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The following estimates, forecasts, and projections are mainly taken from recent publications of the National Agricultural Statistics Service, Economic Research Service, and the World Agricultural Outlook Board of the USDA.

***Wheat.** All wheat production is forecast at 2.26 billion bushels, down 2% from last year. The World Agricultural Outlook Board (WAOB) projected 2000/01 U.S. ending stocks up 15 million bushels from July because of larger production. The projected price range for 2000/01 is \$2.25 to \$2.75 per bushel compared to \$2.50 for the 1999 crop. The global projected ending stocks are down 10%. The winter wheat crop was 95% harvested as of August 6th.

***Corn.** The August forecast for 2000 corn production is a record high 10.4 billion bushels, up 10% from last year. A market year average price between \$1.45 and \$1.85 a bushel is expected compared to \$1.80 for the 1999 crop. Global production for the 2000/01 crop year is expected to be 1% above the 1999/2000 crop year. Global 2000/01 ending stocks are expected to be 4% above the previous year. The U.S. corn crop was rated 71% good to excellent as of August 13th compared to 58% a year earlier.

***Soybeans.** The 2000 soybean crop is forecasted at a record high 2.99 billion bushels, up 13% from last year. A market year average price is projected between \$3.90 and \$4.80 per bushel compared to \$4.65 for the 1999 crop year. Global 2000/01 soybean production is projected at 169.08 million tons, up 12.9 million tons from last year. The U.S. soybean crop was rated 65% good to excellent for the week ending August 13th compared to 51% a year ago.

***Cotton.** The U.S. cotton production is forecasted at 19.2 million 480-pound bales, up 13% from last year. Even though world cotton production is virtually unchanged, world ending stocks are projected at 35.2 million bales, down 12% from 1999.

***Rice.** U.S. rice production is forecasted at 198.2 million cwt, down 6% from last year. Texas and Louisiana harvest is underway. The market year average price is expected to average between \$4.75 and \$5.75 per cwt compared to \$6.10 per cwt for the 1999/2000 crop.

***Other Crops.** The August **Durum wheat** forecast, at 115 million bushels, is down 10% from last month, but up 16% from last year. The August **Other Spring wheat** production is forecast at 554 million bushels, up 5% from a month ago and 10% above a year ago. **Grain Sorghum** is forecast at 578 million bushels, down 3% from 1999. **Barley** production is forecast at 308 million bushels, up 745,000 bushels from July and 9% from 1999. The **peanut crop** is expected to be down 1% from last year, **dry edible bean** production down 23%, **tobacco** production down 17%, **alfalfa hay** production down 6% from 1999, and **other hay** production down less than 1%.

***Cattle.** August 1 **cattle on feed** in the U.S. feedlots with capacity of 1,000 or more totaled 10.18 million head, up 11% from a year earlier. July placements were up 6% from the previous year. Marketings of fed cattle were down 2% from 1999. At mid-August, **prices** for choice steers (Nebraska direct, 1100-1300 pounds) averaged \$65 per cwt. Feeder steer prices (Oklahoma City, medium-large frame, 750-800 pounds) were around \$86 per cwt in mid-August, down \$4 from mid-July.

***Hogs.** During the first two weeks of August, slaughter has been running about 3-4% below a year ago. Prices at mid-August (Iowa-Southern Minnesota direct, 230-250 pounds) were around \$44 per cwt, down \$6 from mid-July. Fourth quarter prices are expected to average \$41 per cwt.

***Other Livestock.** July **milk production** was up 5.0% from the previous year. Production per cow increased 3.9%; however, the number of cows was up 1.0%. **Cheddar cheese prices** (U.S. 40 pound blocks, wholesale) were up the first week but down the second week of August. During June, total **cheese** production was 4.4% above the previous year, **butter** production was down 3.6% and **nonfat dry milk** production was up 8.4%. US table **egg production** during July 2000 totaled 7.07 billion, up 2% from 1999. Wholesale market **egg prices** for the third quarter of 2000 (Grade A large, New York) are expected to average 63-65 cents per dozen, compared with 66.2 cents a year ago. Fourth quarter 2000 egg prices are expected to average 65-69 cents per dozen, compared with 63.2 cents a year ago. **Broiler**-Type chicks hatched during July 2000 totaled 740 million, down 2% from last year. Cumulative Broiler-Type Placements in 15 selected states thru August 12, 2000 were 4.68 billion, 1% above a year

ago. The wholesale 12-city average price for whole **broilers** for the third quarter of 2000 is expected to be 57-59 cents, compared to 58.1 cents for the third quarter of last year. Fourth quarter 2000 broiler prices are expected to average 54-58 cents per pound, compared with the 57.6 cents for a year earlier. Cumulative **turkey poult placements** for the 2000 marketing year through July 2000 were 273 million, 1% above the same period a year ago. Placements in July 2000, at 27.1 million, were up 1% from last July. Prices (8-16 lb. hens, Eastern Region) for the third quarter of 2000 are expected to be in the 72-74 cent range compared with 73.8 cents for the third quarter last year. Turkey prices for the fourth quarter of 2000 are expected to average 76-80 cents per pound, compared with the 76.9 cents average for the fourth quarter of 1999. **Supplies in refrigerated warehouses** at the end of July 2000 compared with a year earlier were: total chicken, down 6%; turkey, down 13%; pork, down 4%; pork bellies, down 27%; beef, up 25%; frozen orange juice, up 2%; butter, up 10%; and American cheese, up 10%.

***Trade.** August U.S. **trade projections** for corn and soybeans improved compared with last month. Wheat, rice, cotton, beef, pork, broilers, and turkeys were unchanged from July. August projections for the volume of exports for the 2000/2001 marketing year compared to 1999/2000 are: **wheat** up 1%; **corn** up 12%; **rice** down 1%; **soybeans** up 4%; **soybean meal** up 6%; **soybean oil** up 52%; and **cotton** up 21%. August projections for the volume of meat exports in calendar 2001 compared to 2000 are: **beef** down 3%; **pork** up 4%; **broilers** down slightly; and **turkeys** up slightly. The **U.S. trade deficit** for goods and services increased to \$30.6 billion in June, from a revised \$30.3 billion in May. The **U.S. agricultural trade surplus** was \$747.1 million in June, compared with \$505.7 million in May.

***Prices.** The rate of **inflation**, as monitored by the CPI for all urban consumers, increased 0.2% in July and has increased 3.5% over the last 12 months. The **PPI** was unchanged in July, but has increased 4.1% for the 12-month period ending in July. The July **prime rate**, averaging 9.50%, was unchanged from June. Compared to a year earlier, **feed prices** in July were up 4%; **feeder livestock and poultry** prices up 21%; **fertilizer** was up 4%; **ag chemicals** down 2%; **farm machinery** up 1%; **seeds** up 2%; and **fuels** up 40%.

***World Weather and Crop Developments** (August 7-13). In the **United States**, hot, dry weather accelerated crop development in the Great Plains and adjacent areas of the western Corn Belt most of the week, but conditions deteriorated due to increased moisture shortages. Excessive heat also stressed crops in the lower Mississippi Valley and Southeast. Heavy rainfall temporarily relieved moisture shortages along coastal areas of the Mississippi Delta and isolated parts of the interior Southeast, but severe moisture deficits remain in most areas. The dry weather aided small grain harvest in the Great Plains, while rain interfered with progress in parts of the Corn Belt. Seasonably cool weather limited crop development along parts of the Pacific Coast. Several days of dry weather in **Ukraine** and **Russia** helped winter and spring grain harvesting in most areas. Continued unseasonably warm, dry weather in most of north-central **Kazakhstan** accelerated spring grain development, while farther north in Russia, light to moderate showers and cooler weather improved growing conditions for filling spring grains. Drier weather helped winter grain harvesting in most of northern **Europe**. In **Mexico** widespread showers covered the central and eastern corn belt, boosting moisture supplies for corn. In **Canada** crops stayed unfavorably wet in the eastern Prairies, Ontario, and Quebec. Generally dry weather throughout the southeast region of **Asia** reduced moisture supplies for crops. Widespread showers stabilized summer crop yield potentials across Manchuria and northern North Korea and boosted moisture supplies across the northern **North China Plain**. Across most of central **Argentina**, rain boosted topsoil moisture for vegetative winter wheat, but topsoil moisture remained limited across Buenos Aires. In **Australia** light showers benefitted most winter grain areas.

***Other News.** Increasing numbers of farmers and ranchers are doing **business over the Internet**. More than 60,000 U.S. farms and ranches accessed the Internet in 1999, with 15% conducting e-commerce transactions. Producers indicate intentions to begin rebuilding **hog breeding herds** according to USDA's June Hogs and Pigs report. But before expansion takes hold, pork production will fall 2% in second-half 2000 from a year earlier. With lower **pork production** in the near term; hog prices are expected to be up from last year's \$34 per cwt to average in the mid-\$40's in 2000. U.S. **soybean exports** in 2000/01 are projected to rise only slightly, primarily because of larger soybean harvests in China (a major importer) and in Brazil and Argentina (major export competitors), as well as shrinking imports by the European Union. With U.S. soybean demand expected to lag supply growth, ending stocks in 2000/01 are projected to swell. Good precipitation and an absence of extreme heat in July resulted in generally favorable conditions for **U.S. soybeans**. As of August 6, 65% of soybeans were rated in good to excellent condition. This ratio is the best since the U.S. record yields of 1994. Like 1994, current pod development is quite advanced, with 69% now in that stage compare with the 5-year average of 47%. In 2000, **vegetable and melon consumption** is projected to exceed the 1999 record high. On a per capita basis, the total is expected to remain near last year's level. Reduced fresh-market use is expected to be offset by increases in canning vegetables and potatoes. Cumulative **U.S. agricultural exports** in fiscal 2000 are more than \$1 billion ahead of 1999, as are year-to-date imports. The trade surplus thus far is \$200 million behind 1999's as imports have accumulated faster than exports.

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