

## Daily Livestock Report

Livestock market information provided by Steve Meyer and Len Steiner.

### Acres Planted: Estimates of the Upcoming USDA Acreage Report

Analyst Survey Conducted and Published by Dow Jones

	Actual 2006/07	Actual 2007/08	USDA Est.* 2008/09	Average Estimate	Range of Estimates
---- million acres ----					
Corn	78.330	93.600	86.010	<b>85.661</b>	83.500 - 87.399
Soybeans	75.522	63.631	74.793	<b>74.257</b>	72.000 - 76.000
Wheat	57.344	60.433	63.803	<b>63.808</b>	63.530 - 64.000

\* Based on initial USDA survey of producer planting intentions

### Pre-report estimates of the Upcoming USDA Grain Stocks Report

Analyst Survey Conducted and Published by Dow Jones

Year	Period	On farm stocks	Off farm stocks	Total stocks	Q2 and Q3 use *
---- million bushels ---					
2006	Mar-01	4,055	2,932	6,987	2,828
2006	Jun-01	2,351	2,011	4,362	2,626
2006	Sep-01	750	1,218	1,967	
2006	Dec-01	5,627	3,306	8,933	
2007	Mar-01	3,330	2,738	6,068	2,864
2007	Jun-01	1,827	1,707	3,533	2,535
2007	Sep-01	460	844	1,304	
2007	Dec-01	6,530	3,748	10,278	
2008	Mar-01	3,780	3,079	6,859	3,419
	Jun-01	Average stock estimate		<b>3,894</b>	2,965
Estimates	Jun-01	Low stock estimate		<b>3,550</b>	3,309
	Jun-01	High stock estimate		<b>4,000</b>	2,859

\* Marketing year quarters. Dec - Feb (Q2), Mar - May (Q3)

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E-Livestock Volume	26-Jun	25-Jun	19-Jun
LE (E-Live Cattle):	8,286	6,824	7,424
GF (E-Feeder Cattle):	586	385	418
HE (E-Lean Hogs):	17,926	18,590	12,142

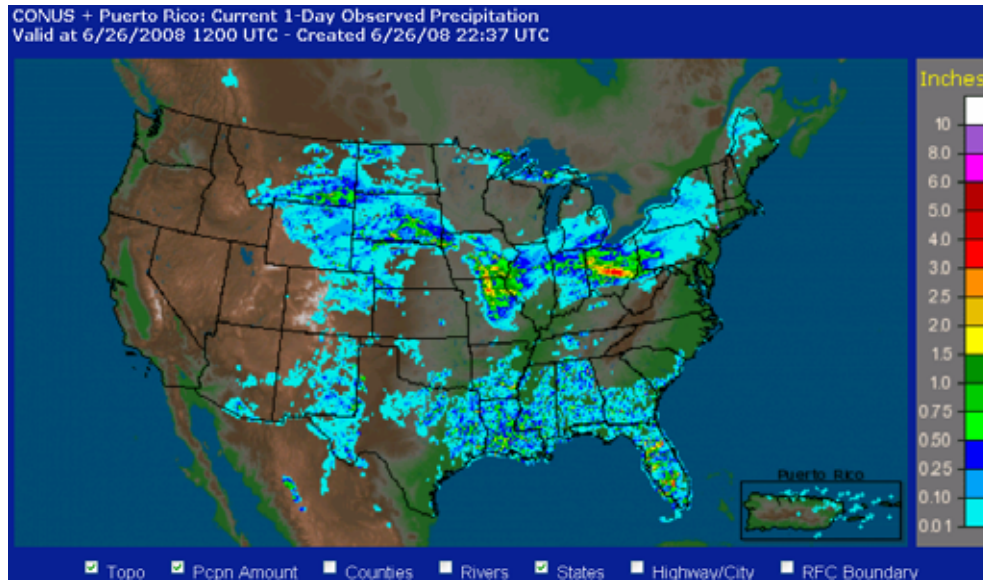
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### Market Comments

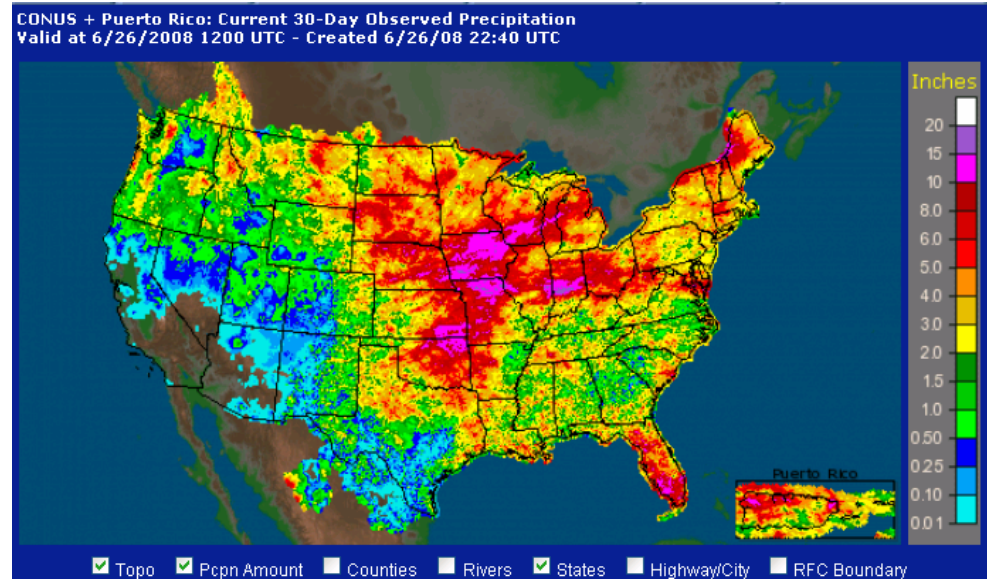
It is probably not an overstatement to say that the upcoming USDA **'Grain Stocks' and 'Acreage' reports**, to be released on Monday, will be **the most anticipated ever given all time record prices for corn and soybeans**. Depending on what the reports indicate, there is the potential that the market could advance further even after sharply higher prices during Thursday's trading. Corn futures on Thursday gained as much as 24 cents on the day while soybean futures gained almost 37 cents on the nearby July contract. The current grain market continues to trade weather and, as a weather market, it is prone to significant volatility. Reports of more rains in areas already negatively impacted by excessive moisture contributed to the sharp rise in grain futures prices. On page 2 we have included a number of charts on this point. Also bullish for the market was the softer dollar and the \$5 jump in crude oil futures, bringing nearby crude oil prices to almost \$140 per barrel, an all time record. Ethanol futures have been trading higher recently and they will likely further increase on the grain and crude activity.

**Current estimates are that corn plantings will come in almost half a million acres below the USDA estimate.** There is plenty of disagreement on this number as evidenced by the wide range of expectations. There is an expectation among some analysts that the USDA plantings survey and the subsequent supply and demand reports understated the number of corn acres that US producers were going to plant this spring. Last year we had a similar situation where the June acreage report showed a 2.5 million acre increase from the March estimates. By starting with estimates that are notably higher than the initial USDA report and then deducting the number of acres thought to have been lost due to delays in plantings and excessive moisture, it appears that a number of analysts have come up with estimates that are not far from the original USDA number. There are some that believe corn acres will decline sharply as well as others that expect almost 1.5 million more acres than the USDA initial report. It is a bit difficult to grasp the latter unless you believe that producers understated the early planting intentions by some 4-5 million acres. Grain stocks are expected to show that corn use during Mar - May period slowed down a bit compared to the surge in use during the previous quarter.

Rainfall in the past 24 Hours.



Rainfall in the past 30 Days



Rainfall in past 30 days as Percent of Normal Precipitation

