Daily Livestock Report

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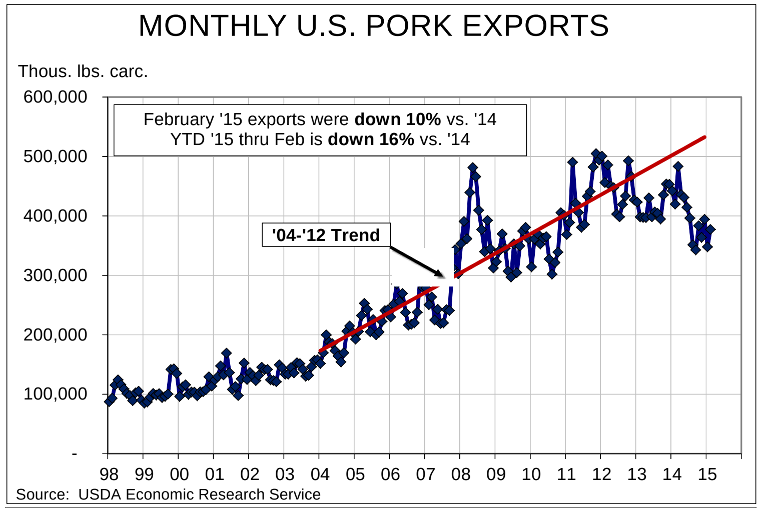
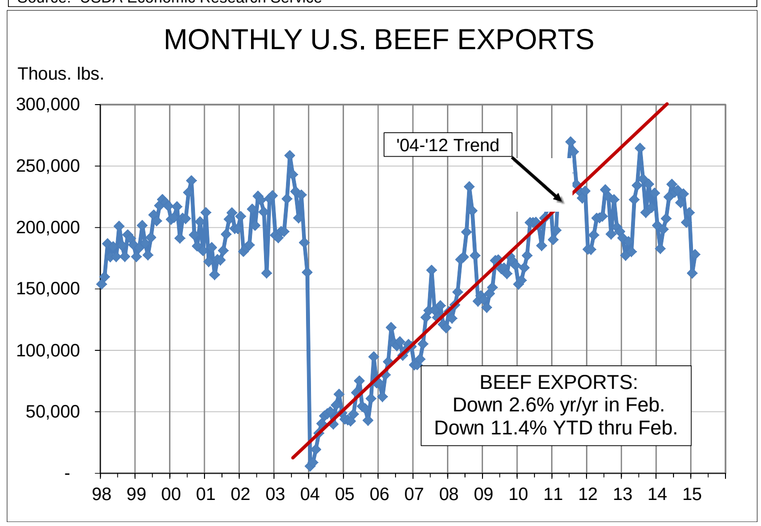
Avian influenza continues to spread primarily in the turkey sector. Two more new cases were reported late last week in Minnesota, first in Nobles County on Thursday, April 2 and then in Stearns County on Friday, April 3. This brings to five the number of confirmed H5N2 cases in the state. Those have been in four different counties. The addition of Stearns to that list is concerning since it is the largest poultry county in the state. H5N2 has also been confirmed in a commercial turkey flock in South Dakota and a backyard poultry flock in Montana. Minnesota is located in the Mississippi flyway for migratory birds while South Dakota and Montana are located in the Central flyway. But no news is good news in Arkansas where we have still heard of only the one case of HPAI. Let's hope it stays that way!

Representatives of International Longshore and Warehouse Union (ILWU) locals voted to recommend ratification of the tentative labor settlement reached on February 20. Seventy-eight percent of the delegates to a "caucus" session voted in favor of ratification. The contract now goes to the entire union membership for a secret ballot vote, the results of which will be announced May 22 according to the Wall Street Journal.

The dispute between ILWU and West Coast port operators was one factor in another month of relatively poor U.S. exports of meat and poultry. It was not nearly all of the story but was still one driver of lower tonnage in last week's numbers released by USDA's Foreign Agricultural Service and Economic Research Service. We would characterize the February results as "Better than January but still not good." Some highlights of February's data are:

- Pork exports totaled 377.3 million pounds carcass weight equivalent. That figure is over 30 million higher than in January but was still 10% lower than one year ago. February's exports bring the year-to-date total to 725 million pounds, down 16% from one year ago. This marks the eighth straight month of less than 400 million pounds of pork being exported. That level had been somewhat of a "base" amount prior to July of 2014.
- Mexico remained our largest market for pork in February, taking 124.4 million pounds, 11.6% MORE than one year ago. Mexico, of course, was in a position to benefit from the West Coast port situation as it could buy U.S. product at lower prices and not be limited by the slowdown in loading/unloading ships. Mexico's February purchases overcome a year/year decline in January to put year-to-date tonnage 5.3% higher.
- February pork shipments also grew for Canada, Taiwan and, most dramatically, South Korea (see the country-by-county chart on page 2). Korea-bound shipments were 81% larger than one year ago, pushing year-to-date exports to 111 million pounds, up 56% from 2014. February business pushed Korea to its highest ranking among U.S. pork markets since the hoof-and-mouth-disease fueled surge of 2011.
- U.S. shipments to China remain disappointing. The port situation was obviously a factor but so was RELATIVE prices. U.S. product has become no more expensive in China since the renmimbi is pegged to the dollar. But other suppliers' product has become less expensive as their currencies have lost value relative to the dollar.





- Beef exports improved by just over 15 million pounds (9.4%) from January but remained 2.6% lower than one year ago. February's shipments brought the year-to-date total to 340.7 million pounds carcass weight equivalent. That figure is 11.4% lower than one year ago.
- Japan was the largest customer for U.S. beef in February but, as can be seen on page 2, U.S. beef exports are quite balanced among five major markets and "other" markets. The trouble is that shipments to all of them are lower so far this year.
- **The value of Feb beef exports was 9.2% higher than one year ago while the value of Feb pork exports was down 10% vs. Feb '14.**

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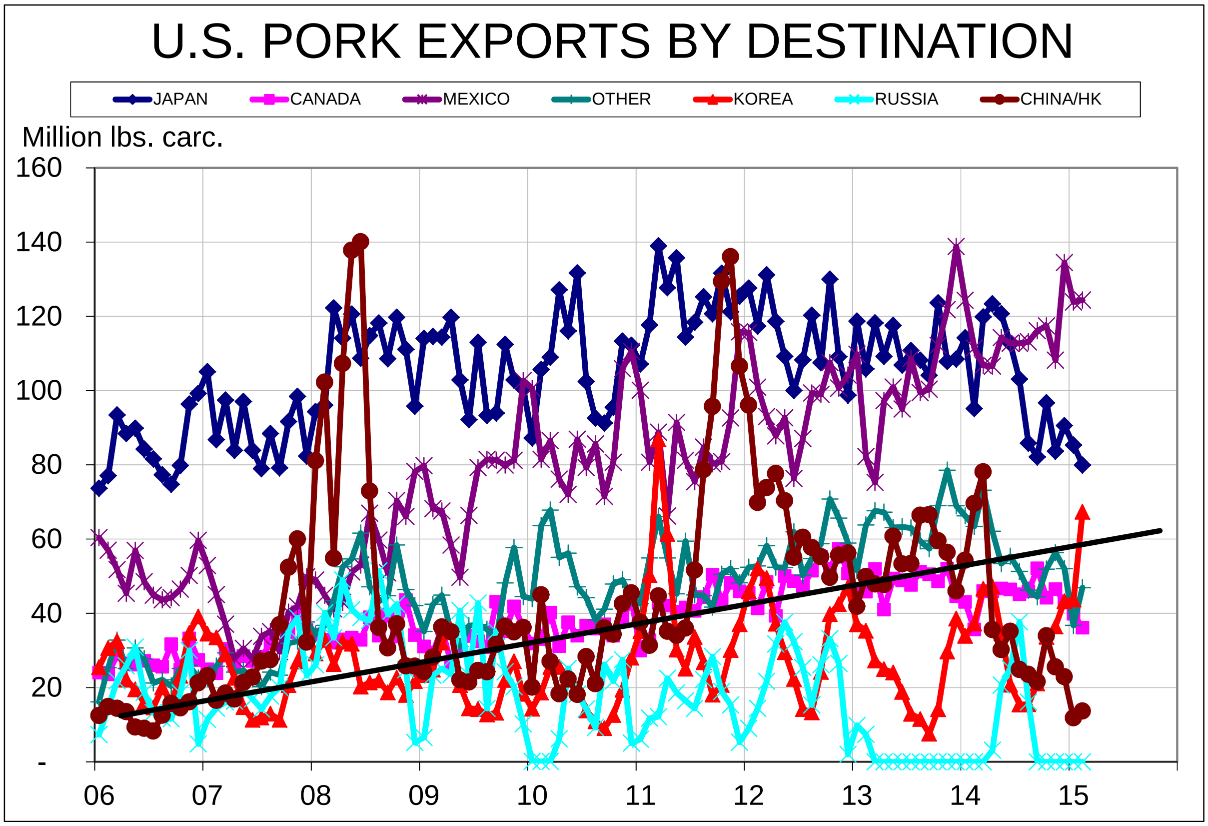

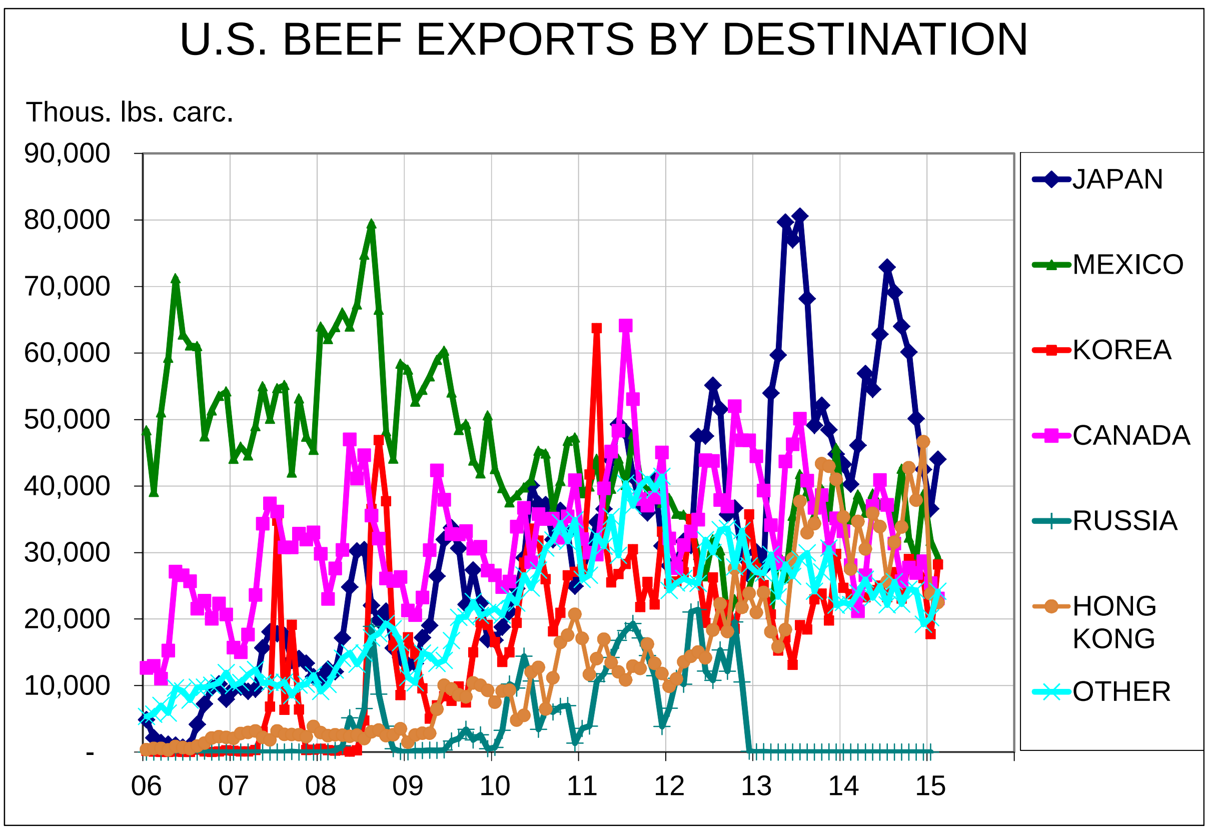

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PRODUCTION AND PRICE SUMMARY

Week Ending 4/4/15

	Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Pct. Change
	Total Meat & Poultry Prod.	**Million lbs.**	**1714.8**	**1742.4**	**-1.58%**	**1631.0**	**5.14%**	**22,152**	**2.83%**
C	FI Slaughter	Thou. Head	525	534	-1.69%	587	-10.53%	7,153	-7.33%
A	FI Cow Slaughter	Thou. Head	103.2	102.0	1.25%	112.9	-8.55%	1,271	-6.26%
T	Avg. Live Weight	Lbs.	1344	1350	-0.44%	1315	2.21%	1,357	2.01%
T	Avg. Dressed Weight	Lbs.	816	818	-0.24%	794	2.77%	818	2.26%
L	Beef Production	Million Lbs.	427.7	433.3	-1.29%	464.7	-7.96%	5,836	-5.22%
E	Live Fed Steer	$/cwt live wt.	166.67	165.57	0.70%	149.71	11.33%		
	Dressed Steer	$/cwt carcass	264.72	262.15	0.98%	240.09	10.26%		
&	OKC Feeder Steer	700-800 Lbs.	219.68	219.47	0.10%	178.96	22.75%		
	Beef Cutout	600-900 Choice	254.55	248.92	2.26%	232.13	9.66%		
B	Hide/Offal	$/cwt live wt.	14.00	14.62	-4.24%	16.09	-12.99%		
E	Rib	Choice	382.89	371.44	3.08%	327.00	17.09%		
E	Round	Choice	221.74	223.37	-0.73%	205.52	7.89%		
F	Chuck	Choice	206.55	205.04	0.74%	184.58	11.90%		
	Trimmings, 50%	Fresh	104.68	87.29	19.92%	117.44	-10.87%		
	Trimmings, 90%	Fresh	295.96	296.33	-0.12%	257.87	14.77%		
H	FI Slaughter	Thou. Head	2199	2270	-3.13%	2014	9.16%	29,862	4.54%
O	FI Sow Slaughter	Thou. Head	56.4	58.6	-3.66%	50.5	11.69%	658	2.88%
G	Avg. Dressed Weight	Lbs.	214	214	0.00%	215	-0.47%	215	0.53%
S	Pork Production	Million Lbs.	470.4	485.9	-3.19%	433.4	8.54%	6,412	5.12%
	Iowa-S. Minn. Direct	Avg.	56.39	56.51	-0.21%	127.75	-55.86%		
&	Natl. Base Carcass Price	Weighted Avg.	60.88	62.22	-2.15%	120.95	-49.67%		
	Natl. Net Carcass Price	Weighted Avg.	62.98	64.22	-1.93%	123.27	-48.91%		
P	Pork Cutout	200 Lbs	64.98	67.02	-3.04%	131.97	-50.76%		
O	Hams	Primal Cutout	40.60	43.47	-6.60%	114.67	-64.59%		
R	Loins	Primal Cutout	82.45	84.15	-2.02%	129.36	-36.26%		
K	Trimmings, 72% Lean	Fresh	37.33	37.60	-0.72%	142.73	-73.85%		
	Bellies	Primal Cutout	63.85	68.98	-7.44%	199.72	-68.03%		
C	Young Chicken Slaughter*	Million Head	157.38	159.29	-1.20%	150.84	4.34%	1,871	2.49%
H	Avg. Weight	Lbs., RTC	4.53	4.48	1.16%	4.17	8.57%	4.5	4.48%
I	Broiler Production	Million Lbs., RTC	712.9	713.2	-0.05%	629.3	13.28%	8,630	6.88%
C	Eggs Set	Million	208.4	205.1	1.61%	201.7	3.35%	2,686	2.92%
K	Chicks Placed	Million Head	167.9	169.5	-0.94%	165.7	1.32%	2,198	3.24%
E	National Composite Broiler	Composite	100.68	100.67	0.00%	108.51	-7.20%		
N	Georgia Dock Broiler	2.5-3 Lbs.	114.13	113.37	0.70%	106.48	7.20%		
	Northeast Breast	Skinlss/Bonelss	152.48	148.28	2.80%	164.07	-7.10%		
	Northeast Leg Quarters		35.35	36.41	-2.91%	49.91	-29.17%		
T	Young Turkey Slaughter*	Million Head	4.26	4.29	-0.79%	4.14	3.00%	50.1	3.98%
U	Avg. Weight	Lbs.	24.38	25.62	-4.84%	25.05	-2.68%	25.4	1.26%
R	Turkey Production	Million Lbs.	103.8	110.0	-5.59%	103.6	0.24%	1,275	5.28%
K	Eastern Region Hen	8-16 Lbs.	102.74	98.50	4.30%	101.5	1.20%		
F	Corn, Omaha	$ per Bushel	3.83	3.89	-1.54%	4.81	-20.48%		
E	DDGS, Minnesota	$ per ton	170.00	170.00	0.00%	240.00	-29.17%		
E	Wheat, Kansas City	$ per Bushel	5.88	5.58	5.38%	7.44	-20.97%		
D	Soybeans, S. Iowa	$ per Bushel	10.00	9.85	1.52%	14.96	-33.20%		
	SB Meal, 48% Central Illinois	$ per Ton	351.30	347.90	0.98%	514.10	-31.70%		

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

Source: USDA Agricultural Marketing Service, various reports