



# Daily Livestock Report

Livestock market information provided by Steve Meyer and Len Steiner.  
Distributed courtesy of the Chicago Mercantile Exchange, Inc.

## SLAUGHTER CAPACITY, TOP TEN U.S. PORK SLAUGHTER FIRMS

'04 Rank	Company	Plant	Fall 2003		Fall 2004		2003 to 2004 Change	
			Plant	Co. Total	Plant	Co. Total	Hd/Day	Pct of '03
1	Smithfield	Tar Heel , NC	32,000	80,300	32,000	112,300	2,400	2.2%
		Smithfield, VA	9,500		9,000			
		Gwaltney, VA	8,800		10,000			
	Morrell	Sioux Falls, SD	15,000		17,000			
		Sioux City, IA	15,000		14,500			
		Farmland	Crete, NE		10,200			
Denison, IA	9,200		9,200					
Monmouth, IL	10,200		10,200					
2	Tyson Foods (IBP)	Waterloo, IA	19,000	71,000	19,200	72,300	1,300	1.8%
		Logansport, IN	14,000		14,500			
		Storm Lake, IA	14,000		14,500			
		Col. Junction, IA	9,800		9,800			
		Madison, NE	7,500		7,500			
Perry, IA	6,700	6,800						
3	Swift	Worthington, MN	17,000	44,500	17,500	46,000	1,500	3.4%
		Marshalltown, IA	17,500		18,500			
		Louisville, KY	10,000		10,000			
4	Excel	Beardstown, IL	16,000	32,000	18,000	36,000	4,000	12.5%
		Ottumwa, IA	16,000		18,000			
5	Hormel	Austin, MN	17,000	26,000	18,000	26,800	800	3.1%
		Fremont, NE	9,000		8,800			
6	Premium Standard	Milan, MO	7,100	17,100	7,300	17,300	200	1.2%
		Clinton, NC	10,000		10,000			
7	Seaboard	Guymon, OK	16,000	16,000	16,000	16,000	0	0.0%
8	Indiana Pack	Delphi, IN	12,000	12,000	12,500	12,500	500	4.2%
9	Hatfield	Hatfield, PA	7,800	7,800	10,200	10,200	2,400	30.8%
10	Sara Lee	West Point, MS	6,500	9,000	6,200	8,800	-200	-2.2%
		Newburn, TN	2,500		2,600			
<b>Total of Top Ten Companies</b>			<b>345,300</b>		<b>358,200</b>		<b>12,900</b>	<b>3.7%</b>

Please feel free to forward the Daily livestock Report to others who you think will benefit from having this information. The DLR is published daily by Steve Meyer and Len Steiner, and distributed courtesy of the Chicago Mercantile Exchange. You can subscribe by going to <http://www.dailylivestockreport.com/subscribe.asp>. To submit a comment or suggestion, please send an e-mail to: [feedback@dailylivestockreport.com](mailto:feedback@dailylivestockreport.com). To unsubscribe from the DLR newsletter, go to <http://www.dailylivestockreport.com/unsubscribe.asp>.

Disclaimer: The Daily Livestock Report is intended solely for informative purposes and is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade in any commodities or securities herein named. Information is obtained from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Security futures are not suitable for all customers. Futures and options trading involve risk. Past results are no indication of future performance.

## Market Comments

**USDA's World Ag Supply & Demand Estimates and Crop Production Report contained some surprises this morning.** The pleasant surprise for livestock producers was the forecast of a 10.923 billion bushel corn crop. That compares to USDA's July estimate of 10.635 billion bushels and analysts' average pre-report estimate of 10.784 billion bushels. While far and away a record and larger than those pre-report guesses, the market was particularly shocked by this number with CBOT corn futures contracts for the '04-'05 crop year losing just 2-3 cents in today's trading. As was pointed out in yesterday's DLR, USDA raised it's estimates of most usage classes given this huge corn crop. Feed and residual was increased by 75 million bushels while food, seed and industrial (FSI) usage was increased by 90 million bushels, 70 million of which will go into ethanol production. FSI usage now accounts for 25.8% of total use and is 47.3% as large as feed and residual usage. USDA expects the average U.S. farm price of corn to average from \$2.05 to \$2.40/bu. this year.

**Perhaps the bigger surprise was USDA's estimate of the U.S. soybean crop at "just" 2.877 billion bushels, down from July's 2.94 billion bushels and well below analysts' expectation of 2.965 billion bushels.** August soybean futures jumped 50 cents/bu. on the news while new crop bean futures rose 24 to 30 cents/bu. New crop soybean meal prices increased by \$4 to \$5 per ton. USDA's estimates of soybean crushings and exports were decreased by 20 million bushels each. Projected year-end carryout is now 190 million bushels versus just 105 million bushels at the end of the '03-04 crop year. Decatur soybean meal prices are forecast to range from \$180-\$210/ton. Not cheap but certainly not expensive.

**Preliminary results of a survey of U.S. pork packing capacity indicates that the ten largest pork packers have increased their slaughter capacity by 3.7% since one year ago.** Eight of the top ten increased capacity while one company's capacity remained unchanged and one other company's capacity decreases by 2.2%. The largest increase in number of head occurred in Excel's plants while the largest percentage increase came at Hatfield Quality Meats. Only Hatfield's increase was the result of any major plant addition. Other increases resulted from improved equipment, processing methods and, in some cases, refinements to HACCP programs. A complete listing of plants with at least 250 head/day capacity will be published by the National Pork Board as part of its pork industry reference guide this fall.