National Feeder Cattle Weekly Review

St. Joseph, Mo.
July 18, 2003
Report Supplied By USDA

NATIONAL FEEDER & STOCKER CATTLE SUMMARY - Week Ending July 18 — NATIONAL FEEDER & STOCKER CATTLE SUMMARY — Total Receipts: 327,000; last week 422,000; last year 288,900. Direct: 111,000; last week 111,500; last year 91,100. Video/Internet: none; last week 145.900; last year none. Auctions: 216,000, last week 165,400; last year 197,800. This week's reported auction volume included 40 percent over 600 lbs and 43 percent heifers.

Compared to last week, feeder cattle and calves sold steady to 2.00 higher as prices continue to defy the laws of financial physics. The only major market that did not post a higher trend was the Oklahoma National Stockyards, but much of this was attributed to heavier receipts and full weigh-ups on plainer-quality offerings. Southeastern auction markets were also mixed, but not too far on either side of steady. Lofty price levels are coaxing large strings of cattle to market earlier than normal. Also, hot winds and mercury readings in the triple-digits are rapidly drying-out pastures in the central sections of the United States. Droves of yearlings are starting to move from once-lush pastures in the Osage and Flint Hills grazing regions. Many of these cattle have already been sold in the country but some will seek refuge from the heat in local salebarns, where a refreshing breeze is coming from the flapping of buyers cards. The best demand continues to come from the Western Cornbelt, where moisture conditions remain adequate and corn farmers are expecting a bin buster of a crop.

Commercial feedlot buyers are trying to steer clear of the farmer feeders, but aggressive fed cattle marketing has left empty pens and a dire need for replacements. A good buying opportunity is this weeks Superior Video Auction, where nearly a quarter of a million feeder cattle are on offer. Early yearling steer sales were evenly split on each side of the 90.00 mark.

The Canadian border issue has had little effect on feeder cattle prices, but the fat cattle market continues to hang on every official word on the expected reopening. This past week, feedlots were threatened into accepting lower bids on Tuesday, by a scheduled late-week announcement on the border issue that ended-up being postponed. A lifting of the beef product import ban is inevitable, but until then producers on both sides of the border are a slave to the issue.

East Fluid Milk And Cream Review

Madison, Wis.
July 23, 2003
Report Supplied by USDA

SPOT PRICES OF CLASS II CREAM, dollars per lb butterfat: F.O.B. producing plants: Northeast: 1.6269-1.9184. Delivered Equivalent: Atlanta: 1.6392-1.8820 mostly 1.6968-1.8213.

PRICES OF CONDENSED SKIM, dollars per lb. wet solids, F.O.B. producing plants: Northeast: Class II, includes monthly formula prices: .8500-.9300. Class III, spot prices: 1.000-1.0500.

SPOTS SHIPMENTS OF GRADE A MILK: FLORIDA: This Week: In 0, Out 51; Last Week In 0, Out 51; Last Week In 48, Out 2. SOUTHEAST STATES: This Week: In 0, Out 0; Last Week In 0, Out 0; Last Week In 0, Out 0.

EDITOR'S NOTE: Due to changes in milk supply agreements, milk import/export totals are not directly comparable to year ago figures and to shipments prior to April 1, 2003.

During June, milk production in the 20 major states totaled 12.33 billion pounds, down 0.1% from June 2002. The following are the June-to-June changes for selected states: Texas 7 .3%, New York -2.7%, Vermont -3.9%, Pennsylvania - 4.3%, Virginia -6.4%, Florida -8.0%, and Kentucky -9.8%.

This week, milk production continues to ease in most areas of the region. Fluid milk supplies are mixed, but mostly lighter. Milk sales are occurring at a premium to Class prices, which is typical for this time of year. Bottled milk sales range from sluggish in the Northeast to fairly good in the Southeast.

It doesn't seem possible, bottlers in the Southeast are already preparing for school lunch business. Some year-round schools are starting up next week and most public schools will be starting their new year the second week of August. Surplus milk volumes moving to manufacturing plant are lighter and many plants are operating on greatly reduced schedules. Some Southeastern plants have been idled until milk volumes bounce back.

In the Northeast, manufacturing plants are also running on lighter schedules due to incoming volumes of milk.

The condensed skim market is unchanged. Demand for Class III is slowing as prices have moved above a dollar per pound solids. Many users are switching or have switched to NDM. Powder at 84-86 cents per pounds can save Class III users a lot of money. Class II prices are mostly steady. August's advanced Class II skim milk price was up only two cents from July, which will mean that Class II condensed skim price will hold relatively steady.

The fluid cream market is temporarily weaker. A butter manufacturer has their churn down this week and more cream is on the market. However, when it gets going again next week, cream will tighten back up. Some cream suppliers do have extra cream to move this week and multiples eased after being very high for early week deliveries. Some of the high multiples were based on how tight cream was last week and, as cream became available early this week, multiples eased somewhat. The higher multiples and the 4.75-cent jump in the CME average have combined to push prices sharply higher this week. Demand is mostly steady. Ice cream and ice cream mix production are seasonally heavy. Soft serve mix sales are very good and typical for this time of year. Bottled cream sales are slowing in some areas and spot cream needs in this sector of the market are off slightly. Cream cheese production is mostly steady, but increasing cream prices are a deterrent to spot sales.

East Coast and North Central Veal Report

Des Moines, Iowa
July 21, 2003
Supplied By USDA

CARLOT VEAL CARCASS REPORT: Compared to trading last week: Northeast special fed veal unsettled, mostly 240.00-285.00, few lots at sharply higher levels on very good demand and very light offerings. North Central hide on 5.00 to 5.00 higher and hide off not tested on very good demand and very light offerings.

VEAL CARCASS, SPECIAL FED, HOT BASIS, FOB PRODUCTION POINTS: North Central 280 head. Hide-On, 240-300 lbs: 209.00-210.00. Northeast 400 head. Hide-Off, 215-275 lbs: 240.00-300.00.

CONTRACT INFORMATION: Hot Basis, Hide-Off — (As of July 23, 2003) — Contract calves slaughtered this week: 200.00-235.00, few at higher and lower levels. Packers base market 210.00-220.00. Future Contracts offered: Firm Bottom 205.00, Firm Top 220.00-225.00. Firm Bottom 205.00, Split Half Top 220.00. Fixed 207.00, 208.00 and 210.00.

- North Central - OH, IN, Il, MI & WI.
- Northeast - MA, MD, PA, NY, NJ, DE, CT & VT.

WEEKLY DISTRIBUTIVE, LESS THAN CARLOT, EAST COAST AREA VEAL CUTS TRADE, SPECIAL FED: Market for Tuesday, July 21 — Compared to last week: Distributive special fed veal cuts mostly steady with some buyer resistance at current levels. Exception to racks trading firm to higher with good demand. Continued reduced veal slaughter number with U.S./Canada border being closed due to BSE.

Prices per CWT: Carcass, hide off 200-250 lb 290.00-340.00; Foresaddles 85-110 lb 210.00-260.00; Kosher Foresaddles 90-110 lb 225.00-280.00; Hindsaddles 85-115 lb 395.00-450.00; Loins, regular 17-25 lb 390.00-450.00; Loins, 4x4 trmd 12-18 lb 750.00-800.00; Hotel Racks, 8 rib 15-21 lb 725.00-775.00, 7 rib 14-20 lb 725.00-895.00, 6 rib 13-17 lb 825.00-1000.00; Chuck, square cut 36-47 lb 160-185.00; Shoulder, full 14-20 lb 185.00-225.00; Legs, double 70-90 lb 390-450.00, TBS 3-piece 24-32 lb 750-975.00, BHS heel-out 27-35 lb 695.00-800.00; Top Round, trmd, cap-off 8-10 lb 1050.00-1325.00; Breast 10-12 lb 90.00-115.00; Necks, bone-in 24-28 lb 150.00-200.00; Stew Meat, regular 225.00-325.00; Boneless Trimmings 72-80% lean 72.00-95.00; Heavy Nature Green Hides, per piece 40-41.50.

Eastern Cornbelt Direct Sheep Weekly Summary

Springfield, Ill.
July 18, 2003
Report Supplied By USDA

Eastern Cornbelt Direct Sheep Weekly Report (includes lambs sold in IL., IN., OH., MI.) — Compared to last week, slaughter lambs were mostly weak to 2.00 lower. Slaughter ewe prices remained steady. Goats were weak to 5.00 lower. Demand was light to moderate. Trading activity was moderate. Large numbers of fair lambs were marketed in some areas of the cornbelt and the availability of these lambs pressured the market. Carlot lamb carcass prices were 11.00-16.00 lower for weights under 45 lb. Prices for lamb carcasses over 45 lb were 3.00-7.25 lower. Confirmed sales this week about 65% slaughter lambs, 35% ewes and an additional 744 head of goats. Total sheep and lambs sales 1000, last week 1300 and year ago 1400.

SLAUGHTER LAMBS: Choice 2-3, 110-135 lb 80.00-85.00, few 88.00-89.00; 85-110 lb few 78.00-80.00; 65-85 lb 95.00-101.00.

SLAUGHTER EWES: Utility to Good 1-3, 30.00-34.00; Cull to Utility: 25.00-30.00.

SLAUGHTER GOATS (cwt.): KIDS: Selection 2: 20-40 lb 98.00-103.00; 40-60 lb 88.00-92.00. Selection 3: 20-60 lb 45.00-60.00. YEARLINGS: Selection 2: 70-90 lb 55.00-65.00. DOES/NANNIES and BUCKS/BILLIES: 45.00-55.00.

This report covers sheep and lambs sold direct off the farm through local country stations.

Note: receipts do not cover total movement in the area.

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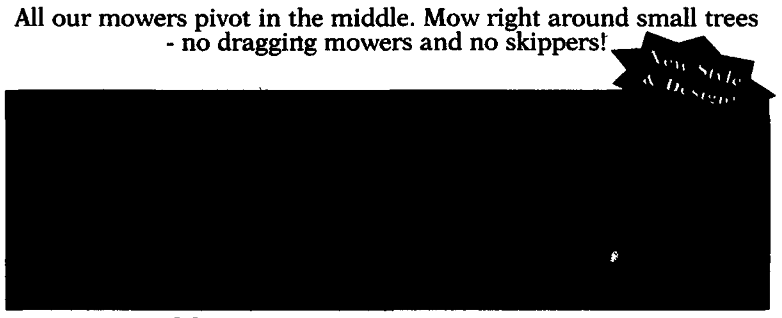

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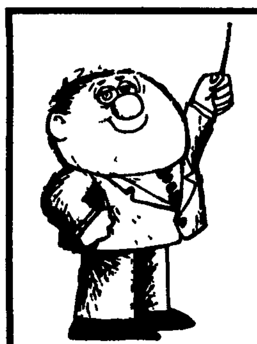

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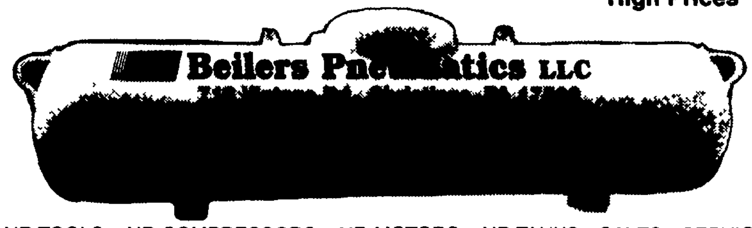

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