



Livestock Marketing Information Weekly

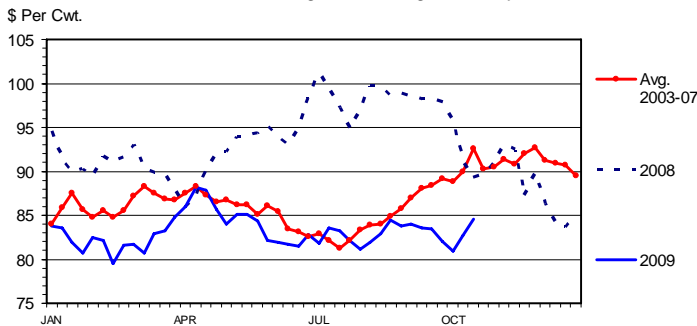
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E-NEWSLETTER FOR WASHINGTON'S LIVESTOCK INDUSTRY

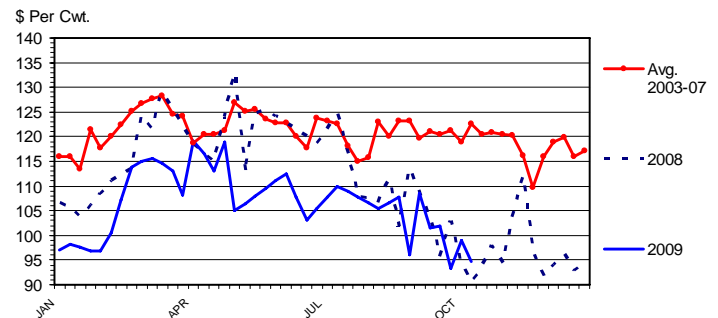
SLAUGHTER STEER PRICES

5 Market Weighted Average, Weekly



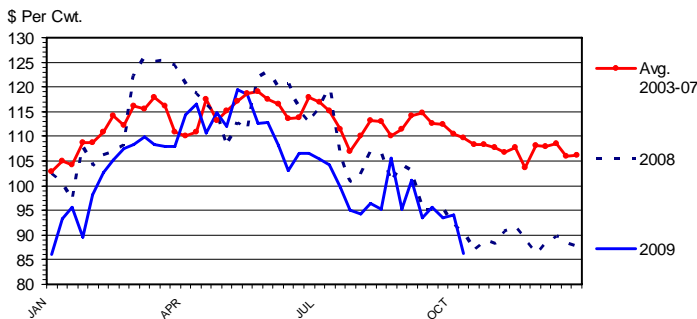
MED. & LRG. #1 & 2 STEER CALF PRICES

400-500 Pounds, Washington, Weekly



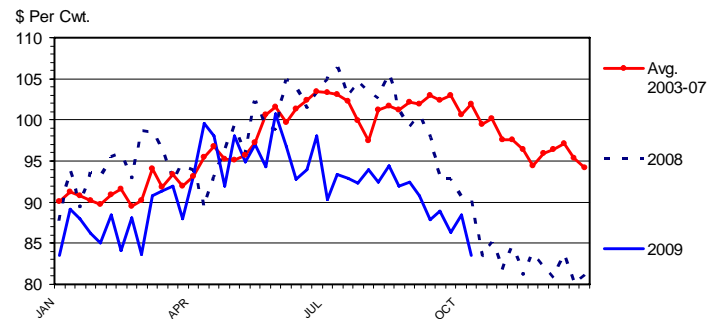
MED. & LRG. #1 & 2 STEER CALF PRICES

500-600 Pounds, Washington, Weekly



MED. & LRG. #1 & 2 FEEDER STEER PRICES

700-800 Pounds, Washington, Weekly



(All graphs courtesy of the Livestock Marketing Information Center – lmic.info)

this week in the cattle markets – Tim Petry, NDSU (oct 26)

Heavyweight Cattle in the Northern Plains

Several weeks ago, Dr. Mark discussed the “Northern Discount” where Northern Plains fed cattle were selling at a larger-than-usual discount to Southern Plains cattle. See the September 28 “In the Cattle Markets” column that discusses several reasons for the discount including relatively large numbers of heavyweight cattle. His forecast for the trend to continue at least through corn harvest has held true.

The latest USDA-NASS Cattle on Feed report released on October 16 showed the total number of cattle on feed in the U.S. on October 1 at less than one percent above year ago levels. However, the number of cattle on feed in Nebraska was up almost three percent and South Dakota recorded an

over 11 percent increase from a year ago. The average weight of steers sold on a liveweight basis in Nebraska last week according to the USDA-AMS report “Nebraska Weekly Weighted Average Cattle Report” was 1,410 pounds. This compares to a weight of 1,393 pounds last year, and on a carcass basis the 900 pound weight compares to 891 last year.

Another indication of a plentiful northern fed cattle supply and a weaker basis is the increased amount of October CME deliveries that are being tendered at northern CME delivery points. By the end of last week, a total of 906 contracts had been tendered and all were in Nebraska and South Dakota. Deliveries may be made at Amarillo, TX; Clovis, NM; Columbus, NE; Dodge City, KS; Guyman, OK; Norfolk, NE;

LIVESTOCK MARKETING INFORMATION WEEKLY – 10/30/09

North Platte, NE; Ogallala, NE; Pratt, KS; Syracuse, KS; Texhoma, OK; Tulia, TX; Worthing, SD; and Wray, CO.

The northern most delivery point is Worthing, SD, and about 62 percent of the October tenders have been there. Norfolk, NE, the next northern most location, followed with about 37 percent of tenders and Columbus recorded about one percent with North Platte showing less than one percent.

For the August CME live cattle contract, a total of 327 contracts were tendered. Worthing was again the leader, but was followed by a much wider geographic dispersion including Amarillo, Norfolk, Dodge City, Tulia, Texhoma, Wray, Syracuse, and North Platte.

The Markets

The fed cattle market moved higher for the second straight week. Trading was active earlier than normal in the North

with good demand on Tuesday, moderate demand on Wednesday, and moderate to light on Thursday. Trading in the South developed later and was active with moderate to good demand on Thursday. The 5-area fed steer price advanced almost \$2 on a liveweight basis, with a robust \$5.51 improvement on a dressed basis. The choice boxed beef price increased over \$2 to \$137.68 with the start of some purchasing for the upcoming holiday season. Both the calf and yearling markets strengthened last week with the exception of calves in Oklahoma. The corn market continued a six week increasing trend by climbing another 32 cents as wet harvest conditions continue. DGS prices continued to advance with DDGS moving up another \$6.10 per ton. (See prices or archived articles at

<http://lmic.info/memberspublic/pubframes.html>)

LMIC Livestock Monitor (October 23, 2009)

Production			Prices			
	Last	Year Ago	Weekly Weighted Avg.	Last	Week Ago	Year Ago
Week Ending 10/24/2009						
FI Cattle Slaughter (Thou Hd)	646	647	Live Steer	84.59	82.66	89.77
FI Hog Slaughter (Thou Hd)	2323	2289	Dressed Steer	131.62	126.10	136.55
FI Sheep Slaughter (Thou Hd)	47	45	Beef Cutout (Choice 600-900)	137.68	135.29	143.96
Live Y. Chicken Sl. (Mil Hd)	160.4	161.9	USDA Hide/Offal (\$/Cwt)	8.14	8.03	10.28
			GA Auction Fdr. Str. (6-7 Cwt.)	82.75	82.22	84.25
Slaughter Cattle Live Weight	1317	1304				
Slaughter Hog Live Weight	271	270	Iowa/S. Minn. Base Hog (Wtd. Avg)	51.94	49.34	59.12
Slaughter Lamb/Sheep Live Wt.	134	136	Natl. Net Hog Carcass (Wtd. Avg)	54.76	53.28	64.67
			Feeder Pigs (40-50 Lbs)	34.84	34.84	36.22
Beef Production (Mil Pounds)	515.5	505.7	Pork Cutout	55.43	55.35	65.68
Pork Production (Mil Pounds)	469.3	461.2				
Lamb, Mutton Prod. (Mil Lbs.)	3.2	3.1	Lamb Cutout (\$/Cwt)	210.52	212.57	233.39
Previous 6 Wk. Moving Avg.			Corn, Omaha (\$/Bu)	3.80	3.54	3.64
Total Beef (Mil Lbs)	510.7	512.9	Wheat, Portland (\$/Bu)	5.01	4.66	NQ
Total Pork (Mil Lbs)	468.1	467.9	Wheat, Kansas City (\$/Bu)	4.88	4.49	4.96
Total Lamb, Mutton (Mil Lbs)	3.2	3.2	Soybeans, S. Iowa (\$/Bu)	10.03	9.77	8.26

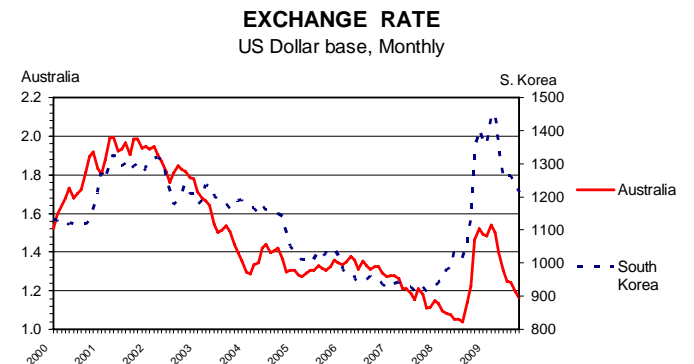
Source: Various USDA-AMS reports. Some data are preliminary.

EXCHANGE RATES: A CHANGING PICTURE

U.S. meat and poultry exports have suffered this year as the financial crisis intensified and the value of the U.S. dollar relative to other currencies was not favorable to U.S. exports. But, in recent months the exchange rate picture has changed and economic conditions in the foreign markets have improved. As the slowdown in the global economy eases, the purchasing power of foreign buyers should recover and be supportive to U.S. meat and poultry exports. Of course, with a lower U.S. dollar items that the U.S. imports will increase in cost, such as oil.

The exchange rate of the U.S. dollar relative to other currencies (e.g. Australia, Canada, Mexico) posted a significant increase during the first quarter of this year but

since then has declined to levels not seen since this time last year.



The exchange rate between the U.S. Dollar and the Mexican Peso has adjusted the most this year as on average the rate is usually one dollar to 10 to 11 Pesos, however last fall the exchange rate jumped to one Dollar to 13 to 14 Peso range and has yet to return to normal levels. The latest weekly data (weekending October 23rd) showed the U.S. Dollar down about 3 percent to the Peso compared to the prior year and about one percent lower than the prior week. The impacts of the recession and the exchange rate have had a notable impact on U.S. exports this year, however as the exchange rate returns to average levels, sales to Mexico should improve.

Earlier this year the U.S. Dollar strengthened some against the Canadian Dollar, but since has declined. That recent decline in the U.S. Dollar has been one factor limiting imports of feeder and slaughter animals from Canada. Currently the U.S. Dollar is about 16 percent lower than the same week in 2008. Additionally, exchange rates were one factor behind the increase in beef imports from Australia earlier this year and as well as the decline in U.S. beef exports to South Korea.

BYPRODUCT VALUES DECLINE

The byproduct value is the total value of all non-meat items collected from an animal after processing such as the cheek meat, liver, and hide. Since the values of the non-meat items are an important factor in beef packer returns, these values influence live cattle prices throughout the year. The international market drives the byproduct value. Last summer, high oil and feedstuff prices drove byproduct values to record highs, however as the economy collapsed so did the prices for those items. Byproduct values did improve this summer in response to tighter cattle supplies and gains in the domestic and global economies; however, those gains were short lived as byproduct values have softened recently.

Last year, as reported by USDA-AMS, the steer byproduct value skyrocketed to record highs reaching a near \$12.00 per cwt. on a live steer basis in July 2008. Since then the byproduct value has generally declined, falling to a monthly low of \$5.90 per cwt. in March of this year. During the second and third quarters, the byproduct value modestly strengthened averaging over \$9.00 per cwt. in August and September. However, the byproduct value was still 22 percent or \$2.00 to \$3.00 per cwt. lower than the respective months last year. During the first nine months of 2009, the byproduct value averaged slightly over \$7.19 per cwt., about \$4.00 less than in 2008. In October, the byproduct value has continued to slip, falling to \$8.00 per cwt. by mid-October vs. over \$10.00 per cwt. for the corresponding week in 2008, with the monthly average estimated to be in the low \$8.00 per cwt. range.

The hide value (Heavy native) climbed from a low of \$23 per hide in May and June to over \$49 per hide in August, the highest monthly value posted since last fall. Although the hide value did soften into September, the hide still remained

above the \$46 per hide level. Based on weekly data the hide has traded in the low \$40 per hide range this month but again, still much better than the values seen during the first half of 2009. Hide values will improve once demand for leather products by U.S. and foreign consumers returns to pre-2009 levels.

HOLIDAY MEAT ITEMS

It's that time of year again when the weather gets a little colder and the leaves disappear from the trees, which means the holidays are quickly approaching. Along with the usual stresses that come with the holidays, many consumers are planning holiday menus, keeping an eye on retail advertisements this year. Family and holiday traditions often affect consumer decisions, however this year economic reasons will have significant influence as consumers mull over the many options including ham, turkey, beef rib roast and leg of lamb.

Pork production is forecast to be down a percent or so this year, as heavier average hog weights have compensated for larger decline in slaughter numbers. Although, export of U.S. pork exports have been below a year ago, exports of ham, particularly bone-in hams have been better than expected as cold storage stocks of bone-in hams were down 24 percent, while boneless stocks were 2 percent lower than 2008's at the end of September. Nonetheless, larger production forecast for this quarter should provide additional ham supplies for the holiday season. Wholesale ham prices have been favorable this year, down on average 30 percent from January through mid-October. Typically ham prices seasonally strengthen into the holiday season in response to demand, still retail prices are expected to be comparable to last year's.

U.S. turkey production through September is forecast to be down about 10 percent compared to last year, while frozen stocks of turkey at the end of September are down one percent with stocks of whole birds 8 percent higher than last year. However, the yearly increase is mostly due to seasonal build-up during the year, and with production levels well below last year, turkey supplies will not grow much this fall. Export as well as domestic demand has been sluggish this year, as wholesale whole bird turkey price have averaged well below a year ago, down 11 percent as of mid-October. Thus, some seasonal promotions for turkeys are expected this year.

<http://lmic.info/memberspublic/pubframes.html>

Grimes & Plain cattle outlook

According to the price data available, the consumer demand for beef is down 2.3 percent and for pork, up 4.0 percent. We believe the actual consumer demand for both beef and pork is too high. We believe the average retail prices, as developed, is high relative to last year. The reason for this too high retail price on average is that USDA gives the same tonnage sold to special low prices as regular price. Therefore,

the average retail price would be lower than reported by the USDA.

Both live fed cattle and live hog demand for January to September was down. Fed cattle demand down 8.5 percent and live hog demand down 3.6 percent. The reason for the lower live hog demand was due mostly to lower exports. The weaker live fed cattle demand than beef was due we believe to lower exports and a very weak hotel and restaurant trade. A very high percent of the beef is sold through the hotel and restaurant trade.

Total cow slaughter in recent weeks has been below a year earlier. Dairy cow slaughter for the past month or so has been a little below twelve months earlier and beef cow slaughter has be substantially below this period last year. For this year through the week ending October 17, total cow slaughter is 0.4 percent below twelve months earlier. Dairy cow slaughter for this period is up 11.8 percent but beef cow slaughter is down 9.1 percent from the same period in 2008.

The cow herd is expected to be down a little on January 1, 2010 from 2009.

Feeder steers steady following a lower opening, steer calves steady to \$2.00 per cwt lower, instances \$4.00 per cwt lower. Feeder heifers and heifer calves steady to \$2.00 per cwt lower at Oklahoma City compared to last week.

The prices for medium and large frame Number One steers at Oklahoma City this week were: 400-500 pounds \$106.50-\$122.50 per cwt, 500-600 pounds \$95.00-\$108.25 per cwt, 600-700 pound calves \$87.00-\$93.85 per cwt, 600-700 pound yearlings \$94.00-\$102.00 per cwt, 700-800 pounds \$90.00-\$96.00 per cwt and 800-1,000 pounds \$86.50-\$94.00 per cwt.

Wholesale beef prices the Friday morning showed choice beef at \$140.90 per cwt up \$2.36 per cwt from a week earlier. Select beef at \$135.64 per cwt up \$5.24 per cwt from seven days earlier.

Live fed cattle price weighted average for the five-market area through Thursday at \$86.97 per cwt up \$2.38 per cwt from a week earlier. The weighted average negotiated price for the five-market area at \$133.86 per cwt up \$2.06 per cwt from the same period last week.

Slaughter this week under Federal Inspection was estimated at 651 thousand head up 1.7 percent from twelve months earlier. (<http://agebb.missouri.edu/mkt/bull2c.htm>)

Grimes & Plain hog outlook

Based on the available price data, pork demand at the consumer level continues to hold well for January-September with a four percent gain in our demand index. Beef demand at the consumer level for this period was down 2.3 percent.

Live hog demand for the first nine months of 2009 was down 3.6 percent and live fed cattle demand was down 8.5 percent.

The weaker live hog demand than pork demand is due in part at least to smaller exports. The weaker fed cattle demand than beef demand due to at least two factors. Smaller exports and a very weak hotel and restaurant demand.

We doubt the consumer demand for pork is as strong as the data indicates compared to last year. We believe the retail price is too high as reported by the USDA. USDA includes the prices when pork is at a special lower price but the give the tonnage sold at the same level as regular prices. This is not what happens in the real world the tonnage sold is much higher with the price special. Given the same tonnage movement with both regular and special prices will give a average price that is higher than consumers are paying.

Having said all of this pork demand at the consumer level is probably as strong as or stronger than a year earlier with completely accurate data.

Weaner and feeder pig prices nationally last week were generally steady with a week earlier. Pigs 50-54 percent lean 10 pounds sold for an average of \$29.09 per head. Pigs weighing 40 pounds sold for an average of \$35.50 per head. The formula price per pig for 10 pound pigs was \$33.91 and the formula price for 40 pound pigs was \$45.07 per head. The cash or spot price for 40 pound pigs was \$33.65 per head.

The weight of barrow and gilts in Iowa-Minnesota last week at 269.9 pounds is up 0.8 pounds from a week earlier and up 3.7 pounds form a year earlier.

Pork product cutout this week for Thursday afternoon at \$58.68 per cwt, up \$3.98 per cwt from a week earlier. Loin prices at \$65.00 per cwt, down \$1.45 per cwt, Boston butts at \$57.77 per cwt up \$0.63, hams at \$60.09 per cwt up \$11.97 per cwt and bellies at \$72.68 per cwt up \$5.85 per cwt from seven days earlier.

Top live hog prices Friday morning were steady compared to last Friday. Weighted average negotiated carcass prices Friday morning were \$0.28 - \$0.72 per cwt higher compared to last week.

The top live prices Friday morning for select markets were: Peoria \$30, Zumbrota, Minnesota \$32 per cwt and interior Missouri \$36.50 per cwt. The weighted average negotiated carcass prices Friday morning by area were: western Cornbelt \$52.32 per cwt, eastern Cornbelt \$49.20 per cwt, Iowa-Minnesota \$52.34 per cwt and nation \$50.42 per cwt.

Slaughter this week under Federal Inspection was estimated at 2294 thousand head down 3.6 percent from a year earlier. (<http://agebb.missouri.edu/mkt/bull1c.htm>)

pnw dairy monitor (october 2009)

For the second month in a row milk production has decreased. Futures prices continue to display their same logic by being more optimistic with out months and reducing

prices on the nearby months as they loom closer. While production of cheese and other products is slowing on a month-to-month comparison there is still plenty of cheese and butter in storage (see chart at right), which will keep prices from moving up too fast. The recent run up and retreat in cheese prices is evidence. With school in session and holidays approaching demand will increase. With layoffs and home foreclosures continuing and many wondering when the stimulus dollars will show up I expect cautious shopping to be the watchword this fall.

The restaurant industry tracks several indexes on how well stores are doing. In their September 30 report restaurant industry performance softened in August, as the National Restaurant Association's comprehensive index of restaurant activity posted a modest decline. The Association's Restaurant Performance Index (RPI) stood at 97.9 in August, down 0.2 percent from July and its third decline in the last four months.

The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 96.0 in August – down 0.9 percent from July and its sharpest decline in nearly a year. In addition, August represented the 24th consecutive month below 100, which signifies contraction. The sharp decline in Current Situation Index was the result of deteriorating sales and traffic levels in August.

Only 17 percent of restaurant operators reported a same store sales gain between August 2008 and August 2009, the lowest reading in the seven-year history of the RPI. Sixty-eight percent of operators reported a same-store sales decline in August. Sixty-five percent of operators reported a traffic decline in August, compared to 59 percent who reported lower traffic in July. Report at:

(<http://www.restaurant.org/pressroom/pressrelease.cfm?ID=1859>).

At the beginning of 2009 the talk by experts was that about 300,000 cows would need to go to market in order to reduce milk production by the 3-5 percent estimated as necessary to bring supply and demand in balance. 9 months later we are down 186,000 head (January minus September numbers) and have finally moved the needle 7 tenths of 1 percent on milk production. Doing some "back of the envelope" figuring and assuming the current CWT round buys around 55,000 head the industry will still need to send another 200,000 cows to market to pull production down the 3% thought needed.

Although the CWT program has or will ship about 281,000 cows to town between the fall of 2008 and the end of 2009, replacements and increases in the mid-west have worked to offset those numbers. Additionally, per cow productivity continues its historic trend of ever increasing. Since January 1999 there have been only 11 months that per cow productivity didn't increase compared to the same period a year earlier. And only one of those months in the last four years. Projections (see table on page 4) indicate that financial health may be slow in returning to the industry. While the past is often used as a guide to the future, the US and world markets have not seen a financial meltdown of this magnitude since the depression of the 1930's. While this is not as severe in some respects due to strong governmental intervention, the recovery won't be rapid which means consumer spending will be cautious—I believe for several years.

Most financial bleeding and corresponding cow culling has been in the west. That region will continue to be the most hard hit and slowest to recover. Returns over feed costs (see chart) have been lowest in the west and those producers will take much longer to get well when prices rise above breakeven. This situation has brought many to question and seek changes in the dairy marketing and Federal order systems. Dairying may look different in years to come.

(Full report at http://www.ag.uidaho.edu/aers/r_PNW.htm.)

USDA MARKET NEWS – MOSES LAKE

Washington feeder cattle report

(Davenport & Toppenish) Compared to last week, feeder cattle were mixed this week steers less than 600 lbs steady to 4.00 lower, over 600 lbs steady to 4.00 higher, heifers 1.00-5.00 lower. Slaughter cows and bulls 1.00-4.00 lower. Slaughter cows made up 53 percent of the offering; Slaughter bulls 10 percent, and feeders 37 percent of the supply. The feeder supply included 54 percent steers and 46 percent heifers. Near 45 percent of the run weighed over 600 lbs. http://www.ams.usda.gov/mnreports/ml_ls795.txt

Columbia Basin hay report

Compared to last week: All classes of Alfalfa heading to all buying interests sold fully steady. Retail Orchard traded

steady to firm. Trend not applicable for Export Sudan as no recent confirmed trades. Straw sold with a steady undertone. Buyer demand moderate for Dairy quality Alfalfa; light to moderate for all other classes. Producers report getting more inquiries this week with cold and wet weather setting in. Rainfall was prevalent throughout the Basin this week with mostly damp cold air. Alfalfa hay \$90-180, details:

http://www.ams.usda.gov/mnreports/ml_gr310.txt

national feeder & stocker cattle summary

Compared to last week, feeder cattle sold steady to 1.00 higher with steer and heifer calves selling weak to 3.00 lower. Demand was fairly good for the light numbers of true

yearlings available, but rather light for calves which dominate receipts nationwide. For the first time in recent memory, the fed cattle market is actually driving feeders. Direct slaughter cattle prices gained another 2.00 this week with Southern Plains sales from 87.00-88.00 and Northern feedlot areas 3.00 higher dressed at 135.00. This marks 6.00-7.00 of market advance in the last three weeks, just when indicators looked the bleakest for cattle feeders facing heavy cattle and lackluster beef demand. Nearly 800 loads of CME Live Cattle deliveries at the northern-most delivery points helped pull the cash market from a 3.00 discount to an eventual near 6.00 premium after October live cattle closed limit down on Friday's final session. This rare positive basis resulted in a nice bonus for hedged cattle feeders to help reach their break-evens. This fed cattle rally is currently the only support for feedlot replacements as grain markets continue higher while farmers struggle to harvest between rains - and herds of spring-born calves pull on feeder prices. Calves remain under pressure as the cool and wet conditions that have prevailed this month continue to cause additional health problems and keep wheat pasture grazing from realizing its potential. The moisture levels have been more than adequate for Hard Red Winter Wheat early growth, but the lack of sunshine and warm days has left pastures too short and too soft for an early turnout. Wet conditions have also kept farmer feeders out of the market, however damaged high-moisture corn could bring additional independent feeders into the feeder cattle market when the combines are finally parked. This week's reported auction volume included 36 percent over 600 lbs and 41 percent heifers. This week's prices are on the web at: http://www.ams.usda.gov/mnreports/sj_ls850.txt

nw direct feeder cattle summary

Compared to last week's close, feeder cattle steady to weak in a light test. Trade slow with light to moderate demand. The feeder supply included 62 percent steers and 38 percent heifers. Near 87 percent of the run weighed over 600 lbs. Prices are FOB weighing point with a 1-4 percent shrink or equivalent and with a 5-10 cent slide on calves and a 3-6 cent slide on yearlings. Delivered prices include freight, commissions and other expenses. This week's prices are on the web at:

http://www.ams.usda.gov/mnreports/ml_ls135.txt

national sheep summary

Compared to last week slaughter lambs steady to as much as 15.00 higher, except at New Holland where they were 3.00-5.00 lower; slaughter ewes mostly steady to 5.00 higher; feeder lambs were not well tested. At San Angelo, TX 4836 head sold in a one day sale. Equity Electronic Auction sold 350 slaughter lambs in Wisconsin. In direct trading slaughter ewes steady; no comparison on feeder lambs. 3100 head of negotiated sales of slaughter lambs were 2.00 lower and 19,900 head of formulated sales were 1.00 higher. 8,520 lamb carcasses sold. (All sheep sold per hundred weight (CWT) unless otherwise specified.) This week's prices are on the web at:

http://www.ams.usda.gov/mnreports/sa_ls855.txt

superior video

http://www.ams.usda.gov/mnreports/am_ls753.txt

NEWS

USTR KIRK AND AGRICULTURE SECRETARY VILSACK ANNOUNCE CHINA'S INTENT TO RE-OPEN THE CHINESE MARKET TO U.S. PORK PRODUCTS

U.S. Looks Forward to Official Announcement Soon

HANGZHOU, China, Oct. 29, 2009- U.S. Trade Representative Ron Kirk and Agriculture Secretary Tom Vilsack today announced that China intends to re-open the Chinese market to United States pork and live swine, consistent with science-based international standards. The announcement was made at the conclusion of meetings with Chinese officials at the US-China Joint Commission on Commerce and Trade (JCCT). "Two-way trade of agricultural, fish, and forest products between the U.S. and China has grown in recent years to over \$21 billion per year, opening increasingly important connections that can benefit farmers, ranchers and consumers in both countries," said Vilsack. "China's intent to remove its H1N1-related ban on U.S. pork marks an important step forward in cooperation between the countries on agriculture issues." "I look forward to China resuming imports of U.S. pork products and live swine," said Kirk. "Based on our discussions, we expect China to base its opening on science and internationally agreed standards." In 2008, China was the U.S. pork industry's fastest growing market, accounting for \$560 million in U.S. exports. China's May 2009 A/H1N1 restrictions have stopped U.S. pork exports to China. In discussions with Vice Premier Wang Qishan and Agriculture Minister Sun Zhengcai, Vilsack stressed the need for China to remove all restrictions on trade in pork products related to the H1N1 virus, given clear guidance from international bodies like the World Organization for Animal Health (OIE), World Health Organization (WHO), and Food and Agriculture Organization (FAO), that there is no risk to humans from consuming properly prepared pork and pork products.

In his first visit to China as Agriculture Secretary, Vilsack took part in the meeting of the JCCT, a bilateral forum for resolving trade issues, co-chaired by U.S. Trade Representative Ron Kirk and Commerce Secretary Gary Locke. Leading the delegation for China was

Vice Premier Wang Qishan. Throughout his travels in China, and earlier in the trip for a trade mission to the Philippines, Vilsack emphasized the need to keep markets open and promote food safety and workable international regulatory standards that protect consumers without creating artificial trade barriers.

Boehringer Ingelheim Closes Fort Dodge Deal

Boehringer Ingelheim Vetmedica Inc. (BIVI) has closed a deal with Pfizer to acquire a significant portion of the Fort Dodge Animal Health business. The acquisition, which includes products in the United States, Australia, Canada and South Africa, as well as two manufacturing and research facilities located in Fort Dodge, Iowa, significantly increases the size of Boehringer Ingelheim's companion animal and cattle portfolios and strengthens the company's position as a leading vaccine supplier. "We'll be expanding our business significantly, in fact, doubling our sales in the United States," said George Heidgerken, BIVI president. The cattle vaccines included in the acquisition include the Triangle[®], Pyramid[®] and Presponse[®] vaccine lines. Pharmaceutical products being acquired include Cydectin[®] (moxidectin) for cattle and sheep as well as Polyflex[®] (ampicillin sodium). The dairy portfolio includes the key brands Today[®] and Tomorrow[®]. "With regard to the brands we are acquiring, it's business as usual," Heidgerken added. "The producers and veterinarians and distributors who handle and benefit from these wonderful brands will really see no significant change." --Reprinted from *AgWired.com*

Washington state officials draft wolf plan

Jack Field, executive vice president of the Ellensburg, WA-based Washington Cattlemen's Association, fears his state's proposed gray wolf management plan sets the number of allowed breeding pairs way too high. He also doubts the Evergreen State can afford the plan's generous compensation for ranchers who lose livestock to the predators. On Oct. 5, the Washington Department of Fish & Wildlife (WDFW) released a draft management plan for the wolves, which are federally protected as endangered in the western two-thirds of the state and state-protected throughout Washington. Unlike neighboring Idaho and Montana, no hunting of wolves is allowed in Washington State.

A three-month public comment period on a draft state wolf conservation and management plan has begun, and will include a dozen public meetings held by the Washington Department of Fish and Wildlife (WDFW). The meetings will take place from Oct. 20 through Nov. 10 at locations around the state. An earlier schedule of meetings, posted on WDFW's website, has been revised to allow more time for public review of the draft plan. The draft plan is the preferred alternative among four presented in a Draft Environmental Impact Statement (DEIS), as required by the State Environmental Policy Act (SEPA). The DEIS and draft wolf plan are available on the WDFW website at http://wdfw.wa.gov/wildlife/management/gray_wolf/. Desk copies of the DEIS will be available at WDFW regional offices and public libraries by Oct. 9. Those unable to view or download the DEIS on the website can request paper or compact disc copies by calling (360) 902-2515. Comments can be submitted through Jan. 8 electronically at http://wdfw.wa.gov/wildlife/management/gray_wolf/mgmt_plan.html, by FAX to (360) 902-2946, or by U.S. Mail to: WDFW SEPA Desk, 600 Capitol Way N. Olympia, WA 98501-1091.

NASS Releases New Census of Agriculture Profiles

The National Agricultural Statistics Service (NASS) today released county-level demographic profiles of U.S. farm and ranch operators. These profiles summarize data from the 2007 Census of Agriculture. Up to seven profiles have been prepared for each county in the United States. Data are available for the following groups: women principal operators, Spanish, Hispanic or Latino operators, American Indian or Alaska Native operators, Asian operators, Black or African American operators, Native Hawaiian or other Pacific Islander operators and white operators. In addition to race, ethnicity and gender information, the profiles include county-level counts of farms and farm operators, as well as economic data such as total value of sales and government payments. County-level profiles of all farms and ranches have been produced for 2007 and earlier censuses, but this marks the first time the profiles summarize information by race, ethnicity and gender. To access the profiles and for more information about the census, visit www.agcensus.usda.gov.

Taiwan did not give in to the U.S. on beef imports

Taiwan News, October 28, 2009

Taipei (CNA) -- Taiwan's Secretary General of the National Security Council (NSC) said Wednesday that the government's decision to allow previously banned U.S. beef products to be imported to the island resulted from negotiations with Washington that have proven that Taiwan is capable of negotiating, which is significant as Taiwan will soon engage in a series of negotiations. Su Chi made the remarks at a news conference convened to clear public doubts regarding the government's decision-making process and negotiation capability in the aftermath of its decision on U.S. beef. The government's decision this month to allow U.S. bone-in beef, ground beef and offal to be imported to Taiwan after they had been banned due to fears of mad cow disease has generated criticism from the opposition Democratic Progressive Party (DPP), as well as members of the ruling Kuomintang. Refuting the claim that the

government has totally given in by relaxing restrictions on the beef imports, Su asserted that by reaching the agreement with the U.S., Taiwan has established its credibility in negotiations. Full text: <http://tinyurl.com/yfruwrx>

OTHER RESOURCES

USDA market news reports for individual PNW auctions

Klamath Livestock Auction (Klamath Falls, OR)
http://www.ams.usda.gov/mnreports/JO_LS140.txt
Stockland Livestock Auction (Davenport, WA)
http://www.ams.usda.gov/mnreports/ML_LS756.txt
Toppenish Livestock Auction (Toppenish, WA)
http://www.ams.usda.gov/mnreports/ML_LS754.txt

USDA Market News: www.ams.usda.gov

Selected PNW livestock auction home pages

Central Oregon Livestock Auction (Madras, OR)
<http://www.centraloregonlivestockauction.com/marketreports.htm>
Producers Livestock Marketing Association
(Vale, OR & Jerome, ID)
<http://www.producerslivestock.com/>
Stockland Livestock Exchange (Davenport, WA)
<http://www.stocklandlivestock.com/>
Lewiston Livestock Market (Lewiston, ID)
<http://www.lewistonlivestockmarket.com>

Video auction home pages

Superior Livestock Auction
<http://www.superiorlivestock.com/>
Western Video Market
<http://www.wvmcattle.com/>
Northern Livestock Video Auction
<http://www.northernlivestockvideo.com/>

Hot topics

WSU Avian flu
<http://anr.wsu.edu/AvianFlu.htm>
WSU - West Nile Virus
<http://wnv.wsu.edu/>
Northwest Pilot Project (AID)
<http://www.northwestpilot.org/>

USDA National Animal Identification System
<http://animalid.aphis.usda.gov/nais/index.shtml>
NCBA BSE page
<http://www.bseinfo.org/>
USDA Country-of-origin labeling
<http://www.ams.usda.gov/cool/>

The most recent editions of this newsletter are posted on the WSU Extension Central Washington Animal Agriculture Team website (<http://animalag.wsu.edu>). In this newsletter, clicking on a link will open the website containing the report or will load the PDF from the web in your browser window. If you have any problems please email me at HUDSONT@WSU.EDU. Several of the articles are in Adobe Acrobat (PDF) format, and you may need Adobe Reader 7 or 8 for the hotlinks to work. Go to <http://www.adobe.com/products/acrobat/readstep2.html> to download Adobe Acrobat Reader for free. To subscribe automatically, send a blank email to SUBSCRIBE-livestockmarkets@lyris.cahnrs.wsu.edu.

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