

Tennessee Market Highlights

UT Extension

May 24, 2013

Number: 21

Trends for the Week Compared to a Week Ago

Slaughter Cows

Mostly Steady

Slaughter Bulls

Steady to \$2 lower

Feeder Steers

Steady to \$5 lower

Feeder Heifers

\$2 to \$5 lower

Feeder Cattle Index

Wednesday's index \$131.50

Fed Cattle

5 area live price of \$124.45 is down \$0.34 and the dressed price is up \$0.09 at \$199.85

Corn

July closed at \$6.57 bushel, up 5 cents a bushel for the week

Soybeans

July closed at \$14.76 a bushel, up 28 cents a bushel since last Friday

Wheat

July futures contract closed at \$6.97 a bushel, up 14 cents for the week

Cotton

July closed at 81.49 cents per pound, down 4.92 cents since last week

Livestock Comments by Dr. Andrew P. Griffith

FED CATTLE: Fed cattle sold mainly \$1 lower compared to last week on a live basis. Prices on a live basis were primarily \$124 to \$125 while dressed prices were primarily \$199 to \$201. The 5-area weighted average prices thru Thursday were \$124.45 live, down \$0.34 from last week and \$199.85 dressed, up \$0.09 from a week ago. A year ago prices were \$121.27 live and \$193.50 dressed. With little change in the fed cattle market this week, feeders continue to struggle. Prices tend to turn south this time of year on the fed cattle market and trend down through the majority of July. Due to the strong basis, feeders have been trying to push animals in the market and have been willing sellers for the most part. The increase in cattle marketed, as was noted in last week's cattle on feed report, tends to put additional downward pressure on prices which negatively affects feeder margins.

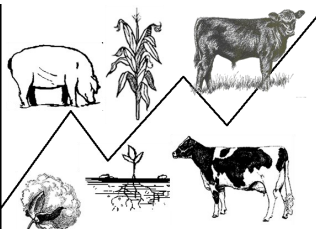
BEEF CUTOUT: At midday Friday, the Choice cutout was \$209.93 down \$1.44 from Thursday and up \$0.97 from last Friday. The Select cutout was \$191.11 down \$0.41 from Thursday and down \$1.41 from last Friday. The Choice Select spread was \$18.82 compared to \$16.44 last week. I spun the question last week if the Choice cutout could break the \$210 barrier and pointed out that May and June are the months with the largest beef demand and now would be the time for it to happen if it was going to happen this summer. Choice beef traded four cents over the \$210 dollar mark on Monday and continued to find strength through Thursday where it set a record closing of \$211.37. Friday morning beef trade shows a little weakness, but it continues to knock on the door of the \$210 mark. It may be difficult for Choice meats to continue exceeding the \$210 mark after Memorial Day. Select meats also showed tremendous strength this week as it is evident that consumers still have a taste for beef during the grilling season and do not want to trade off for some other meat alternative. The Choice Select spread contin-

ues widening as is expected. This is the largest spread the market has experienced since November of last year. It is also a larger spread than was experienced last summer as the spread last grilling season topped out just over \$17. The spread may continue to widen as more calf fed animals hit the market, increasing the supply of Select meats.

TENNESSEE AUCTIONS: On Tennessee auctions this week, feeder steers and bulls were steady to \$5 lower. Heifers were \$2 to \$5 lower. Slaughter cows were mostly steady while bulls were steady to \$2 lower. Average receipts per sale were 504 head on 11 sales compared to 700 head on 10 sales last week and 517 head on 12 sales last year.

OUTLOOK: Week after week the market continues to appear bleaker. The outlook for the fall is currently still considered favorable as it is expected that reduced cattle numbers will spark the market. The ability of the cattle market to make this forward price movement greatly hinges on states in the Great Plains, Southern Plains and Western regions receiving precipitation on a consistent basis the rest of spring and into summer and through the fall. Much of the lull that continues in the feeder calf market is due to continued dry conditions in those regions where pasture conditions are generally poor and the availability of pond water is limited. The only regions that are not considered to be suffering drought at the current time are the Southeast and the majority of the Midwest region. This bodes well for local producers growing cattle, barring a tragedy in the corn producing states and as long as pasture remains plentiful. The market may be looking at the early August time period before much improvement shows up for any class of cattle. Cull cattle prices generally reach their peak about this time of year and then decline into late November. They are likely to soften a little bit over the next few weeks

(Continued on page 2)



Livestock Comments by Dr. Andrew Griffith

(Continued from page 1)

and months, but they are not expected to decline as much this year due to the reduced supply of cull cattle coming to market. This report is generally focused on beef cattle markets, but I feel it appropriate to thank all our service men and women here at home and abroad who defend and protect this nation so we can continue to live and enjoy the freedom this nation offers. Memorial Day reminds me of the song "Some Gave All" by Billy Ray Cyrus. I hope everyone will take a moment to reflect upon the memory of the folks who left their families to protect both your family and my family. And, for those of you who read these comments who have served this country or are currently serving this country, I would like to say Thank You and God Bless!

TECHNICALLY SPEAKING: Based on Thursday's closing prices, June closed at \$119.13. Support is at \$118.67, then \$117.32. Resistance is at \$120.02, then \$121.37. The RSI is 39.64. August closed at \$118.20. Support is at \$117.72, then \$116.29. Resistance is at \$119.14, then \$120.57. The RSI is 35.96. October closed at \$121.70. Support is at \$121.65, then \$121.35. Resistance is at \$122.70, then \$123.55. The RSI is 34.96. August feeders closed at \$142.65. Support is at \$142.63, then \$142.61.

Resistance is at \$142.66, then \$142.68. The RSI is 36.52. October feeders closed at \$146.85. Support is at \$146.83, then \$146.83. Resistance is at \$148.63, then \$148.75. The RSI is 37.36. January feeders closed at \$148.28. Support is at \$none, then \$none. Resistance is at \$150.10, then \$151.65. The RSI is 39.34. Friday's closing prices were as follows: Live/fed cattle – June \$120.58 +1.45; August \$119.23 +1.03; October \$122.80 +1.10; Feeder cattle - August \$144.55 +1.90; October \$148.53 +1.68; November \$149.95 +1.78; January \$149.90 +1.63; July corn closed at \$6.57 down \$0.05 from Thursday.

Milk Futures		
Thursday, May 23, 2013		
Month	Class III Close	Class IV Close
May	18.51	18.84
Jun	18.34	19.08
Jul	18.60	19.43
Aug	18.90	19.50
Sept	19.09	19.43

Average Daily Slaughter		
	Cattle	Hogs
	----- Number of head -----	
This week (4 days)	124,250	411,750
Last week (4 days)	124,000	405,750
Year ago (4 days)	125,500	417,250
This week as percentage of		
Week ago (%)	100%	101%
Year ago (%)	99%	99%

USDA Box Beef Cutout Value		
	Choice 1-3 600-900 lbs	Select 1-3 600-900 lbs
	----- \$/cwt -----	
Thursday	211.37	191.52
Week ago	208.77	192.71
Year ago	195.37	187.65
Change from week ago	+2.60	-1.19
Change from year ago	+16.00	+3.87

Crop Comments by Dr. Aaron Smith

	Previous	Current	Change
USD	84.25	83.59	-0.66
Crude Oil	96.04	93.92	-2.12
Dow	15,349	15287	-62

Overview

Wheat, soybeans, and corn were up and cotton was down for the week. Drought conditions in the southern plains and Russia provided support for wheat prices. Soybean planting may be delayed in the western Corn Belt due to heavy rain anticipated in Nebraska and Iowa, however this will help corn and soybean acres that are already planted. Rain anticipated in West Texas

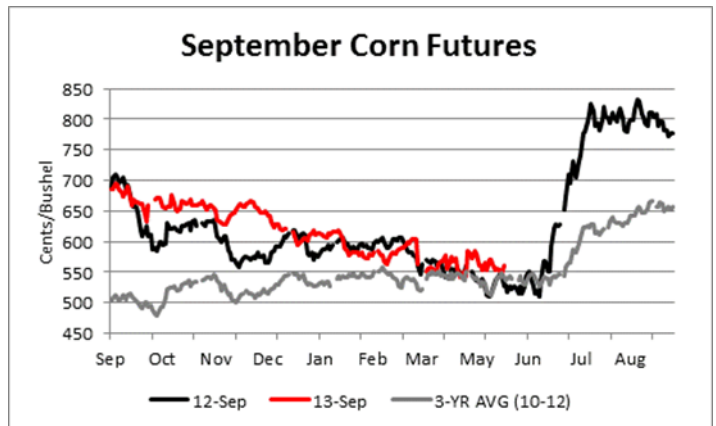
and a May 22nd report indicating Chinese manufacturing shrank for the first time in seven months provided downward pressure on cotton prices.

Corn

Weekly exports exceeded expectations with net sales of 17.5 million bushels (4.1 million bushels for the 2012/13 marketing year and 13.4 million bushels for the 2013/14 year). Ethanol production increased 18,000 barrels per day to 875,000 barrels per day. Ethanol ending stocks shrank to 16.2 million barrels from 16.4 million barrels. Overall year to date ethanol production is 5% lower than the previous year.

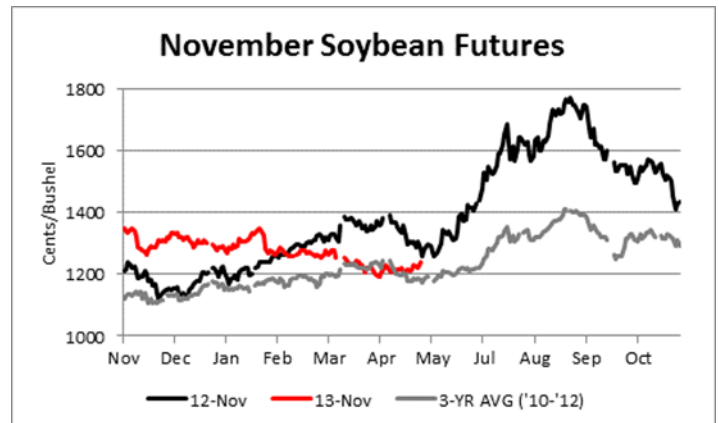
Crop Comments by Dr. Aaron Smith

Corn	July	Change	September	Change
Price	\$6.57	\$0.05	\$5.66	\$0.10
Support	\$6.49	\$0.18	\$5.50	\$0.07
Resistance	\$6.68	\$0.02	\$5.75	\$0.11
20 Day MA	\$6.49	\$0.08	\$5.65	\$0.03
50 Day MA	\$6.52	-\$0.04	\$5.68	-\$0.02
100 Day MA	\$6.74	-\$0.03	\$5.81	-\$0.03
4-Week High	\$6.69	\$0.00	\$5.96	\$0.00
4-Week Low	\$6.17	\$0.07	\$5.38	\$0.02
Technical	Buy	+	Sell	+



Corn planted reported May 20th was 71% compared to 28% last week, 95% last year, and a 5-year average of 79%. The 43% increase in planted acreage was a record for a 7-day period and exceed expectations. Weather related planting delays are still a concern in Wisconsin and Minnesota, however overall the progress for the past week was remarkable. Corn emerged was 19% compared to 5% last week, 73% last year, and 46% for the 5-year average. New crop sales were supported by higher than anticipated export sales. Producers should consider having 35% of their crop priced at this point in the season. Any additional rallies in prices should be looked at as an opportunity to increase the level of new crop priced. From a price risk management standpoint, a \$5.70 September Put Option costing 36 cents would establish a \$5.34 futures floor. Important for producers to consider when evaluating Put Options is when corn (or any commodity for that matter) will be available to the market. Delays in planting or maturity of the corn crop can push back harvest dates thus causing producers to have a Put Option month available at a time when the crop is not available. For those producers with access to storage or in areas of the state where planting delays have occurred consideration should be given to purchasing December instead of September Puts. Higher September Futures prices are often attractive but careful consideration should be given to timing. A \$5.40 December Put Option costing 43 cents would establish a \$4.97 futures floor.

Soybeans	July	Change	November	Change
Price	\$14.76	\$0.28	\$12.47	\$0.19
Support	\$14.49	\$0.34	\$12.34	\$0.29
Resistance	\$15.18	\$0.53	\$12.56	\$0.16
20 Day MA	\$14.21	\$0.30	\$12.20	\$0.09
50 Day MA	\$13.97	\$0.04	\$12.30	-\$0.03
100 Day MA	\$14.09	\$0.04	\$12.58	-\$0.04
4-Week High	\$15.46	\$0.97	\$12.52	\$0.12
4-Week Low	\$13.44	\$0.03	\$11.93	\$0.07
Technical	Strong Buy	=	Buy	+



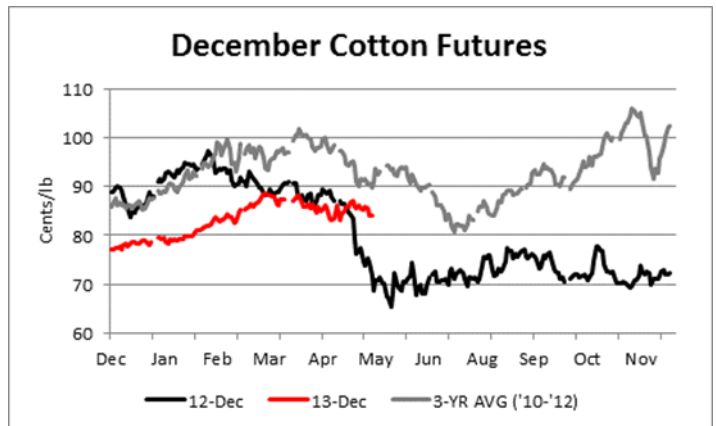
Soybeans

Soybean cash prices continue to be very strong as supplies are tight. Weekly exports exceeded expectations, primarily from new crop sales, with net sales of 37.5 million bushels (6.7 million bushels for 2012/13 and 30.8 million bushels for 2013/14). Preliminary reports indicate that the U.S. may import 32 million bushels of soybeans for the current year, primarily from Canada and South America.

Soybean planting estimates as reported May 20th were 24% compared to 6% last week, 71% last year, and a 5-year average of 42%. Soybean planting in Tennessee is still 2-weeks behind the 5-year average. Soybeans emerged were 3% compared to 32% last year and a 5-year average of 14%. Having 30% of the crop priced at this point should be considered. Downside protection could be achieved by purchasing a \$12.60 November Put Option which would cost 71 cents and set an \$11.89 futures floor.

Crop Comments by Dr. Aaron Smith

Cotton	July	Change	December	Change
Price	81.49	-4.92	83.77	-2.13
Support	80.28	-4.91	82.62	-1.78
Resistance	82.98	-4.13	84.56	-2.16
20 Day MA	85.70	-0.27	85.24	-0.02
50 Day MA	86.97	-0.56	85.92	-0.29
100 Day MA	84.84	0.30	84.11	0.28
4-Week High	88.40	0.00	87.25	0.00
4-Week Low	81.03	-1.81	82.92	0.00
Technical	Strong Sell	-	Strong Sell	-

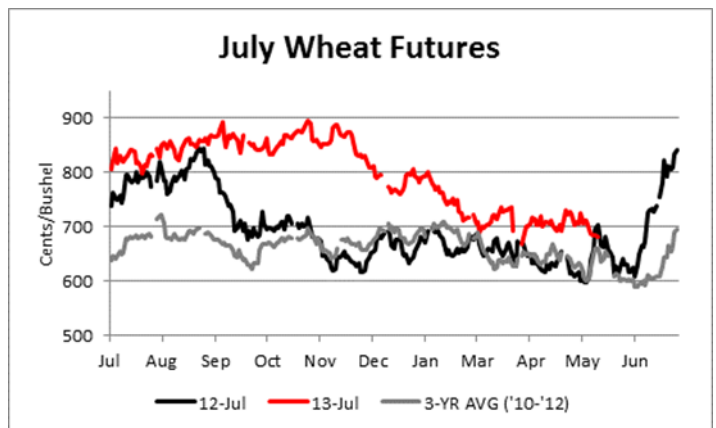


Cotton

All cotton weekly export net sales were lower than last week however within expectations at 143,500 running bales (101,700 bales of Upland cotton for 2012/13; 36,400 bales of Upland cotton for 2013/14; and 5,400 running bales of Pima cotton for 2012/13. May 23rd adjusted world price (AWP) decreased 1.28 cents to 71.64 cents. Cotton equities on 2013 loan cotton are in the 24.15 cent range. Cotton will most likely continue to trade between 80 to 88 cents. For now China appears to be content on holding reserves and maintaining purchases; however an unanticipated change in China's cotton policy would have a dramatic impact on price.

Cotton planted reported May 20th was 39% this week compared to 23% last week, 59% last year, and the 5-year average of 52%. Tennessee is 13% planted compared to 3% last week, 72% last year and a 5-year average of 40%. Cotton planting in the state is still 2-weeks behind the 5-year average. Producers should consider obtaining downside protection on a portion of their new crop production. Locking in profitable price levels when available should be strongly considered. One strategy is purchasing an 84 cent December Put Option costing 5.59 cents and establishing an 78.41 futures floor.

Wheat	July	Change	September	Change
Price	\$6.97	\$0.14	\$7.04	\$0.13
Support	\$6.89	\$0.15	\$6.96	\$0.13
Resistance	\$7.11	\$0.18	\$7.18	\$0.17
20 Day MA	\$7.05	-\$0.01	\$7.13	-\$0.02
50 Day MA	\$7.07	-\$0.01	\$7.15	-\$0.01
100 Day MA	\$7.30	-\$0.05	\$7.38	-\$0.06
4-Week High	\$7.36	\$0.00	\$7.45	\$0.00
4-Week Low	\$6.74	-\$0.06	\$6.81	-\$0.07
Technical	Strong Sell	=	Strong Sell	=



Wheat

Weekly exports exceeded expectations at net sales of 35 million bushels (8.8 million bushels for 2012/13 and 26.2 million bushels for 2013/14).

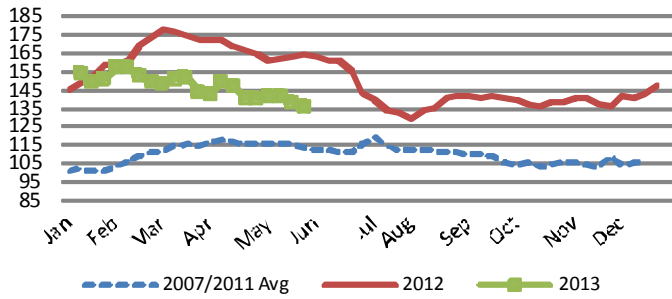
Nationally, winter wheat heading as of May 20th was reported at 43% compared to 29% last week, 80% last year, and the 5-year average of 62%. Crop condition ratings for winter wheat as reported May 20th were 31% good to excellent compared to 32% last week and 58% last year. Poor to very poor was 41%, compared to 39% last week and 14% last year. Spring wheat planting reported May 20th was at 67% compared to 43% last week, 98% last year, and a 5-year average of 76%. Spring wheat emerged reported May 20th was 22% compared to 10% last week, 82% last year, and a 5-year average of 49%. Currently producers should consider having 35% of the 2013 crop priced. A \$7.00 July Put Option would cost 21 cents and set a \$6.79 futures floor.

Prices on Tennessee Reported Livestock Auctions for the week ending May 24, 2013

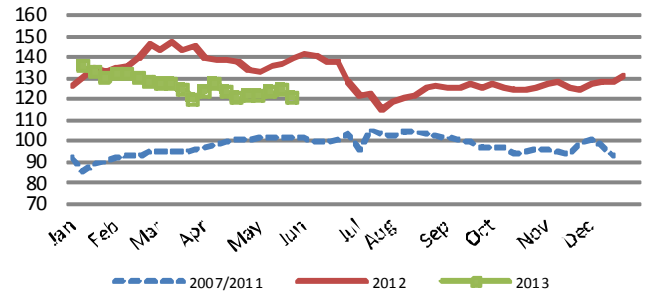
	This Week			Last Week	Year Ago
	Low	High	Weighted Average	Weighted Average	Weighted Average
-----\$/cwt-----					
Steers: Medium/Large Frame #1-2					
300-400 lbs	140.00	178.00	155.83	153.01	195.71
400-500 lbs	130.00	162.50	143.88	147.44	180.67
500-600 lbs	120.00	148.00	135.33	138.45	164.39
600-700 lbs	111.00	139.50	127.78	130.98	151.42
700-800 lbs	109.00	129.00	120.56	124.18	140.12
Steers: Small Frame #1-2					
300-400 lbs	145.00	162.50	152.02	140.01	169.00
400-500 lbs	111.00	150.00	129.36	128.01	165.20
500-600 lbs	120.00	130.00	122.29	118.71	145.66
600-700 lbs	105.50	105.50	105.50	90.00	135.40
Steers: Medium/Large Frame #3					
300-400 lbs	130.50	165.00	145.09	138.18	179.10
400-500 lbs	115.00	146.00	127.94	135.26	167.95
500-600 lbs	110.00	129.00	121.71	126.32	150.24
600-700 lbs	103.50	124.50	117.08	117.18	140.28
700-800 lbs	90.00	121.00	110.44	110.56	119.40
Holstein Steers					
300-400 lbs	92.00	132.00	118.42	123.78	123.87
500-600 lbs	81.00	93.00	82.66	90.50	110.02
700-800 lbs	74.00	84.00	80.60	---	89.00
Slaughter Cows & Bulls					
Breakers 75-80%	70.50	83.00	78.11	77.38	86.10
Boners 80-85%	74.00	86.00	79.60	79.88	87.92
Lean 85-90%	64.00	76.50	72.25	72.20	77.37
Bulls YG 1	90.50	103.00	96.79	98.03	106.34
Heifers: Medium/Large Frame #1-2					
300-400 lbs	125.00	154.00	133.13	138.05	168.74
400-500 lbs	119.00	145.00	127.83	134.18	161.11
500-600 lbs	111.00	134.00	122.85	126.94	151.40
600-700 lbs	102.50	128.00	115.13	117.81	135.95
Heifers: Small Frame #1-2					
300-400 lbs	108.00	128.00	116.85	122.64	136.78
400-500 lbs	93.00	129.00	112.67	118.13	138.11
500-600 lbs	92.00	123.00	107.39	108.91	124.38
600-700 lbs	90.00	104.00	95.18	103.26	127.52
Heifers: Medium/Large Frame #3					
300-400 lbs	110.00	142.50	127.31	128.14	154.04
400-500 lbs	106.50	131.00	118.96	121.92	145.85
500-600 lbs	96.00	122.00	111.48	114.86	137.37
600-700 lbs	90.00	113.00	106.01	107.57	128.70

Cattle Receipts (# sales): This week: 5,546 (11) Week ago: 7,000 (10) Year ago: 6,200 (12)

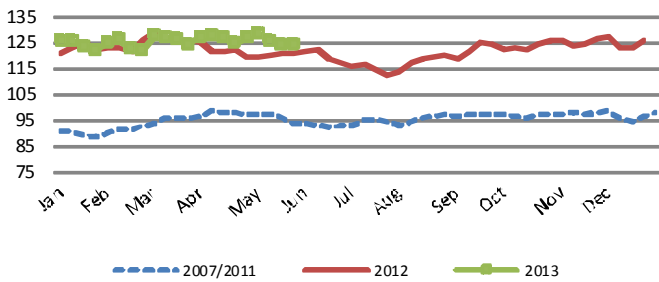
**Tennessee 500-600 lbs. M-1 Steer Prices
2012, 2013 and 5-year average**



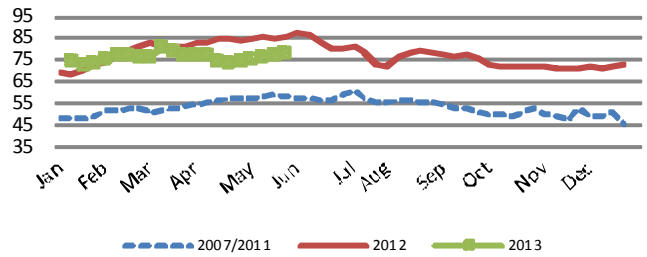
**Tennessee 700-800 lbs. M-1 Steer Prices
2012, 2013 and 5-year average**



**5-Area Finished Cattle Prices
2012, 2013 and 5-year average**



**Tennessee Slaughter Cow Prices
Breakers 75-80%
2012, 2013 and 5-year average**



Prices Paid to Farmers by Elevators

Friday, May 17, 2013 — Thursday, May 23, 2013

	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	15.28-15.38		15.29-15.44		15.43-15.58		15.46-15.59		15.41-15.49		---	
N.W. B.P.	15.23-15.28		15.14-15.41		15.26-15.44		15.46-15.60		15.41-15.61		12.56-12.63	
N.W. TN	15.05-15.18		15.22-15.34		15.35-15.38		15.49-15.54		15.65-15.68		12.18-12.42	
Upper Md.	15.18-15.38		15.09-15.54		15.21-15.68		15.36-15.74		15.39-15.79		12.41-12.48	
Lower Md.	15.08-15.08		15.24-15.24		15.38-15.38		15.54-15.54		15.69-15.69		12.22-12.32	
Yellow Corn												
Memphis	6.97-6.97		6.89-6.94		6.80-6.85		6.98-7.03		7.04-7.07		---	
N.W. B.P.	6.90-6.97		6.87-6.90		6.77-6.80		6.96-6.98		6.99-7.03		5.37-5.53	
N.W. TN	6.97-7.26		6.94-7.28		6.85-7.20		7.03-7.39		7.07-7.43		5.40-5.51	
Upper Md.	6.87-7.07		6.84-7.07		6.74-6.95		6.93-7.13		6.96-7.17		5.14-5.38	
Lower Md.	7.13-7.13		7.09-7.09		7.00-7.00		7.19-7.19		7.22-7.22		5.15-5.25	
Wheat												
Memphis	6.95-6.98		7.00-7.01		6.95-7.01		7.03-7.06		7.21-7.23		---	

Video Sales

EAST TENNESSEE LIVESTOCK CENTER, May 22, 2013

1 load out of 80 heifers purchased as 4 wts., est. wt. 750 lbs., range 700-800 lbs. \$0.04 slide if over 751 lbs. 95% M-1's & 5% M-2's; medium flesh, 80% Black/BWF, 10% Chax/Smoky & 10% Red/RWF. Cattle on pasture plus hay also receiving 8-10 lbs/hd/day of a corn gluten/crushed corn mix. Vaccinated and wormed. Gathered early and hauled 10 miles, weighed on goosenecks. 2% shrink **\$117.00**

MID-SOUTH LIVESTOCK, May 20, 2013

59 head feeder steers, 800 lbs., **\$122.10**

BLUEGRASS MARKETING GROUP, May 22, 2013

Reporting Tennessee cattle

65 head mixed steers, 760 lbs., **\$130.75**

57 head Chax-few red steers, 880 lbs., **\$122.75**

62 head bbwf-few mixed steers, 790 lbs., **\$127.00**

60 head mixed heifers, 825 lbs., **\$118.50**

Video Board Sales and Graded Sales

5/16/13 Athens Holstein Steer Sale

Receipts: 879

Steers: Lg 1

200-300 lbs 132.00-140.00

300-350 lbs 130.00-131.00

350-400 lbs 113.00-124.00

400-450 lbs 111.50-116.00

450-500 lbs 107.00-112.00

500-600 lbs 95.50-101.50

600-700 lbs 92.75-99.45

700-800 lbs 92.50-94.30

800-900 lbs 85.50

Steers: Lg 2

300-350 lbs 122.00-134.50

350-400 lbs 110.00-124.00

400-450 lbs 110.50-113.25

450-500 lbs 104.50-108.50

500-600 lbs 90.00-101.75

600-700 lbs 93.50-95.50

700-800 lbs 85.00

800-900 lbs 83.50

Steers: Lg 3

300-400 lbs 100.00

400-500 lbs 94.00

500-600 lbs 85.00

600-700 lbs 78.00

700-800 lbs 72.50

800-900 lbs 80.00

May 20, 2013

Milk production in the 23 major states during April totaled 16.1 billion pounds, up 0.3% from April 2012. As a result of Federal budget reductions, only administrative data was available. No survey data was available. Production per cow and number of cows data are not available. March production was unrevised at down 0.1% from March 2012. For milk production in the top 5 producing states, California was down 0.2% from April a year ago; Wisconsin up 1.3%; Idaho up 0.5%; New York up 1.7%; and Pennsylvania no change. Kansas was up 6.4%; and Indiana up 3.1%. Missouri was down 5.9%; Texas down 3.2%; Utah down 3.1%; Florida down 2.7%; New Mexico down 2.5%; and Arizona down 1.7%. At Smith Grove, Kentucky on May 14, supreme springers sold at \$1,450 to \$1535, down \$60 from a month ago. US #1 springers sold from \$1,400 to \$1,600, down \$125 from a month ago, on the Georgia Dairy Auction on May 13.

The Southeast Uniform milk price for April was \$20.80, up 10 cents from March and \$2.56 higher than April 2012. April's Class III price was \$17.59, up 66 cents from March, and \$1.87 higher than April a year ago. The Class IV price was up 35 cents from March at \$18.10, and \$3.30 higher than April 2012. Class I utilization was 65.19%, up 0.55% from March, and 8.53% higher than April a year ago. The butterfat price was \$1.8004, up 7 cents from last month and 24 cents higher than April 2012. The April Class I price was \$21.46. The May Class I price is \$21.56, up 10 cents from April and \$1.91 higher than May 2012. The Class I Mover price for May is \$17.76, up 10 cents from March. The House of Representatives Agriculture Committee has approved a dairy title in the new farm bill that contains much of the Dairy Security Act proposal from last year. Global dairy product prices are somewhat lower, but still strong. Hay stocks have been reported at record lows. Cow slaughter the past few weeks indicates that culling rates may be slowing. Price forecasts for milk and feed predict improved margins over the next few months. Total milk production in the five major dairy exporting regions is down 1% for the first quarter of 2013 compared to 2012. USDA has projected the all-milk price for 2013 to average between \$19.50 and \$20.00 with milk production 1% higher than 2013. The all-milk price projection for 2014 is \$18.85 to \$19.85 with production 1.4% higher than 2013. There will be a MILC payment of \$0.7546 for March. My estimate for April is 50 to 60 cents, for May 60 to 70 cents, and for June 30 to 35 cents. The Class III futures average today for 2013 with four months actual Class III prices was \$18.29, down 29 cents from a month ago. Class III futures for the rest of 2013 are lower than a month ago, with larger declines in the nearby months. The milk/feed ratio for April was 1.56, up from 1.48 in March. The increase in the ratio was due both to slightly lower feed prices and a slightly higher all-milk price. Class III milk futures prices on May 20: May \$18.51, down 60 cents from a month ago; June \$18.29, down \$1.18; July \$18.68, down 72 cents; August \$18.94, down 35 cents; September \$19.10, down 7 cents; October \$18.87, down 10 cents; November \$18.50, down 20 cents; December \$18.03, down 27 cents; January 2014 \$17.60, down 36 cents; February

17.35, down 26 cents; March 17.17, up 34 cents; and April \$17.16, down 19 cents. Total U. S. cheese production in March was down 0.2% from March a year ago. Mozzarella production was up 2.5% with Cheddar production up 2.6%. Butter production was up 4.2% from March 2012 while NDM/SMP production was down 4.1% from last year's record production. Total cheese stocks on March 31 were a record high, 5.4% above a year ago. Butter stocks were 22.4% higher than a year ago and the highest March stocks on record. Part of the reason for higher stocks is increased milk production in the Midwest. The export numbers for March were all disappointing considering that milk production is down worldwide. Both cheese and butter exports were up 5% from a year ago. NDM/SMP exports were down 0.3% largely on fewer purchases by Mexico. Whey exports were down 6.0% and whey protein concentrates were down 1.0%. Analysts had expected higher exports than realized. Dairy cow slaughter during March was 274,000 head, 15,000 higher than February and 4,000 head less than March 2012. January through March 2013 slaughter was 830,000 head compared to 803,000 for the same period in 2012. First quarter slaughter was the most for a quarter in the last ten years.

Technically speaking – June futures \$18.29 down \$1.18 from a month ago. Support at \$19.00 and \$17.80. Resistance at \$18.40 and \$19.60. The RSI is 40.30. July futures \$18.68 down 72 cents from a month ago. Support at \$18.80 and \$18.20. Resistance at \$18.90 and \$19.60. The RSI is 42.19. September futures \$19.10 down 7 cents from a month ago. Support at \$19.20 and \$18.90. Resistance at \$19.30 and \$19.50. The RSI is 46.64.

Futures Settlement Prices: Crops & Livestock

Friday, May 17, 2013 — Thursday, May 23, 2013

Commodity	Contract Month	Friday	Monday	Tuesday	Wednesday	Thursday
Soybeans (\$/bushel)	Jul	14.48	14.64	14.78	14.94	14.99
	Aug	13.78	13.91	13.90	14.05	14.14
	Sep	12.89	12.94	12.88	13.00	12.99
	Nov	12.28	12.25	12.21	12.39	12.43
	Jan	12.35	12.32	12.27	12.45	12.49
	Mar	12.39	12.37	12.32	12.49	12.53
Corn (\$/bushel)	Jul	6.53	6.49	6.40	6.58	6.62
	Sep	5.56	5.54	6.47	5.60	5.63
	Dec	5.19	5.20	5.20	5.30	5.35
	Mar	5.30	5.31	5.31	5.41	5.45
	May	5.37	5.39	5.39	5.49	5.53
	Jul	5.44	5.46	5.46	5.56	5.60
Wheat (\$/bushel)	Jul	6.83	6.85	6.80	6.88	7.03
	Sep	6.91	6.93	6.88	6.96	7.10
	Dec	7.07	7.08	7.03	7.10	7.23
	Mar	7.24	7.25	7.20	7.27	7.37
	May	7.31	7.32	7.27	7.34	7.44
Soybean Meal (\$/ton)	Jul	425	435	439	441	437
	Aug	402	408	407	410	411
	Sep	374	379	376	381	383
	Oct	349	349	346	352	355
	Dec	347	345	343	350	351
	Jan	348	347	345	352	353
Cotton (¢/lb)	Jul	86.41	85.78	83.86	83.42	81.78
	Oct	86.20	85.50	83.96	84.15	83.21
	Dec	85.90	85.60	84.15	84.39	83.64
	Mar	85.67	85.30	83.98	84.09	83.35
	May	85.63	85.17	84.08	84.13	83.39
Live Cattle (\$/cwt)	Jun	119.40	120.12	121.10	120.00	119.12
	Aug	118.55	119.15	120.37	119.22	118.20
	Oct	121.97	122.47	123.47	122.52	121.70
	Dec	123.52	123.90	125.20	124.32	123.67
	Feb	124.80	125.25	126.50	125.55	125.02
Feeder Cattle (\$/cwt)	May	133.90	132.52	131.90	131.62	131.62
	Aug	143.37	144.47	146.47	144.32	142.65
	Sep	145.70	146.82	148.90	146.70	144.95
	Oct	147.80	148.75	150.72	148.62	146.85
	Nov	149.20	150.05	152.00	149.85	148.17
	Jan	148.80	150.10	151.65	150.10	148.27
Market Hogs (\$/cwt)	Jun	91.52	92.07	92.40	94.55	94.20
	Jul	90.97	91.52	91.75	93.42	93.02
	Aug	90.15	90.35	90.60	92.07	91.80
	Oct	80.30	81.07	81.55	82.52	82.10
	Dec	77.40	78.07	78.60	79.50	79.40

Featured Article from Pork News

[Survey reveals most Americans in favor of COOL](#)

A survey by the Consumer Federation of America shows 90 percent of Americans are in favor of requiring companies to list the origin of the fresh meat they sell on the label.

As the USDA continues to receive pushback from Canada and Mexico on country-of-origin labeling, a recent survey proves the issue is one Americans prefer. In a [release](#) by the National Farmers Union, 90 percent of the 1,000 respondents either strongly or somewhat favor including the data on the label.

Respondents were almost as responsive when asked if food sellers should also provide information about where the animals were born, raised and processed, as 87 percent either strongly favored or somewhat favored the additional information on the label.

Consumers are taking an interest in where and how their food is produced and, according to the survey, would prefer the information directly on the package.

"These findings, coupled with the recent withdrawal of two short-sighted amendments to the Senate and House's respective farm bills that would have negatively impacted Country-of-Origin Labeling, are promising indications that country-of-origin labeling is vitally important and here to stay," NFU President Roger Johnson said.

COOL became mandatory in 2008 and regulations were put forward in 2009. Mexico and Canada argue the labeling laws discriminate against foreign cattle and pigs. According to the [Casper Star-Tribune](#), Mexico and Canada say enhancing labels would only exacerbate the problem.

The USDA and the Obama administration have until Thursday to finalize the labeling status.

The telephone survey was undertaken by ORC International May 9 to 12, 2013, using a split sample of landlines and cell phones. The margin of error is plus or minus three percentage points. The survey results are available here and the survey methodology is available [here](#).

Additional Information, by Aaron Smith

Upcoming dates Tennessee farmers should be aware of are: the CRP general sign up (May 20 to June 14) and the Tennessee Agriculture Enhancement Program application period (June 1 to 7). Important crop insurance dates in the next two months are: the June 3rd deadline for choosing ACRE as a revenue-protection plan; and final planting dates for corn - May 20th (late planting period ends June 14), soybeans - June 15th (late planting period ends July 5th), soybeans behind wheat - June 25th (late planting period ending July 15th), and Cotton - May 20th (late planting period ending June 5th). Contact your crop insurance representative if clarification on your current insurance position is required or prior to any changes in planting decisions.

If you require further information, clarification, or would like to be added to our email list please contact me at aaron.smith@utk.edu.

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<http://economics.ag.utk.edu/>
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