

Tennessee Market Highlights

UT Extension

July 30, 2010

Number: 30

Trends for the Week Compared to a Week Ago

Slaughter Cows

Steady, instances \$1.00 to \$2.00 lower early in week.

Slaughter Bulls

Steady, instances \$1.00 to \$2.00 lower early in week.

Feeder Steers

Steady to \$2.00 higher, instances \$5.00 higher under 400 lbs.

Feeder Heifers

Steady to \$1.00 higher

Feeder Cattle Index

Wednesday's Index \$112.64

Fed Cattle

5 area live price of \$92.87 is down \$1.92 and the dressed price is down \$2.60 at \$147.85

Corn

September futures closed Friday at \$3.93 a bushel, up \$0.22 a bushel for the week.

Soybeans

August futures closed Friday at \$10.53 bushel, up \$0.35 bushel for the week.

Wheat

September futures contract closed at \$6.62 bushel, up \$0.67 a bushel for the week

Cotton

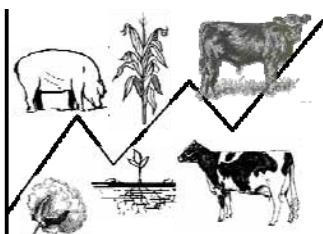
October futures closed Friday at 82.36 cents/lb. up 2.04 cents/lb. for the week.

Livestock Comments by Emmitt L. Rawls

Fed cattle sold mostly \$1 to \$2 lower this week in a moderate trade. Prices were mostly \$92 to \$93. The 5 area weighted average prices were \$92.87 live and \$147.85 dressed compared to \$94.79 and \$150.45 a week ago. A year ago prices were \$82.61 and \$131.63. Cutout values on Thursday compared to a week ago were down \$1.89 on the Choice and down \$1.01 on the Select. At midday Friday the Choice cutout was \$151.28 down \$1.88 and the Select was \$145.25 down \$.49. The Choice Select spread was \$6.03, down sharply from the \$8.27 a week ago. The Choice cutout began to falter on Wednesday and continued lower through Friday, hurting packer margins. The smaller level of processing this week was perhaps due to cattle feeders refusing to sell many at the lower money, and/or packers wanting to tighten the supply of beef to try to boost wholesale prices. The decline in futures which began on Monday and which fell hard again on Thursday also gave cattle feeders reason to move cattle even at the lower money. Cattle feeding margins remain positive, which also makes it easier to sell some. Normally, beef cutouts and fed cattle prices show some improvement into August. Prices for fed cattle have been steady to higher since early June. Some correction is likely unless wholesale beef prices can regain recent losses. In a survey of economic analysts conducted by Ron Plain and David Miller, forecasts were reported at this week's meeting of the American Agricultural Economics Association. Fed cattle projections were as follows: 3rd qtr. '10 - \$92.71; 4th qtr. '10 - \$94.43; 1st qtr. '11 - \$94.85; 2nd qtr. '11 - \$96.73; 3rd qtr. '11 - \$93.82; 4th qtr. '11 - \$96.24. Feeder steers 750 to 800 # at Oklahoma City - 3rd qtr. '10 - \$110.91; 4th qtr. '10 - \$107.98; 1st qtr. '11 - \$104.60; 2nd qtr. '11 - \$109.64; 3rd qtr. '11 - \$111.83; 4th qtr. '11 - \$108.90. Corn prices on the Chicago Board of Trade were projected to be \$3.96 per bushel on 12/1/10; \$4.23 on 3/1/11 and \$4.26 on 6/1/11. Feeder steers and bulls on the Tennessee

auctions sold steady to \$2 higher, with instances of \$5 higher on weights under 400#. Feeder heifers were steady to \$1 higher. Slaughter cows and bulls were steady with instances of \$1 to \$2 lower. Rainfall continues quite spotty across the state, with some areas receiving ample showers, while others have pastures and corn which is quite drought stressed. The higher temperatures and humidity are very hard on cattle being moved to market, especially those which have been suffering from fungus infected fescue pastures. Average receipts per sale on the Tennessee auctions this week were 692 head compared to 835 last week and 761 a year ago. The sharp rise in corn prices and lower fed cattle futures could cause lower feeder prices in the near term. Ample forage in much of the country is supporting the stocker calf market.

TECHNICALLY SPEAKING: Based on Thursday's closing prices. August live cattle closed at \$91.85. Support is at \$91.35, then \$89.98. Resistance is at \$92.80, then \$94.25. The RSI is 47.15. October cattle closed at \$93.47. Support is at \$92.85, then \$91.20. Resistance is at \$94.50, then \$96.15. The RSI is 51.22. December cattle closed at \$95.35. Support is at \$95.25, then \$93.70. Resistance is at \$96.50, then \$96.97. The RSI is 54.39. August feeder cattle closed at \$113.93. Support is at \$113.29, then \$112.22. Resistance is at \$114.37, then \$115.44. The RSI is 45.66. September feeders closed at \$114.58. Support is at \$113.85, then \$112.70. Resistance is at \$115.00, then \$116.15. The RSI is 52.08. November feeders closed at \$114.35. Support is at \$114.00, then \$112.75. Resistance is at \$115.05, then \$115.45. The RSI is 59.43. Today's closing futures prices were: Live cattle August \$92.65 +.80; October \$94.60 +1.12; December \$96.22 +.87. Feeder cattle August \$113.72 unchanged; September \$114.20 +.07; October \$115.07 +.37; November \$114.72 +.37. September corn \$3.92 +.13 1/2.



Livestock Comments *by Emmitt L. Rawls*

USDA Box Beef Cutout Value

	Choice 1-3	Select 1-3
	600-900 lbs	600-900 lbs
	----- \$/cwt -----	
Thursday	153.39	145.74
Week ago	155.28	146.75
Year ago	142.69	137.00
Change from week ago	-1.89	-1.01
Change from year ago	+10.70	+8.74

Average Daily Slaughter

	Cattle	Hogs
	----- Number of head -----	
This week (4 days)	128,250	391,250
Last week (4 days)	129,000	392,750
Year ago (4 days)	126,000	416,500
This week as percentage of		
Week ago (%)	99%	100%
Year ago (%)	102%	94%

Crop Comments *by Chuck Danehower*

Corn, cotton, soybean and wheat prices are all up for the week. The September U.S. Dollar Index is 81.63 before the close on Friday, down 1.00 for the week. The Dow Jones Industrial Average is trading before the close at 10,467; up 43 points for the week. September Crude Oil was trading before the close at 78.93 a barrel, about unchanged for the week. We are feeling the effects of a weather market, but it is one centered on Russia and surrounding countries as heat and drought continue to grip that region. Wheat production in that region will be reduced, but corn and soybean also will be affected. In the global picture, grain stocks will not be tightening dramatically, but will just be coming less bearish, particularly for wheat. This rally could end at any time. It appears there has been quite a bit of technical buying as money from funds has flowed into the commodity markets. Overall crop prospects in the U.S. are still looking good as weather problems for the most part have yet to materialize. Picking the top in the market or the duration of the rally is difficult if not impossible.

Corn:

New Crop: September futures closed Friday at \$3.93 a bushel, up \$0.22 a bushel for the week. Support is at \$3.73 with resistance at \$4.03 a bushel. Technical indicators have a buy bias. Weekly exports were above expectations at 37.8 million bushels (17.0 million bushels in 2009/10 and 20.8 million bushels in 2010/11). As of July 25, 84% of the corn crop is silking compared to 65% last week, 52% last year and the five year average

of 70%. Nationwide, the corn crop is 17% in the dough stage compared to 8% last week, 7% last year and the five year average of 13%. Currently, 72% of the crop is rated good to excellent compared to 72% last week, and 70% last year. Private survey based yield estimates will start coming in next week in anticipation of the USDA estimate released on August 12. The magic yield number is around 163 bushels per acre as anything much higher will be considered bearish at least in the short term. A lower number would be considered bullish. Corn has been drawing support from the wheat market. Corn demand is expected to stay strong. There are reports that China will import 67 million bushels this year and increase imports to 228 million bushels by 2014. Some of that business would come from the U.S. Evaluate put options as a viable risk management strategy. Put options can be a means of setting a price floor, but still leave an upside. I am currently at 50% forward priced and 25% priced with put options and would use current levels to make catch up sales and put in place a put option strategy. A December \$4.00 strike price Put option would cost \$0.28 bushel and set a \$3.72 futures floor.

Deferred: The March 2011 contract closed today at \$4.19, up \$0.21 a bushel for the week. Support is at \$4.01 and resistance at \$4.28 a bushel. Technical indicators have a buy bias. September 2011 closed today at \$4.33 a bushel, up \$0.14 a bushel for the week. I would currently be priced 10% for 2011 production. Producers may want to consider putting in price targets

(Continued on page 3)

Crop Comments by Chuck Danehower

(Continued from page 2)

with their grain elevator for 2011.

Cotton:

Nearby: October futures closed Friday at 82.36 cents/lb. up 2.04 cents/lb. for the week. Support is at 79.70, and resistance at 84.36 cents per pound. Technical indicators have a buy bias. All cotton weekly exports sales were below expectations at 237,500 bales (600 bales of upland cotton for 09/10; 215,700 bales of upland cotton for 10/11; 100 bales of Pima for 2009/10 and 21,100 bales of Pima for 2010/11). The Adjusted World Price for July 30 – August 5 is 66.43 cents/lb.

New Crop: The December futures contract closed today at 78.76 cents/lb., up 3.02 cents/lb. for the week. Support is at 75.86 cents per pound, with resistance at 80.38 cents per pound. Technical indicators have a buy bias. Current quotes for 2010 production equities are in the 17 - 18 cent range. Keep in contact with your cotton buyer for current quotes on loan equities. As of July 25, 94% of the cotton crop was squaring compared to 86% last week, 87% last year and the 5 year average of 87%. Nationwide, as of July 25, 58% of the cotton crop was setting bolls compared to 41% last week, 45% last year and the 5 year average of 48%. The crop is rated 68% good to excellent compared to 68% last week and 46% last year. The Texas crop is rated at 74% good to excellent. Cotton prices broke out of their trading range this week and may make a run at 80 cents. The market looks to be fairly priced to even over-price at this level with current yield prospects and fundamentals. I would recommend producers consider what price target - whether equities or cash sales - they would sell at and put that target in with their cotton buyer. I would currently be 20% forward priced on estimated production for 2010 with that 20% also covered by buying call options. The market has not been able to hold the 79 – 80 cent range, so I would consider pricing in that range. I would also have an additional 20% of production covered by buying December Put Options. A 79 cent December Put option would cost 5 cents and set a 74 cent futures floor.

Soybeans:

Nearby: August futures closed Friday at \$10.53 bushel, up \$0.35 bushel for the week. Support is at \$10.16 a bushel, and resistance at \$10.73 a bushel. Technical indicators have a buy bias. Weekly exports were above expectations at 54.5 million bushels (12.5 million bushels for 2009/10 and sales of 42 million bushels for 2010/11).

New Crop: The November contract closed at \$10.05 bushel, up \$0.22 for the week. Support is at \$9.80 with resistance at \$10.19 a bushel. Technical indicators have a buy bias. The soybean crop as of July 25 was 75% blooming, compared to 60% last week, 60% last year and the five year average of 72%. As of July 25, 35% of the crop has set pods, compared to 18% last week, 19% last year and the five year average of 31%. The soybean crop is currently rated 67% good to excellent compared to 67% last week and 67% last year. Prices have pushed through the psychological \$10 barrier, but are going to need some justi-

fication to hold that level or move up. Export sales for the 2010/11 are starting strong and could help offset what is looking like a record or at least close to record soybean crop. August weather will still play a part in setting production. At current levels, there looks to be more price risk on the downside than there is on the up. I am currently forward priced 50% for 2010 production and would add 10% today for a total of 60%. This would particularly apply to producers with a buy up crop insurance policy. I am also priced 25% of anticipated production using put options. Put options may also offer some downside protection, but still leave some upside. Buying a November \$10.00 strike price Put Option would cost \$0.43 a bushel and set a \$9.57 futures floor. November 2011 soybeans closed at \$9.99 bushel. That looks like a good point to begin pricing 2011 so I would price 10% of 2011 anticipated production at that level.

Wheat:

Nearby: September futures contract closed at \$6.62 bushel, up \$0.67 a bushel for the week. Support is at \$6.13 with resistance at \$6.87 a bushel. Technical indicators have a buy bias. Weekly exports were above expectations at 33.8 million bushels. We look to be picking up some export business as a result of the Russian drought. Nationwide, 79% of the winter wheat crop has been harvested compared to 71% last week, 76% last year and the 5 year average of 82%. Spring wheat is currently 94% headed as compared to 87% last week, 92% last year, and the five year average of 97%. Spring wheat conditions are 83% good to excellent, as compared to 82% last week, 74% last year. The wheat market has led the grain rally as concerns of decreasing global stocks and the possibility of increasing U.S. exports have spurred the market up. Currency valuations have been in the favor of the Dollar. Noncommercial buying interest has contributed to this rally. The cash market is not indicating a bullish market as basis levels have widened. This is a tricky market as increasing price levels could affect demand.

Deferred: March 2011 futures closed at \$7.14 bushel, up \$0.60 for the week. Support is at \$6.68 with resistance at \$7.37 a bushel. Technical indicators have a buy bias. July, 2011 wheat closed at \$7.10 a bushel today, up \$0.46 for the week. I would add 5% forward priced and be 30% priced for 2011 wheat. Put options are expensive for July 2011; a \$6.90 July Put option would cost \$0.79 and set a \$6.11 futures floor. Other option strategies are also available, but do understand what you are doing. Also check with your grain elevator for delivery contracts they may have that can set a price, but allow some upside.

Crop Comments by *Chuck Danehower*

Prices Paid to Farmers by Elevators												
Friday, July 23, 2010—Thursday, July 29, 2010												
	Friday		Monday		Tuesday		Wednesday		Thursday		Thursday Harvest	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
----- \$/bushel -----												
No. 2 Yellow Soybeans												
Memphis	9.84-10.42		9.65-10.13		9.70-10.13		9.82-10.25		9.98-10.38		---	
N.W. B.P.	9.77-10.29		9.62-10.10		9.61-10.10		9.72-10.18		9.82-10.34		9.82-9.83	
N.W. TN	9.42-10.17		9.98-9.98		9.98-9.98		10.02-10.02		10.18-10.18		9.48-9.66	
Upper Md.	9.81-10.42		9.66-10.23		9.66-10.23		9.74-10.35		9.84-10.41		9.78-9.84	
Lower Md.	10.02-10.31		9.86-10.16		10.15-10.15		9.98-10.28		10.08-10.38		9.48-9.63	
Yellow Corn												
Memphis	3.59-3.61		3.52-3.52		3.50-3.50		3.64-3.64		3.64-3.67		---	
N.W. B.P.	3.53-3.57		3.46-3.50		3.45-3.48		3.57-3.61		3.60-3.64		3.53-3.54	
N.W. TN	3.47-3.83		3.40-3.76		3.40-3.75		3.53-3.88		3.56-3.91		3.44-3.73	
Upper Md.	3.41-3.66		3.34-3.59		3.33-3.57		3.46-3.71		3.49-3.74		3.59-3.63	
Lower Md.	3.76-3.91		3.69-3.84		3.83-3.83		3.81-3.96		3.84-3.99		10.08-10.38	
Wheat												
Memphis	5.51-5.61		5.44-5.49		5.45-5.55		5.65-5.75		5.77-5.77		---	

Futures Settlement Prices: Crops & Livestock

Friday, July 23, 2010—Thursday, July 29, 2010

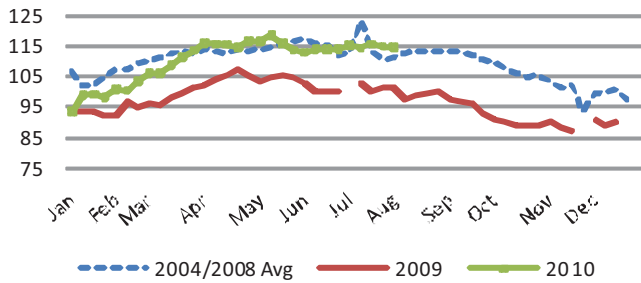
Commodity	Contract Month	Friday	Monday	Tuesday	Wednesday	Thursday
Soybeans (\$/bushel)	Aug	10.17	9.98	9.98	10.10	10.27
	Sep	9.91	9.75	9.73	9.85	9.93
	Nov	9.81	9.66	9.65	9.78	9.88
	Jan	9.90	9.74	9.74	9.87	9.95
	Mar	9.93	9.79	9.79	9.91	9.98
	May	9.94	9.82	9.83	9.93	9.99
Corn (\$/bushel)	Sep	3.71	3.64	3.63	3.76	3.79
	Dec	3.84	3.78	3.77	3.91	3.94
	Mar	3.98	3.92	3.90	4.03	4.06
	May	4.06	4.01	3.99	4.11	4.14
	Jul	4.13	4.09	4.06	4.18	4.21
	Sep	4.15	4.11	4.09	4.24	4.24
Wheat (\$/bushel)	Sep	5.96	5.89	5.95	6.15	6.27
	Dec	6.27	6.21	6.27	6.47	6.59
	Mar	6.51	6.47	6.53	6.71	6.83
	May	6.59	6.56	6.61	6.76	6.88
	Jul	6.64	6.61	6.64	6.78	6.87
Soybean Meal (\$/ton)	Aug	3.00	2.93	2.95	3.02	3.05
	Sep	2.90	2.84	2.84	2.91	2.93
	Oct	2.84	2.78	2.79	2.85	2.87
	Dec	2.83	2.78	2.78	2.84	2.87
	Jan	2.83	2.77	2.78	2.83	2.86
	Mar	2.83	2.78	2.79	2.84	2.86
Cotton (¢/lb)	Oct	80.32	81.22	81.45	80.57	80.68
	Dec	75.34	76.49	76.70	76.31	76.91
	Mar	74.14	75.22	74.43	74.62	75.21
	May	74.91	75.85	75.00	75.31	75.80
	Jul	75.82	76.82	76.11	76.17	76.62
Live Cattle (\$/cwt)	Aug	93.42	92.65	92.65	92.77	91.85
	Oct	94.72	93.77	93.92	94.20	93.47
	Dec	96.47	95.82	95.75	95.87	95.35
	Feb	97.67	97.07	97.12	97.12	96.72
	Apr	99.32	98.65	98.85	99.10	98.82
Feeder Cattle (\$/cwt)	Aug	115.17	114.95	114.90	114.52	113.72
	Sep	115.17	115.17	115.10	114.85	114.27
	Oct	115.25	115.40	115.20	115.32	114.70
	Nov	115.10	115.00	115.02	115.00	114.35
	Jan	112.95	113.00	113.30	113.32	112.90
	Mar	111.15	111.50	111.80	112.10	111.80
Market Hogs (\$/cwt)	Aug	83.22	82.00	82.22	83.37	84.85
	Oct	77.02	75.47	76.22	76.95	78.07
	Dec	74.35	73.02	73.95	74.50	74.92
	Feb	75.80	74.62	75.37	75.77	76.02
	Apr	76.47	74.95	95.90	76.30	76.60

Prices on Tennessee Reported Livestock Auctions for the week ending July 30, 2010

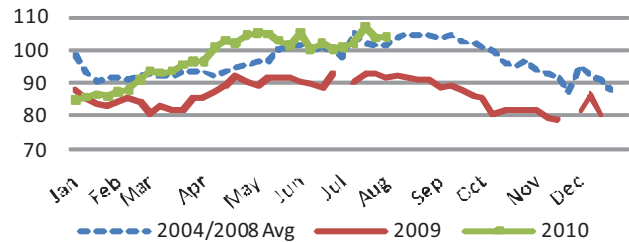
	This Week			Last Week	Year Ago
	Low	High	Weighted Average	Weighted Average	Weighted Average
----- \$/cwt -----					
Steers: Medium/Large Frame #1-2					
300-400 lbs	116.00	152.00	133.93	129.28	112.37
400-500 lbs	105.50	136.00	122.84	121.66	106.45
500-600 lbs	103.00	123.50	114.74	115.01	101.53
600-700 lbs	100.00	118.00	110.08	109.66	97.49
700-800 lbs	97.00	110.00	103.70	103.57	91.85
Steers: Small Frame #1-2					
300-400 lbs	106.00	124.00	112.23	112.04	93.27
400-500 lbs	101.00	108.00	104.44	108.99	88.19
500-600 lbs	-----	-----	-----	98.03	84.18
600-700 lbs	-----	-----	-----	97.00	82.38
Steers: Medium/Large Frame #3					
300-400 lbs	100.00	127.0	116.35	116.62	103.37
400-500 lbs	94.00	120.00	111.15	108.85	96.46
500-600 lbs	93.25	112.00	104.84	104.62	91.94
600-700 lbs	90.00	103.00	97.55	98.65	89.55
700-800 lbs	84.00	101.00	93.17	92.57	85.35
Holstein Steers					
300-400 lbs	79.00	85.00	82.12	91.93	73.99
500-600 lbs	73.00	86.00	76.65	80.31	68.44
700-800 lbs	79.00	79.00	79.00	78.59	66.61
Slaughter Cows & Bulls					
Breaking Utility	49.00	60.00	55.67	55.18	46.25
Cutter & Boning	46.00	58.50	53.31	53.76	43.75
Canner	41.00	52.00	46.26	47.17	39.50
Bulls YG 1-2	61.00	75.00	69.03	69.81	59.25
Heifers: Medium/Large Frame #1-2					
300-400 lbs	95.00	126.00	114.73	113.81	98.18
400-500 lbs	97.50	121.00	111.02	110.00	94.57
500-600 lbs	94.00	115.00	105.61	105.55	91.87
600-700 lbs	85.50	111.00	98.11	100.05	87.36
Heifers: Small Frame #1					
300-400 lbs	88.00	109.00	99.05	96.85	82.06
400-500 lbs	82.00	102.00	94.58	95.05	80.78
500-600 lbs	77.00	98.00	90.29	85.31	76.92
600-700 lbs	-----	-----	-----	82.50	71.93
Heifers: Medium/Large Frame #3					
300-400 lbs	88.00	113.00	101.89	103.90	89.65
400-500 lbs	90.00	111.00	101.29	101.81	86.50
500-600 lbs	79.00	110.00	97.12	94.01	83.37
600-700 lbs	80.50	97.00	89.20	90.74	82.41

Cattle Receipts (# sales): This week: 6,920 (10) Week ago: 9,189 (11) Year ago: 8,367 (11)

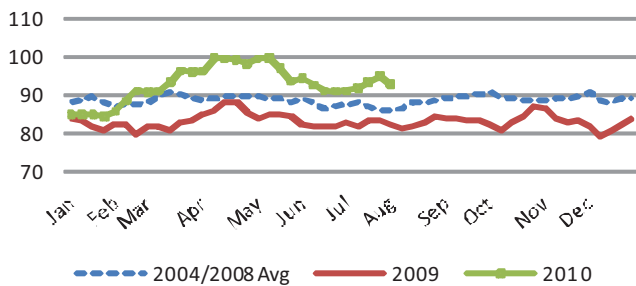
Tennessee 500-600 lbs. M-1 Steer Prices
2009, 2010 and 5-year average



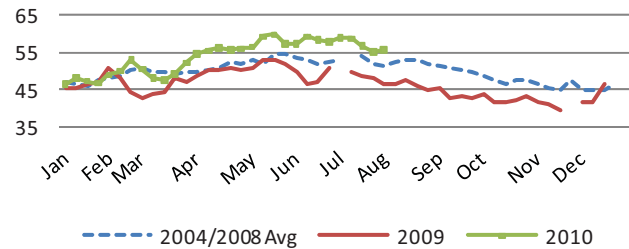
Tennessee 700-800 lbs. M-1 Steer Prices
2009, 2010 and 5-year average



5-Area Finished Cattle Prices
2009, 2010 and 5-year average



Tennessee Slaughter Cow Prices
Breaking Utility
2009, 2010 and 5-year average



Video Sales

continued

EAST TENNESSEE LIVESTOCK CENTER JULY 28, 2010

1 load out of 74 Holstein steers, est weight 830 lbs., range 750-875 lbs., \$0.04 slide up if over 831 lbs., 95% #1's., 5% #2's, medium flesh, no horns, vaccinated, wormed, no implants, hauled 4-5 miles, weighed on grounds after sort, 2% shrink. Price \$84.25

Milk Futures		
Thursday, July 29, 2010		
Month	Class III Close	Class IV Close
July	13.74	15.37
Aug	14.92	15.45
Sept	15.37	15.50
Oct	14.99	15.26
Nov	14.75	15.10

USDA—TN Dept Ag Market News
Friday, July 30, 2010

7/27/10 Fayetteville (TLP)

Receipts: 468 Total (219 Graded/Grouped)

Steers: Med & Lg 1-2 Heifers: Med & Lg 1-2

500-600 lbs 115.00-122.50	400-500 lbs 104.00-117.50
600-700 lbs 109.00-115.00	500-600 lbs 95.50-109.50
700-800 lbs 100.00-104.00	600-700 lbs 95.50-100.00
	700-800 lbs 96.00

Bulls: Med & Lg 1-2

350-400 lbs 120.00
400-500 lbs 110.00-114.00
500-600 lbs 109.00
600-700 lbs 94.50-105.00
700-800 lbs 93.50

GIPSA Extends Comment Period for Farm Bill Proposed Rule (Grain Inspection, Packers and Stockyards Administration, 7/26) -- The USDA Grain Inspection, Packers and Stockyards Administration is extending the comment period for the regulations required by Title XI of the Food, Conservation and Energy Act of 2008 and regarding conduct in violation of the Packers and Stockyards Act until November 22, 2010.

GIPSA published the proposed rule in the Federal Register on June 22, 2010 (75 FR 35338). The Agency proposed adding several new sections to the regulations under the Packers and Stockyards Act of 1921, as amended and supplemented.

GIPSA will consider comments received by November 22, 2010. Comments may be submitted via e-mail to comments.gipsa@usda.gov; hard copy via mail, hand delivery, or courier to Tess Butler, GIPSA, USDA, 1400 Independence Avenue, SW, Room 1643-S, Washington, DC 20250-3604; fax to (202) 690-2173; or via the Federal eRulemaking Portal at <http://www.regulations.gov>. There also will be a fact sheet about the rule on the GIPSA web page. For further information, contact Brett Offutt, Director, GIPSA Policy and Litigation Division, at (202) 720-7363.

Bill Reauthorizing Price Reporting Law Advances (National Pork Producers Council, 7/28) -- The National Pork Producers Council today applauded the House Agriculture Committee for approving legislation to reauthorize the law requiring meat packers to report to the U.S. Department of Agriculture the prices they pay producers for animals.

The committee passed H.R. 5852, sponsored by panel Chairman Collin Peterson, D-Minn., to reauthorize for five years the Livestock Mandatory Reporting Act, which is set to expire Sept. 30. The committee bill also adds to the reporting law provisions requiring reporting of pork exports – by price and volume – and of wholesale pork cuts.

Lincoln, Chambliss Introduce Bill to Guarantee Transparency in Livestock Markets (U.S. Senate Ag Committee, 7/27) -- U.S. Senator Blanche Lincoln (D-Ark.), Chairman of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry, today joined Ranking Member Saxby Chambliss (R-Ga.), in introducing bipartisan legislation that would reauthorize mandatory price reporting for five years. This bill will guarantee transparency of the livestock marketing sector and help improve producers' ability to access fair market prices. **GIPSA Extends Comment Period for Farm Bill Proposed Rule (Grain Inspection, Packers and Stockyards Administration, 7/26)** -- The USDA Grain Inspection, Packers and Stockyards Administration is extending the comment period for the regulations required by Title XI of the Food, Conservation and Energy Act of 2008 and regarding conduct in violation of the Packers and Stockyards Act until November 22, 2010.

NCFC Applauds Senator Johanns for Seeking Action on Dairy Spill Rule Exemption (National Council of Farmer Cooperatives, 7/23) -- The National Council of Farmer Cooperatives (NCFC) today expressed its strong support for legislation introduced by Senators Mike Johanns (R-Neb.) and Chuck Schumer (D-N.Y.) that would protect America's dairy farmers from unnecessary and costly oil spill regulations. The bill would require the Environmental Protection Agency (EPA) to finalize, within 30 days of the bill's enactment, the Agency's proposed exemption of on-farm milk storage from Spill Prevention, Control and Countermeasure (SPCC) rules.

Under EPA's original set of SPCC rules for agriculture, milk is considered an oil that falls under the regulations since it contains animal fat. To address the fact that spilled milk does not pose a major environmental threat, EPA issued a proposed rule change in January 2009 exempting on-farm milk containers that meet well-defined sanitary standards. That 2009 proposal has still not been finalized by the agency.

Democrats Pull the Plug on Cap and Trade (Pork, 7/22) -- Senate Democrats on Thursday abandoned plans to pass an energy bill that caps emissions of carbon dioxide, saying Republicans refuse to support the measure. Senate Majority Leader Harry Reid (D-Nev.) said no Republican was willing to back a comprehensive energy bill, a development he called "terribly disappointing."

Democrats have been trying for more than a year to pass a plan that charges utilities for carbon emissions. They're also abandoning a compromise plan to limit emissions only from utilities that also failed to attract the 60 votes needed to advance it in the 100-member Senate.

U.S. T-Bones Debut In Major Korean Retail Chain (Cattlemen's Beef Board, 7/26) -- Lotte Mart, the third-largest retail chain in South Korea, recently launched sales of U.S. T-bone steaks at 85 locations across the country. This marks the first time this cut has been offered in the retail sector since Korea resumed imports of U.S. beef.

"The reintroduction of T-bones really demonstrates the traction U.S. beef is regaining in Korea," said Junil Park, U.S. Meat Export Federation (USMEF) Korea retail specialist, contractor to the Beef Checkoff Program. "Consumer acceptance of U.S. beef has become much more widespread as the result of positive imaging, aggressive promotion and USMEF's collaborative efforts with suppliers, importers and retailers."

U.S. Willing to Take Staged Approach to Beef Access in China (Meatingplace.com, 7/27) -- When Canada announced in June a deal to ship beef from cattle 30 months or younger to China, officials at the National Cattlemen's Beef Association wondered publicly why the United States had let its neighbor to the north get ahead. In fact, the United States was offered a similar deal

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some time ago but turned it down in favor of negotiating full access to the Chinese market, which has been closed to U.S. beef since the 2003 outbreak of bovine spongiform encephalopathy. Now, however, the United States is softening its earlier stance and is willing to work with Chinese officials toward an incremental approach to full beef export access.

Many Pig Farmers Angry About Coles Pork Decision(ABC Rural, 7/22) -- Pork industry body Australian Pork Limited has hit back at supermarket giant Coles, saying it's hypocritical if the company doesn't enforce its sow stall ban on imported products. Coles says from the end of 2014, none of its supermarkets will stock any fresh pork which is produced with the aid of sow stalls.

Australian Pork Limited estimates that Australian farmers face extra costs between \$400 and \$900 per female pig to phase out sow stalls in line with Coles' demands.

JBS, Other Brazilian Meatpackers Ban Cattle Ranches (Meatingplace.com, 7/26) – Brazil's three largest meatpackers, JBS Friboi, Marfrig Alimentos and Minerva, have suspended cattle purchases from 221 ranches located on indigenous land, conservation areas or near recently-deforested areas in the Amazon, according to reports submitted to Greenpeace. Last year the companies signed pacts to change their practices after Greenpeace released its "Slaughtering the Amazon" report exposing links between cattle ranching in the Amazon region and deforestation.

Japan Lifts Beef, Pork Shipment Ban in Miyazaki as Foot-and-Mouth Fades (Bloomberg, 7/26) -- Japan lifted a ban on beef and pork shipments from all farms in southern Miyazaki prefecture, normalizing domestic trade three months after an outbreak of foot-and-mouth led to the largest cull in the nation's history.

Livestock shipments from the second-largest hog-farming prefecture can resume, the Miyazaki government said today in a statement. No cases of the disease have been found in the past three weeks after about 288,370 animals were culled to contain it since April 20, when the first case was reported, according to the Ministry of Agriculture, Forestry and Fisheries.

Stovalls Acquire Leachman Ranch (Cattle Business Weekly, 7/22) -- The Leachman Home Place Ranch, 16 miles southeast of Billings, Mont., is going to see some changes. The 45,000-plus acres-including 9,500 deeded acres and more than 30,000 acres of Crow Indian Reservation leases, formerly operated by Leachman Cattle Company- have been tied up in financial and legal knots for years. The last of the knots were untied on the steps of the Yellowstone County Courthouse last Thursday when Stovall Holding Company, made up of Jay and Juanita Stovall who are members of the Crow Indian Tribe, and their

son, Turk, handed over checks for \$2.63 million.

The sale of the Home Place Ranch and the smaller Hairpin Cavy Ranch was supposed to have taken place last year on the same date, but James Leachman filed bankruptcy an hour before the auction in a last-ditch attempt to save the ranches that have been known world-wide for their quality cattle genetics for the last 30 years. A judge dismissed the bankruptcy in April, ordering the federal government to sell the ranches in an attempt to pay off debts.

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