

Tennessee Market Highlights

UT Extension

October 9, 2009
Number :39

Livestock Comments by Emmitt L. Rawls

The fed cattle trade began earlier this week with prices mostly \$81 to \$81.50 \$1 lower than last week. Generally weakening cutout values, gave cattle feeders little hope for steady to higher money. The 5 area weighted average prices thru Thursday were \$80.85 live and \$125.01 dressed, compared to \$82.07 and \$127.63 a week ago. A year ago the prices were \$91.49 live and \$140.77 dressed. Cutout values on Thursday compared to a week ago were down \$2.46 in the Choice and down \$1.88 on the Select. At midday Friday the Choice was \$134.14 +.35 and the Select was \$129.39 +.19. The Choice Select spread was \$4.75 compared to \$4.21 last week. Prices for feeder steers, bulls and heifers on Tennessee auctions were called \$1 to \$3 lower. Slaughter cows were called \$1 to mostly \$2 lower and slaughter bulls were \$2 to \$2.50 lower. Average receipts per sale this week were 763 head on 11 sales compared to 795 on 11 sales last week and 572 on 9 sales a year ago. With forecasts for colder weather and possible frost in the next week or so, auction receipts could increase. Closing bids for the next dairy cow buyout will be 10/15. So we will probably see some increase in dairy cow slaughter late October and November. This is the time of the year we normally get some increase in beef cow slaughter as producers cull older and lower producing cows. It could put some additional pressure on cow prices at a time when they are normally declining. If extra feed/good hay is available, it may pay to feed those cows to be culled into early next year, assuming they are sound enough to be marketable then. Prices are usually higher early in the year, but weight needs to be increased to assure a greater chance of the cows making money from that decision. *Continued on page 2*

Crop comments by Chuck Danehower

Commodities finished up for the week on a weaker dollar, increase in crude oil, and a stronger stock market. However, the greatest influence was probably concerns on the weather and affects on harvesting a later than average crop. Today's USDA report was mostly neutral to friendly for corn, cotton, and soybeans, but bearish for wheat. The U.S. Dollar is weaker for the week at 76.65, down .57 which is beneficial to exports. The Dow Jones Industrial Average is up about 3.7% for the week, at 9839 before the close. Crude Oil ended the week up 2.28 barrel, trading at 71.98 before the close. Comments on today's USDA Supply & Demand report can be found on-line at <http://economics.ag.utk.edu/outlook.html>.

Corn:

New Crop: December 2009 futures closed at \$3.62 a bushel on Friday, up \$.29 bushel for the week. Support is at \$3.53 bushel with resistance at \$3.76 bushel. Weekly exports sales were 20.5 million bushels, less than expected and behind pace to reach USDA estimates. As of October 4, the crop condition ratings for corn were 70% in the good to excellent rating compared to 68% the previous week and 61% a year ago. Nationwide, 57% of the corn crop is mature compared to 37% last week, 70% last year and the five year average of 84%. Corn harvest is at 10%, compared to 6% last week, 13% last year and the five year average of 25%. Today's USDA report bumped up estimated yields to 164.2 while reducing harvested acreage 700,000. Ending stocks for the 2009/2010 marketing year are projected at 1.672 billion bushels, 37 million bushels more than September, but about expected.

Continued on page 2

Slaughter cows: \$1 to mostly \$2 lower

Slaughter bulls: \$2 to \$2.50 lower

Feeder steers: \$1 to \$3 lower

Feeder heifers: \$1 to \$3 lower

Fed cattle: 5 area live price of \$80.85 is down \$1.22 and the dressed price is down \$2.62 at \$125.01

Feeder cattle index: Wednesday's index :\$93.94

Corn: December 2009 futures closed at \$3.62 a bushel on Friday, up \$.29 bushel for the week

Soybean: November futures closed at \$9.64 bushel, up \$0.79 bushel from last week

Wheat: December 2009 futures contract closed at \$4.68 bushel, up \$0.25 bushel from last week

Cotton: December 09 futures closed at 63.02 cents/lb. up 2.36 cents/lb. from last week

Livestock Comments by *Emmit L. Rawls*

Today's crop report indicated larger production this year and increased carryover next fall. The report was considered neutral to bearish. Offsetting the bearish news is the threat of frost in the corn belt. It looked like corn futures were going to be little changed, however the fed and feeder cattle had a nice rally today following oversold conditions in some of those contracts.

TECHNICALLY SPEAKING: Based on Thursday's closing prices. October live cattle closed at \$82.27. Support is at \$81.72, then \$81.32. Resistance is at \$82.12, then \$82.52. The RSI is 14.81 a very oversold condition. December cattle closed at \$84.32. Support is at \$84.12, then \$81.32. Resistance is at \$84.57, then \$85.02. The RSI is 40.58. February cattle closed at \$85.45. Support is at \$85.10, then \$84.55. Resistance is at \$86.45, then the upside of a gap at \$86.50.

October feeder cattle closed at \$93.97. Support is at \$93.25, then \$92.15. Resistance is at \$94.35, then \$95.45. The RSI is 35.24. November feeders closed at \$93.80. Support is at \$93.08, then \$91.98. Resistance is at \$94.18, then \$95.28. The RSI is 34.13. January feeders closed at \$94.70. Support is at \$93.85, then \$93.35. Resistance is at \$95.75, then \$97.20.

Friday's closing prices were as follows: October live cattle \$82.62 +75; December \$84.95 +62; February \$85.92 +47. October feeder cattle \$94.15 +17; November \$94.45 +65; January \$95.10 +40.

Crop comments by *Chuck Danehower*

A freeze occurred last night in the upper Midwest and cold weather is expected to extend over the weekend ending the growing season on a late crop. Some damage is expected and could cause the October yield estimate to be the highest estimate of the season. The market will be supportive of prices until more of the harvest is completed and yields are more known. At current levels, I would look to contract un-priced grain or sell across the scales depending on when harvest is expected. I am currently 50% forward priced with another 50% in put options.

Deferred: The March 2010 futures contract closed at \$3.75 bushel, up \$0.28 bushel from last week. The September 2010 contract closed at \$3.98, up \$0.26 bushel from last week. I would start looking closely and maybe consider pricing some corn for 2010.

Cotton:

Nearby: The December 09 futures closed at 63.02 cents/lb. up 2.36 cents/lb. from last week. Near term support is at 62.16 cents with longer term support at 57. Resistance is at 64.82 cents. Weekly exports sales were 107,400 bales (136,300 bales 09/10; a reduction of 28,900 bales 10/11), above expectations. Overall crop condition ratings as of October 4 were 47% good to excellent compared to 49% last week and 50% last year. Boll opening is at 68% compared to 57% last week, 73% last year and the five year average of 77%. Cotton harvest is reported at 10% compared to 8% last week, 15% last year and the five year average of 21%. Today's USDA report pegged U.S. cotton production at 13 million bales on an average yield of 807 pounds/acre. Yield declines in Texas and the Mid-South contributed to the reduction. Ending stocks for 2009.2010 were projected at 5.4 million bales a reduction of 200,000 bales from September. These current fundamentals do not support any arguments for higher prices. Outside factors like the U.S. Dollar and an economic recovery are needed to improve the fundamentals. Contact your cotton buyers for current quotes on loan equities and or cash prices. Producers may want to consider selling their loan cotton and purchasing a March or May call option on a pullback to the 60 cent range. Producers should understand any option strategies they undertake.

Deferred: The March 2010 futures contract closed at 65.63 cents/lb., up 2.52 cents/lb. from last week.

Soybeans:

New crop: November futures closed at \$9.64 bushel, up \$0.79 bushel from last week. Support is at \$8.98, with resistance at \$9.61 bushel. Weekly exports were 16.6 million bushels, below expectations. As of October 4, crop conditions have the crop rated at 67% good to excellent compared to 66% last week and 57% in 2008. The percent soybeans dropping leaves was advanced to 79% compared to 63% last week, 81% last year and the five year average of 88%. As of October 4, 15% of the crop was harvested compared to 5% last year and the five year average of 28%. Today's USDA report was considered neutral to friendly as ending stocks for the 09/10 marketing year were only increased 10 million bushels from September to 230 million bushels. This was below the pre report guess of 257 million bushels. Yields as of October 1 were estimated to be 42.4 bushels/acre an increase of .1 bushel from September but .4 bushels below the average pre report guess. Any reductions in yields would have the potential to create a tight stocks situation. Longer term, exports are expected to be at a record 1.305 million bushels. Exports sales on the books are above the pace to meet the projections. I would question whether there might be some cancellations when the South American crop is available next year. Argentina and Brazil are expected to have increase production 29% from the last production year. Currency values both here and abroad will most likely affect our exports. Weather and harvest delays have been supportive of prices. With the recent rally in soybean prices, I would be inclined to price out any un-priced soybeans rather than store un-priced. I am currently 50% forward priced with another 50% priced with put options.

Deferred: The March 2010 contract closed at \$9.68 bushel on Friday, up \$0.58 bushel from last week. The November 2010 contract

closed at \$9.49 bushel, up \$0.62 bushel for the week.

Wheat:

Nearby: The December 2009 futures contract closed at \$4.68 bushel, up \$0.25 bushel from last week. Weekly exports were 28.2 million bushels, above expectations but below pace to meet USDA projections. As of October 4, Spring Wheat is at 97% harvested compared to 94% last week, 100% last year and the five year average of 99%. The USDA report increased wheat ending stocks 121 million bushels to 864 million bushels for the 2009/2010 marketing year. Although carryin was reduced 10 million bushels, production was increased 36 million bushels and demand decreased 95 million bushels. U.S. ending stocks are projected to have a stocks/use ratio of 40.7%

New Crop: The July 2010 futures closed at \$5.16 bushel, up \$0.31 bushel from last week. Support is at \$4.98 bushel with resistance at \$5.37 bushel. As of October 4, 53% of the winter wheat has been planted compared to 36% last week, 55% last year and the five year average of 55%. Emergence is 26% compared to 13% last week, 255 last year, and the five year average of 27%. Wheat with poor fundamentals will look to the corn and soybean markets, as well as U.S. Dollar and probably the stock market for help and support. The stocks will need to be reduced for prices to move up. For the 2010 crop, I am 5% priced at \$6.00 bushel and would add more at \$5.50 bushel.

USDA U.S. 2008/09 Projected Supply & Demand (10/09/09)

	Wheat	Corn	Soybeans	Cotton
Planted (mil. acres)	63.2	86.0	75.7	9.47
Harvested (mil. acres)	55.7	78.6	74.6	7.57
Yield per acre	44.9 bu.	153.9 bu.	39.7 bu.	813 lbs.
Production (mil. bu. or bales)	2,499	12,101	2,967	12.82
Beg. Stocks	306	1,624	205	10.04
Imports	127	14	15	0.01
Supply	2,932	13,739	3,187	22.86
Total Domestic Use	1,260	10,207	1,768	3.59
Exports	1,015	1,858	1,280	13.28
Total Use	2,275	12,065	3,049	16.86
Ending Stocks(mil. bu. or bales)	657	1,674	138	6.34
Projected Season Avg. Price	\$6.78 bu.	\$4.06 bu.	\$9.97 bu.	\$0.478 lb.
Stocks/Use	28.9%	13.9%	4.5%	37.6%

USDA U.S. 2009/10 Projected Supply & Demand (10/09/09)

	Wheat	Corn	Soybeans	Cotton
Planted (mil. acres)	59.1	86.4	77.5	9.14
Harvested (mil. acres)	50.1	79.3	76.6	7.73
Yield per acre	44.4 bu.	164.2 bu.	42.4 bu.	807 lbs.
Production (mil. bu. or bales)	2,220	13,018	3,250	13.0
Beg. Stocks	657	1,674	138	6.34
Imports	110	10	10	0.01
Supply	2,987	14,702	3,398	19.34
Total Domestic Use	1,223	10,880	1,863	3.40
Exports	900	2,150	1,305	10.50
Total Use	2,223	13,030	3,169	13.90
Ending Stocks(mil. bu. or bales)	864	1,672	230	5.40
Projected Season Avg. Price	\$4.85 bu.	\$3.35 bu.	\$9.00 bu.	\$0.53 lb.
Stocks/Use	33.5%	12.8%	7.3%	38.8%

PRICES ON 11 TENNESSEE REPORTED LIVESTOCK AUCTIONS (\$/cwt)

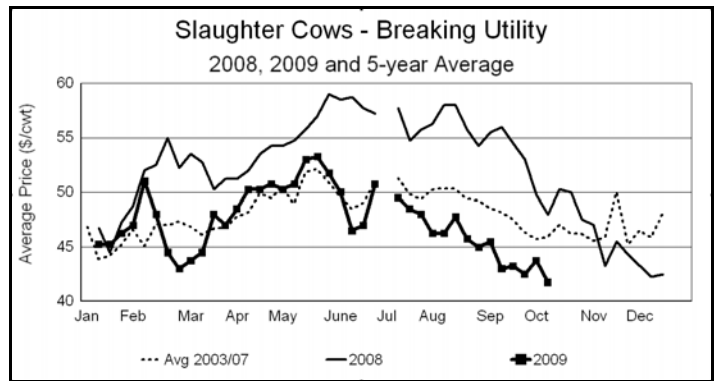
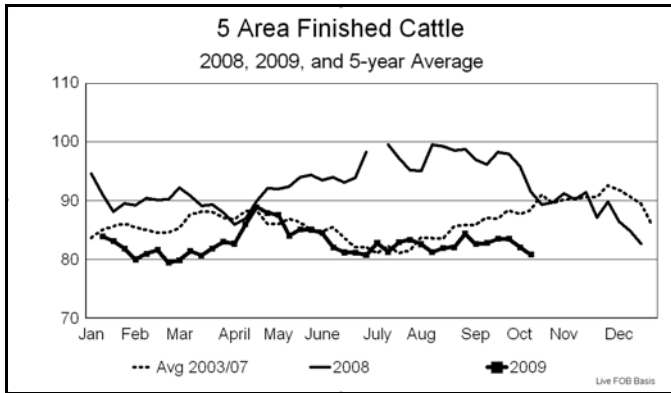
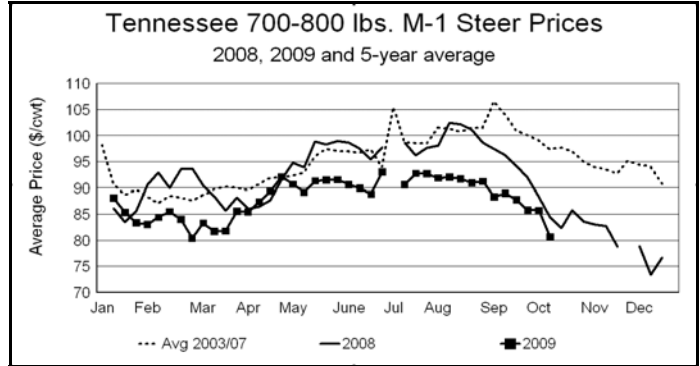
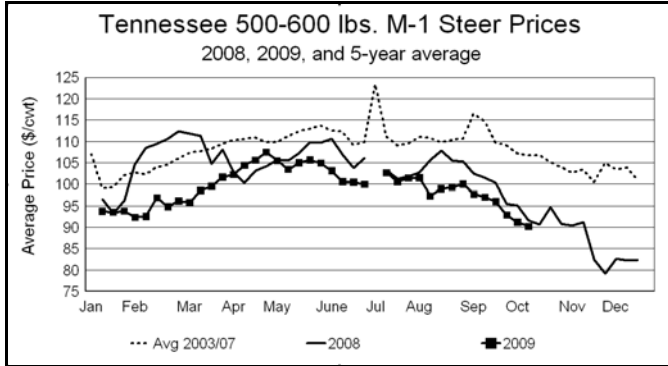
October 9, 2009

	This Week Low	This Week High	This Week Weighted Average	Last Week Weighted Average	Year Ago Weighted Average
<u>Steers: Medium/Large Frame #1-2</u>					
300-400 lbs.	92.00	119.00	104.94	107.29	98.78
400-500 lbs.	84.00	111.00	96.20	99.55	95.81
500-600 lbs.	79.00	97.00	90.22	91.23	91.67
600-700 lbs.	79.00	90.50	84.22	86.98	81.62
700-800 lbs	74.50	89.00	80.61	85.72	84.34
<u>Steers: Small Frame #1-2</u>					
300-400 lbs.	70.00	90.00	81.19	100.46	87.27
400-500 lbs.	54.00	91.00	80.30	85.22	67.28
500-600 lbs.	67.00	80.00	74.54	76.62	74.04
600-700 lbs.	67.50	72.00	69.27	-----	65.86
<u>Steers: Medium/Large Frame #3</u>					
300-400 lbs.	80.00	106.00	94.67	97.35	89.79
400-500 lbs.	78.00	94.00	86.56	87.65	88.10
500-600 lbs.	71.00	88.00	82.00	83.49	80.86
600-700 lbs.	67.50	80.00	73.03	78.43	76.20
700-800 lbs.	62.50	81.00	76.55	77.87	77.21
<u>Holstein Steer</u>					
300-400 lbs.	55.00	55.00	55.00	58.05	51.64
500-600 lbs.	50.00	62.00	58.14	67.49	55.57
700-800 lbs.	50.50	58.00	52.88	61.23	55.55
<u>Slaughter Cows</u>					
Breaking Utility	38.00	45.50	41.75	43.75	48.00
Cutter & Boning	35.00	45.50	40.25	41.75	47.50
Canner	32.00	41.00	36.50	36.75	41.25
Bull YG 1-2	48.50	57.00	52.75	56.25	60.75
<u>Heifers: Medium/Large Frame #1-2</u>					
300-400 lbs.	78.00	100.00	87.11	88.12	86.87
400-500 lbs.	72.00	92.00	82.33	83.17	82.88
500-600 lbs.	70.00	88.00	77.95	79.74	79.94
600-700 lbs.	68.00	82.00	75.22	77.15	77.81
<u>Heifers: Small Frame #1</u>					
300-400 lbs.	65.00	82.50	74.12	75.27	68.28
400-500 lbs.	54.00	78.00	69.50	70.99	69.86
500-600 lbs.	56.00	78.00	65.46	71.15	68.31
600-700 lbs.	61.00	71.50	65.65	65.85	64.48
<u>Heifers: Medium/Large Frame #3</u>					
300-400 lbs.	65.00	89.00	79.25	80.73	79.60
400-500 lbs.	63.00	85.00	76.48	77.63	76.50
500-600 lbs	60.00	79.00	71.68	73.81	73.46
600-700 lbs.	63.00	77.50	71.26	73.40	71.45

Cattle Receipts: This week: (11) 8,391

Week ago: (11) 8,750

Year ago: (9) 5,150



Average Daily Slaughter (number of head)

	This week (4 days)	Last week (4 days)	Year ago (4 days)	This week as percentage of Week ago (%)	Year ago (%)
Hogs	434,250	434,000	432,250	100%	100%
Cattle	123,500	123,500	124,750	100%	99%

USDA Box Beef Cutout Value (\$/cwt)

	Thursday	Week ago	Year ago	Change from week ago	Change from year ago
Choice 1 - 3					
600-900 #	133.79	136.25	150.17	-2.46	-16.38
Select 1 - 3					
600-990 #	129.20	131.08	143.89	-1.88	-14.69

FUTURES SETTLEMENT PRICES
Crops & Livestock
Friday, October 2, 2009 - Thursday, October 8, 2009

Commodity	Contract Month	Fri. 2	Mon. 5	Tues. 6	Wed. 7	Thurs. 8
Soybeans (\$/bu)	Nov	8.85	8.85	9.10	9.12	9.36
	Jan	8.92	8.91	9.14	9.17	9.39
	Mar	8.95	8.91	9.14	9.19	9.41
	May	8.93	8.90	9.14	9.19	9.39
	Jul	8.96	8.94	9.16	9.21	9.39
	Aug	8.92	8.90	9.15	9.19	9.38
Corn (\$/bu)	Dec	3.33	3.41	3.58	3.60	3.64
	Mar	3.46	3.54	3.70	3.72	3.76
	May	3.55	3.63	3.77	3.81	3.85
	Jul	3.64	3.71	3.86	3.88	3.92
	Sep	3.72	3.79	3.94	3.96	4.00
	Dec	3.83	3.90	4.03	4.05	4.09
Wheat (\$/bu)	Dec	4.41	4.43	4.60	4.63	4.74
	Mar	4.61	4.62	4.79	4.83	4.93
	May	4.73	4.74	4.92	4.95	5.07
	Jul	4.85	4.86	5.04	5.07	5.20
	Sep	5.00	5.01	5.16	5.21	5.35
Soybean Meal (\$/ton)	Oct	272	276	286	291	303
	Dec	268	271	278	281	290
	Jan	266	268	274	277	286
	Mar	264	265	270	274	283
	May	262	263	268	272	280
	Jul	262	264	268	272	279
Cotton (¢/lb)	Oct	59.26	60.65	62.07	61.59	62.91
	Dec	60.66	61.59	62.98	62.50	63.65
	Mar	63.11	64.05	65.35	64.97	66.25
	May	64.40	65.35	66.65	66.25	67.50
	Jul	65.35	66.41	67.73	67.37	68.56
Choice Fed Cattle (\$/cwt)	Oct	82.95	82.67	82.30	82.22	81.87
	Dec	84.00	83.90	83.55	84.07	84.32
	Feb	94.52	84.52	84.45	84.82	85.45
	Apr	96.62	86.50	86.62	87.10	87.75
	Jun	93.35	83.27	83.62	84.12	84.75
Feeder Cattle (\$/cwt)	Oct	93.55	93.35	92.85	93.35	93.97
	Nov	93.57	93.30	92.75	93.17	93.80
	Jan	94.67	94.22	93.77	94.45	94.70
	Mar	95.85	95.27	95.10	95.87	95.82
	Apr	96.85	96.35	96.27	96.92	97.27
Market Hogs (\$/cwt)	Oct	49.25	49.05	60.10	50.90	51.02
	Dec	48.55	47.60	49.12	51.75	53.52
	Feb	55.87	54.75	46.22	58.60	59.95
	Apr	60.95	60.20	61.95	64.25	65.40
	May	68.20	67.40	68.72	70.00	71.30

Milk Futures, Thursday , October 8, CME Futures

Month	Class III Close	Class IV Close
October	12.86	11.45
November	14.31	12.02
December	14.57	14.44
January	14.68	13.10
February	14.60	13.22

Tennessee Weekly Summary for September 25, 2009**Bred Cows Medium and Large 1 Middle Aged**

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	1000-1100	1065	720.00	720.00 4-6 Months Bred
1	1100-1200	1180	680.00	680.00 4-6 Months Bred
1	1100-1200	1150	910.00	910.00 7-9 Months Bred
1	1200-1300	1210	660.00	660.00 1-3 Months Bred
1	1200-1300	1280	790.00	790.00 7-9 Months Bred
1	1500-1600	1500	780.00	780.00 7-9 Months Bred

Bred Cows Medium and Large 1 Aged

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	1300-1400	1315	590.00	590.00 4-6 Months Bred

Bred Cows Medium 1 Aged

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	1100-1200	1135	545.00	545.00 4-6 Months Bred

Bred Cows Small 1-2 Young

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	800-900	815	490.00	490.00 4-6 Months Bred

Bred Cows Small 1-2 Aged

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	800-900	870	500.00	500.00 7-9 Months Bred

Bred Cows Medium and Large 2 Young

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	900-1000	930	510.00	510.00 4-6 Months Bred

Bred Cows Medium and Large 2 Middle Aged

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	1000-1100	1015	595.00	595.00 4-6 Months Bred
1	1100-1200	1130	670.00	670.00 1-3 Months Bred
1	1200-1300	1285	615.00	615.00 1-3 Months Bred

Bred Cows Medium and Large 2 Aged

Head	Wt Range	Avg Wt	Price Range	Avg Price
2	900-1000	958	370.00-390.00	380.13 4-6 Months Bred
1	1100-1200	1195	460.00	460.00 4-6 Months Bred

Bred Cows Medium and Large 3 Middle Aged
 Head Wt Range Avg Wt Price Range Avg Price
 1 900-1000 920 420.00 420.00 1-3 Months Bred

Bred Cows Medium and Large 3 Aged
 Head Wt Range Avg Wt Price Range Avg Price
 3 900-1000 953 340.00-360.00 349.86 1-3 Months Bred

**Nashville, TN Thursday Oct 08, 2009 USDA-TN Dept Market News
 Tennessee Video Board Sale and Graded Sale**

**10/7/09 McMinnville- Graded Sale
 Receipts: 1232, Prices for Blk, Bwf and Char X only**

Steers: Med and Lg 1	Heifers: Med & Lg 1
300-350 lbs 103.00	300-350 lbs -----
350-400 lbs 100.00-102.00	350-400 lbs 80.00-81.00
400-450 lbs 101.00-104.50	400-450 lbs 79.50-82.00
450-500 lbs 97.25-101.50	450-500 lbs 76.00-80.00
500-550 lbs 92.75-94.75	500-550 lbs 78.50-80.25
550-600 lbs 84.50-89.50	550-600 lbs 73.50-79.25
600-700 lbs 82.00-86.50	600-700 lbs 73.75-79.25
700-850 lbs 82.50-83.75	700-850 lbs 74.00-77.75
850-950 lbs -----	

Steers: Med & Lg 2	Heifers: Med & Lg 2
300-350 lbs -----	300-350 lbs 82.00-83.00
350-400 lbs 99.00-102.00	350-400 lbs 78.00-80.00
400-450 lbs 94.75-100.00	400-450 lbs 76.00-80.00
450-500 lbs 92.50-98.50	450-500 lbs 73.50-78.75
500-600 lbs 84.10-86.75	500-600 lbs 70.00-78.75
600-700 lbs 81.00-82.75	600-700 lbs 73.00-75.00
700-850 lbs 78.00-82.00	700-850 lbs 68.50-75.25

**10/06/2009 Fayetteville (TLP)
 Receipts: 602(271) Graded and Grouped)**

Steers: Med & Lg 1-2	Heifers: Med & Lg 1-2
400-500 lbs 98.00-108.00	300-400 lbs 83.00-88.50
500-600 lbs 82.50-95.50	400-500 lbs 74.00-84.50
600-700 lbs 82.00-86.75	500-600 lbs 72.00-80.00 few 88.50
700-800 lbs 73.50-81.50	600-700 lbs 74.00-78.00

Bulls: Med & Lg 1-2
 400-500 lbs 93.00-104.50
 500-600 lbs 76.00-92.00
 600-700 lbs 76.50-81.50
 700-800 lbs 69.00-72.50

**10/2/2009 Lower Middle TN. Cattle Assoc. Video Board Sale Columbia TN.
 (Delivery current through October, 0-2% shrink and \$4.00-5.00/cwt slide)**

Total Receipts: 1,128

Steers Medium and Large 1 few 2 Heifers Medium and Large 1 few 2
36 Hd 675 lbs 91.25 TN 22 Hd 625 lbs 85.60 TN
2 Lds 765-775 lbs 88.60-88.20 TN 3 Lds 760-785 lbs 81.50-82 TN, VA
3 Lds 825 lbs 83.70-85.00 TN 3 Lds 820 lbs 79.00 VA
4 Lds 850-875 lbs 83.10-84.30 TN
2 Lds 925 lbs 86.20 TN

10/1/09 Hodge Video Board sale, Newport, TN
Receipts 64.5 loads

Steers-Med & Lg 1-2
Ld 590 lbs 97.25 Ga
Ld 650 lbs 88.25 TN
Ld 700 lbs 96.50 GA, Blk, BWf
5 Lds 710-750 lbs 86.00-94.40 TN, NC, SC, ARK
32 Lds 800-875 lbs 83.00-90.10 mostly 84.75-88.75 TN, NC, VA
Ld 950 lbs 82.00

Holstein Steers Lg 3
Ld 785 lbs 71.75 TN
Ld 825 lbs 72.00 TN

Heifers-Med & Lg 1-2
2 Lds 625-650 lbs 82.75-87.00 TN
10 Lds 725-775 lbs 81.50-84.90 NC, VA, TN,
Ld 750 lbs 88.00 ARK
Ld 850 lbs 79.20 VA

Mixed Loads Steers & Heifers Med & Lg 1-2
.5 Ld 510 lbs 87.50 GA
Ld 625 lbs Strs & Hfrs 91.40 GA
Ld Strs 650 lbs 94.70 GA
Hfrs 630 lbs 89.70
Ld Strs 700 lbs 93.30 GA
Hfrs 600 lbs 88.30
Ld Strs 725 lbs 88.50 GA
Hfrs 615 lbs 82.50
Ld 700 lbs Strs & Hfrs 84.50 GA
Ld Strs 750 lbs 91.10 NC
Hfrs 670 lbs 85.10
Ld Strs 815 lbs 85.50 TN
Hfrs 785 lbs 80.50

****The following news summary is from the National Livestock Producers Association****
For more information please go to www.NLPA.org

Congress Gives Less To National Animal ID (Beef, 10/5) -- A conference committee in Congress has decided to fund the controversial National Animal Identification System for another year to the tune of \$5.3 million (reduced from \$14.67 million). That will be a significant reduction from previous years, but does not placate opponents of the still floundering, five-year-old program. The committee is working to reconcile House and Senate versions of the Agriculture Appropriations bill. The House version would eliminate all funding for NAIS, while the Senate version would fund it.

Farm Bureau Strongly Opposes Boxer-Kerry Climate Change Bill (American Farm Bureau Federation, 10/2) -- The Boxer-Kerry climate change bill introduced in the Senate on Wednesday includes few provisions that are friendly to agriculture and will be strongly opposed by the American Farm Bureau Federation. The bill, authored by Sens. Barbara Boxer (D-Calif.) and John Kerry (D-Mass), seeks to reduce U.S. greenhouse gas emissions through a cap-and-trade program. The legislation would require greenhouse gas emissions to be cut 20 percent by 2020 from 2005 levels -- greater than the House bill's target of 17 percent. Stallman said the 20 percent target is unrealistic and will lead to higher energy bills for all consumers.

Grassley Pushes Help for Pork Producers (Brownfield Network, 10/6) -- Senator Charles Grassley wants the USDA to help hog farmers out of their current financial crisis. The Iowa Republican is asking the agency to buy an extra \$100 million worth of pork for the federal food program. On the trade front, Grassley says U.S. pork producers would be better served if Congress would finalize pending free trade agreements with countries, such as South Korea, Columbia and Panama, which have a high demand for pork. He also wants World Trade Organization intervention to end the Chinese import ban on U.S. pork.

Rep. Slaughter Asks for New Antibiotic Study (National Meat Assn., 10/5) -- Rep. Louise Slaughter (D-NY) has asked the GAO to conduct a new study on the federal government's tracking and monitoring of antibiotic use in animals and its efforts to assess and mitigate "human health risk related to antibiotic use in animals." A copy of Rep. Slaughter's letter can be viewed on her website at <http://www.louise.house.gov/>.

Vilsack, Kirk Comment on Canadian Panel Request Regarding Country-of-Origin Labeling (USDA, 10/7) -- Agriculture Secretary Tom Vilsack and United States Trade Representative Ron Kirk today issued a statement regarding Canada's request to establish a dispute settlement panel at the World Trade Organization (WTO) to review their claims in a dispute regarding country of origin labeling (COOL) required by the 2008 Farm Bill for certain agricultural products. The panel request will be considered at the October 23, 2009, meeting of the WTO's Dispute Settlement Body

National Groups Ask EPA to Look at CAFOs (Times News / MagicValley.com, 10/2) -- A coalition led by the Humane Society of the United States has asked the U.S. Environmental Protection Agency to start regulating confined-animal feeding operations under the Clean Air Act, curbing emissions of hydrogen sulfide, ammonia and two greenhouse gases. The petition, which would also target methane and nitrous oxide, comes as the EPA is close to wrapping up a study of emissions at 24 U.S. CAFOs. The agency says it does not yet have enough information to determine whether such facilities deserve more regulation; industry groups argue their overall contributions are small and that the petitioners are simply attacking animal agriculture. The coalition, also including the Association of Irrigated Residents and Friends of the Earth, submitted a 69-page petition on Sept. 21. CAFOs are already a national EPA priority for other issues under the Clean Water Act.

Canada Offers Two Programs for Hog Producers (Agriculture and Agri-Food Canada, 10/2) -- Canadian pork producers can start applying for government-backed loans on Monday. Applications will also be available for the Hog Farm Transition Program next week. Starting Monday, October 5, 2009, many financial institutions, including Farm Credit Canada, will be ready to work with pork producers to develop long-term business plans and deliver government-backed loans. The Government of Canada and the Canadian Pork Council are also partnering to deliver \$75 million through the Hog Farm Transition Program. The Canadian Pork Council will have registration forms for the program available to producers on October 8, 2009.

E.U. Ag Ministers Meet to Discuss Dairy Crisis (Brownfield Network, 10/6) -- Reports say several thousand dairy farmers from across Europe descended upon Brussels, Belgium this week as E.U. agricultural ministers meet in an effort to find a solution for the dairy price crisis on the continent. The producers are protesting a change in E.U. agricultural policy last November which led to an increase in milk production quotas for member nations. They charge that has added to the surplus of dairy products and helped push prices below the cost of production. Many of the producers are calling for a 5 percent cut in the quotas.

JBS USA Delays IPO (Beef, 10/6) -- Brazilian meat processor JBS S.A. will wait until January to make an initial public offering of its U.S. unit -- Greeley-based JBS USA -- to give it time to close its acquisition of Pilgrim's Pride Corp. and complete its merger with Bertin S.A., a former Brazilian competitor. JBS S.A. announced Sept. 16 it was acquiring 64 percent of poultry giant Pilgrim's Pride for \$2.8 billion, a transaction expected to be complete in December. The company had filed a request for a \$2 billion IPO with the U.S. Securities Exchange Commission in July and was expecting approval in September.

CWT Announces Third Herd Retirement of 2009: Maximum Level of Bids Again Capped At \$5.25; Two-Week Window to Participate (National Milk Producers Federation, 10/5) -- Cooperatives Working Together (CWT) is implementing its third herd retirement in 2009, effective Oct. 1, 2009. All bids submitted must be postmarked no later than Oct. 15, 2009. This is the fourth herd retirement that CWT has conducted in the past 12 months. As with past herd retirements, producers wishing to submit bids into the program must have been members of CWT, either through their membership in a CWT member cooperative or as an

individual, effective January 2009. Producers whose bids were selected in previous herd retirements will not be eligible to bid again. This round will once again include a bred heifer option.

AMI Urges Baltimore City Public Schools to Drop 'Meatless Mondays' (American Meat Institute, 10/5) -- AMI is urging Baltimore Public Schools to reconsider its decision to hold "Meatless Mondays," noting that meat and poultry products are an essential part of a balanced diet. "Meatless Mondays" an initiative sponsored by the Grace Spira Project at the Johns Hopkins Bloomberg School of Public Health. The name Spira refers to animal rights activist Henry Spira, founder of Animal Rights International. Baltimore's school system is the first to adopt the initiative, and the move means 80,000 students will have no meat option on Mondays. Three out of four students in the Baltimore Public Schools system are eligible for free and reduced meals and school meals may be the only significant source of meat and poultry in their diets.

"Surely you have always offered a vegetarian option on your menu," AMI President and CEO J. Patrick Boyle wrote in a letter to Andrés A. Alonso, chief executive officer, Baltimore City Schools. "Now you are removing a meat or poultry entrée on Mondays and depriving children and their parents of the ability to determine what is appropriate for their diets and their own personal circumstances."

This Land is Our Land, This Land is Your Land (Dairy Herd, 10/7) -- USDA's Farm Service Agency (FSA) recently released the latest report on foreign holdings of U.S. agricultural land. The publication contains statistics through Feb. 28, 2008, regarding the 20.9 million acres of U.S. agricultural land in which foreign persons hold an interest. The publication reports that foreigners have an interest (partial or total ownership) in 1.6 percent of all privately held U.S. agricultural land and 0.92 percent of all land in the United States. This is a 1.4 million acre increase from 2007.

Dairy BQA Executive Summary Released (Cattlemen's Beef Board, 10/1) -- Jason K. Ahola, University of Idaho Extension Beef Specialist, and Holly A. Foster, independent contractor for the California Beef Council, recently released an executive summary for the BQA pilot project which was conducted in collaboration with the Idaho Beef Council and California Beef Council that evaluated the quality of market dairy cows being sold at auction. The study summarized in the publication is based on procedures that have been utilized in previous checkoff-funded quality audits and was designed to give dairy producers more information about how their animals are valued within the beef chain when they are sold through auction markets.

NASDA Plans to Help Producers (The Pig Site, 10/1) -- The National Association of State Departments of Agriculture (NASDA) has put forward a plan to take extra dairy, pork and poultry supplies off the market, stabilizing prices paid to producers while making more protein-rich foods available to food banks, school lunch programs and other food assistance programs. South East Farm Press reports that North Carolina Agriculture Commissioner, Steve Troxler, and his counterparts across the country have offered the federal government a new proposal to help struggling dairy, pork and poultry farmers. The proposal grew out of discussions between Troxler and his colleagues before and during NASDA's annual meeting in Alabama. It is designed to use money previously authorized by Congress.

JBS/Swift Plans Expansion (Times-Republican, 10/6) -- JBS/Swift & Company, one of the country's most successful pork processing plants, is proposing future construction of a multi-million dollar Midwest Distribution Center at its facilities in Marshalltown. According to General Manager Troy Mulgrew, the refrigeration warehouse would range up to 150,000 square feet and enlist several employment positions, although he would not speculate on a sound number due to the amount of automation that would be utilized within the new processes.

10 Most Dangerous Foods – Beef Not Among Them (Drovers, 10/5) -- Leafy greens top the list of the 10 riskiest foods, according to a study released Tuesday from the Center for Science in the Public Interest. According to the group's report, the foods, listed in descending order, that present the greatest risk of food-borne illness are: leafy greens, eggs, tuna, oysters, potatoes, cheese, ice cream, tomatoes, sprouts and berries. The report implicates those foods in 40 percent of all food-borne illness outbreaks.

Smithfield Chief Sells Partial Share Holdings (Pork, 10/2) -- C. Larry Pope, Smithfield Foods chief executive officer, has filed documents with the Securities and Exchange Commission notifying the agency that he sold 100,000 shares of common stock. Pope's weighted average selling price for the Smithfield stock was \$13.50, according to Meatingplace.com. After the sale, Pope still owns 222,000 shares.

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