.21	9.75
	May	9.27	9.18	9.29	9.20	9.69
Corn (\$/bu)	Sep	3.16	3.22	3.20	3.21	3.32
	Dec	3.27	3.34	3.30	3.28	3.42
	Mar	3.40	3.47	3.43	3.40	3.55
	May	3.50	3.56	3.52	3.50	3.64
	Jul	3.58	3.65	3.61	3.59	3.73
	Sep	3.66	3.72	3.68	3.66	3.81
Wheat (\$/bu)	Sep	5.16	5.20	5.16	5.11	5.16
	Dec	5.43	5.48	5.44	5.39	5.44
	Mar	5.62	5.66	5.62	5.57	5.62
	May	5.74	5.78	5.75	5.70	5.75
	Jul	5.84	5.89	5.85	5.80	5.85
Soybean Meal (\$/ton)	Aug	323	323	332	339	356
	Sep	300	297	304	307	325
	Oct	283	280	287	287	303
	Dec	280	276	283	282	297
	Jan	277	274	280	279	282
	Mar	277	274	279	278	289
Cotton (\$/lb)	Oct	57.39	57.31	56.97	57.06	58.08
	Dec	59.61	59.53	59.12	59.12	60.11
	Mar	61.99	61.93	61.41	61.28	62.25
	May	63.21	63.15	62.62	62.47	63.53
	Jul	64.46	64.29	63.71	63.67	64.78
Choice Fed Cattle (\$/cwt)	Aug	84.52	84.70	84.92	83.95	84.57
	Oct	89.75	90.20	90.57	89.25	89.85
	Dec	89.50	89.90	90.25	88.85	89.22
	Feb	88.80	88.87	89.47	88.60	89.05
	Apr	90.22	90.20	90.87	89.95	90.52
Feeder Cattle (\$/cwt)	Aug	102.55	102.40	102.85	102.02	102.12
	Sep	102.35	102.35	102.97	102.05	102.27
	Oct	102.75	102.57	103.20	102.22	102.27
	Nov	102.70	102.22	103.05	102.02	102.40
	Jan	102.00	101.70	102.20	101.40	101.65
Market Hogs (\$/cwt)	Aug	59.05	59.17	56.85	56.75	54.62
	Oct	54.57	54.75	52.70	53.10	52.60
	Dec	54.37	54.05	52.27	52.77	52.97
	Feb	61.05	60.15	58.55	58.20	58.32
	Apr	63.62	63.17	62.05	62.02	62.45

Milk Futures, Thursday , July 30, CME Futures

Month	Class III Close	Class IV Close
July	9.94	10.27
August	10.70	10.51
September	11.78	10.79
October	12.30	11.30
November	13.15	11.43

EAST TENNESSEE LIVESTOCK CENTER JULY 29, 2009

1 load out of 90 steers, est. wt. 750 lbs., range 700 to 825 lbs., \$.04 slide up if over 751 lbs., 100% M -1, med flesh, 95% Black 7 BWF, 5% ChaX 7 Smoky, wormed and implanted, weighed on grounds, selling with 2% shrink. Price: \$102.10

1 load out of 74 heifers, est. wt. 675 lbs., range 625 to 725 lbs., \$.04 slide up if over 676 lbs., 100% M -1, med flesh, 95% Black 7 BWF, 5% CharX & Smoky, wormed and implanted, weighed on ground, selling with 2% shrink. Price: \$95.35

2 loads out of 131 steers, est. wt. 840 lbs., range 750 to 900 lbs., \$.04 slide up if over 841 lbs., 90% L&M -1, 10% L&M -2, med flesh, 70% Black & BWF, 20% ChaX & Smoky, 10% Red/RWF, wormed, no implants, hauled 75 miles to barn, no shrink. Price: \$94.95

1 load out of 123 steers, est. wt. 940 lbs., range 880 to 1000 lbs., \$.04 slide up if over 941 lbs., 90% L&M -1, 10% L&M -2, med flesh, 75% Black & BWF, 15% ChaX & Smoky, 10% Red/RWF, wormed, no implants, hauled 25 miles to barn, no shrink. Price: \$88.70

1 load out of 90 heifers, est. wt. 715 lbs., range 650 to 760 lbs., \$.04 slide up if over 716 lbs., 100% M -1, med flesh, 80% Black 7 BWF, 20% ChaX/Smoky, wormed and implanted, hauled 8 miles to barn, selling with 1% shrink. Price: %93.00

1 load out of 90 heifers, est. wt. 750 lbs., range 675 to 800 lbs., \$.04 slide up if over 751 lbs., 85% M -1, 15% M -2,

Nashville, TN Friday, July 31, 2009 USDA-TN Dept Market News**Tennessee Video Board Sale and Graded Sale****7/30/09 Athens Stockyard-Graded Holstein Steer Sale.****Receipts: 1026**

Holstein Steers L-1

200-300 lbs 90.00-96.00

300-350 lbs 85.00

350-400 lbs 81.00-84.50

400-450 lbs 80.00-86.50

450-500 lbs 77.00-84.25
500-600 lbs 75.50-81.75
600-700 lbs 76.50-76.75 two loads
700-800 lbs 75.80-76.10 tow loads
800-900 lbs 65.50-71.60

Holstein Steers L-2

300-350 lbs 85.00
350-400 lbs 79.00-80.00
400-450 lbs 80.00-84.50
450-500 lbs 76.50-82.75
500-600 lbs 76.50-78.75
600-700 lbs 71.00
700-800 lbs 70.00
800-900 lbs 60.00-67.25

Holstein Steers L-3

300-400 lbs 75.00
400-500 lbs 77.00
500-600 lbs 74.00
600-700 lbs 72.50
700-800 lbs 59.00
800-900 lbs 60.00

07/28/2009 Fayetteville (TLP)

Receipts: 735 (370 Graded and Grouped)

Steers & Bulls: Med & Lg 1-2	Heifers: Med & Lg 1-2
350-400 lbs 101.00	350-400 lbs 98.50
400-450 lbs 105.00-107.00	400-450 lbs 94.50
450-500 lbs 102.00-104.50	450-500 lbs 96.50
500-550 lbs 110.00	500-550 lbs 86.00-95.00
550-600 lbs 90.00-105.00	550-600 lbs 90.50-91.50
600-650 lbs 97.50-101.50	600-650 lbs 91.00
650-700 lbs 88.50-89.50	650-700 lbs 87.50
700-800 lbs 74.00-93.50	700-800 lbs 83.50-86.50

Tennessee Livestock Producers Graded Goat and Sheep Sale.

Columbia TN, July 24, 2009

Receipts: 1164 (815 Goats; 349 Sheep) Last Sale 942

Next Sale July 24, 2009, Second and fourth Friday of each month.

Goats sold per hundred weight (cwt) unless otherwise noted, weights, actual or estimated.

Slaughter Classes:

Kids

Selection 1

25-35 lbs few 94.00-95.00

36-50 lbs 108.00-112.00

51-65 lbs 115.00-120.00

66-80 lbs 100.00-102.50

81-100 lbs 82.00-98.75

Selection 2

25-35 lbs 74.00-87.00

36-50 lbs 103.75-105.25

51-65 lbs 110.00-115.00

66-80 lbs 107.00

81-100 lbs -----

Selection 3

26-35 lbs 76.50-78.50

36-50 lbs 83.50-86.00

51-65 lbs 90.00-91.00

66-80 lbs 85.00

76-85 lbs -----

Yearlings Selection 2-3

65-73 lbs 72.00-80.00

83-93 lbs 77.00-80.00

Slaughter Bucks/Billies

All Wgts 73.00-83.00

Slaughter Nannies/Does

All Wgts 40.00-58.00

Kids; Feeders Selection 3

23-44 lbs 62.50-80.00

SHEEP

Slaughter Lambs-Includes all breeds, sold per hundred weight (cwt).

Choice and Prime 20-40 lbs -----

Choice and Prime 40-60 lbs 85.00-105.00

Good 75.00-84.00

Choice and Prime 61-80 lbs 88.00-100.00

Good 80.00-89.00

Choice and Prime 81-100 lbs 90.00-100.00

Good -----

Choice and Prime 70.00-100.00

Slaughter Ewes Utility and Good

All Wgts 33.00-39.50

Slaughter Rams:

All Wgts 45.50-59.00

Tennessee Dept of Ag-USDA Market News, Nashville, TN

Lewis Langell, OIC (615) 837-5164

www.ams.usda.gov/mnreports/nv_ls320.txt

NAIS comment period ending

By John Maday | Monday, July 27, 2009

It's doubtful that comments on the National Animal Identification system will cease on Aug. 3, as opponents tend to be fairly vocal. That is, however, the official closing date for the public to submit comments to the department's Animal and Plant Health Inspection Service. The comment period opened on May 1, with the publication of our first notice announcing public meetings on the subject.

The last meeting was held on June 30, and USDA intended to provide the public with the option of submitting written comments for at least 30 days following that final meeting. A statement from the agency says they will consider all comments that we receive on or before Aug. 3. Read the official announcement at <http://edocket.access.gpo.gov/2009/E9-17797.htm>

To submit a comment go to <http://www.regulations.gov/search/Regs/home.html#submitComment?R=090000648097159c>

****The following news summary is from the National Livestock Producers Association****
For more information please go to www.NLPA.org

Bipartisan Group of Senators Express Concern Over Livestock Disaster Assistance Rules (U.S. Senate Ag Committee, 7/28) – Senator Tom Harkin (D-IA), Chairman of the Senate Committee on Agriculture, Nutrition and Forestry, joined with a bipartisan coalition of Senators led by Chuck Grassley (R-IA), in questioning if several new rules of the Livestock Indemnity Program will actually help farmers and ranchers if their herds incur losses from harsh weather. The Senators wrote to Secretary of Agriculture Tom Vilsack about the critical assistance that the Livestock Indemnity Program can provide to support the livestock industry during a difficult time. They specifically wrote about the need to come up with a more precise methodology to calculate death losses for non-adult beef animals and the necessity to set a payment rate utilizing values corresponding to the time when the livestock were lost, such as monthly or quarterly price points to more accurately determine fair market value payment rates for the lost animals.

Jolley: NAIS - It Ain't Over Until The Fat Lady Sings (Cattle Trader Center, 7/28) -- The heavily promoted comment period for the U.S.D.A.'s National Animal Identification System (N.A.I.S.) listening tour will end on Monday. According to the U.S.D.A., comments received on or before this date will be considered. Hopefully written comments received after the final Omaha meeting will be taken more seriously than spoken comments were during the 'live,' face-to-face meetings. U.S.D.A. has posted a feedback page on the N.A.I.S. Web site. Whether you're for it or against it, go to www.usda.gov/nais/feedback now to provide your suggestions and comments.

Alert: Help Block Animal Rightist Czar (BEEF Daily Blog, 7/27) -- It's time for us to take immediate action, cattle industry professionals. I was passed along this information from the U.S. Sportsmen Alert Network, and this issue needs your immediate attention. Senator John Cornyn (R- TX) has blocked President Obama's choice for a powerful regulatory position in the White House because of the nominee's support for animal rights. He's done his part, now it's time for us to do ours. Your support is needed to make sure the block, known technically as a "hold," stays in place.

Wild Horses Beget Wildly Excessive Legislation (Yakima Herald, 7/23) -- Rep. Doc Hastings, R-Pasco, is leading the opposition to legislation that seeks to protect wild horses and burros under federal care. Backers of the measure say it will allow more room for these animals to roam and will bolster the Bureau of Land Management's wild horse and burro adoption program with new provisions. The bill also bans the commercial slaughter of these animals, something that high-profile animal rights supporters -- including Willie Nelson and Bo Derek -- have long advocated.

Hastings isn't buying any of this hype. In fact, he calls the bill "a new \$700 million welfare program for wild horses" and condemns its potential fiscal impact in the face of a looming \$1 trillion federal deficit.

Statement By Coalition of Food-Related Trade Associations Concerning Senate Agriculture Hearing on Climate Change Legislation (National Council of Farmer Cooperatives, 7/22) – A group of major national food-related trade associations today cautioned the Senate Agriculture Committee to consider fully the impact climate-change legislation will have on the nation's ability to provide abundant and affordable food and necessary consumer goods to U.S. and world consumers.

Coalition Against Animal Antibiotic Bill (Brownfield Network, 7/24) -- The Coalition for Animal Health is urging House Speaker Pelosi and Majority Leader Hoyer to prevent a bill aimed at reducing animal antibiotic use from being attached to any

pending legislation - especially the food safety bill or the health care reform bill. The Coalition is made up of vets, farmers, ranchers, food and feed producers and animal medicine makers. The American Meat Institute, National Pork Producers Council, U.S. Cattlemen's Association and poultry groups are among those in the group. House Bill 1549 - called the Preservation of Antibiotics for Medical Treatment Act - seeks to rescind several antimicrobial animal drugs unless there's proof that they do not harm human health through the buildup of antibiotic resistance from "non-therapeutic" use of the drug.
<http://brownfieldagnews.com/2009/07/24/coalition-against-animal-antibiotic-bill/>

Court Tosses Out Michigan Farmer-led Suit Seeking End of NAIS (Washington Examiner, 7/22) — A federal judge on Thursday dismissed a Michigan farmer-led lawsuit seeking a halt to a national program that identifies individual livestock and poultry to track the movements of diseased animals. U.S. District Judge Rosemary M. Collyer in Washington, D.C., wrote in a decision released Thursday that the National Animal Identification System is neither a federal law nor a federal regulation. It is instead, she wrote, an identification and tracking program developed by the U.S. Department of Agriculture and adopted by state agriculture departments on a voluntary basis. The civil suit was filed by the Farm-to-Consumer Legal Defense Fund. The Falls Church, Va.-based legal group represents farmers and consumers who follow the sustainable-agriculture movement promoting the production of healthy and affordable food using environmentally sound farming practices.

Lawsuit 'Sets The Bar For Future Settlements' (CattleNetwork, 7/29) -- A Missouri couple have been awarded \$1.1 million in a lawsuit settlement because of the stench from a nearby hog farm. The lawsuit, which was finalized last week in Cedar County Circuit Court, was filed by Ed and Ruth McEowen against Doug Mullings, who owned the hog barns; the Missouri Farmers Association, which supplied the hogs; North View Swine Co.; Tri-County Swine; and an insurer, the Missouri Farm Bureau.

Argentina Declares Health Emergency, Flu Found in Pigs (BuenosAiresHerald.com, 7/28) -- The government declared a nationwide animal health emergency following the discovery of the new H1N1 flu virus in at least one pig herd. The flu strain has killed 137 people in the South American country during the Southern Hemisphere winter and the government has closed schools and urged Argentines to avoid crowded places to halt its spread. Earlier this month, SENASA officials said workers at a pig farm in Buenos Aires province were suspected of having passed the new strain onto the animals. Another pig herd later tested positive for the virus although Friday's statement only made mention of the first case.

Brazilian Beef Producer JBS May Sell Shares in U.S. (BEEF Magazine, 7/27) -- JBS SA, the world's biggest beef producer, said its U.S. unit plans to sell shares to be listed on the New York Stock Exchange. The unit, JBS USA Holdings Inc., also plans to sell Brazilian depository receipts, Sao Paulo-based JBS said today in a statement to Brazil's securities regulator. JBS aims to become the largest beef distributor by the end of next year and has been approached by companies seeking to be acquired, Chief Executive Officer Joesley Mendonca Batista said.

Canada to No Longer Quarantine Swine With H1N1 (Meatingplace.com, 7/28) – The Canadian Food Inspection Agency (CFIA) said it will no longer quarantine swine herds when the H1N1 virus is detected. Affected animals will be managed using the same veterinary management and biosecurity practices employed for other swine influenza viruses, CFIA said in a statement. This includes limiting opportunities for virus to spread to susceptible animals.

The Cattle Markets: Plentiful Grass & Scarce Cash (CattleNetwork, 7/22) -- Superior Livestock Auction and Western Video Auction both held major feeder calf sales in the past couple of weeks. The last few years, the fireworks at these sales have rivaled those of the 4th of July. Bidders have aggressively pursued yearlings and calves for fall delivery. I watched some of these sales this year and there were no fireworks. The auctioneers had to work hard to coax bids out, even on nice strings of reputation cattle. The bids on calves seemed to be \$20 per cwt. lower than what was bid at this time last year.

Record Premiums for Preconditioned Calves (Drovers, 7/22) -- A study of prices received on calves sold through seven video auction sales in 2008 reveals that cattle producers received the highest premiums since 1995 on VAC45 and VAC PreCon calves, and the second highest premium on VAC34 calves. Fourteen years of Pfizer Animal Health price data shows an increasing value for preconditioned calves.

Farm Lending Trends And Projections Are Troubling (Beef Magazine, 7/23) -- That's the consensus of the Congressional Oversight Panel, which released its "Special Report on Farm Loan Restructuring." The report fulfills a mandate under the Helping Families Save Their Homes Act of 2009 to analyze "the state of the commercial farm credit markets and the use of loan restructuring as an alternative to foreclosure by recipients of financial assistance under the Troubled Asset Relief Program (TARP)." The panel held a field hearing July 7 in Greeley, CO, to take testimony from local farmers and ag lenders – including USDA, the Farm Credit System and commercial banks – in order to gain a better understanding of farm credit markets. The full report, as well as testimony from the hearing, can be found at cop.senate.gov/reports/library/report-072109-cop.cfm.

\$455 Million of Ag Loan Portfolio from Failed Colorado Bank to Be Sold Off (Agri-Marketing.com, 7/23) -- Coloradoan.com

reports: First, they sold the furniture. Now, the agriculture loans from the failed New Frontier Bank are up for grabs. The Greeley-based bank, with branches in Windsor and Longmont, was seized and closed by the Federal Deposit Insurance Corp. in April after piling up millions in bad loans. First Financial Network Inc., a financial and loan sale adviser, announced Monday it would sell off \$455 million in agricultural loans for the FDIC, many of which were from New Frontier Bank and are for loans to farmers and ranchers across Northern Colorado. The sale will be held Aug. 18. Information for qualified bidders was available as of Monday.

Iowa Dairy Farmer Testifies Sector in a ‘Price-Cost Squeeze’ (American Farm Bureau Federation, 7/28) – America’s dairy producers find themselves in a “price-cost squeeze” between plummeting milk prices and feed costs that have remained high. Several public and private assistance initiatives are in place, but relief is not yet being fully felt at the farm gate, an Iowa dairy farmer today told a House Agriculture subcommittee. Iowa Farm Bureau President Craig Lang, partner in a dairy with his father, brother and sons, testified on behalf of the American Farm Bureau Federation before the subcommittee on livestock, dairy and poultry during a hearing on the economic challenges facing the dairy sector.

Dairy Farmers of America Pays Members \$9.5M to Counter Tough Economy (Denver Business Journal, 7/20) -- The Dairy Farmers of America Inc.’s board has approved a special \$9.5 million cash payment to members to ease economic hardships the dairy industry faces. In an announcement late Friday, the Kansas City-based group said that the payment is equivalent to 5 cents per hundredweight for milk marketed through DFA from January through June and that DFA will issue the payment to 10,750 member farms active as of June 30.

JBS Wants to Go Public in Order to Expand Operations (Greeley Tribune, 7/23) -- The Brazilian owners of the former Swift & Co. meatpacking operations based in Greeley have planned a \$2 billion public offering to raise money for continued expansions that could essentially cut out the grocery store butcher. In paperwork filed with the Securities and Exchange Commission, JBS intends to offer the company up for public stock offerings to continue its growth strategy into the next five years. The growth includes expanding its value-added options, such as seasoned beef cuts, plus increasing its distribution network. The distribution network includes in-house cutting rooms, whereby meat would be cut and packaged ready for the supermarket shelves, also known as case-ready.

National Beef Packing Names New CEO (KNBC.com, 7/28) -- National Beef Packing Co. LLC, the nation's fourth-largest beef packer, is getting a new chief executive officer. The Kansas City-based company said Monday that Chief Operating Officer Tim Klein is being promoted to CEO. Klein has worked at National Beef since 1997. Klein replaces John Miller, who led the company for 17 years and remains on its board of managers. The company said the switch was part of a planned succession.

Cattle Rustling on the Rise in Oklahoma (Newson6.com, 7/24) -- Agriculture officials say cattle rustling is rising in Oklahoma and they blame the economy and the ease with which cattle can be stolen and sold. Oklahoma Agriculture Department Special Agent Jerry Flowers told members of the Oklahoma Cattlemen's Association Thursday that 1,076 head of cattle have been reported stolen this year. He said fewer than 550 head were stolen in all of 2008.

Goat Farmers Launch the “Greatest of All Time” (G.O.A.T.) Campaign (Examiner.com, 7/24) -- The SuperGoat initiative was launched by a group of sustainable goat’s milk product companies including Redwood Hill Farm, Cypress Grove Chevre and Laloo’s Goat Milk Ice Cream Company to bring attention to the nutrition and environmental benefits of goat's milk products. With a chemical structure that is amazingly similar to mother’s milk, goat’s milk is a natural for anyone looking for ease of digestion and maximum nutrition. And all goats’ milk products are free of growth hormones – these types of hormones have never even been developed for dairy goats. Redwood Hill Farm, Cypress Grove Chevre and Laloo's products are also free of any antibiotics.

Bank Gets Earful About HSUS (PORK Magazine, 7/23) -- You may have witnessed or heard about the flurry of Web activity surrounding the news that Bank of America has partnered with the Humane Society of the United States. The bank’s MyExpression program is offering an HSUS checking account and associated Visa check card as well as an HSUS Visa credit card, both of which financially support HSUS. The livestock community quickly circulated a template letter to help livestock producers express their concerns to Bank of America. Producers from around the country also turned to e-mail, Facebook and Twitter to voice their opinions. As for the banker singling out the importance of the beef industry, that tells me pork producers did respond as vehemently. Rest assured, there's still time for you to speak up -- and you need to. Contact Bank of America through: Facebook, Twitter, Blog, E-mail to nicole.nastacie@bankofamerica.com. A sample form letter can be found [here](#).

Professor
Agricultural Economics

Extension Area Specialist
Farm Management

University of Tennessee Extension
Department of Agricultural Economics
314 Morgan Hall • 2621 Morgan Circle
1-800-345-0561- for up to date market news

<http://economics.ag.utk.edu/>
<http://www.tnbeefcattleinitiative.org/curmkt.htm>

USDA / Tennessee Department of Agriculture Market News Service
<http://picknproducts.org/producer/marketreport.html>