

# Tennessee Market Highlights

UF Extension

January 22, 2010

Number :3

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

Livestock comments will be posted on Monday January 25

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

Corn, cotton, soybeans and wheat prices are all down for the week. Prices appear to be oversold in aftermath of the January 12 USDA reports and due a bounce up. The commodity market has at times tried to bounce back, but negative outside influences have been weighing heavy on prices. Export sales were released today and for the most part were above expectations. With the data that was released in the January 12 USDA report, prices will need positive news from the dollar, oil and the stock market to move higher. Potential changes to banking regulations have at least initially had a negative effect on commodity prices and the stock market. The March U.S. Dollar before the close is up .98 for the week at 78.41. The Dow Jones Industrial Average before the close was trading at 10,243; down over 3% for the week. March Crude Oil was trading before the close at 74.40 a barrel, down 5% for the week.

### **Corn:**

**Nearby:** March futures closed at \$3.65 a bushel on Friday, down \$0.07 bushel for the week. Support is at \$3.61 a bushel with resistance at \$3.77 a bushel. Weekly exports sales were 63.4 million bushels, above expectations and a marketing year high. **New Crop:** The September contract closed at \$3.92, down \$0.07 a bushel for the week. Support is \$3.90 with resistance at \$4.03 a bushel. Acreage projections from private sources were released today and indicate 2010 acres to be in the range of 89 – 89.675 million acres, an increase of 2.5 – 3.165 million acres.

*continued page 2*

**Slaughter cows:** \$1 to \$2 lower

**Slaughter bulls:** \$1 to \$2 lower

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

**Feeder heifers:** steady to \$4 lower

**Fed cattle:** 5 area live price of \$84.30 is down \$.67 and the dressed price is up \$1.50 at \$138.41

**Corn:** March futures closed at \$3.65 a bushel on Friday, down \$0.07 bushel for the week

**Soybeans:** March futures closed at \$9.52 bushel, down \$0.23 bushel for the week

**Wheat:** March futures contract closed at \$4.99 bushel, down \$0.11 a bushel for the week

**Cotton:** March futures closed at 71.07 cents/lb. down 1.01 cents/lb. for the week

## **Crop Comments** by Chuck Danehower

Under normal growing conditions, acreage of that size would increase ending stocks for the next marketing year. Although usage is expected to increase, it will be difficult to offset the increased supply. Unless a weather market develops during the growing season, prices should be less at harvest. I do however think that the wildcard in our current supply is the shape of the 500 million bushels of corn still in the field. I would be priced 40% for 2010 production at this time. Catch up pricing on any rallies as well as evaluate option strategies.

### **Cotton:**

**Nearby:** The March futures closed at 71.07 cents/lb. down 1.01 cents/lb. for the week. Support is at 70.32, resistance at 72.84 cents per pound. Weekly exports sales were above expectations at 346,500 bales (321,900 bales of upland cotton for 09/10; 13,300 bales of upland cotton for 10/11; and 11,300 bales of Pima for 09/10). Equities for the 2009 crop have been in the 9 - 10 cent range. Keep in contact with your cotton buyer for current quotes on loan equities. The Adjusted World Price for January 22 – January 28 is 59.99 cents/lb.

**New Crop:** The December futures contract closed at 72.92 cents/lb., down .81 cents/lb. for the week. Support is at 72.23 cents per pound, resistance at 74.21 cents per pound. Private cotton acreage projections range from 9.91 – 10.0 million acres; an increase of 750,000 – 850,000 acres from 2009. Assuming a slight increase in demand, cotton ending stocks would be stable to slightly decrease at that acreage level. On rallies to 76 – 78 cents, I would consider pricing cotton for 2010, at least a percentage of the crop. Equities for the 2010 cotton could be booked in the 12 cent range.

### **Soybeans:**

**Nearby:** March futures closed at \$9.52 bushel, down \$0.23 bushel for the week. Support is at \$9.43 bushel, with resistance at \$9.65 bushel. Weekly exports were about expected to the high end of expectations at 36.4 million bushels with 34.2 million bushels in this marketing year and 2.2 million bushels in 2010/11 marketing year. China accounted for 75% of sales, so they have yet to stop buying and have not canceled shipments in favor of the upcoming South American crop. It is doubtful that they will continue buying at their previous pace, but at the same time they are still buying. There is some speculation that China is stock piling protein to expand their livestock industry. If this is the case we will continue to see sales and shipments which will offer support to the soybean market. Sales are currently 90.6% of the recent USDA export projections for the year and we still have more than half the year to go.

**New Crop:** The November contract closed at \$9.33 bushel, down \$0.09 a bushel this week. Support is at \$9.23 with resistance at \$9.42 bushel. Acreage estimates for soybeans range from 77.919 – 79.9 million acres, an increase of 468,000 to 2.45 million acres. An acreage increase of this size is not necessarily bearish if demand in crush and exports continue to build. No doubt, China will influence that demand. I am currently priced 15% for the 2010 soybean crop.

### **Wheat:**

**Nearby:** March futures contract closed at \$4.99 bushel, down \$0.11 a bushel for the week. Weekly exports were 32.5 million bushels with 30.3 million bushels in this marketing year and 2.2 million bushels in 2010/11 marketing year. This was above expectations and a marketing year high for this year.

**New Crop:** July futures closed at \$5.24 bushel, down \$0.11 bushel for the week. Support is at \$5.16 with resistance at \$5.30 a bushel. All wheat acreage is estimated from one private source to be 53.7 million acres; a reduction of 5.4 million acres. There would still be an abundance of wheat in the U.S. and worldwide. I still expect weakness in the wheat market; outside or non agricultural influences would have to be responsible for any rallies. Fundamentals are negative. I would currently have up to 20% of the 2010 wheat crop priced. Put options could be used to set a floor price and leave an upside. A July \$5.30 put option would cost \$0.54 a bushel and set a \$4.76 futures floor. There are other option strategies that could lessen the cost of the put, but would require a margin account.

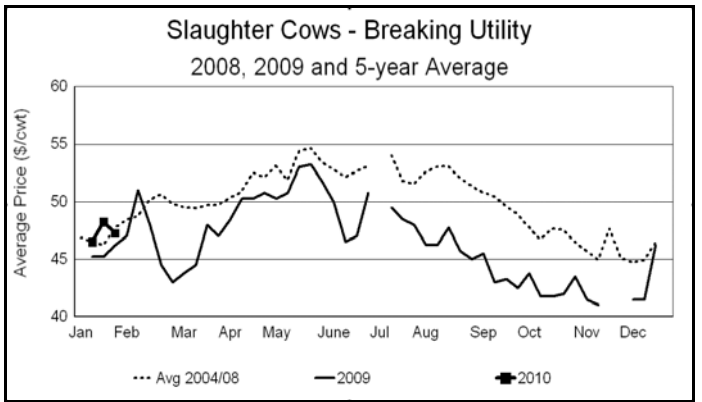
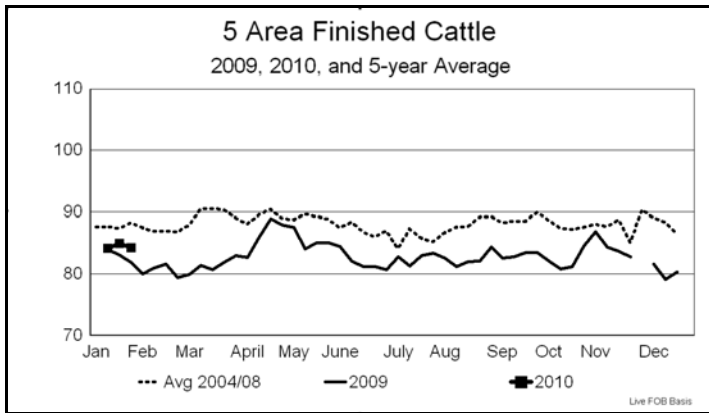
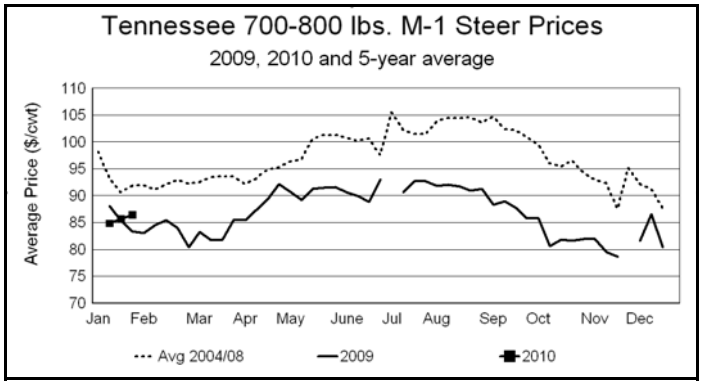
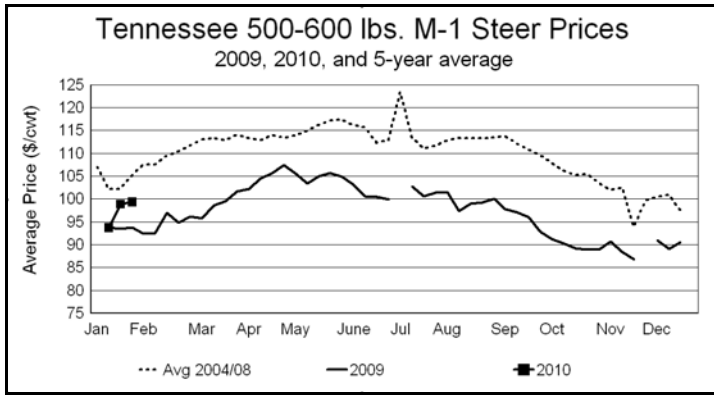
**PRICES ON 11 TENNESSEE REPORTED LIVESTOCK AUCTIONS (\$/cwt)  
January 22, 2010**

	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.	103.00	132.50	114.57	118.64	113.36
400-500 lbs.	97.50	119.00	106.83	109.20	102.91
500-600 lbs.	89.00	111.00	99.37	98.89	93.80
600-700 lbs.	82.00	98.50	92.14	90.23	88.04
700-800 lbs.	77.50	94.00	86.44	85.69	83.34
<u>Steers: Small Frame #1-2</u>					
300-400 lbs.	85.00	120.00	101.95	108.91	103.48
400-500 lbs.	83.00	103.00	93.59	89.21	88.13
500-600 lbs.	80.00	92.00	86.46	81.89	74.53
600-700 lbs.	76.00	80.00	78.60	75.64	65.48
<u>Steers: Medium/Large Frame #3</u>					
300-400 lbs.	93.00	115.00	102.28	107.41	100.92
400-500 lbs.	85.00	107.00	96.93	99.24	91.96
500-600 lbs.	80.00	97.00	88.51	88.80	83.55
600-700 lbs.	80.00	92.50	85.81	81.78	83.55
700-800 lbs.	73.50	89.00	80.26	76.80	74.65
<u>Holstein Steer</u>					
300-400 lbs.	64.00	85.00	77.65	61.00	-----
500-600 lbs.	57.00	71.00	64.88	73.42	-----
700-800 lbs.	60.00	60.00	60.00	56.50	-----
<u>Slaughter Cows</u>					
Breaking Utility	42.50	52.00	47.25	48.25	46.25
Cutter & Boning	41.00	51.00	46.00	47.50	43.25
Canner	34.00	45.50	39.75	40.75	38.75
Bull YG 1-2	54.00	66.00	60.00	61.25	58.50
<u>Heifers: Medium/Large Frame #1-2</u>					
300-400 lbs.	86.00	107.50	95.64	97.24	89.27
400-500 lbs.	80.00	101.00	90.94	91.55	87.02
500-600 lbs.	77.00	96.00	85.25	86.03	81.80
600-700 lbs.	71.50	87.50	80.29	80.09	75.34
<u>Heifers: Small Frame #1</u>					
300-400 lbs.	68.00	99.00	83.64	82.79	79.31
400-500 lbs.	63.00	85.00	78.23	78.06	74.87
500-600 lbs.	64.00	80.50	73.83	73.78	70.93
600-700 lbs.	62.50	74.50	69.21	70.36	67.96
<u>Heifers: Medium/Large Frame #3</u>					
300-400 lbs.	78.00	96.00	86.37	83.89	83.13
400-500 lbs.	74.00	93.00	83.11	84.05	78.43
500-600 lbs.	71.50	87.50	79.02	80.08	74.68
600-700 lbs.	64.00	80.00	74.35	72.78	71.62

Cattle Receipts: This week: (11) 12,326

Week ago: (11) 7,770

Year ago: (11) 7,250



**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	407,750	425,250	412,250	96%	99%
Cattle	127,750	126,500	124,250	101%	103%

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

	Thursday	Week ago	Year ago	Change from week ago	Change from year ago
Choice 1 - 3					
600-900 #	143.88	145.19	149.65	-1.31	-5.77
Select 1 - 3					
600-990 #	139.80	139.92	143.54	-0.12	-3.74



**FUTURES SETTLEMENT PRICES**  
**Crops & Livestock**  
**Friday, January 15 , 2010 - Thursday, January 21, 2010**

Commodity	Contract Month	Fri. 15	Mon. 18	Tues 19	Wed. 20	Thurs. 21
Soybeans (\$/bu)	Mar	9.74	----	9.63	9.50	9.54
	May	9.80	----	9.70	9.57	9.61
	Jul	9.84	----	9.75	9.61	9.66
	Aug	9.78	----	9.69	9.55	9.60
	Sep	9.58	----	9.51	9.41	9.46
	Nov	9.42	----	9.39	9.28	9.34
Corn (\$/bu)	Mar	3.71	----	3.69	3.68	3.72
	May	3.82	----	3.80	3.79	3.83
	Jul	3.91	----	3.89	3.88	3.92
	Sep	3.99	----	3.97	3.96	3.99
	Dec	4.06	----	4.04	4.03	4.05
	Mar	4.16	----	4.14	4.13	4.15
Wheat (\$/bu)	Mar	5.10	----	5.00	4.97	4.99
	May	5.23	----	5.14	5.11	5.13
	Jul	5.35	----	5.26	5.24	5.25
	Sep	5.50	----	5.42	5.39	5.40
	Dec	5.74	----	5.66	5.64	5.65
Soybean Meal (\$/ton)	Mar	292	----	291	286	288
	May	284	----	283	278	280
	Jul	283	----	281	276	278
	Aug	281	----	279	275	276
	Sep	277	----	276	272	273
	Oct	270	----	270	266	268
Cotton (¢/lb)	Mar	72.08	----	71.64	70.80	71.85
	May	73.19	----	72.75	72.01	73.06
	Jul	74.24	----	73.84	73.16	74.10
	Oct	73.59	----	73.24	72.71	73.49
	Dec	73.73	----	73.32	72.76	73.55
Choice Fed Cattle (\$/cwt)	Feb	87.35	----	87.90	87.45	86.85
	Apr	90.52	----	91.17	91.12	90.50
	Jun	87.92	----	88.27	88.42	88.22
	Aug	87.57	----	87.92	87.92	87.75
	Oct	90.10	----	90.37	90.37	90.22
Feeder Cattle (\$/cwt)	Jan	97.97	----	98.25	97.92	97.42
	Mar	98.65	----	99.67	99.87	99.37
	Apr	99.47	----	100.32	100.80	100.37
	May	99.72	----	100.60	101.07	100.82
	Aug	101.15	----	101.85	102.02	101.85
	Sep	101.00	----	101.70	101.50	101.30
Market Hogs (\$/cwt)	Feb	69.97	----	70.75	70.45	70.80
	Apr	73.27	----	74.02	73.37	72.65
	May	76.97	----	77.60	77.17	76.22
	Jun	80.85	----	81.45	80.35	79.60
	Jul	79.00	----	79.52	78.65	78.00

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**Milk Futures, Thursday , January 21, 2009 CME Futures**

Month	Class III Close	Class IV Close
January	14.45	14.42
February	14.09	14.72
March	14.18	14.72
April	14.26	14.84
May	14.75	14.60

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**BLUEGRASS STOCKYARD INTERNET SALE 1-15-10**

80 head of heifers, bbwf-charx, 625 lbs, \$92.75  
80 head of heifers, bbwf-charx, 640 lbs, \$88.25  
78 head of heifers, bbwf-charx, 650 lbs, \$91.00  
80 head steers, bbwf-charx, 660 lbs, \$98.00  
72 head of heifers, bbwf-charx, 700 lbs, \$87.50  
70 head of steers, bbwf, 720 lbs, \$95.75  
64 head of steers, bbwf-charx, 750 lbs, \$92.75  
130 head of heifers, 750 lbs, \$89.50  
67 head of holsteins, 750 lbs, \$73.50  
66 head of steers, bbwf, 750 lbs, \$93.75  
62 head of steers, bbwf-charx, 825 lbs, \$94.00  
58 head of steers, bbwf-charx, 850 lbs, \$87.00  
64 head of steers, bbwf, 860 lbs, \$89.50  
105 head of holsteins, 980 lbs, \$69.75

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**Nashville, TN Friday Jan 22 2010 USDA-TN Dept Market News  
Tennessee Video Board Sale and Graded Sale****1/21/10 Athens, Pre-Conditioned Graded Sale  
Receipts: 690, Prices for Blk, Bwf and Char X only**

Steers: Med and Lg 1	Heifers: Med & Lg 1
400-500 lbs 111.00-115.00	400-500 lbs 88.00-90.00
500-600 lbs 99.50-106.50	500-600 lbs 85.50-92.60
600-700 lbs 97.50-100.00	600-700 lbs 84.10
700-800 lbs 88.00	700-800 lbs 79.75-82.00
800-900 lbs 85.25	

Steers: Med & Lg 2	Heifers: Med & Lg 2
400-500 lbs 107.00-109.00	400-500 lbs 80.00-91.50
500-600 lbs 99.00	500-600 lbs 79.50-85.00
600-700 lbs 84.00-95.00	600-700 lbs 82.50

**1/19/10 Fayetteville (TLP)  
Receipts: 987 (558 Graded and Grouped)**

Steers: Med & Lg 1-2	Heifers: Med & Lg 1-2
300-350 lbs	300-400 lbs 96.00-102.00
350-400 lbs 109.50-113.50	400-450 lbs 93.50-98.00
400-500 lbs 106.00-106.50	450-500 lbs 89.50-95.00
500-550 lbs 101.00-103.50	500-550 lbs 85.00-90.00

550-600 lbs 86.00-95.75	550-600 lbs 82.50-91.00
600-700 lbs 84.50-92.25	600-700 lbs 80.50-84.50
700-800 lbs 84.25-88.00	700-800 lbs 77.50-82.00
800-900 lbs 81.00-84.00	

Bulls: Med & Lg 1-2  
 300-400 lbs  
 400-450 lbs 102.00-108.50  
 450-500 lbs 96.00-105.00  
 500-550 lbs 88.00-98.00  
 600-700 lbs 83.50-86.00  
 700-800 lbs 74.00-81.50

**1/15/10 Sweetwater- Graded Sale**

**Receipts: 1,269, Prices for Blk, Bwf and Cont X only**  
**Value Added= Double vaccinated, weaned 45 days or more, wormed.**

Steers: Med and Lg 1	Heifers: Med & Lg 1
300-350 lbs	300-350 lbs
350-400 lbs	350-400 lbs
400-450 lbs 95.00-105.00	400-450 lbs
450-500 lbs 109.50	450-500 lbs 89.50
500-550 lbs 97.00-105.00	500-550 lbs 88.00-89.00
550-600 lbs 97.50	550-600 lbs 84.00-85.50
600-700 lbs 93.00-96.50	600-700 lbs 79.50-82.00
700-800 lbs 81.00-86.00	700-800 lbs 76.00-77.00
800-900 lbs 78.00-82.00	800-900 lbs 75.00

Steers: Med & Lg 2	Heifers: Med & Lg 2
300-350 lbs	300-400 lbs 85.50-91.00
350-400 lbs	400-450 lbs 90.00
400-450 lbs	450-500 lbs 85.00
500-550 lbs 96.50-98.00	500-550 lbs 83.00-89.50
550-600 lbs 93.00-94.50	550-600 lbs 85.75
600-700 lbs 90.00-91.00	600-700 lbs 77.00-79.75
700-800 lbs 78.50-79.00	700-800 lbs 76.50

*Value Added*	*Value Added*
Steers: Med and Lg 1-2	Heifers: Med & Lg 1-2
400-500 lbs 99.50-109.00	400-500 lbs 89.00-91.50
500-600 lbs 100.00-103.75	500-600 lbs 90.00
600-700 lbs 94.25-96.00	
700-800 lbs 89.50-90.50	
800-900 lbs 88.60-89.10	
900-1000 lbs 77.00	

**1/15/2010 Lower Middle TN. Cattle Assoc. Video Board Sale Columbia TN.**  
**(Delivery current through February 12, 0-2% shrink and \$4.00-5.00/cwt slide)**

**Total Receipts: 1,265**

Steers Medium and Large 1 few 2	Heifers Medium and Large 1 few 2
70 Hd 570 lbs 104.60 TN	50 Hd 660 lbs 85.60 TN
29 Hd 600 lbs 98.00 TN	1 Ld 700 lbs 88.25 TN
50 Hd 665 lbs 95.00 TN	5 Lds 750-800 lbs 81.25-84.15 TN,VA

22 Hd 725 lbs 93.20 TN  
3 Lds 775-800 lbs 92.00-93.80 TN  
24 Hd 825 lbs 89.50 TN  
6 Lds 825-875 lbs 87.00-89.80 TN

Mixed Group Medium and Large 1 few 2 (heifers \$8 back steers)  
20 steers, 21 heifers 650 lbs 94.25 TN

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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)**

**NLPA To Hold Annual Meeting in Nashville (National Livestock Producers Association, 1/6)** – The National Livestock Producers Association’s Board of Directors will meet at the Sheraton Nashville Downtown in Nashville, Tenn., from Jan. 18 -20. The meeting is being held in conjunction with the American Sheep Industry Association.

In addition to electing officers for the year, the group will tour the new Columbia Livestock Center as guests of the Tennessee Livestock Producers. Scheduled speakers include Marlis Carlson from the National Council of Farmer Cooperatives and Dr. Emmit Rawls of the University of Tennessee. For more information about the meeting, please contact Scharee Atchison, NLPA Director of Operations, at 800-237-7193.

**Tennessee Livestock Producers Honored with Innovator Award (American Hereford Assn., 1/20)** — Tennessee Livestock Producers (TLP), Columbia, Tenn., was honored with a Hereford Industry Innovator Award by the American Hereford Association (AHA) Jan. 14. Darrell Ailshie, TLP general manager, was presented the award during a ceremony at the National Western in Denver. TLP was chosen for this award because of the organization’s commitment to increasing the value of Hereford feeder calves through the Tennessee Hereford Marketing Program (THMP).

**DeLauro Wants USDA Review by Independent Science Board (Livestock Marketing Assn. 1/20)** -- Last week’s announcement of the recall of nearly 900,000 pounds of ground beef for possible E. coli contamination brought a call from U.S. Rep. Rosa DeLauro (D-Conn.) for an independent science board to review USDA’s efforts to protect public health. DeLauro, a longtime proponent of stronger food safety laws, and critic of USDA work in this area, said the latest recall “is especially alarming as some of the (suspect) products were produced almost two years ago. This is a glaring indication that the current inspection system for meat and poultry is inherently flawed and not sufficient to protect the public health.”

DeLauro asked for a comprehensive review of USDA’s meat and poultry inspection system by an external, independent science board. The board “would ensure that the inspection process is rigorous and scientifically robust,” and recommend changes “to any practices that are insufficiently protecting our food supply.”

**Senators Urge No RMA Cutbacks (KTIC 840 Rural Radio – Nebraska, 1/21)** -- 26 U.S. Senators have signed a letter urging the U.S. Department of Agriculture’s Risk Management Agency to refrain from making deep cuts to the federal crop insurance program. In a letter to RMA Administrator William Murphy, the Senators said a competitive, thriving crop insurance industry is vital to the agricultural economy. The Senators said - we are concerned the proposed cuts to the crop insurance industry, in addition to cuts made as part of the 2008 Farm Bill, could force some companies out of business.

They added, - our rural economies can’t stand to lose the jobs and necessary incomes that would occur as a result of these cuts. They also voiced a concern for a reduction in the quality of the service provided to farmers, and in some parts of the country could mean farmers might be required to drive for hours to sit down with their agents to discuss coverage decisions. They concluded, - this program is highly valued by our farmers and their bankers, especially in such a volatile economic environment.

**Brown Victory Delivers Blow To Climate Bill (CattleNetwork.com, 1/20)** -- Republican Scott Brown's upset victory on Tuesday in the Massachusetts special Senate race has dealt a further blow to Democrats' drive to pass a climate control bill in 2010, reports Reuters.

Last June, the House of Representatives narrowly passed a cap and trade bill that would require reductions in industrial emissions of carbon dioxide and other greenhouse gases over the next four decades. It also would allow pollution permits to be traded in a new regulated market. But the global warming bill has languished in the Senate, where some members have been trying to find a compromise. Once Brown takes office, Democrats will hold 59 of the 100 votes in the Senate and the Republicans 41. The bill needs 60 votes to overcome procedural hurdles that could block passage.

**Lincoln Signs on to Resolution Blocking Heavy-Handed EPA Regulation (U.S. Senate Ag Committee, 1/20)** -- U.S. Senator Blanche Lincoln, D-Ark., Chairman of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry, issued the following statement today announcing her support for legislation to block efforts by the Environmental Protection Agency (EPA) to regulate greenhouse gases under the Clean Air Act. Lincoln agreed to cosponsor a resolution of disapproval to be introduced by Sen. Lisa Murkowski, R-Alaska.

“I am very concerned about the burden that EPA regulation of carbon emissions could put on our economy and have questions about the actual benefit EPA regulations would have on the environment. Heavy-handed EPA regulation, as well as the current cap and trade bills in Congress, will cost us jobs and put us at an even greater competitive disadvantage to China, India and others.

**USDA Provides Web-Based Disaster Program Payment Calculator to Help Producers with Business Planning (USDA, 1/21)** - Agriculture Secretary Tom Vilsack today said USDA now has a web-based 2008 crop program payment calculator to help producers calculate the financial benefits they may receive under the Supplemental Revenue Assistance Payments (SURE) program. The calculator was designed by USDA's Farm Service Agency (FSA) to give producers a tool to help them better understand and participate in this new crop disaster program.

**AMI: Congressional Leaders Urge Administration To Maintain Pressure On Taiwan To Fix Beef (Cattle Network, 1/20)** -- Ways and Means Chairman Charles Rangel (D-NY), Ranking Member Dave Camp (R-MI), Trade Subcommittee Chairman Sander Levin (D-MI) and Ranking Member Kevin Brady (R-TX) today expressed frustration with Taiwan's undoing of an October 2009 bilateral protocol regarding market access for U.S. beef and beef product exports and commended the Administration for suspending talks with Taiwan under the U.S.-Taiwan Trade and Investment Framework Agreement (TIFA).

**Grassley Says US Lacks Leverage with Russia (Brownfield Network, 1/19)** -- U.S. negotiators are in Russia in discussions over that country's rejection of the U.S. pork, poultry, and potentially, beef market. Senate Ag Committee member Chuck Grassley of Iowa says Russia is a big market but the U.S. doesn't have a lot of leverage because Russia's not in the World Trade Organization (WTO), “The rule of law in international trade doesn't apply except as Russia wants it to apply and like we're pleading for it to apply.” Grassley says, “It also looks like Russia is taking advantage of not being in the WTO to use non-tariff trade barriers to build up their own industry.”

Grassley says he hopes the administration makes some progress in Moscow but – “Russia takes the opportunity in several ways to push their thumb in the eye of Uncle Sam, so don't be surprised if it wouldn't happen this time.” Grassley says there's, unfortunately, no resolution process for the U.S. to use in trade disputes as it could with WTO countries.

**NS Program Offers \$2 Million to Help Beef Farmers with Loan Interest (The Canadian Press, 1/19)** – The Nova Scotia government has announced a \$2-million program to help the struggling beef industry. The government says the program will help beef producers to pay down loan interest from 2009 to 2011. The chair of Nova Scotia Cattle Producers, Dave Oulton, says the move ensures farmers will be able to address some of their hardships. The program will be delivered through the Nova Scotia Federation of Agriculture.

**National Beef Group Considers ‘Thinning the Herd’ (Wilson County News, 1/19)** -- When cattlemen and other members of the National Cattlemen's Beef Association (NCBA) meet in San Antonio for their 2010 annual convention, a possible reorganization of the NCBA will be a hot topic. Directors of the NCBA, organized in 1898, are considering a major change to reduce the present board, comprised of 274 members, to 29. This recommendation was made by a 21-member task force that included producer members, state organization staff interested in improving the national organization, and the entire industry, according to a Dec. 8, 2009, NCBA “Governance Task Force Question and Answer” report prepared by the NCBA staff.

**Food Packaging Made From Milk (Agricultural Research Service, 1/20)** -- Food-packaging products made from dairy ingredients could provide a viable alternative to petroleum-based packaging products, according to a chapter written by ARS scientist Peggy Tomasula for a new book, "Dairy-Derived Ingredients: Food and Nutraceutical Uses."

**Latest News on Animal Relief in Haiti: Livestock Top Priority' (USA Today, 1/20)** -- Dick Green of the International Fund for Animal Welfare (IFAW) is 24/7 on conditions in Haiti. He is in the USA and called today with an update on plans to help animals in the aftermath of the quake, a tremendous planning process and effort being undertaken by the Animal Relief Coalition for Haiti. He expects them to spring into action soon. Lack of security has stalled their efforts to date as well as an understanding that humans needed help before anything else. Security is now secured, he says. IFAW and the World Society for the Protection of Animals (WSPA) have a staging area in the Dominican Republic and, Green says, they expect to move into Haiti as early as tomorrow. Green re-emphasized human life concerns come first.

**HSUS: Another Disaster, Another Payday (Center for Consumer Freedom, 1/18)** --The earthquake that left Haiti in ruins last week is an unspeakable tragedy that calls for the support of humanitarians around the world to rescue and rebuild. But some "charities" may not have the most honest of goals. Human rights journalist Anai Rhoads writes that the Humane Society of the United States (HSUS) and other groups are engaging in deceptive fundraising by overstating the number of animals in need: "HSUS also claimed that there are companion animals. '...a large stray dog population, an untold number of companion animals.' This is really tough sell, in an area so poor that scanning trash for food was the norm. It would be utter suicide for the more than 80% of those are poor in the country to house and feed a companion animal."

**Sioux Falls May Gain From Iowa's Pain (Argus Leader, 1/21)** -- As John Morrell employees in Sioux Falls sighed with cautious relief that their plant will remain open, the company's employees in Sioux City, Iowa, were left reeling with the sudden shock that their plant will close this spring. Parent company Smithfield Foods confirmed Wednesday that the hog processing and fresh meat plant in Sioux City will close April 20, saying the plant is one of the oldest, most outdated and least efficient in the company. The Sioux Falls plant stands to benefit not only by remaining operational, but also by using its capacity to absorb some of the hogs processed in Sioux City. Those hogs also will be handled by Smithfield's Farmland plants in Denison, Iowa, and Crete, Neb. This partial transfer will not result in additional jobs, however.

**LMA: Cattle Industry Groups Develop Cattle Disease Traceability ID System, Present it to USDA & Congress (Livestock Marketing Assn., 1/14)** -- Believing that the discussion of a national animal identification plan had moved away from those most affected by it – cattle producers and marketers – eight cattle industry organizations have agreed on a statement of 12 principles, in the development of a cattle disease traceability identification system. The organizations, representing the beef, dairy and marketing sectors, developed the statement of principles during a meeting in Kansas City, Mo., last November. The meeting was organized by Livestock Marketing Association, in cooperation with its cattle industry partners, to work toward a common understanding and approach to enhancing current cattle identification (ID) and traceability systems for animal disease surveillance and control in the United States.

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