

# Tennessee Market Highlights

UF Extension

October 16, 2009  
Number :40

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

The fed cattle trade developed Friday morning at prices \$1 to \$1.50 higher than week ago at \$83 to \$83.50 in the South and \$126 to \$128 in the North \$2 to \$3 higher. Five area weighted average prices thru Thursday were \$81.21 live and \$125.19 dressed compared to \$80.85 and \$125.01 last week. A year ago prices were \$89.35 and \$136.69. Hopefully the higher money is an indication of currentness and clean up of some of the very heavy cattle in the North. The fed price was led by the futures this week and cutout values had inched higher as well. Some sales may have taken place ahead of the Cattle on Feed Report which is expected to show an increase in September placements on feed. Cutout values on Thursday compared to a week ago were up \$1.58 on Choice and up \$2.76 on the Select. At midday Friday the Choice was \$135.84 up .47 and the Select was \$132.65 up .69. The Choice Select spread was \$3.19 compared to \$4.75 last week again indicating weakness in the demand for the higher valued product. Feeder steers, bulls and heifers were called steady to \$3 lower on the Tennessee auctions. Slaughter bulls were called steady, while slaughter cows were called steady with instances of 1 to \$2 higher. The higher corn market due to wet weather and uncertainty over frost damage negatively impacted feeder cattle prices and feeder futures as well. While the fall runs of cattle have not been very large, very wet weather in most of the state has not been friendly to gathering and hauling cattle.

*Continued on page 2*

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

Commodities again finished up for the week on concern over harvest delays. The Dow Jones breaking the 10,000 barrier, the dollar hitting a 14 month low, and the increase in crude oil, all provided support to the commodity market. The U.S. Dollar is weaker for the week at 75.75, down .90 having reached a low not seen since August 2008. The Dow Jones Industrial Average traded up over 10,000 two days this week, but has since pulled back, to 9991 at midday, up 1.5% for the week. Positive reports about the economy have started coming in helping to boost the stock market. Crude Oil ended the week up almost 9%, trading at 78.67 before the close. I have full confidence in the U.S. farmer that given the opportunity, no matter how small the harvest window, the majority of the crop will be harvested this year. I have read some comments that some of the crop will not be harvested until the spring, but today's equipment can cover acreage efficiently, effectively, and quickly. We do need favorable weather to make that happen, but given even small windows it will happen. Some of this harvest uncertainty has been built into the markets' recent rise, but once the crop fully starts to come in pressure will be put on the market. It is possible; however, that we may have already seen the harvest lows. **Corn:**

**New Crop:** December 2009 futures closed at \$3.72 a bushel on Friday, up \$.10 bushel for the week. Support is at \$3.53 bushel with resistance at \$3.76 bushel. Weekly exports sales were 24.9 million bushels, below expectations and behind pace to reach USDA estimates.

*Continued on page 2*

**Slaughter cows:** steady, instances \$1 to \$2 higher late week

**Slaughter bulls:** steady

**Feeder steers:** steady to \$3 lower

**Feeder heifers:** steady to \$3 lower

**Fed cattle:** 5 area live price of \$81.21 is up \$.36 and the dressed price is up \$.18 at \$125.19

**Feeder cattle index:** Wednesday's index \$93.25

**Corn:** December 2009 futures closed at \$3.72 a bushel on Friday, up \$.10 bushel for the week

**Soybean:** November futures closed at \$9.78 bushel, up \$0.14 bushel from last week

**Wheat:** December 2009 futures contract closed at \$4.99 bushel, up \$0.31 bushel from last week

**Cotton:** December 09 futures closed at 68.21 cents/lb. up 5.19 cents/lb. from last week

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

Average receipts per sale this week were 688 head on 11 sales compared to 755 on 11 sales last week and 627 on 10 sales a year ago. Today's cattle on feed report has pre-report trade expectations as follows: Cattle on feed +.5%; Placed on feed in Sept.+ 5.5%; and Marketed in Sept. down 2%. An improvement in September cattle feeding margins on new cattle probably led to some increase in placements, however the September placement number a year ago was rather low, i.e. two percent below the three year average and 4% below the five year average.

Today's report indicated 1% more cattle on feed in lots of 1,000 head or more; a 5% increase in September placements, a tick lower than the average trade expectations and September marketings 4% below a year ago, a lower number than the trade expectations. While the marketing number is slightly bearish, the higher cash trade this week could well offset that in view of the fact that the trade already knew that marketings were somewhat behind as indicated by the heavier weight cattle coming to market. The increase in placements came from cattle placed weighing under 800 pounds. Texas sold cattle later for \$84.

**TECHNICALLY SPEAKING:** based on Thursday's closing prices. October fed cattle closed at \$83.80. Support is at \$83.60, then \$83.25. Resistance is at \$83.95, then \$84.30. The RSI is 50.95. December cattle closed at \$85.65. Support is at \$85.32, then \$84.75. Resistance is at \$85.90, then \$86.47. The RSI is 56.72. February cattle closed at \$86.05. Support is at \$85.50, then \$84.95. Resistance is at \$86.45, then \$86.60. The RSI is 49.52. October feeder cattle closed at \$94.13. Support is at \$94.00, then \$93.65. Resistance is at \$94.35, then \$94.70. The RSI is 43.25. November feeders closed at \$94.60. Support is at \$94.38, then \$93.81. Resistance is at \$94.96, then \$95.53. The RSI is 47.17. January feeders closed at \$95.02. Support is at \$95.10, then \$94.40. Resistance is at \$95.90, then \$97.20. The RSI is 41.67. Today's closing futures prices are as follows: Live cattle Oct.\$84.10 +.30; Dec. \$85.80 +.15; Feb. \$86.40 +.35; April \$88.42 +.17. Feeder cattle - October \$94.55 +.42; November \$95.12 +.52; January \$95.95 +.52; March \$97.10 +.67. Corn. \$3.72 per bushel down .01. The lower corn on Thursday and higher fed cattle futures gave new life to feeder cattle futures and if sustained could yield higher feeder prices next week, depending on the reaction to the cattle on feed report.

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

As of October 11, the crop condition ratings for corn were 70% in the good to excellent rating compared to 70% the previous week and 62% a year ago. Nationwide, 74% of the corn crop is mature compared to 57% last week, 84% last year and the five year average of 92%. Corn harvest is at 13%, compared to 10% last week, 20% last year and the five year average of 35%. It is no doubt that harvest is behind and that there have been some crop losses. Estimates range from 100 million bushel to 400 million bushels nationwide. Most likely, these losses have been built into the market. Crops that have been harvested have had excellent yields, but it remains to be seen if the strong yields can offset the crop losses. At current levels, I would look to contract un-priced grain or sell across the scales depending on when harvest is expected. I am currently 50% forward priced with another 50% in December put options. The December options expire November 20.

**Deferred:** The March 2010 futures contract closed at \$3.84 bushel, up \$0.09 bushel from last week. The September 2010 contract closed at \$4.06, up \$0.08 bushel from last week. Having moved through the \$4 mark I would consider pricing 5% of the 2010 crop at today's close of \$4.06 bushel. Elevators pricing for 2010 most likely will have fees for future only contracts. Check on the fees and if a cash price is offered.

### **Cotton:**

**Nearby:** The December 09 futures closed at 68.21 cents/lb. up 5.19 cents/lb. from last week. Support is at 64.38, resistance at 71.12 cents. Weekly exports sales were 100,600 bales (73,000 bales 09/10; 27,600 bales 10/11), within range of expectations. Overall crop condition ratings as of October 11 were 47% good to excellent compared to 47% last week and 48% last year. Boll opening is at 79% compared to 68% last week, 80% last year and the five year average of 83%. Cotton harvest is reported at 12% compared to 10% last week, 23% last year and the five year average of 29%. The Texas harvest is 5% behind the normal pace, but the Mid-South is behind 46% and the Southeast is averaging 14% behind their average harvest pace. It looks like the cotton market is anticipating some yield losses from this harvest delay. This along with a weaker dollar and the possibility of a recovering economy has bolstered futures. Positive job data this week provided support to the recovering economy theory. I would note that there are many analysts that still believe we have a ways to go before the economy recovers. Contact your cotton buyers for current quotes on loan equities and or cash prices. Equities were reported at 8 cents during the week. Producers may want to consider selling their loan cotton and purchasing a March or May call option. Producers should understand any option strategies they undertake.

**Deferred:** The March 2010 futures contract closed at 70.38 cents/lb., up 4.75 cents/lb. from last week.

### **Soybeans:**

**New crop:** November futures closed at \$9.78 bushel, up \$0.14 bushel from last week. Support is at \$9.56, with resistance at \$10.12 bushel. Soybeans traded through \$10 earlier in the week but have since pulled back. Weekly exports were 24 million bushels, above expectations and still above pace to meet USDA projections. There was a report out of China that due to the increase in U.S. prices

their Chinese buyers will rely more heavily on their domestic supplies soon after their October harvest. This report from the China National Grain and Information Center also indicated that after April they would be buying almost exclusively soybeans from South America. We will have to see if this will eventually mean cancellations of export sales on the books. As of October 11, crop conditions have the crop rated at 64% good to excellent compared to 67% last week and 57% in 2008. The percent soybeans dropping leaves was advanced to 89% compared to 79% last week, 90% last year and the five year average of 95%. As of October 11, 23% of the crop was harvested compared to 15% last week, 49% last year and the five year average of 57%. Conditions deteriorating and soybeans slow to harvest have provided support. All areas all behind on harvest so soybeans moving to the pipeline are slow. A few good days of harvest throughout the Midwest would put pressure on the market at least until yields are known. I am still inclined to price out any un-priced soybeans rather than store un-priced. There is no carry in the market to pay for storage and prices have recently rallied. I am currently 50% forward priced with another 50% priced with put options. November put options expire next Friday, October 23. Producers who have not harvested their crop may want to explore rolling (sell the Nov. put and then buy a Jan. put) them to January.

**Deferred:** The March 2010 contract closed at \$9.85 bushel on Friday, up \$0.17 bushel from last week. The November 2010 contract closed at \$9.74 bushel, up \$0.25 bushel for the week.

#### **Wheat:**

**Nearby:** The December 2009 futures contract closed at \$4.99 bushel, up \$0.31 bushel from last week. Weekly exports were 17.6 million bushels, below expectations and below pace to meet USDA projections.

**New Crop:** The July 2010 futures closed at \$5.40 bushel, up \$0.24 bushel from last week. Support is at \$5.32 bushel with resistance at \$5.63 bushel. As of October 11, 64% of the winter wheat has been planted compared to 53% last week, 69% last year and the five year average of 69%. Emergence is 39% compared to 26% last week, 42% last year, and the five year average of 40%. Wheat has gained this week on the coattails of corn and soybeans. With harvest delays in the Mid-South and South, I would guess there is some anticipation of a reduction in winter wheat acres. During the week, prices hit the \$5.50 target, pricing 5% of the 2010 crop making 10% priced overall. At this point, I would probably wait until wheat is planted to price anymore.

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

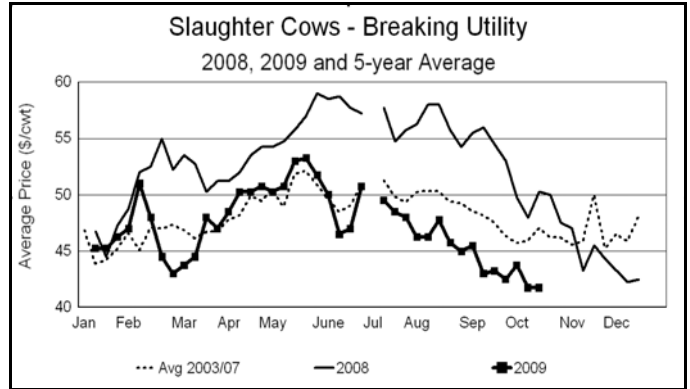
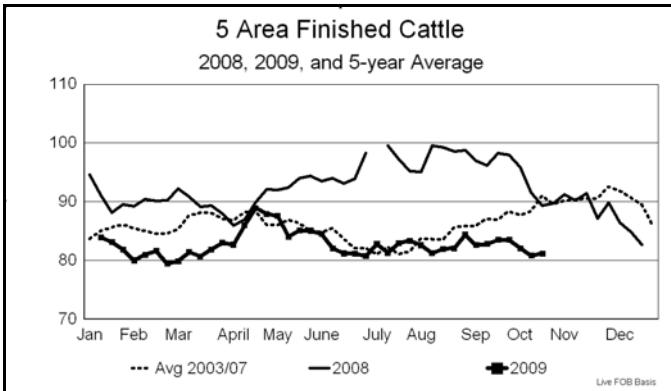
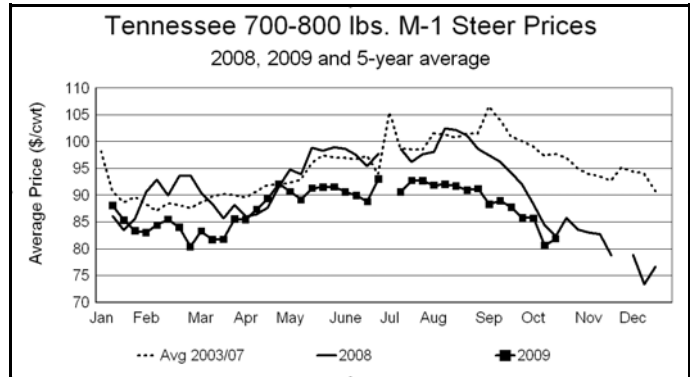
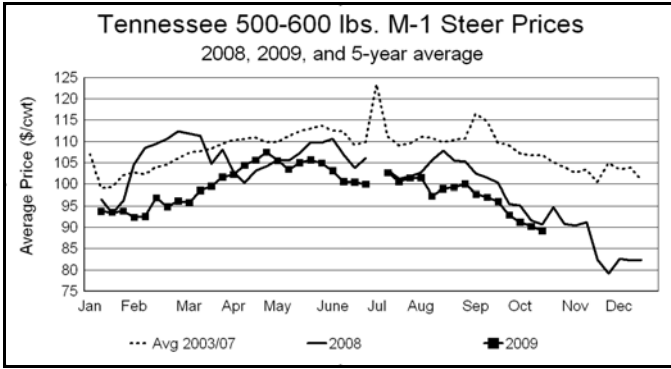
**October 16, 2009**

	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.	91.50	118.00	105.22	104.94	103.85
400-500 lbs.	84.50	108.00	95.99	96.20	96.88
500-600 lbs.	82.00	98.00	89.15	90.22	90.61
600-700 lbs.	73.00	89.50	83.84	84.22	86.97
700-800 lbs	72.50	87.00	81.86	80.61	82.42
<u>Steers: Small Frame #1-2</u>					
300-400 lbs.	81.00	99.00	87.70	81.19	99.34
400-500 lbs.	71.50	92.00	83.19	80.30	81.49
500-600 lbs.	68.50	84.50	74.60	74.54	80.64
600-700 lbs.	70.00	73.50	71.38	69.27	75.83
<u>Steers: Medium/Large Frame #3</u>					
300-400 lbs.	80.00	106.00	92.25	94.67	94.06
400-500 lbs.	77.50	96.00	87.35	86.56	86.03
500-600 lbs.	74.50	86.00	81.02	82.00	82.48
600-700 lbs.	70.00	83.00	76.29	73.03	77.40
700-800 lbs.	73.00	75.50	74.25	76.55	73.00
<u>Holstein Steer</u>					
300-400 lbs.	52.50	56.00	54.34	55.00	67.83
500-600 lbs.	66.00	69.50	67.60	58.14	57.89
700-800 lbs.	60.00	65.50	65.07	52.88	58.82
<u>Slaughter Cows</u>					
Breaking Utility	37.50	46.00	41.75	41.75	50.25
Cutter & Boning	36.00	47.00	41.50	40.25	48.50
Canner	32.50	39.00	35.75	36.50	41.50
Bull YG 1-2	48.00	58.00	53.00	52.75	62.75
<u>Heifers: Medium/Large Frame #1-2</u>					
300-400 lbs.	75.00	96.00	86.39	87.11	90.73
400-500 lbs.	73.00	94.00	81.22	82.33	84.53
500-600 lbs.	70.00	86.00	77.19	77.95	80.23
600-700 lbs.	67.00	83.00	73.89	75.22	77.52
<u>Heifers: Small Frame #1</u>					
300-400 lbs.	65.00	86.00	74.89	74.12	76.01
400-500 lbs.	60.00	79.00	70.12	69.50	70.82
500-600 lbs.	61.00	74.00	66.64	65.46	72.14
600-700 lbs.	63.00	69.00	65.52	65.65	69.78
<u>Heifers: Medium/Large Frame #3</u>					
300-400 lbs.	72.00	87.00	78.88	79.25	81.13
400-500 lbs.	62.00	83.00	75.59	76.48	76.27
500-600 lbs	64.00	79.00	71.44	71.68	73.74
600-700 lbs	63.00	74.00	68.79	71.26	71.27

Cattle Receipts: This week: ( 11 ),565

Week ago: (11) 8,300

Year ago: (10) 6,275



**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	433,000	434,250	432,000	100%	100%
Cattle	124,500	123,500	123,500	101%	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 #	135.37	133.79	145.61	1.58	-10.24
Select 1 - 3					
600-990 #	131.96	129.20	138.20	2.76	-6.24



**FUTURES SETTLEMENT PRICES**  
**Crops & Livestock**  
**Friday, October 9, 2009 - Thursday, October 15, 2009**

Commodity	Contract Month	Fri. 9	Mon. 12	Tues. 13	Wed. 14	Thurs. 15
Soybeans (\$/bu)	Nov	9.64	9.99	9.93	9.94	9.83
	Jan	9.67	10.00	9.96	9.98	9.88
	Mar	9.68	10.00	9.95	9.99	9.90
	May	9.64	9.94	9.89	9.93	9.87
	Jul	9.64	9.93	9.86	9.91	9.87
	Aug	9.60	9.91	9.84	9.87	9.85
Corn (\$/bu)	Dec	3.62	3.81	3.82	3.83	3.73
	Mar	3.74	2.93	3.93	3.95	3.85
	May	3.83	4.01	4.01	4.03	3.93
	Jul	3.90	4.08	4.08	4.10	4.01
	Sep	3.98	4.14	4.14	4.15	4.07
	Dec	4.05	4.19	4.19	4.20	4.13
Wheat (\$/bu)	Dec	4.68	4.94	5.11	5.13	5.05
	Mar	4.87	5.13	5.30	5.32	5.24
	May	5.02	5.26	5.43	5.45	5.36
	Jul	5.16	5.40	5.55	5.56	5.47
	Sep	5.31	5.54	5.70	5.70	5.61
Soybean Meal (\$/ton)	Oct	310	323	326	306	296
	Dec	297	307	306	303	293
	Jan	294	303	303	300	291
	Mar	290	299	300	296	288
	May	287	295	295	294	288
	Jul	285	294	294	293	288
Cotton (\$/lb)	Dec	63.02	64.68	65.88	67.08	67.64
	Mar	65.63	67.20	68.35	69.25	69.87
	May	66.84	68.32	69.27	70.00	70.74
	Jul	68.12	69.42	70.08	70.65	71.44
	Oct	69.08	70.32	70.85	71.35	72.02
Choice Fed Cattle (\$/cwt)	Oct	92.62	82.20	82.20	83.25	83.80
	Dec	94.95	85.30	84.67	85.57	85.65
	Feb	85.92	86.20	85.47	85.90	86.05
	Apr	88.17	88.40	87.65	88.12	88.25
	Jun	85.15	85.45	84.90	85.50	85.27
Feeder Cattle (\$/cwt)	Oct	94.17	94.02	93.05	93.72	94.12
	Nov	94.47	94.17	93.12	94.15	94.60
	Jan	95.02	95.02	94.02	94.97	95.42
	Mar	96.37	96.32	95.65	96.22	96.37
	Apr	97.45	97.30	96.60	97.37	97.47
Market Hogs (\$/cwt)	Oct	50.85	50.12	50.45	-----	-----
	Dec	52.77	53.82	53.67	54.25	54.47
	Feb	59.00	59.52	59.20	60.25	60.70
	Apr	64.15	64.95	64.77	65.50	65.55
	May	70.62	70.95	70.85	71.02	71.00

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**Milk Futures, Thursday , October 15, CME Futures**

Month	Class III Close	Class IV Close
October	12.71	11.55
November	14.16	12.18
December	14.47	12.56
January	14.52	12.36
February	14.57	13.49

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**Nashville, TN Wednesday Oct 14, 2009 USDA-TN Dept Market News  
Tennessee Video Board Sale and Graded Sale****10/13/2009 Fayetteville (TLP)****Receipts: 633(378) Graded and Grouped)**

Steers: Med & Lg 1-2	Heifers: Med & Lg 1-2
300-350 lbs 110.50	300-350 lbs 83.50-91.50
350-400 lbs 100.00-110.00	350-400 lbs 80.00-90.00
400-500 lbs 95.00-99.00	400-450 lbs 73.00-80.00
500-550 lbs 88.00-96.00	450-500 lbs 70.00-75.50
550-600 lbs 82.50-87.00	500-550 lbs 70.00-76.00
600-700 lbs 79.50-87.50	550-600 lbs 69.00-75.75
700-800 lbs 76.50	600-700 lbs 68.00-72.50
	700-800 lbs 65.00-74.50

Bulls: Med & Lg 1-2  
400-450 lbs 103.50-107.50  
450-500 lbs 95.50-96.50  
500-600 lbs 77.00-82.00  
600-700 lbs 68.00

**10/12/09 Cookeville- Feeder cattle sale****Receipts: 523 Prices for Blk, Bwf and Char X only**

Steers: Med and Lg 1	Heifers: Med & Lg 1
300-395 lbs 95.50-99.00	300-395 lbs -----
400-475 lbs 90.00	400-475 lbs 79.25-84.75
480-550 lbs 91.50-94.00	480-550 lbs 75.50-83.50
555-625 lbs 84.50-86.50	555-625 lbs 75.75-78.50
630-700 lbs 81.00-86.40	630-700 lbs 75.00-80.50
705-775 lbs 80.00-83.50	705-775 lbs 73.50-74.25
780-850 lbs 84.50-85.00	780-850 lbs 69.50-76.75
855-950 lbs 78.50-80.25	800-900 lbs -----

Steers: Med & Lg 2	Heifers: Med & Lg 2
300-395 lbs -----	300-395 lbs 72.00-80.00
400-475 lbs 87.00-87.50	400-475 lbs 76.00-83.00
480-550 lbs 86.00-90.00	480-550 lbs 72.00-75.00
550-625 lbs 84.00-86.00	555-625 lbs 75.00
630-700 lbs 81.00	630-700 lbs 72.00-77.50
705-775 lbs 80.00	705-775 lbs 73.00-73.50
780-850 lbs 76.50-86.00	

**10/9/09 Sweetwater- Feeder Cattle Sale**

**Receipts: 405, Prices for Blk, Bwf and Cont X only**

Steers: Med and Lg 1		Heifers: Med & Lg 1	
300-400 lbs -----		300-400 lbs -----	
400-450 lbs 103.00		400-450 lbs 82.00-83.50	
450-500 lbs 99.00		450-500 lbs 82.00	
500-550 lbs 95.00		500-550 lbs 75.00-85.25	
550-600 lbs 82.00-89.25		550-600 lbs 78.50	
600-700 lbs 82.50-84.75		600-700 lbs 75.00-75.60	
700-800 lbs 84.50-85.00		700-800 lbs 75.50	
800-900 lbs 83.00		800-900 lbs -----	

Steers: Med & Lg 2		Heifers: Med & Lg 2	
300-350 lbs -----		300-400 lbs -----	
350-400 lbs -----		400-450 lbs 74.00	
400-450 lbs 82.00-90.50		450-500 lbs 70.00-79.00	
450-500 lbs 89.75		500-550 lbs 75.50	
500-550 lbs 88.50-89.00		550-600 lbs 75.00	
550-600 lbs 86.50		600-700 lbs 75.00	
600-700 lbs 75.50-77.00		700-800 lbs 74.50	
700-800 lbs 81.50			
800-900 lbs			

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**BLUEGRASS STOCKYARD INTERNET SALE 10-14-09**

67 head mixed steers, 750 lbs., \$84.40  
62 head mixed steers, 800 lbs., \$83.00  
114 steers, bbwf-chax, 880 lbs., \$78.80  
60 head mixed heifers, 826 lbs., \$80.00  
105 holsteins, 980 lbs., \$69.70  
60 holsteins, 860 lbs., \$70.80

**EAST TENNESSEE LIVESTOCK CENTER OCTOBER 14, 2009**

1 load out of 64 steers, est. wt 840 lbs., range 50 to 900 lbs., \$.04 slide up if over 841 lbs., 90% L&M -1, 10% L&M -2, med flesh, 59 Black & BWF, 5 ChaX & Smoky, wormed, no implants, hauled 30 miles to barn, no shrink. Price: \$84.70

1 load out of 90 heifers, est. wt. 690 lbs., range 640 to 750 lbs, m \$.04 slide up if over 691 lbs., 100% M -1, med flesh, 65% Black & BWF, 35% Chax & Smoky, wormed and implanted, hauled 8 miles to barn, selling with 1% shrink. Price: \$83.35

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**Tennessee Weekly Summary for October 16, 2009**

**Bred Cows Medium and Large 1 Young**

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	900-1000	990	650.00	650.00 1-3 Months Bred

**Bred Cows Medium and Large 1 Middle Aged**

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	1000-1100	1035	710.00	710.00 4-6 Months Bred
1	1100-1200	1190	840.00	840.00 4-6 Months Bred
1	1200-1300	1265	730.00	730.00 4-6 Months Bred
1	1300-1400	1350	810.00	810.00 4-6 Months Bred

**Bred Cows Medium and Large 2 Middle Aged**

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	1100-1200	1125	520.00	520.00 1-3 Months Bred

Bred Cows Medium and Large 2 Aged

Head Wt Range Avg Wt Price Range Avg Price

1 1100-1200 1190 565.00 565.00 7-9 Months Bred  
 2 1200-1300 1250 490.00-580.00 536.44 7-9 Months Bred

<b>Weighted Average Monthly Prices on Tennessee Auctions</b>													
	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Year to Date Average</b>
<b>Fed Steers (Kansas)</b>													
<b>2008</b>	91.45	92.02	89.42	89.19	94.08	94.78	97.62	99.35	98.59	91.94	90.88	84.61	94.06
<b>2009</b>	83.08	81.74	82.22	86.39	84.54	81.85	82.76	82.80	84.49				83.32
<b>700-800 lbs. Steers</b>													
<b>2008</b>	87.03	92.85	88.45	90.68	97.80	97.58	97.68	101.14	94.11	84.16	81.28	76.30	94.15
<b>2009</b>	85.35	83.86	83.13	89.82	90.97	90.31	91.85	91.18	87.38				88.21
<b>600-700 lbs. Steers</b>													
<b>2008</b>	90.25	100.87	96.87	96.75	102.43	102.03	100.12	103.42	96.59	86.81	82.37	78.02	98.81
<b>2009</b>	87.39	87.54	91.25	97.79	98.69	94.83	97.28	94.39	90.35				93.28
<b>500-600 lbs. Steers</b>													
<b>2008</b>	98.08	110.45	108.97	103.62	107.62	106.62	102.36	106.11	99.35	92.38	87.69	82.39	104.80
<b>2009</b>	93.32	96.00	99.87	105.44	104.92	101.03	101.54	99.80	94.68				99.62
<b>400-500 lbs. Steers</b>													
<b>2008</b>	107.87	121.28	117.59	109.96	112.76	109.47	105.87	110.58	106.09	99.08	94.73	88.72	111.27
<b>2009</b>	100.75	102.78	104.77	109.82	110.42	106.82	107.10	104.67	101.20				105.37
<b>300-400 lbs. Steers</b>													
<b>2008</b>	117.40	127.95	124.80	116.21	117.65	115.27	110.97	116.97	115.37	107.13	105.04	97.85	118.07
<b>2009</b>	108.92	108.74	110.37	115.42	117.52	113.49	113.39	110.92	109.54				112.03
<b>Utility Cows</b>													
<b>2008</b>	46.47	53.89	52.19	53.16	56.81	58.45	57.26	56.90	54.97	49.77	45.34	42.68	54.46
<b>2009</b>	46.39	45.78	46.63	50.25	53.00	49.05	48.37	46.19	43.84				47.72
Source: USDA/Tennessee Department of Agriculture Market News Service													

**\*\*The following news summary is from the National Livestock Producers Association\*\***  
**For more information please go to [www.NLPA.org](http://www.NLPA.org)**

**Attention ASA Health Insurance Customers (Dairylea, 10/9)** -- Health Care legislation is very active in the Senate and we're looking for your support in keeping ASA a viable solution for our members and protecting your right to keep your coverage, while providing access to the affordability credits that will become standard for government-prescribed plans. Visit [www.dairylea.com](http://www.dairylea.com) or <http://capwiz.com/dfamilk/home/> and submit a letter of support to your local Senators.

**Immigration "No-Match" Rule to Be Suspended (Dairylea, 10/9)** -- On Wednesday, the Department of Homeland Security (DHS) published its final rule rescinding the so called "no-match" rule, under which the Social Security Administration would have notified employers when an employee's social security number was not found in the Administration's database. As you may recall, the original rule was put forth in 2007, but implementation was blocked by a court ruling in U.S. District Court.

**Senate Approves Ag Appropriations Bill (Brownfield Network, 10/9)** -- The Senate passed the FY2010 Ag Appropriations bill on Thursday. The \$121 billion package includes that \$350 million dairy relief package. The bill had been held up by California Senator Barbara Boxer who wanted to make sure dairy producers in her state got a fair shake when \$290 million of that is dispensed as direct farmer payments. Many had advocated using the MILC program to get those dollars out but Boxer argued that plan favors smaller producers at the expense of larger dairies like those in California. The final payment system will be determined by Ag Secretary Tom Vilsack who met with Senator Boxer and assured her the money would be distributed equitably. Most of the bill, \$100 billion is for federal food programs such as food stamps and school lunch. It also lifts the U.S. ban on poultry imports from China. It now goes to President Obama for his signature.

**Gillibrand Unveils Comprehensive Food Safety Improvement Plan (Gillibrand.senate.gov, 10/14)** -- U.S. Senator Kirsten Gillibrand, the first New York senator to sit on the Senate Agriculture Committee in nearly 40 years, today announced a comprehensive plan to overhaul the nation's food safety laws by improving inspection, recall response, and public education. A cornerstone of Senator Gillibrand's plan is new legislation to mandate E. coli inspections of ground beef.

**Vilsack Launches National Institute of Food and Agriculture, Announces Vision for Science and Research at USDA (USDA, 10/8)** -- Agriculture Secretary Tom Vilsack launched the National Institute of Food and Agriculture (NIFA) with a major speech regarding the role of science and research at USDA. At an event at the National Press Club with John Holdren, Assistant to the President for Science and Technology, Vilsack outlined his vision for addressing the some of the world's major challenges over the coming decades. Click here to read his remarks.

**Lawmakers Ask USDA To Help Pork Producers (National Pork Producers Council, 10/7)** -- Members of the U.S. Senate and House have urged the U.S. Department of Agriculture to lend assistance to U.S. pork producers to help them out of a 2-year-old economic crisis. The National Pork Producers Council applauded the congressional request. In separate letters sent to Agriculture Secretary Tom Vilsack, 24 senators and 63 representatives asked that USDA take action to provide "much-needed emergency relief" to the U.S. pork industry. The congressional efforts, led by Al Franken, D-Minn., and Richard Burr, R-N.C., in the Senate and by Tim Walz, D-Minn., and Steve King, R-Iowa, in the House, were made to help pork producers deal with losses averaging \$22.50 per hog since September 2007. Over the past two years, the U.S. pork industry has lost more than \$5 billion, and producers have lost more than 65 percent of the equity in their operations.

**Vilsack Supports Creation of U.S. Consumer Financial Protection Agency (USDA, 10/13)** -- Agriculture Secretary Tom Vilsack joined Iowa Attorney General Tom Miller at an event to offer support for the creation of a U.S. Consumer Financial Protection Agency. Vilsack said:

"In the final three months of 2008, American families lost \$5.1 trillion in wealth and today, they are still paying the price for weak regulation and financial instability. The Consumer Financial Protection Agency will ensure that future mistakes by a few do not cause harm to so many. We owe it to the American people to ensure consumer protection regulations are written fairly and enforced vigorously and I am pleased to see Congress making progress on critical legislation to provide economic stability for American families and for the economy as a whole."

**Schwarzenegger Saves Cow Tails, Bans "Tail Docking" (Huffington Post, 10/12)** -- California cows are the first in the nation with the legal right to swat flies as nature intended now that Gov. Arnold Schwarzenegger has signed a bill banning the painful practice of tail docking that he once mocked as being a waste of legislators' time.

**Northeast Dairy Farmers File Suit Against DFA and Dean Foods (AgMarketing.com, 10/12)** -- A class action, antitrust lawsuit was filed Thursday on behalf of Northeast dairy farmers against the Dairy Farmers of America (DFA) and Dean Foods Company ("Dean") in U.S. District Court in Burlington, VT, according to lead attorney Benjamin Brown, of Cohen Milstein. The suit charges DFA and Dean each with monopolizing a level of distribution of fluid milk in the Northeast and forcing dairy farmers to join DFA or its marketing affiliate Dairy Marketing Services (DMS) to survive. DMS and milk processor HP Hood also were named in the suit for aiding DFA's and Dean's monopolization and, in the case of DMS for price-fixing with DFA.

**Vermilion Ranch Company, dba Billings Livestock Commission Company is Assessed a Civil Penalty in the Amount of \$31,000 (Grain Inspection, Packers & Stockyards Administration, 10/8)** -- On September 23, 2009, the U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) entered into a consent decision with Vermilion Ranch Company (Vermilion), doing business as Billings Livestock Commission Company, Billings, Montana.

**USMEF Leader Says Japanese Want Traceability (Brownfield Network, 10/12)** -- The president of the U.S. Meat Export Federation says the U.S. needs to address the growing Asian demand for traceability in meat products. Phil Seng was in Japan

recently, meeting with Japanese consumers and journalists. “The Japanese use their cell phones and they can trace the product when they go in the store, for their domestic product,” Seng explains. “We see traceability, whether it’s Japan, Korea or all over Asia—this is just the price of admission into these markets. All of our major competitors have traceability, so we need to meet the changing needs of the world’s consumers. I think we need to take a look at this and address it very directly.”

**NCBA Statement on Canadian WTO Complaint against U.S. COOL Law (National Cattlemen’s Beef Assn., 10/7)** -- The following is a statement from the National Cattlemen’s Beef Association regarding today’s announcement that the Canadian government will formally proceed with a World Trade Organization (WTO) dispute settlement process against U.S. mandatory country-of-origin labeling (COOL).

“Canada’s decision to move forward with their complaint against U.S. COOL regulations is unfortunate, due to the potential retaliatory action that could be taken against U.S. beef. Since COOL was first proposed, we’ve continued to have concerns about its potential implications on our relationship with our top two trading partners—not to mention its impact on domestic feeder cattle markets at our borders to the North and South. [Click here to read the full statement.](#)

**CCA: Russia Expands Access For Canadian Beef (CattleNetwork.com, 10/13)** -- The Canadian Cattlemen’s Association (CCA) is pleased with Russia’s announcement to expand access for Canadian beef to include all beef from cattle under-thirty-months old (UTM) and boneless beef from cattle over-thirty-months (OTM) of age. Russia also agreed to continue a process aimed at achieving access for beef offal products by the end of 2009. The Canada Beef Export Federation estimates that Canada could export \$32 million per year of beef, and a further \$10 million for beef offals, to Russia. This is a significant jump from the roughly \$4 million that Canada exported to Russia in 2002.

**Live Sheep Exports “Crucial to Economy” (News.com.au, 10/9)** -- Curtailing live sheep exports in favour of processing meat locally would damage the economy, Meat and Livestock Australia (MLA) says. A new report commissioned by the World Society for the Protection of Animals found a sheep slaughtered and processed locally was worth 20 per cent more than those shipped out of the country. It said that for every \$100 of output created in Western Australia through live exports, the state’s bottom line was bolstered by \$81. But the figure jumped to \$101.50 if the animal was processed locally, according to the report’s author, consultancy firm ACIL Tasman.

**Cattle Alert: National Beef Files Registration for IPO (CattleNetwork.com, 10/13)** -- National Beef, Inc. announced today that it has filed a registration statement on Form S-1 with the U.S. Securities and Exchange Commission relating to a proposed initial public offering of shares of its Class A common stock. The shares of common stock to be sold in the offering are expected to be offered by the Company.

BofA Merrill Lynch and Credit Suisse Securities (USA) LLC will be the joint book-running managers of the offering. The number of shares to be offered and the price range of the offering have not yet been determined. The Company intends to apply to have its common stock listed on the New York Stock Exchange under the ticker symbol “NBP.”

**‘Beef – Safe or Scary?’ on ‘Larry King Live’ (Livestock Marketing Assn., 10/13)** -- Last night’s “Larry King Live” program on CNN had a segment titled “Beef – Safe or Scary?” It opened with troubling, but rare stories of persons who had become paralyzed or had died after contracting the E. coli bacteria from beef. That was followed by a number of speakers, including beef industry representatives. As *BEEF Daily Blog* Editor Amanda Nolz wrote this morning, “Although the beef industry was able to get some positive statements in throughout the segment, unfortunately, I doubt consumers cared after watching mothers cry over their children lost. As always, we can have all the science in the world, but without emotion, the consumer stops listening.”

A link to the King show can be used to tell personal stories about how confident you are serving beef to your family, and as Nolz suggests, relate the ways you “safely handle and prepare raw meat products.” That link is

<http://www.cnn.com/feedback/forms/form5.lkl.comment.html?12>

**Re-build the Sheep Inventory Committee Named (American Sheep Industry Assn., 10/9)** -- A shared concern over the need to increase lamb and wool production to ensure companies can operate in the future has brought about the appointment of a committee to look at ways to re-build the sheep inventory in the United States. A pool of leaders with diverse backgrounds was solicited, and from the nominations, the committee to Re-build the U.S. Sheep Inventory was named. This newly appointed committee will be tasked with the goal of identifying priority issues to increase sheep production and match those with realistic means to implement changes. It is anticipated that the committee will have its first meeting in early November with a follow-up

meeting at the 2010 ASI convention in Nashville, Tenn.

**UPI Opens New Livestock Marketing Center (9-to-5 News, 10/13)** -- United Producers Inc. has opened a new livestock marketing facility in Bowling Green. UPI, a livestock marketing service that serves more than 45,000 livestock producers in the United States, leased the former Barren River Livestock Center on Louisville Road.

UPI holds a livestock auction at 1 p.m. each Tuesday for dollar calves, head bulls and cows, light feeders, graded cattle, single cattle and fed cattle. It will also hold a goat and sheep sale at 5 p.m. the second Thursday of each month. UPI will also offer additional programs and services, such as commodity hedging programs and financial services. It will hold an open house Monday with dinner being served from 5 p.m. to 7 p.m.

**Lamb and Veal Processor Touts Marketing as Key to Success (Meatingplace.com, 10/13)** -- Mountain States Rosen takes pride in its unique position as a U.S. lamb and veal processor that is completely vertically integrated. The company was created in 2003 as a joint venture between B. Rosen and Sons and the Mountain States Lamb Cooperative. Today it sources only U.S. lamb and veal from various western states and Pennsylvania and processes those animals at plants in the Bronx, N.Y., and Greeley, Colo., where it partners with JBS on the harvesting side of the business. With 2008 sales of about \$150 million, Mountain States Rosen counts itself among the largest U.S. lamb and veal companies. Lamb comprises about 75 percent of its business, and its focus is largely on the retail market.

**Rookie Rancher Uses ARRA Funds to Start Cattle Business (USDA, 10/9)** -- Christopher Helt's dream of one day owning and breeding his own calves came true when USDA approved his application for a Direct Operating Loan in March. Helt, a beginning farmer, used his \$30,000 operating loan made possible by the American Recovery and Reinvestment Act (ARRA) to buy 24 cows, a truck-mounted remote feeder and a large cement feed trough from a local retailer in Cherryvale.

**Controversy Erupts Over Michael Pollan's Poly Lecture (New Times,10/7)** -- Nationally known sustainable food expert Michael Pollan will now be part of a panel discussion at Cal Poly on Oct. 15 rather than giving his planned one-hour lecture. The recently announced format change comes on the heels of a letter to Cal Poly President Warren Baker from Harris Ranch Beef Company Chairman David E. Wood, threatening to withdraw a pledged \$500,000 donation for a new meat processing facility on the campus.

"I find it unacceptable that the university would provide Michael Pollan an unchallenged forum to promote his stand against conventional agricultural practices," Wood wrote in a Sept. 23 letter to Baker. The invitation "caused me to rethink my continued financial support of the university," he wrote.

Pollan is the award-winning author of *An Omnivore's Dilemma* and *In Defense of Food*, and appears in a recent documentary, *Food, Inc.* He is a Knight Professor of Journalism at University of California, Berkeley, Graduate School of Journalism.

**Oskaloosa Man Pleads Guilty to Cattle Fraud (Lawrence Journal World, 10/13)** -- An Overbrook man pleaded guilty Tuesday as part of a plea deal with federal prosecutors for his role in a Jefferson County cattle fraud case. Dennis Stebbins, 58, was convicted of one count of conspiracy to commit bank fraud and money laundering to defraud the owners of J Bar Ranch LLC. Jay Aaron Wagner, 38, of Oskaloosa, pleaded guilty to the same charge last year.

**Maine Farmers to Launch Own Organic Milk Brand (AgWeek, 10/13)** — A group of organic dairy farmers in Maine has formed its own company with its own brand of milk. Shoppers soon will be able to buy MOOMilk — short for Maine's Own Organic Milk — at stores in Maine and Massachusetts. The Bangor Daily News says the dairy farms — from Aroostook, Penobscot, Kennebec and Washington counties — formed a cooperative after not having their contracts renewed with the H.P. Hood milk company.

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