

# Tennessee Market Highlights

UT Extension

September 11, 2009  
Number :36

## Livestock Comments by Emmitt L. Rawls

Fed cattle sold for \$85 in the S. Plains steady with last week and \$129 to \$131 in the North, \$1 higher. The five area weighted average prices thru Thursday were \$82.83 live and \$130.43 dressed, compared to \$82.64 and \$129.74 a week ago. A year ago these prices were \$96.21 and \$151.53. Cutout values eased up following Labor Day, but faltered on Thursday and Friday. It is old news but lack of discretionary income and ample supplies of lower priced pork and chicken are keeping the lid on wholesale values. Thursday's cutout values compared to a week ago were down 54 cents on the Choice and 98 cents on the Select. At midday Friday the Choice cutout was \$141.41 -.54 and Select was \$133.73 -.23. The Choice Select spread was \$7.68 compared to \$7.55 a week ago. On the Tennessee auctions the feeder steers and bulls were steady with instances of \$1 to \$1 lower. Feeder heifers were steady to \$2 lower. Slaughter cows and bulls were steady to \$1 lower. The average receipts per auction this week were 595 on 10 sales; 731 on 11 sales last week and 832 on 11 sales a year ago. Today's crop report raised the average corn yield to 161.9 up from 159.5 in August. The increase in projected production was largely offset by USDA raising the feed usage, exports and ethanol usage for the coming year, making ending stocks 25 mil. Bushels less than the August report. The market reacted with a mild up tick of 4 to 5 cents perhaps because the report was not as bearish as the market may have been expecting or most of any bearish news was in the market already. The lower corn prices over the past month has encouraged some increased placements of cattle at least in some feedlots where sufficient equity exists.

*Continued on page 2*

## Crop comments by Chuck Danehower

Corn and cotton were up and soybeans and wheat down for the week on a shortened trading week and a fairly neutral USDA Supply & Demand report. The U.S. Dollar was weaker this week trading at 76.66, down 1.47. The Dow Jones Industrial Average while down today is up about 2% for the week and reached its early November high on Thursday. Crude Oil is down almost 3 dollars a barrel today but is up about a dollar a barrel for the week trading at 69.14 a barrel. Weather is still on the mind of traders as each day the potential for yield damage from frost lessens. Although prices have not necessarily reflected it, outside influences have probably been supportive of the market. Comments on today's USDA Supply & Demand report can be found on-line at

<http://economics.ag.utk.edu/outlook.html> .

### Corn:

**New Crop:** December 2009 futures closed at \$3.20 a bushel on Friday, up \$.14 bushel from last week. Weekly exports sales were 40.4 million bushels, above expectations. As of September 6, the crop condition ratings for corn were 69% in the good to excellent rating compared to 69% the previous week and 61% a year ago. The percent dented is 50% compared to 32% last week, 59% last year and the five year average of 75%. Nationwide, 8% of the corn crop is mature compared to 5% last week, 10% last year and the five year average of 23%. USDA estimated the national corn yield at 161.9 bushels/acre, just slightly above the pre report guess of 161.5. Ending stocks for this crop year were only increased 14 million bushels from last month to 1.635 billion bushels.

*Continued on page 2*

**Slaughter cows:** steady to \$1 lower

**Slaughter bulls:** steady to \$1 lower

**Feeder steers:** steady, instances \$1 to \$2 lower

**Feeder heifers:** steady to \$2 lower

**Fed cattle:** 5 area live price of \$82.83 is up \$.19 and the dressed price is up \$.69 at \$130.43

**Feeder cattle index:** Wednesdays index \$98.38

**Corn:** December 2009 futures closed at \$3.20 a bushel on Friday, up \$.14 bushel from last week

**Soybean:** November futures closed at \$9.03 bushel, down \$0.19 bushel from last week

**Wheat:** December 2009 futures contract closed at \$4.67 bushel, down \$0.05 bushel from last week

**Cotton:** October Cotton futures closed at 59.31 cents/lb, up 1.78 cents/lb from last week

## **Livestock Comments** by *Emmit L. Rawls*

Placing feeders which will not breakeven when placed and expecting the market to rise enough to make the cattle profitable has been a strategy in the past, but is taking place less today. Buyers are also being more selective, choosing to avoid cattle which could result in greater health problems and higher cost of gain. It appears that the Southern Plains states are getting their cattle sold \$2 to \$3 higher than the Western Corn Belt states. This can be the difference in profit or loss. Some packers are paying \$35 per head for age and source verified cattle, but this would be far from the majority of cattle. It now appears that the under 21 month rule will stay in place for beef going to Japan. Those recently elected do not favor any change to accept beef from under 30 month cattle.

**TECHNICALLY SPEAKING:** Based on Thursday's closing prices. October live cattle closed at \$87.22. Support is at \$86.97, then \$86.25. Resistance is at \$87.70, then \$88.43. The RSI is 45.82. December cattle closed at \$87.15. Support is at \$86.82, then \$86.07. Resistance is at \$87.57, then \$88.32. The RSI is 44.91. September feeder cattle closed at \$99.50. Support is at \$99.27, then \$98.72. Resistance is at \$99.82, then \$100.37. The RSI is 51.96. October feeders closed at \$99.78. Support is at \$99.47, then \$98.84. Resistance is at \$100.09, then \$100.72. The RSI is 53.85. November feeders closed at \$100.35. Support is at \$100.15, then \$99.33. Resistance is at \$101.15, then \$101.75. The RSI is 50.51. Friday's closing prices were: October live cattle \$87.22 unch; Dec. \$86.92 -.22; Feb. \$87.55 -.52. September feeder cattle- \$99.17 -.32; Oct. \$99.32 -.45; Nov. \$99.75 - .60. September corn - \$3.14 ½ up 5 cents.

## **Crop comments** by *Chuck Danehower*

The pre report guess was pegged at 1.768 billion bushels. An increase in demand somewhat offset the increase in production. December has found support in the \$3 area, but I think the market is susceptible to downside risk. If the corn crop does get bigger or demand starts to soften, then we could go below \$3.00 bushel and might hit the \$2.50 - \$2.75 range. I think storing un-priced corn is questionable at this point. I would not want to store the entire crop that is un-priced waiting for a rally or basis improvement. Somewhat of the decision may depend on prices at the time of harvest. I am currently 50% forward priced with another 50% in put options.

**Deferred:** The March 2010 futures contract closed at \$3.33 bushel, up \$0.13 from last week. The September 2010 contract closed at \$3.60, up \$0.13 bushel from last week.

## **Cotton:**

**Nearby:** The October Cotton futures closed at 59.31 cents/lb, up 1.78 cents/lb from last week.

**New Crop:** The December 09 futures closed at 61.24 cents/lb. up 1.61 cents/lb. from last week. Weekly exports sales were 156,500 bales, below expectations. Currently, cotton has support at 59-60 cents with resistance at 62 cents. Overall crop condition ratings as of September 6 were 51% good to excellent compared to 51% last week and 49% last year. Boll opening is at 25% compared to 19% last week, 27% last year and the five year average of 35%. Yields were increased nationwide in today's USDA report to 835 pounds/acre from 816 pounds/acre last month. Tennessee is forecast to have a record yielding cotton crop at 960 pounds/acre. Cotton ending stocks were left unchanged from last month at 5.6 million bales. The cotton market has benefitted this week from the weaker U.S. Dollar and the perception that the economy may be turning around. With the loan program, there is not any incentive to price cotton until it moves above 63-65 cents.

## **Soybeans:**

**New crop:** November futures closed at \$9.03 bushel, down \$0.19 bushel from last week. Weekly exports were 30.5 million bushels, above expectations. As of September 6, crop conditions have the crop rated at 68% good to excellent compared to 69% last week and 57% in 2008. The percent soybeans dropping leaves was 7% compared to 3% last week, 9% last year and the five year average of 18%. Today's USDA report appeared neutral, with nationwide yields while increased from last month were about expected at 42.3 bushels/acre. Projected carryover was increased 10 million bushels from last month at 220 million bushels. The market seemed to have shrugged off today's report and is concerned about a big crop getting bigger and possibly overly optimistic usage numbers. Near term support is at the July low of \$8.81 and there is still downside risk in the market. I am currently 50% forward priced with another 50% priced with put options.

**Deferred:** The March 2010 contract closed at \$9.16 bushel on Friday, down \$0.12 bushel from last week. The November 2010 contract closed at \$8.99 bushel, up \$0.10 bushel for the week.

## **Wheat:**

**Nearby:** The December 2009 futures contract closed at \$4.67 bushel, down \$0.05 bushel from last week. Weekly exports were 20.3 million bushels, slightly better than expected. As of September 6, crop condition ratings for spring wheat were 74% good to excellent compared to 75% last week. Spring wheat is at 58% harvested compared to 38% last week, 86% last year and the five year average of 88%. The USDA report left wheat mostly unchanged from last month with ending stocks projected at 743 million bushels. The current fundamentals for wheat will make it difficult to sustain a rally, it does look like wheat is becoming more competitive in the world market.

**New Crop:** The July 2010 futures closed at \$5.11 bushel, down \$0.04 bushel from last week. To support higher prices in 2010, supply will need to be reduced. For the 2010 crop, I am 5% priced at \$6.00 bushel.

USDA U.S. 2008/09 Projected Supply & Demand (9/11/09)

	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	<b>306</b>	<b>1,624</b>	<b>205</b>	<b>10.04</b>
Imports	127	15	15	0.01
Supply	2,932	13,740	3,179	22.86
Total Domestic Use	1,250	10,195	1,789	3.60
Exports	1,015	1,850	1,280	13.28
Total Use	2,265	12,045	3,069	16.88
Ending Stocks(mil. bu. or bales)	<b>667</b>	<b>1,695</b>	<b>110</b>	<b>6.20</b>
Projected Season Avg. Price	\$6.78 bu.	\$4.08 bu.	\$10.00 bu.	\$0.487 lb.
Stocks/Use	29.4%	14.3%	3.6%	36.7%

USDA U.S. 2009/10 Projected Supply & Demand (9/11/09)

	Wheat	Corn	Soybeans	Cotton
Planted (mil. acres)	59.8	87.0	77.7	9.14
Harvested (mil. acres)	50.4	80.0	76.8	7.73
Yield per acre	43.3 bu.	161.9 bu.	42.3 bu.	835 lbs.
Production (mil. bu. or bales)	2,184	12,954	3,245	13.44
Beg. Stocks	<b>667</b>	<b>1,695</b>	<b>110</b>	<b>6.20</b>
Imports	110	10	10	0.01
Supply	2,961	14,660	3,366	19.64
Total Domestic Use	1,268	10,825	1,865	3.50
Exports	950	2,200	1,280	10.50
Total Use	2,218	13,025	3,145	14.00
Ending Stocks(mil. bu. or bales)	<b>743</b>	<b>1,635</b>	<b>220</b>	<b>5.60</b>
Projected Season Avg. Price	\$5.10 bu.	\$3.35 bu.	\$9.10 bu.	\$0.54 lb.
Stocks/Use	33.5%	12.6%	7.0%	40.0%

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

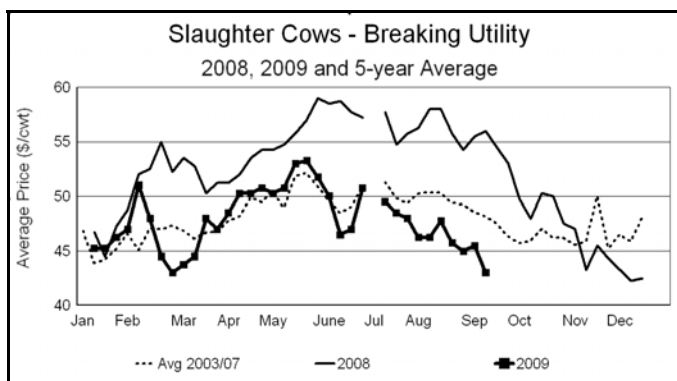
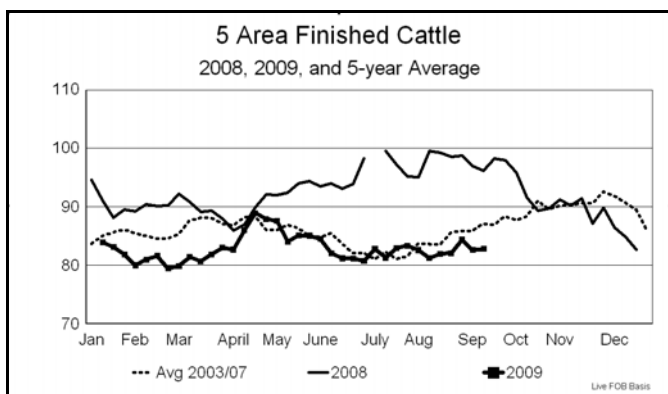
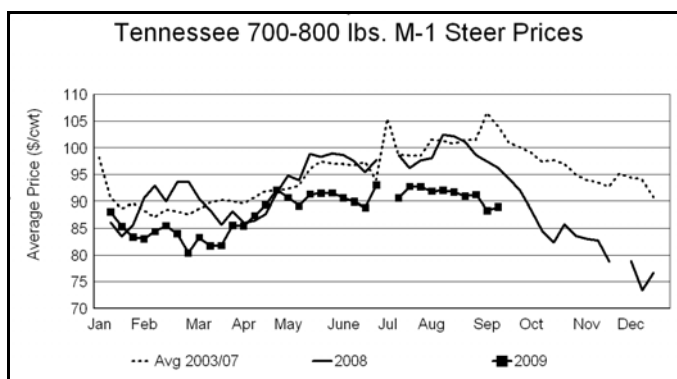
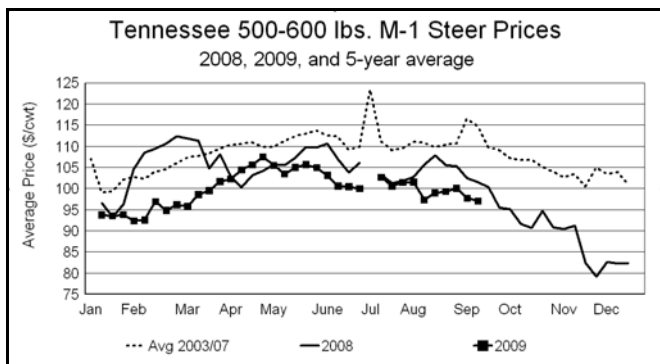
**September 11, 2009**

	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.	99.00	121.00	110.08	110.61	117.63
400-500 lbs.	94.50	112.00	102.39	102.09	107.45
500-600 lbs.	90.00	106.00	97.05	97.71	101.52
600-700 lbs.	86.00	98.50	92.39	92.57	99.15
700-800 lbs.	78.00	94.00	88.97	88.28	96.21
<u>Steers: Small Frame #1-2</u>					
300-400 lbs.	78.50	82.00	79.42	85.14	102.12
400-500 lbs.	78.50	93.00	85.93	88.13	95.85
500-600 lbs.	69.00	86.00	79.69	82.57	87.08
600-700 lbs.	72.00	83.00	77.26	83.07	85.76
<u>Steers: Medium/Large Frame #3</u>					
300-400 lbs.	90.00	107.00	97.59	95.61	103.13
400-500 lbs.	82.00	98.50	91.69	92.69	96.30
500-600 lbs.	74.50	95.50	91.69	89.04	90.94
600-700 lbs.	76.00	88.00	82.72	83.00	90.65
700-800 lbs.	75.00	86.00	81.09	78.50	85.48
<u>Holstein Steer</u>					
300-400 lbs.	56.50	74.00	60.29	74.11	62.33
500-600 lbs.	68.00	74.00	71.11	66.52	66.00
700-800 lbs.	58.00	58.00	58.00	65.00	-----
<u>Slaughter Cows</u>					
Breaking Utility	39.00	47.00	43.00	45.50	56.00
Cutter & Boning	37.00	47.50	42.25	41.75	53.50
Canner	32.00	43.50	37.75	37.25	47.75
Bull YG 1-2	50.00	61.50	55.75	55.75	71.25
<u>Heifers: Medium/Large Frame #1-2</u>					
300-400 lbs.	85.00	108.00	94.30	93.50	99.45
400-500 lbs.	82.00	98.00	89.42	90.60	95.90
500-600 lbs.	79.00	94.00	87.04	87.95	92.71
600-700 lbs.	73.00	88.00	82.78	82.87	89.43
<u>Heifers: Small Frame #1</u>					
300-400 lbs.	75.00	97.00	84.26	80.58	86.96
400-500 lbs.	60.00	85.00	76.41	78.96	83.90
500-600 lbs.	60.00	88.00	75.45	76.80	81.25
600-700 lbs.	63.00	80.00	70.43	75.60	78.75
<u>Heifers: Medium/Large Frame #3</u>					
300-400 lbs.	78.00	93.00	84.27	85.40	91.58
400-500 lbs.	70.00	91.00	82.45	82.57	88.06
500-600 lbs.	70.00	85.00	79.53	80.70	84.95
600-700 lbs.	70.00	83.50	77.90	76.73	82.69

Cattle Receipts: This week: (10) 5,952

Week ago: (11) 8,375

Year ago: (11) 9,150



**Average Daily Slaughter** (number of head)

	This week (3 days)	Last week (4 days)	Year ago (4 days)	This week as percentage of Week ago (%)	Year ago (%)
Hogs	431,666	430,750	431,000	100%	100%
Cattle	130,333	128,750	127,250	101%	102%

**USDA Box Beef Cutout Value** (\$/cwt)

	Thursday	Week ago	Year ago	Change from week ago	Change from year ago
Choice 1 - 3					
600-900 #	141.95	142.49	160.08	-0.54	-18.13
Select 1 - 3					
600-990 #	133.96	134.94	153.84	-0.98	-19.88



**FUTURES SETTLEMENT PRICES****Crops & Livestock****Friday, September 4, 2009 - Thursday, September 10, 2009**

Commodity	Contract Month	Fri. 4	Mon 7	Tues 8	Wed. 9	Thurs. 10
Soybeans (\$/bu)	Sep	9.61	-----	9.69	9.61	9.73
	Nov	9.22	-----	9.36	9.28	9.26
	Jan	9.27	-----	9.43	9.36	9.33
	Mar	9.28	-----	9.47	9.41	9.39
	May	9.27	-----	9.46	9.42	9.38
	Jul	9.30	-----	9.50	9.46	9.42
Corn (\$/bu)	Sep	3.00	-----	3.02	3.05	3.09
	Dec	3.06	-----	3.07	3.10	3.15
	Mar	3.20	-----	3.21	3.23	3.29
	May	3.29	-----	3.30	3.33	3.38
	Jul	3.38	-----	3.39	3.41	3.46
	Sep	3.46	-----	3.47	3.50	3.55
Wheat (\$/bu)	Sep	4.44	-----	4.31	4.29	4.33
	Dec	4.72	-----	4.59	4.56	4.59
	Mar	4.91	-----	4.79	4.76	4.78
	May	5.04	-----	4.91	4.88	4.91
	Jul	5.15	-----	5.03	5.00	5.02
Soybean Meal (\$/ton)	Sep	316	-----	344	349	349
	Oct	286	-----	290	291	290
	Dec	281	-----	285	285	286
	Jan	280	-----	284	285	285
	Mar	278	-----	283	284	284
	May	277	-----	281	283	282
Cotton ¢/lb)	Oct	57.53	-----	58.78	58.78	58.99
	Dec	59.63	-----	60.76	60.77	60.92
	Mar	62.12	-----	63.10	63.25	63.40
	May	63.62	-----	64.69	64.95	65.07
	Jul	65.02	-----	66.05	66.35	66.43
Choice Fed Cattle (\$/cwt)	Aug	-----	-----	-----	-----	-----
	Oct	86.67	-----	87.10	87.55	87.22
	Dec	87.57	-----	86.87	87.42	87.15
	Feb	89.42	-----	87.87	88.20	88.07
Feeder Cattle (\$/cwt)	Apr	85.52	-----	89.67	90.30	90.07
	Sep	98.95	-----	99.05	99.80	99.50
	Oct	98.55	-----	99.17	100.22	99.77
	Nov	99.27	-----	99.87	101.02	100.35
Market Hogs (\$/cwt)	Jan	100.52	-----	101.07	101.85	100.95
	Mar	100.50	-----	100.75	101.50	101.00
	Oct	50.50	-----	50.97	51.45	52.42
	Dec	48.45	-----	48.95	49.65	50.70
Market Hogs (\$/cwt)	Feb	54.35	-----	54.75	56.22	56.97
	Apr	58.72	-----	59.90	61.82	62.77
	May	65.10	-----	66.00	67.90	68.87

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**Milk Futures, Thursday , September 10, CME Futures**

<b>Month</b>	<b>Class III Close</b>	<b>Class IV Close</b>
September	15.36	11.06
October	15.42	11.35
November	15.40	11.43
December	15.53	11.81
January	16.08	12.33

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**Nashville, TN Wednesday September 9, 2009 USDA-TN Dept Market News**

**Tennessee Video Board Sale and Graded Sale**

**09/08/2009 Fayetteville (TLP)**

**Receipts: 598(278 Graded and Grouped)**

Steers & Bulls: Med & Lg 1-2    Heifers: Med & Lg 1-2

400-500 lbs 90.00-104.00    400-500 lbs 83.00-94.50

500-600 lbs 96.00-99.50    500-600 lbs 82.50-94.00

600-700 lbs 89.50-94.00    600-700 lbs 83.00-86.50

700-800 lbs 90.00-93.75    700-800 lbs -----

Bulls: Med & Lg 1-2

400-500 lbs 89.50-100.50

500-600 lbs 87.50-90.00

600-700 lbs 86.00-87.00

700-800 lbs 82.50-85.00

**9/4/2009 Lower Middle TN. Cattle Assoc. Video Board Sale Columbia TN.**

**(Delivery current through October 20, 0-2% shrink and \$4.00-5.00/cwt slide)**

**Total Receipts: 2,619**

Steers Medium and Large 1 few 2

3.5 Lds 700-775 lbs 90.50-96.15 AL, TN, VA

17 Lds 800-880 lbs 87.10-90.50 AL, TN, VA

5 Lds 900-915 lbs 85.70-87.40 TN

Heifers Medium and Large 1 few 2

2 Lds 600-675 lbs 91-91.60 TN, VA

3 Lds 700-720 lbs 88.60-89.90 AL, VA

4 Lds 765-780 lbs 86.10-86.70 AL, TN, VA

4 Lds 800-875 lbs 85.15-87.10 TN, VA

Mixed Load Steers and Heifers Medium and Large 1 few 2

24 steers 700 lbs 92.80, 12 heifers 625 lbs 87.80

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**Sweetwater Graded Sale, Sweetwater, TN Sep 9, 2009**

54 head of holstien, 925 lbs., \$70.50

**Bluegrass Stockyard Internet Sale 9/9/09**

83 head of steers, bbwf-chax, 610 lbs \$100.25

70 head of heifers, bbwf, 700 lbs \$94.80

70 head of heifers, mixed xb, 700 lbs \$85.50

70 head of heifers, bbwf-chax, 700 lbs \$90.25

70 head of steers, bbwf-chax, 700 lbs \$96.75

67 head of steers, bbwf, 750 lbs \$100.10

66 head of steers, bbwf-chax, 765 lbs \$96.00

63 head of heifers, bbwf-chx 800 lbs \$86.25

60 head of steers, mixed, 825 lbs \$92.20

55 holstein, 925 lbs \$71.25

55 head holstein, 960 lbs \$71.95

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

**For more information please go to [www.NLPA.org](http://www.NLPA.org)**

**Equity Cooperatives Market Celebrates 50th Anniversary, Features Animal Handling Industry Issues and Beef Checkoff Information (Equity Cooperative Livestock Sales Assn., 9/2)** --Equity Cooperative Livestock Sales Association's Reedsville Market is celebrating 50 years in business! To honor 50 years of serving producers, Equity is hosting an Anniversary Celebration on Friday, September 18, at the Equity Reedsville Market.

Jeff Hazaleus, region executive officer for the Livestock Marketing Association, will discuss animal handling as well as industry related issues. Chuck Adami, president of the Wisconsin Beef Council and president/CEO of Equity Livestock will discuss how the beef checkoff works for producers and define how the dollars are being utilized.

**ID INFO EXPO 2009 Presentations Available Online (National Institute for Animal Agriculture, 9/1)** —Diverse opinions and facts were voiced, shared and questioned at ID•INFO EXPO 2009, Aug. 25-27, Kansas City, Mo., when 27 speakers representing federal and state government, agribusinesses, media, industry—large producers as well as small producers—and the food industry conveyed their messages related to the current state of animal identification in the United States, obstacles, opportunities and next steps. Sponsored by the National Institute for Animal Agriculture, the EXPO included several interactive discussion sessions which allowed EXPO participants to get their to-the-point questions answered in front of the assembly while breaks provided opportunity for one-on-one conversations between speakers and attendees. Presentations from ID•INFO EXPO 2009 are available at [www.animalagriculture.org](http://www.animalagriculture.org)

**Harkin to Leave Ag Committee (DTN, 9/9)** -- Senate Agriculture, Nutrition and Forestry Committee Chairman Tom Harkin, D-Iowa, will leave the chairmanship of the Agriculture Committee to take over the chairmanship of the Health, Education, Labor and Pensions Committee, high-level congressional sources said late Tuesday. He is likely to be replaced as agriculture chairman by Sen. Blanche Lincoln, D-Ark. The change in chairmanships follows the death of Sen. Edward Kennedy, D-Mass., who chaired the HELP committee. Sen. Chris Dodd, D-Conn., was first in line to chair the HELP Committee, but he decided to remain chairman of the Senate Banking, Housing and Urban Affairs Committee, the sources said.

**USDA Agrees To Help U.S. Pork Producers (National Pork Producers Council, 9/3)** -- The National Pork Producers Council commended U.S. Agriculture Secretary Tom Vilsack for his decision to lend assistance to the U.S. pork industry to help it weather a nearly 2-year-old economic crisis that has put some producers out of business. The U.S. Department of Agriculture agreed to purchase up to \$30 million of pork products, which will be used for various federal food programs. Secretary Vilsack, who heard from hundreds of hurting pork producers, today announced the pork purchase. USDA also is working to reopen pork export markets

that closed in the wake of the H1N1 flu outbreak.

**USDA Splits Weight Category For Livestock Indemnity Claims (National Meat Assn., 9/8)** -- The USDA Farm Service Agency (FSA) announced it will add an additional weight category to the Livestock Indemnity Program (LIP) for non-adult beef cattle, non-adult dairy cattle and non-adult buffalo/beefalo. The over 400 pound category is to be split into 2 categories, 400 to 799 pounds and 800 pounds or more. This change will ensure that the assigned market values for non-adult beef cattle, non-adult dairy cattle and non-adult buffalo/beefalo over 400 pounds reflect the statutory requirement for the payment to be 75 percent of the market value for the livestock.

**Sen. Chambliss: Negative Effects of Climate Change Bill Likely to be Felt by Producers (Senate Ag Committee, 9/9)** -- U.S. Senator Saxby Chambliss (R-Ga.), Ranking Republican Member of the Senate Agriculture Committee, today heard testimony during a full committee hearing on cap and trade and its effects on agriculture. Sen. Chambliss said the hearing offered the committee the opportunity to hear directly from producers and those who will be regulated under a cap and trade system. In his opening statement, Sen. Chambliss noted that Texas A&M University's Agricultural and Food Policy Center (AFPC) last week released a report illustrating the effects of the House-passed American Clean Energy and Security Act on 98 representative farms in its database.

**Senator Moves to Block Controversial Appointment (Feedstuffs, 9/9)** -- U.S. Senate Majority Leader Harry Reid (D-Nevada) has scheduled a vote for Wednesday, September 9 on a presidential nominee opposed by many American hunters, gun owners, and farmers. The nominee, Cass Sunstein, has been tapped to lead the Office of Information and Regulatory Affairs (OIRA) or "Regulatory Czar" as the position is known. The job functions as the "choke point" between the White House and regulations from government agencies including the Departments of Interior, Agriculture, the FBI and the Bureau of Alcohol, Tobacco and Firearms. The vote will take place over the objection of Senator Johnny Isakson (R-Georgia), who is attempting to place a hold on the appointment. To force the confirmation vote, Senator Reid has scheduled a vote of cloture – a procedural move to force a vote on an appointment. Cloture requires 60 yes votes.

**LRP-Lamb Sales Resume Sept. 14 (American Sheep Industry Assn., 9/4)** -- The Livestock Risk Protection-Lamb (LRP-Lamb) plan of insurance will again be available for sale on Sept. 14. The U.S. Department of Agriculture's (USDA) Risk Management Agency (RMA) suspended sales under the 2009 and 2010 LRP-Lamb Specific Coverage Endorsement (SCE) due to the unavailability of pricing information. The American Sheep Industry Association's (ASI) Sheep Venture Company and the Livestock Marketing Information Center have been working with RMA and the Federal Crop Insurance Corporation (FCIC) for nearly a year on several requested enhancements to LRP-Lamb. The 2010 reinsurance year LRP-Lamb materials may be accessed on the RMA Web site from the livestock page at <http://www.rma.usda.gov/livestock/>.

**ICA: Vos Feedlot Cleared Of Unjustified EPA Charges (CattleNetwork, 9/6)** -- The Federal Environmental Protection Agency's (EPA) ability to cite feedlots for discharging waste without physical evidence was nullified in the Vos versus EPA case recently ruled upon. The Judge ruled that even though Vos participated in the Iowa Plan, EPA attempted to penalize him because he did not have his feedlot runoff control structures in place by April 1, 2006. The Judge recognized that Vos made a good faith effort to comply and that his failure to meet the deadline was due to delays, some attributable to Iowa DNR, which were unintentional and unavoidable.

**JBS Versus JDB? (BEEF, 9/8)** -- Brazilian beef giant JBS SA is set to announce as soon as next week the acquisition of Texas-based Pilgrim's Pride Corp. for a price of roughly \$2.5 billion, say people familiar with the matter. The deal would pull the second-largest chicken company in the U.S. out of bankruptcy court and shake up the global meat business. If the JBS deal for Pilgrim's Pride advances, the new company would create a stronger rival to Tyson Foods. Above, the Brazil company called itself 'The world's largest meat producer' after it acquired Swift & Co. in 2007.

**Japan To Retain 20-Month Rule? (BEEF Cow-Calf Weekly, 9/4)** -- Those engaged in negotiations with Japan were increasingly optimistic over the last year or so that the Japanese government was moving to allow cattle imports on cattle 30 months of age or younger rather than the current 20 months. This was expected to be a big boost to getting export levels back to pre-BSE levels. Unfortunately, as is often the case, things have changed. Recent elections in Japan ushered in a new government and the new leadership doesn't appear to be inclined to change the 20-month rule anytime soon. Thus, the process begins all over again.

**USMEF Chairman Impressed with China's Pork Industry, but Sees Many Challenges Ahead (U.S. Meat Export Federation, 9/8)** -- USMEF Chairman Jon Caspers traveled to the World Pork Conference in Qingdao, China, last week, making a presentation regarding the U.S. pork industry. In an interview from the conference, Caspers – a pork producer from Swaledale, Iowa – says that while he is very impressed with the progress China's pork industry has made in recent years, he questions that nation's ability to become self-sufficient in pork production. While China is by far the world's largest producer of pork, he feels there are several factors that will continue to make China an attractive export market for the United States and other pork-producing nations.

**E.U. Ag Ministers Discuss Dairy Prices (Brownfield Network, 9/8)** -- The European Union's agriculture and fisheries ministers met in Brussels on Monday and the top item on the agenda was what to do about the European milk market. Like their counterparts in the United States, EU dairy producers are losing money and equity quickly. Fifteen of the ministers called for a temporary increase in the intervention price, careful management and disposal of intervention stocks, increased export funds for butter, milk powder and cheese, reactivation of aid for the use of milk powder in animal feed and measures to modernize and adapt the dairy sector. In addition, the group suggested loans or state aid up to €15,000 could be given to farmers with liquidity problems. No decisions were made at the Monday meeting; the issue will be brought up again at the Agriculture and Fisheries Council in October when the Commission is to present a new quarterly report. The issue will also be discussed at the Special Committee on Agriculture.

**H1N1 Detected in More Canadian Herds (Wallaces Farmer, 9/4)** -- Thanks to continuing surveillance, the H1N1 influenza virus has been found in several herds in the Canadian province of Manitoba. The infection has been found in sow barns, nursery barns, and feeder barns located in various locations in the province. Movement of pigs from these locations was immediately limited to prevent transmission of the virus to other swine herds. The novel virus was first suspected in a sow barn when sows that had been vaccinated against common strains of influenza began to exhibit influenza-like symptoms. In the herds where the virus has been detected the disease was very mild, with pigs showing only slight signs of respiratory illness. No deaths have been reported in these herds.

**Animal ID Up in the Air (National Meat Assn., 9/4)** -- The results of the USDA's National Animal Identification System (NAIS) listening sessions were discussed during ID INFO EXPO in Kansas City, MO last month. In introduction, Dr. John Clifford, USDA's chief veterinarian, admitted that "APHIS hasn't been able to implement NAIS. Because of the shortcoming, Secretary Vilsack wanted frank and open communication and scheduled listening sessions in 14 communities," reported Food Chemical News.

Clifford said that four major themes emerged from the listening sessions: confidentiality, liability, cost and privacy. He also identified two minor themes: religious objections and loss of confidence in USDA. "We want to respond to the concerns we heard," he said, but there was no indication when or how the Agency would respond. "We need to find a way to achieve animal traceability," he added. "I can't tell you what it will look like, but we're committed to finding a way forward."

**Trent Loos: I Have Had Enough (High Plains Journal, 9/9)** -- The last couple of misinformed articles about agriculture did catch the attention of the farming community; and, I hope that it will finally motivate more of us to do something other than voice our frustrations in the coffee shop about what people don't know about modern agriculture. The faceless world of animal agriculture must come out of the barn and introduce themselves to these enquiring minds.

**TSCRA Special Rangers Conclude Cattle Theft Investigation At Oklahoma Feed Yard (CattleNetwork, 9/3)** -- Timothy Allan Crowl, 45, also known as Festus, confessed to the Custer County Sheriff's Office to stealing more than 9 head of cattle from Dobbins Feed Yard in Thomas, Okla., in January 2009. At the time, Crowl was employed by Larry Dobbins, owner of Dobbins Feed Yard. Texas and Southwestern Cattle Raisers Association (TSCRA) Special Rangers Ben Eggleston, John Cummings and Austin Green were contacted to investigate the case. Further investigation revealed that Crowl had stolen more than 40 head from the feed yard since 2008.

**AFBF to Obama: Pork, Dairy Sectors Need Support (American Farm Bureau Federation, 9/3)** -- America's pork and dairy producers have lost much of their equity over the last year. With a wave of restructuring and forced herd sales expected over the next few months, the American Farm Bureau Federation today asked President Obama to initiate and continue several national measures to provide relief. In a letter to Obama, AFBF President Bob Stallman expressed appreciation for ongoing Agriculture Department support for farmers hit by worsening economic conditions, and he called for additional initiatives.

**Keep Your Self-Righteous Fingers Off My Processed Food (LA Times, 8/30)** -- By demanding we all pay more to fund their agendas in these harsh economic times, foodie snobs and lefty social critics may as well tell us to eat artisanal cake. Just in time for the worst economic downturn since the Depression, here comes a new crop of social critics to inform us that we're actually spending too little for the food we eat, the clothes we wear, the furniture we sit on and the gasoline that runs our automobiles.

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