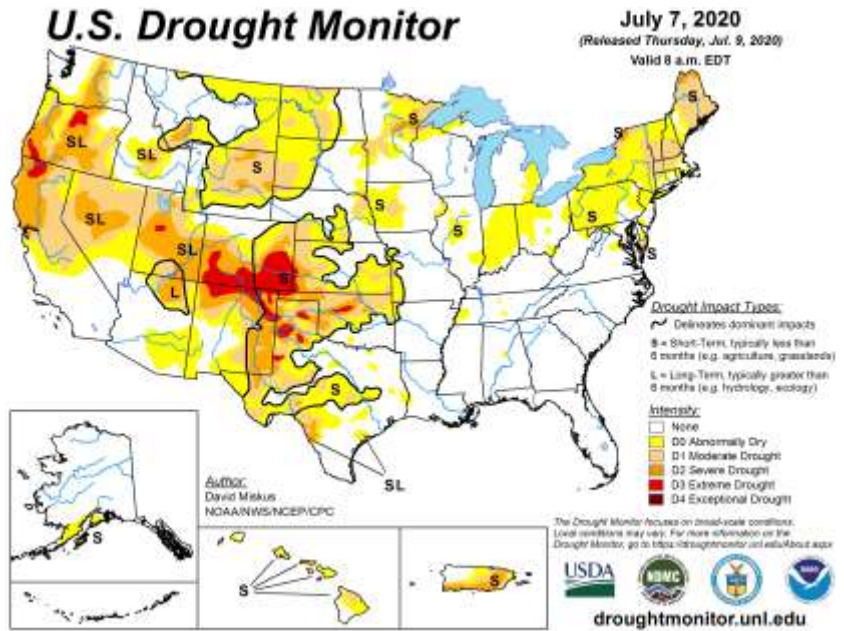


The weekly [Drought Monitor](#) map was released yesterday. Nearly half (48.51%) of the continental U.S. is experiencing some degree of drought. This is a 37.68% increase from the same week last year. Drought classifications range from D0 to D4 (abnormally dry to exceptional drought). Currently, no part of the U.S. is experiencing exceptional drought, but 2.35% is facing extreme drought (D3) compared to zero a year ago. The bulk of the area rated as D3 is located in the southern part of Colorado where 34.07% of the state falls under the classification.

According to the Drought Monitor, two thirds (65.66%) of the western U.S. is experiencing drought, a 51.04% jump from last year. In Oregon, Nevada, Utah, Wyoming, Colorado, and New Mexico more than 70% of each respective state is in drought with some states exceeding 90% drought conditions. Parts of Kansas and Nebraska are seeing the situation deteriorate with areas rated as abnormally dry increasing which can be an indication of potential drought. Similarly, Oklahoma and Texas are seeing drought conditions rise with some areas even facing extreme drought. If drought conditions persist in the western, southcentral, and high plains regions of the U.S., forage conditions may further worsen.

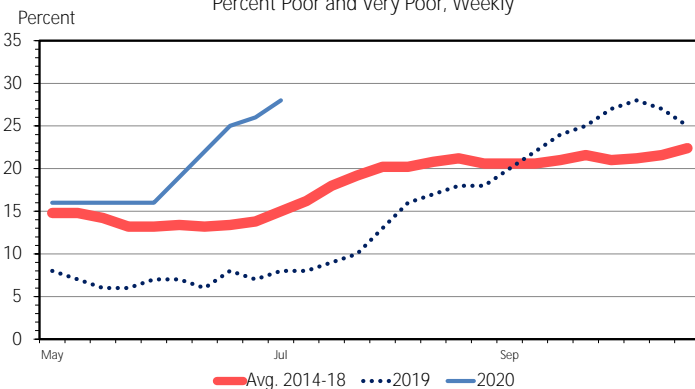
Looking into the Midwest area, 28.89% of the region is experiencing drought, compared to only 4.51% of the region was



considered abnormally dry last year. Abnormally dry to moderate drought (D2) areas are starting to grow in Iowa, Minnesota, Illinois, Indiana, and Ohio. In northeast Minnesota, 5.80% of the region is experiencing severe drought (D2). With the lower than expected corn acres of 92.0 million, attention has started to focus on yield potential for the crop. The growing threat of drought in key corn producing regions could hinder the crop leading to higher corn prices.

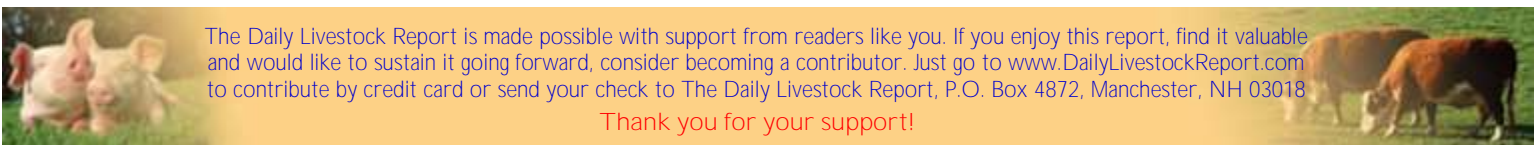
Just as drought conditions are increasing in the U.S. USDA NASS reported range and pasture conditions are also deteriorating. Range and pasture conditions first started reporting in May and for the first 5 weeks 16% were rated poor and very poor, which was above last year and the five-year average. The percentage quickly increased to 28% rated poor and very poor, a 12 percentage point jump in just five weeks. Both the Drought Monitor along with range and pasture conditions are pointing towards deteriorating conditions for livestock producers. Beef cow slaughter has jumped in recent weeks but it is difficult to say if that is related to drought or if these are cows that were not sent to slaughter in the midst of the pandemic.

US RANGE AND PASTURE CONDITION
Percent Poor and Very Poor, Weekly



Data Source: USDA-NASS, Compiled & Analysis by LMIC
Livestock Marketing Information Center

G-NP-30
07/06/20



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