

Daily Livestock Report

E-Livestock Volume	20-Mar	19-Mar	13-Mar
LE (E-Live Cattle):	13,492	19,489	13,627
GF (E-Feeder Cattle):	1,117	1,797	1,931
HE (E-Lean Hogs):	9,080	15,283	14,759

Market Comments

USDA released on Friday the latest estimates of the number of cattle on feed in feedlots that have over 1000 head of cattle on feed. It also provided an indication of the amount of beef, pork and poultry meat products in public refrigerated warehouses. Below are some of the highlights from these two reports:

- **Cattle on feed.** The feedlot inventory report will likely be viewed as bullish by futures markets on Monday as both the cattle inventory and the number of cattle placed on feed during February were lower than expected. Total feedlot inventories were 11.228 million head, 5.3% lower than a year ago. Pre-report estimates were looking for a total inventory number that was 4.7% below year ago levels. Feedlot operators placed 1.678 million head on feed in February, 2.6% less than a year ago. On average, analysts were expecting feedlot placements to be 1.3% higher than a year ago. The report also showed that the pattern of cattle placements in February was different from previous months. In February, placements of cattle over 800 pounds were down 8.4% from a year ago. By comparison, during the period Aug '08 - Jan '09, placements of heavy cattle (800 lb.+) were estimated at 3.3 million head, 10.3% higher than the previous year. High grain prices last summer caused cow-calf operators to keep cattle out of feedlots for a longer period of time. Some studies have shown that yearlings tend to gain more weight than fed calves and the shift towards placing heavier cattle on feed likely is responsible for the sharp increase in carcass weights (+2.5% in the most recent week) and also is a factor in more animals grading choice.

- **Cold storage stocks.** The total inventory of pork in cold storage as of February 28 was 636.6 million pounds, 4% higher than a year ago. Total hams in storage at 97.3 million pounds were 15% higher than last year. Pork bellies continue to track below year ago levels and at 77.7 million pounds were 2% lower than last year. Bee stocks in cold storage were pegged at 434.2 million pounds, 0.5% lower than a year ago. While the USDA data does not provide a breakdown, we suspect the increase in imported beef supplies has been offset by lower stocks of fat beef trimmings. Also quite significant is the sharp decline in broiler supplies. Total chicken in cold storage as of February 28 was estimated at 647.5 million pounds, 15% lower than a year ago. This should be bullish for chicken prices going forward as it appears that the aggressive steps the broiler industry has undertaken appear to be paying off in tightening supply availability.

PRODUCTION & PRICE SUMMARY

Week Ending 3/21/2009

Item	Units	Last Week	Prior Week	Pct. Change	Last Year	Pct. Change	2008 & 2009 YTD	Y/Y % Change
		21-Mar-09	14-Mar-09		22-Mar-08			
F1 Slaughter	Thou. Head	615	623	-1.28%	641	-4.01%	6,987.0	-5.4%
F1 Cow Slaughter **	Thou. Head	118	115	3.22%	116	2.12%	1,240.6	8.0%
C Avg. Live Weight	Lbs.	1,317	1,314	0.23%	1,276	3.21%	1,312.4	1.9%
A Avg. Dressed Weight	Lbs.	793	792	0.13%	774	2.45%	789.1	1.7%
T Beef Production	Million Lbs.	486.1	491.5	-1.10%	496.4	-2.07%	5,707.1	3.9%
L Live Fed Steer Price	\$ per cwt	81.91	80.69	1.51%	89.77	-8.76%		
L Georgia Feeder Steer Price	600-700 Lbs.	89.57	83.17	7.70%	92.06	-2.70%		
E Beef Cutout Value	600-900 Ch.	134.35	135.69	-0.99%	141.98	-5.37%		
Hide/Offal	\$/cwt	5.70	5.93	-3.88%	10.75	-46.98%		
F1 Slaughter	Thou. Head	2,155	2,146	0.42%	2,303	-6.41%	25,209.0	-5.5%
F1 Sow Slaughter **	Thou. Head	59.3	61.2	-3.09%	69.3	-14.47%	599.2	-7.6%
H Avg. Dressed Weight	Lbs.	204.0	204.0	0.00%	204.0	0.00%	204.2	0.1%
O Pork Production	Million Lbs.	439.8	437.8	0.46%	468.7	-6.17%	5,146.7	-5.3%
G Iowa-S. Minn. Direct	Wtd. Avg.	54.88	60.28	-8.96%	50.02	9.72%		
S Natl. Base Carcass Price	Wtd. Avg.	58.58	59.96	-2.30%	54.11	8.26%		
Natl. Net Carcass Price	Wtd. Avg.	60.73	62.32	-2.55%	56.44	7.60%		
Pork Cutout	185 Lbs.	59.49	57.34	3.75%	56.78	4.77%		
C Young Chicken Slaughter *	Million Head	153.8	153.4	0.24%	166.4	-7.57%	1,550.6	-6.3%
H Avg. Weight	Lbs.	5.41	5.53	-2.17%	5.50	-1.64%	5.5	-0.2%
I Chicken Production	Million Lbs.	831.9	863.3	-3.63%	931.0	-10.63%	8,528.4	-6.5%
C Eggs Set	Million	203.2	203.4	-0.10%	219.2	-7.29%	2,231.0	-6.5%
K Chicks Placed	Million Head	169.3	167.5	1.08%	180.4	-6.18%	1,840.8	-6.0%
E 12-City Broiler Price	Composite	75.52	77.05	-1.99%	81.15	-6.94%		
N Georgia Dock Broiler Price	2.5-3 Lbs.	85.27	85.57	-0.35%	80.16	6.37%		
T Young Turkey Slaughter *	Million Head	4,445	4,612	-3.62%	4,807	-7.53%	45.5	-4.5%
U Avg. Weight	Lbs.	30.24	29	4.28%	28.98	4.35%	30.0	-0.1%
R Turkey Production	Million Lbs.	134.4	133.7	0.50%	139.3	-3.51%	1,367.8	-4.6%
K Eastern Region Hen Price	8-16 Lbs.	75.50	74.50	1.34%	83.00	-9.04%		
G Corn, Omaha	\$ per Bushel	3.84	3.81	0.79%	NQ	N/A		
R DDGs, Minnesota	\$ per Ton	122.50	122.50	0.00%	156.00	-21.47%		
A Wheat, Kansas City	\$ per Bushel	5.71	5.40	5.74%	NQ	N/A		
I Soybeans, S. Iowa	\$ per Bushel	9.56	8.85	8.02%	NQ	N/A		
N Soybn Meal, 48% Decatur	\$ per Ton	304.80	291.00	4.74%	293.70	3.78%		

* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this sheet.

** Cow and sow slaughter reflect levels from two weeks ago due to reporting lag.

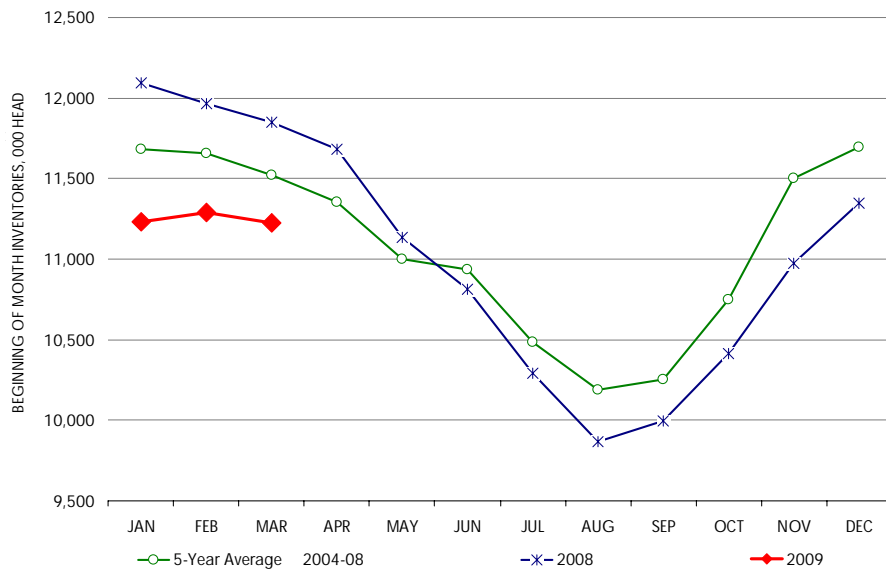
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USDA STOCKS IN COLD STORAGE REPORT

U.S. ALL CATTLE ON FEED: 1,000+ CAPACITY FEEDLOTS						
	Number, Thousand Head			Current as Percent of Year Prior		
	2007	2008	2009	Actual	Pre-Report Estimates	Difference
Placed on Feed During February	1,659	1,723	1,678	97.4	101.3	-3.9
Fed Cattle Marketed During February	1,711	1,776	1,682	94.7	94.7	0.0
On Feed March 1	11,599	11,853	11,228	94.7	95.3	-0.6

MONTHLY FED CATTLE INVENTORIES, US ALL CATTLE 1000+ CAPACITY



COMMODITY	Stocks in All Warehouses			Percent Of	
	29-Feb-08	31-Jan-09	28-Feb-09	Feb-08	Jan-09
1,000 Pounds					
Frozen Pork					
<i>Picnics, Bone-In</i>	18,102	8,992	12,071	67	134
<i>Hams, Total</i>	92,884	87,537	97,304	105	111
<i>Bone-in</i>	49,768	44,022	47,141	95	107
<i>Boneless</i>	43,116	43,515	50,163	116	115
<i>Bellies</i>	79,282	69,166	77,748	98	112
<i>Loins, Total</i>	47,351	51,357	45,752	97	89
<i>Bone-in</i>	18,270	20,608	20,144	110	98
<i>Boneless</i>	29,081	30,749	25,608	88	83
<i>Ribs</i>	83,769	87,854	92,727	111	106
<i>Butts</i>	25,332	20,940	25,289	100	121
<i>Trimming</i>	70,604	66,610	66,102	94	99
<i>Other</i>	105,570	111,024	111,533	106	100
<i>Variety Meats</i>	32,480	25,074	27,645	85	110
<i>Unclassified</i>	56,456	78,382	80,437	142	103
Total	611,830	606,936	636,608	104	105

Frozen Beef					
<i>Boneless</i>	359,145	391,691	369,094	103	94
<i>Beef Cuts</i>	77,404	70,956	65,072	84	92
Total	436,549	462,647	434,166	99	94

Other					
<i>Veal</i>	6,107	7,177	7,559	124	105
<i>Lamb & Mutton</i>	18,157	19,469	17,742	98	91
Total	24,264	26,646	25,301	104	95
Total Red Meat	1,072,643	1,096,229	1,096,075	102	100

Chicken					
<i>Broilers (Whole)</i>	20,240	19,468	21,229	105	109
<i>Hens</i>	1,969	4,084	5,132	261	126
<i>Other Chicken</i>	738,622	670,880	621,091	84	93
Total	760,831	694,432	647,452	85	93

Turkey					
<i>Whole Turkeys</i>	155,274	193,642	217,176	140	112
<i>Other Turkeys</i>	261,420	252,555	252,877	97	100
Total	416,694	446,197	470,053	113	105

<i>Ducks</i>	5,228	3,416	3,456	66	101
Total Poultry	1,182,753	1,144,045	1,120,961	95	98