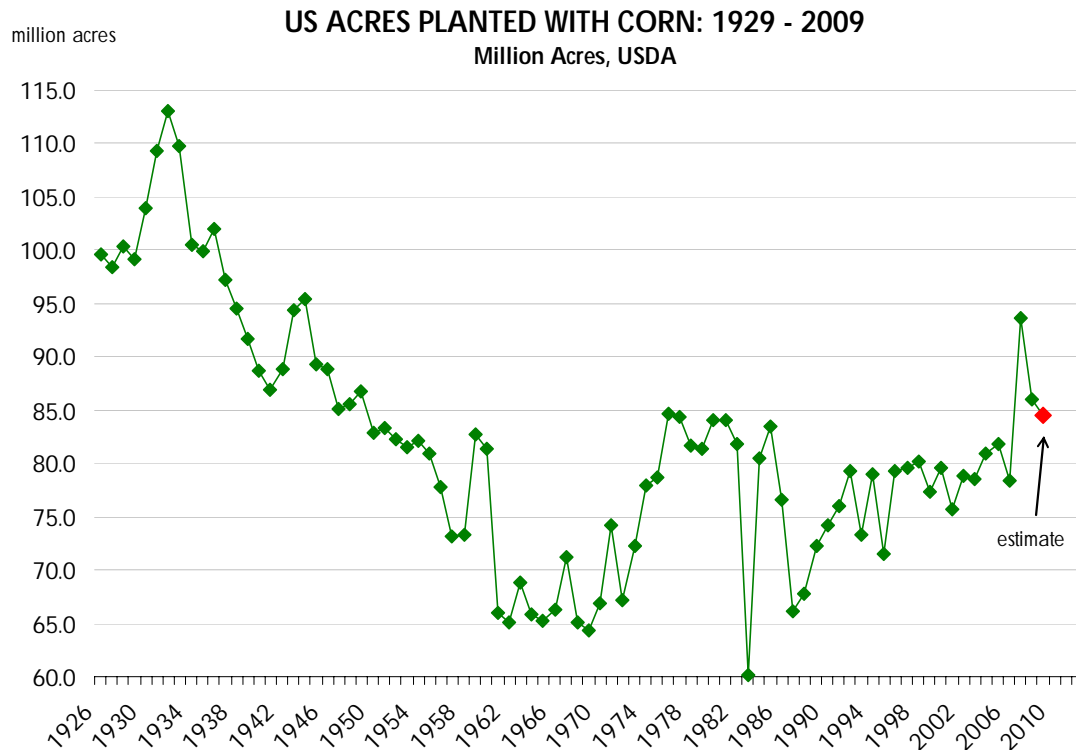


## Daily Livestock Report



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<u>E-Livestock Volume</u>	<u>30-Mar</u>	<u>27-Mar</u>	<u>23-Mar</u>
LE (E-Live Cattle):	15,166	9,651	10,251
GF (E-Feeder Cattle):	1,188	4,310	1,154
HE (E-Lean Hogs):	8,028	10,197	16,291

### Market Comments

**The upcoming USDA 'Prospective Plantings' report (Tuesday, March 31, 8:30AM EST) is expected to show further declines in the number of acres planted with corn.** According to a Dow Jones survey, analysts on average expect that US farmers will plant 84.5 million acres with corn this spring, down about 1.5 million acres from a year ago. As the table below shows, there is a very wide range in analyst estimates with regard to this number. In general, however, the market expects corn acres to decline compared to last year, the big question is by how much. On many acres, the decision whether to plant corn was made last year, at a time when fertilizer costs were still very high but the price of corn had declined sharply. That made soybeans comparatively much more attractive vs. corn. It is anyone's guess as to how many acres were still open in January and February. Fertilizer prices are currently down significantly and that has changed that economics of planting corn vs. beans. On the other hand, soybean prices seem to have held up better in recent months, providing an incentive to shift more acres in that direction. The ratio of soybeans to corn was above long run averages in Dec - Feb period, in part due to the crop scare in S. America. Crop insurance rates also will play a role as some indicate they favor beans at this point.

The expected decline in corn acres has refocused the market's attention on the potential for tight ending stocks in the 2009-10 marketing year. The USDA estimates presented at the end of February pegged corn plantings at 86 million acres and 2009-10 ending stocks at a little over 1.7 billion bushels, which would be more than adequate levels, representing about 14% of total use. A reduction in acres combined with the potential for poor weather (remember last year), could quickly cause the stocks/use ratio in future looking S&D tables to fall below 10%. This would be the lowest since 2003 and provide support for corn values this spring.

Commodity	Actual	Average of Estimates	Range of Estimates	2008 USDA
Corn	_____	84.548	81.4 - 89.0	85.982
Soybeans	_____	79.251	75.9 - 81.5	75.718
All Wheat	_____	58.856	56.7 - 63.0	63.147