CME Group

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Daily Livestock Report

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March 13, 2009

E-Livestock Volume	3/13/09	3/12/09	3/6/09
LE (E-Live Cattle):	13,627	26,381	21,216
GF (E-Feeder Cattle):	1,931	1,957	2,272
HE (E-Lean Hogs):	14,759	16,675	19,694

*Denotes a new record for Globex volume

Free real-time Globex quotes: www.cmegroup.com/elivestockquotes

PRODUCTION AND PRICE SUMMARY

Week Ending 3/14/2009

	Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Pct. Change
C	FI Slaughter	Thou. Head	623	603	3.32%	638	-2.35%	5,140	-5.8%
A	FI Beef Cow Slaughter	Thou. Head	56.8	61.4	-7.51%	59.2	-4.07%	563	-1.5%
T	Avg. Live Weight	Lbs.	1314	1319	-0.38%	1283	2.42%	1,313	1.8%
T	Avg. Dressed Weight	Lbs.	791	794	-0.38%	776	1.93%	789	1.6%
L	Beef Production	Million Lbs.	491.5	475	3.47%	493.4	-0.39%	4,033	-4.4%
E	Live Fed Steer	$/cwt live wt.	80.69	81.67	-1.20%	89.85	-10.20%		
	Dressed Steer	$/cwt carcass	129.53	129.65	-0.10%	142.52	-9.10%		
	Georgia Feeder Steer	600-700 Lbs.	83.17	85.03	-2.20%	96.19	-13.50%		
	Beef Cutout	600-750 Choice	135.69	134.87	0.60%	145.69	-6.90%		
	Hide/Offal	$/cwt live wt.	5.93	6.29	2.60%	10.79	-45.00%		
H	FI Slaughter	Thou. Head	2156	2223	-3.01%	2276	-5.27%	18,691	-5.9%
O	FI Sow Slaughter	Thou. Head	61.2	59.3	3.07%	68.7	-10.97%	540	-6.7%
G	Avg. Dressed Weight	Lbs.	204	204	0.00%	203	0.49%	204	0.1%
S	Pork Production	Million Lbs.	439.8	453.5	-3.02%	462.7	-4.95%	3,814	-5.8%
	Iowa-S. Minn. Direct	Avg.	60.10	59.46	1.10%	51.16	17.50%		
	Natl. Base Carcass Price	Weighted Avg.	60.16	58.22	3.30%	54.84	9.70%		
	Natl. Net Carcass Price	Weighted Avg.	62.55	60.34	3.70%	57.06	9.60%		
	Pork Cutout	185 Lbs.	57.34	56.00	2.40%	57.73	-0.70%		
C	Young Chicken Slaughter*	Million Head	153.41	155.06	-1.06%	164.51	-6.75%	1,088	-6.1%
H	Avg. Weight	Lbs.	5.53	5.52	0.18%	5.52	0.18%	5.5	-0.1%
I	Chicken Production	Million Lbs.	848.35	855.90	-0.88%	908.12	-6.58%	4,460	-6.1%
C	Eggs Set	Million	203.33	206.87	-1.71%	219.34	-7.30%	2,029	-6.9%
K	Chicks Placed	Million Head	167.56	166.71	0.51%	179.80	-6.81%	1,672	-6.0%
E	12-City Broiler	Composite	77.05	79.18	-2.70%	79.87	-3.50%		
N	Georgia Dock Broiler	2.5-3 Lbs.	85.57	85.87	-0.30%	79.12	8.20%		
T	Young Turkey Slaughter*	Million Head	4.61	4.75	-2.97%	4.73	-2.43%	31.7	-4.9%
U	Avg. Weight	Lbs.	29.00	28.95	0.17%	29.74	-2.49%	29.9	-1.1%
R	Turkey Production	Million Lbs.	133.7	137.6	-2.80%	140.6	-4.86%	763	-5.0%
K	Eastern Region Hen	8-16 Lbs.	74.50	75.00	-0.70%	82.5	-9.70%		
F	Corn, Omaha	$ per Bushel	3.81	3.51	8.70%	5.25	-27.40%		
E	DDGS, Minnesota	$ per ton	122.50	122.50	0.00%	152.50	-19.67%		
E	Wheat, Kansas City	$ per Bushel	5.40	5.44	-0.70%	12.10	-55.40%		
D	Soybeans, S. Iowa	$ per Bushel	8.85	8.79	0.70%	12.62	-29.90%		
	SB Meal, 48% Central Illinois	$ per Ton	291.00	274.80	5.90%	339.00	-14.20%		

* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this table. Cow & sow slaughter are for 2 weeks ear

Spring is still a week away but it is time to begin the annual process of estimating U.S. farmers' planting intentions — and again this year, the numbers are very, very important. Perhaps not the estimates but certainly the final ones! On Friday, Informa Economics and Allendale, Inc. both released estimates for 2009 planted acreage. Allendale also included its trendline estimate for corn and soybean yields and its estimates for the total U.S. corn and soybean crops. The numbers from both firms appear below. Both sets of estimates are based on producer surveys.

As you can see, the two firms' estimates for corn acres are VER"Y different while their estimates for soybean acres are much closer. Last year's actual figures were 85.982 million for corn and 75.718 million for corn. In 2007, a record 93.6 million acres were planted to corn and only 64.7 million were planted to soybeans. USDA's survey-based estimates will be released in the March 31 Prospective Plantings report.

The planting decisions for a good portion of these acres were made last fall when many farmers applied nitrogen fertilizer on acres they were sure to plant to corn. Many acres are rotated between corn and soybeans every year but a growing number of acres are planted to continuous corn with that practice made more practical and profitable by modern corn hybrids with genetically engineered abilities to resist certain pests and tolerate specific herbicides. Planting decisions for those acres are not yet final and will largely hinge on the potential profitability of corn and soybeans.

Relative profits, of course, depend on relative prices and relative costs. Corn costs more to raise than do soybeans, primarily due to the need for more fertilizer. Corn yields, as can be seen from Allendale's trend yields, are also about 4X those of soybeans. Corn costs this year are going to depend heavily on the timing of nitrogen purchases. A good amount of anhydrous ammonia was purchased last fall at over $1000/ton. That price is significantly lower now so the decision is going to vary greatly form producer to producer. Figure 1 on page 2 shows the ratio of November soybean futures to December corn futures. This key ratio has moved decidedly in corn's favor since mid-February. The ratio on Friday was even lower than the same week in 2007 — when those 93.5 million acres were planted to corn. It will take a lower ratio to get that done this year given higher corn costs but these price relationships appear to now favor corn.

	Allendale		Informa	
	Planted	Chg vs. '08	Planted	Chg vs. '08
Corn	85.406	-0.576	81.419	-4.563
Soybeans	80.439	4.721	81.502	5.784
Corn yield	156.95			
SB yield	42.44			
Corn crop	12.240	139		
SB crop	3.367	408		

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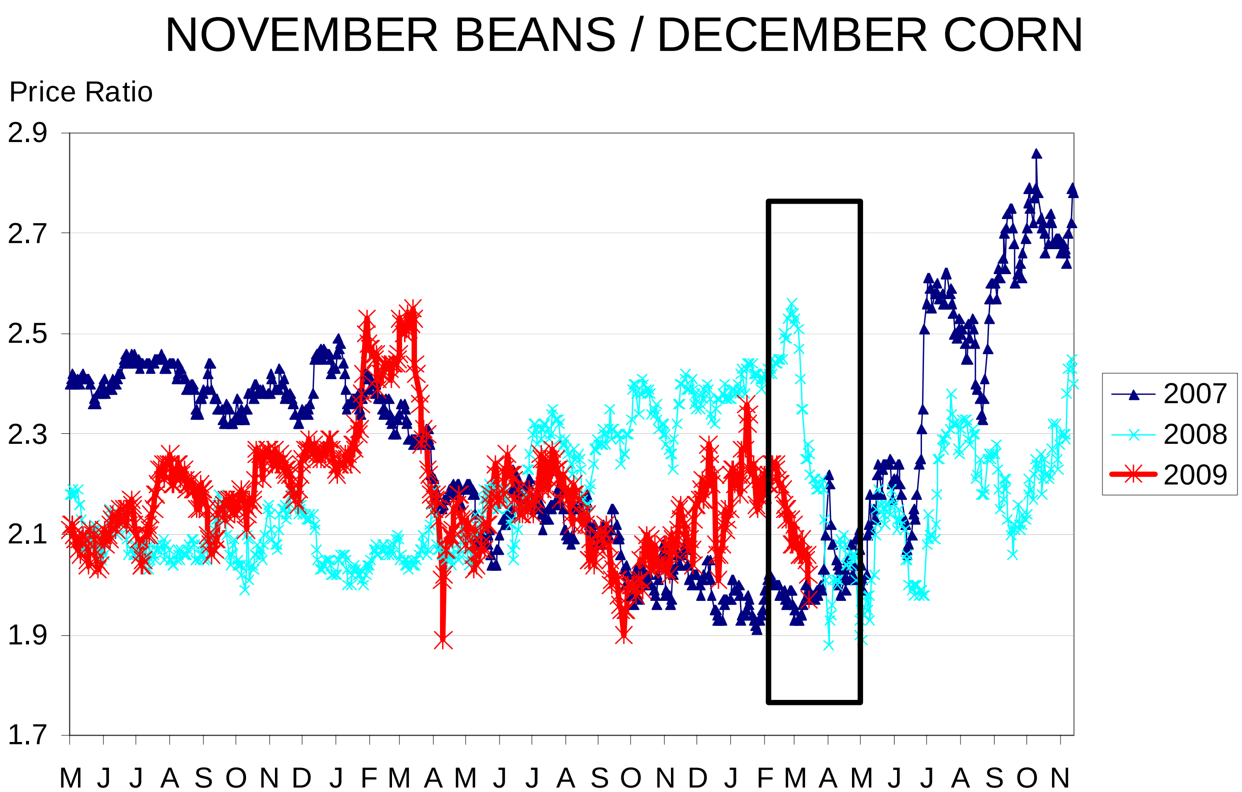
Figure 1


NOVEMBER BEANS / DECEMBER CORN
Price Ratio
2.9
2.7
2.5
2.3
2.1
1.9
1.7
M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N
2007
2008
2009