

Weekly Meat Production Under Federal Inspection

WASHINGTON, D.C., Dec. 12 - (USDA-NASS) - Total red meat production under federal inspection for the week ending Saturday, Dec. 13, was estimated at 896.5 million lbs., according to the USDA's Agricultural Marketing Service. This was 0.7 percent higher than a week ago and 0.8 percent lower than a year ago. Cumulative meat production for the year to date was 1.3 percent lower compared to the previous year.

MEAT PRODUCTION (million pounds)
(excludes condemned)

Week Ending (1)	Beef	Calf/Veal	Pork (2)	Lamb/Mutton	Totals (3)
13-Dec-03	458.2	3.9	430.0	4.4	896.5
06-Dec-03	457.8	3.5	424.9	4.2	890.4
Change	0.1%	11.4%	1.2%	4.8%	0.7%
14-Dec-02	492.9	4.3	401.5	4.6	903.3
Change	-7.0%	-9.3%	7.1%	-1.3%	-0.8%
2003 YTD	24,894.1	174.9	18,733.1	182.6	43,984.7
2002 YTD	25,654.1	180.7	18,545.7	199.5	44,580.0
Change	-3.0%	-3.2%	1.0%	-8.5%	-1.3%

1- Previous week estimates may be revised. Year ago data are actuals.
2- Excludes lard.
3- Totals may not add due to rounding. 2003 totals are subject to revision.

LIVESTOCK SLAUGHTER (head)

Week Ending	Cattle	Calves/Vealers	Hogs	Sheep/Lambs
13-Dec-03	620,000	20,000	2,147,000	62,000
06-Dec-03	622,000	18,000	2,120,000	60,000
Change	-0.3%	11.1%	1.3%	3.3%
14-Dec-02	648,000	23,000	2,019,000	66,000
Change	-4.3%	-13.0%	6.3%	-6.1%
2003 YTD	33,388,000	929,000	94,566,000	2,709,000
2002 YTD	33,727,000	970,000	94,421,000	2,960,000
Change	-1.0%	-4.2%	0.2%	-8.5%

AVERAGE WEIGHTS (lbs.)

Week Ending	LIVE	Cattle	Calves/Vealers	Hogs	Sheep/Lamb
13-Dec-03	Estimate	1242	321	270	140
06-Dec-03	Estimate	1241	320	270	139
07-Dec-02	Actual	1270	311	269	140
DRESSED					
13-Dec-03	Estimate	743	198	201	71
06-Dec-03	Estimate	740	198	201	70
07-Dec-02	Actual	764	191	200	70

PERCENTAGE OF TOTAL SLAUGHTERED BY CLASS

Wk Ending	CATTLE				HOGS		
	Steers	Heifers	Cows	Bulls/Stags	Barrows/Gilts	Sows	Boars/Stags
29-Nov-03	46.6%	29.5%	21.7%	2.2%	96.7%	3.1%	0.2%
30-Nov-02	47.2%	35.1%	16.2%	1.4%	97.2%	2.6%	0.2%

East Coast and North Central Veal Report

Des Moines, Iowa
December 16, 2003
Supplied By USDA

CARLOT VFAI CARCASS REPORT
Compared to trading last week Northeast special fed veal steady to weak at 165.00-205.00 (average 194.51) on moderate demand and light to moderate offerings. North Central hide-on weak to lower at 170.173.00 (average 171.38) hide off not fully tested on moderate demand and offerings.

VFAI CARCASS SPECIAL FED HOT BASIS, JOB PRODUCTION POINTS North east 900 head Hide Off, 215-275 lbs. 190-195.00 North Central Hide On 240-300 lbs 170-173.00

CONTRACT INFORMATION Hot Basis Hide-Off - (As of December 17, 2003) - Contract calves slaughtered this week 185.00-215.00 Packers base market 185.00-200.00 Future Contracts offered Firm Bottom 195.00-200.00 Firm Top 215.00-220.00 Firm Bottom/Open Top, 195.00-200.00 Firm Bottom 195.00, Split Half Top 210.00 Fixed, none offered

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

WEEKLY DISTRIBUTIVE, LESS THAN CARLOT, EAST COAST AREA VFAI CUTS TRADE, SPECIAL FED Market for Tuesday, Dec 16 - Compared to last week Distributive special fed cuts trading steady to steady to weak, with exception to square cut chuck steady to lower. Trading moderate going into the holiday season, demand moderate to good on mostly moderate offerings. Foodservice demand good and retail demand light to moderate.

Prices per CWT Carcass, hide off 200-250 lb 180-250.00.00, Foresaddles 85-110 lb 150-210.00, Kasher Foresaddles 90-110 lb 220-260.00, Hindsaddles 85-115 lb 280-320.00, Loins, regular 17-25 lb 235-320.00, Loins, 4x4 trmd 12-18 lb 395-575.00, Hotel Racks, 8 rib 15-21 lb 400-565.00, 7 rib 14-20 lb 400-565.00, 6 rib 13-17 lb 550-665.00, Chuck, square cut 36-47 lb 120-150.00, Shoulder, full 14-20 lb 140.00-175.00, Legs, double 70-90 lb 270-320.00, TBS 3-piece 24-32 lb 550-700.00, BHS heel-out 27-35 lb 325-525.00, Top Round, trmd, cap-off 8-10 lb 815.00-1025.00, Breast 10-12 lb 65-100.00, Necks, bone-in 24-28 lb 100-150.00, Stew Meat, regular 175-340.00, Boneless Trimmings 75-80% lean 80-91.00, Heavy Nature Green Hides, per piece 38-41.00

Direct Slaughter Cattle Daily Market Review

St. Joseph, Mo.
December 17, 2003

Report Supplied By USDA

NATIONAL SLAUGHTER CATTLE REVIEW As of 2 p.m. Wednesday - Trade slow on light demand Tuesday. Not enough sales for an adequate market test. Five sales last week 96.00-97.00 in the South Plains and 97.00-97.50 in the North Plains and Western Cornbelt dressed sales in the North Plains and Western Cornbelt 155.00.

Negotiated sales Confirmed 11,587 Week ago 80,241 Year ago 1,712 Wk to Date 12,536 Week ago to Date 8,484 Year ago to Date 2,655

Negotiated Formula and contract purchases delivered to packers today Today 90,200 Week Ago 85,500 Year Ago 97,100 Wk to Date 173,100 Week Ago to Date 169,300 Year Ago to Date 180,400

Negotiated Formula and contract commitments today (generally for slaughter within 7 days) Today 69,000 Week Ago 147,700 Year Ago 47,200 Wk to Date 110,600 Week Ago to Date 191,400 Year Ago to Date 97,900

Negotiated Prices Paid for Domestic Slaughter Steers and Heifers (Information derived from the 5 area weighted average)
STEERS LIVE BASIS Over 80% Choice no quote, 65-80% Choice 93-96.25, avg 95.40, 35-65% Choice 93.00, 0-35% no quote Total all grades 93-96.25 DRESSED BASIS Over 80% Choice 150-154.00 avg 152.22, 65-80% 152-153.00 avg 152.45, 35-65% Choice 151-152.00, avg 151.30, 0-35% Choice no quote Total all grades 150-154.00 avg 151.67

HEIFERS LIVE BASIS Over 80% Choice no quote, 65-80% Choice 93.00, 35-65% 93.00, 0-35% no quote Total all grades 93.00 DRESSED BASIS Over 80% Choice 152-153.00 avg 152.76, 65-80% Choice 150-154.00 avg 151.81, 35-65% 150-158.00 avg 156.22, 0-35% Choice no quote Total all grades 150-158.00 avg 153.32

FORMULA PURCHASES Prices established on previous reporting day for slaughtered cattle Beef Type Domestic 15,100 head, weighted avg weight 790 lbs, wtd avg net price 162.11

SLAUGHTER COWS AND BULLS Dressed Prices Bull 600 up 94.00-115.70 avg 106.85, Bull 600 down 90.00-106.00 avg 98.71 Cutter 500 up 85.00-105.00 avg 97.85, Cutter 400-500 80.00-110.00 avg 95.73, Cutter 400 down 74.00-105.00 avg 91.46 Boner 500 up 85.00-112.00 avg 96.63, Boner 500 down 85.00-105.00 avg 96.69 Breaker 500 up 88.00-105.00 avg 95.24 Premium White 98.00-119.00 avg 107.71

Covers transactions reported at 2:00 p.m. yesterday and 10:00 a.m. today. Comments and market conditions may include information gathered from voluntary sources, all prices, weights and head counts are only those gathered through the mandatory reporting system.

National Feeder Cattle Weekly Review

St. Joseph, Mo.
December 12, 2003

Report Supplied By USDA

NATIONAL FEEDER & STOCKER CATTLE SUMMARY for week ending Dec 12 - (ST. JOSEPH, MO. Dec 12 (USDA-MO Dept of Ag Market News) NATIONAL FEEDER & STOCKER CATTLE SUMMARY Total Receipts 412,900 last week 411,500 last year 430,400 Direct 57,700 last week 52,900 last year 62,300 Video/Internet 32,000 last week 25,800 last year 33,800 Auctions 323,200 last week 332,800 last year 334,300 This week's auction volume included 37 percent over 600 lbs and 45 percent heifers.

Compared to last week feeder cattle and calves sold 2.00-5.00 lower with many instances as much as 8.00-10.00 lower on both calves and yearlings. The market took back nearly all of last week's sharp advances on lightweight calves and really hammered those heavier calves over 550 lbs that had been holding respectable price levels amid moderate demand. Yearling prices had been maintaining near record levels, although supplies have been very limited.

Over the last two weeks a few more of the heavier feeders have been showing up at the auctions but sellers were shocked this week when their precious yearlings fell on light demand. It's as if all at once cattle feeders collectively decided that they can't give over 1.00 for 800 lb steers. Hedging these high feedlot replacements against slumping spring futures is impossible. Weakness came from all directions this week as significantly lower prices were posted on the futures, beef, and finished cattle markets. But, perhaps the most damaging factor to blame for this week's losses on the feeder market was the weather. Conditions were miserable in all five of the major feedlot areas as freezing rain, snow, and cold winds reminded cattlemen that winter is only about one week away. Frigid temperatures on dry wheat fields across the Plains caused what little forage that was available to crawl back into the ground until February. Backgrounders could barely get their tractors started to feed round bales to shivering and hunched-over cattle when their order buyers called on their cell phone to ask, How bout some more of those dollar thirty calves? A quick recovery may be difficult as the holidays will interrupt normal marketing for the next several weeks.

Packers are putting off negative vibes and complaining about losing money, after lackluster post-Thanksgiving beef sales caused wholesalers to clam up and refuse dressed beef price lists. However, the stock market got back to 10,000 points this week, it's been a great year, and Santa Clause is comin'!

AGRICULTURE
THE GRAIN OF OUR ECONOMY.

HEAVY DUTY LUBES

FRIDAY, DEC. 26 to WEDNESDAY, DEC. 31, 2003

END-of-YEAR SALE

 <div style="border: 1px solid black; padding: 5px;"> <p>Drums (55 gal)</p> <p>Tection Extra 15W40 \$299.00</p> <p>Blue Hydraulic Plus \$245.00</p> <p>Universal Tractor Fluid \$282.00</p> <p style="text-align: center;">10% CASH & CARRY DISCOUNT</p> <p style="text-align: center;">- WHILE SUPPLIES LAST</p> </div>	 <div style="border: 1px solid black; padding: 5px;"> <p>Pails (5 gal)</p> <p>Tection Extra 15W40 \$35.95</p> <p>Blue Hydraulic Plus \$27.19</p> <p>Universal Tractor Fluid \$32.95</p> <p style="text-align: center;">10% CASH & CARRY DISCOUNT</p> <p style="text-align: center;">WHILE SUPPLIES LAST</p> </div>
 <div style="border: 1px solid black; padding: 5px;"> <p>Grease (case of 10 tubes)</p> <p>Heavy Duty Lithium \$16.95</p> <p>Pyroplex Red \$20.59</p> <p>Pyroplex Blue \$26.95</p> <p style="text-align: center;">10% CASH & CARRY DISCOUNT</p> <p style="text-align: center;">WHILE SUPPLIES LAST</p> </div>	 <p style="text-align: center;">Paul B Zimmerman</p> <p style="text-align: center;">717-738-7350</p> <p style="text-align: center;">50 WOOD CORNER ROAD, LITITZ, PA 17543 PO BOX 300, EPHRATA, PA 17522 Phone (717) 738-7350, Fax (717) 738-7360</p>