HAWAII AGRICULTURAL STATISTICS
NASS

HAWAII MONTHLY LIVESTOCK REVIEW

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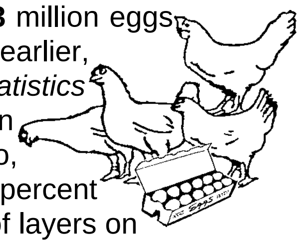
APRIL EGG PRODUCTION 3 PERCENT ABOVE YEAR AGO



Egg production during April, totaled **10.3** million eggs (28,611 cases), 3 percent above a year earlier, according to the *Hawaii Agricultural Statistics Service*. The average number of layers on hand declined 2 percent from a year ago, but the average rate of lay increased 5 percent from a year ago. The average number of layers on hand during April 2004 was 505,000, compared with 514,000 a year ago, and 504,000 during March 2004. The average rate of lay was 2,040 eggs per 100 layers (68.0 percent lay rate) compared with 1,946 (64.9 percent) a year ago. Cumulative production for the first four months of 2004 was 39.8 million eggs, 2 percent above the same period in 2003.

U.S. EGG PRODUCTION

U.S. egg production totaled 7.34 billion during April 2004, up 2 percent from last year. Production included 6.28 billion table eggs, and 1.07 billion hatching eggs, of which 1.01 billion were broiler-type and 58.0 million were egg-type. The total number of layers during April 2004 averaged 342 million, up 1 percent from a year earlier. April egg production per 100 layers was 2,148 eggs, up 1 percent from April 2003.

April 2004 and April 2003 both contained 22 weekdays and four Saturdays.

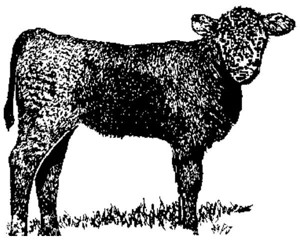
All layers in the U.S. on May 1, 2004, totaled 342 million, up 1 percent from a year ago. The 342 million layers consisted of 282 million layers producing table or commercial type eggs, 57.2 million layers producing broiler-type hatching eggs, and 2.49 million layers producing egg-type hatching eggs. Rate of lay per day on May 1, 2004, averaged 71.0 eggs per 100 layers, up 1 percent from a year ago.

Laying flocks in the 30 major egg producing States produced 6.85 billion eggs during April 2004, up 2 percent from a year ago. The average number of layers during April, at 319 million, was up 1 percent from a year ago.

Number of layers and egg production, State of Hawaii, April 2004 [1]

County	Number of layers on hand during month			Eggs per 100 layer		Total eggs produced			
	Apr. 2003	Mar. 2004	Apr. 2004	Apr. 2003	Apr. 2004	Apr. 2003	Apr. 2004	Year-to-date 2003	Year-to-date 2004
	------ Thousands ------			--- Number ---		----------- Millions -----------			
Hawaii/Kauai/Maui	116.0	124.0	121.2	2,043	1,968	2.40	2.38	9.70	9.70
Honolulu	398.0	379.6	383.9	1,902	2,064	7.60	7.92	29.50	30.10
State	514.0	504.0	505.0	1,946	2,040	10.00	10.30	39.20	39.80

[1] State totals may not add due to rounding.



APRIL MARKETINGS OFF 58 PERCENT FROM YEAR AGO

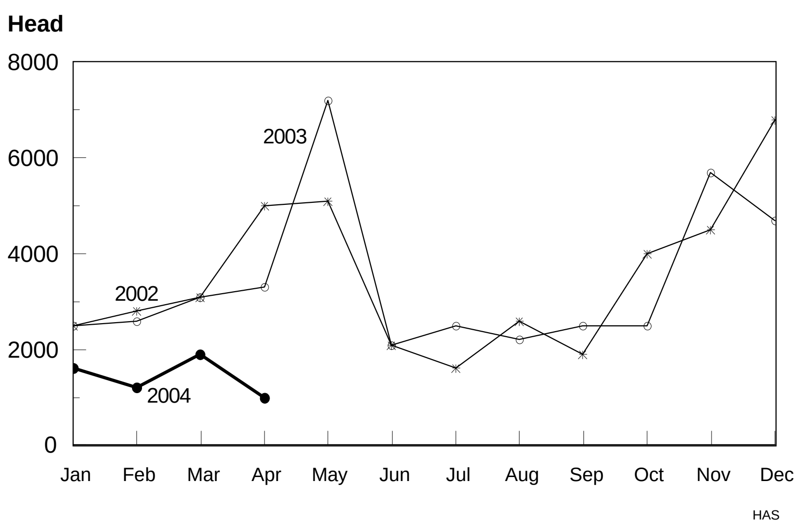
Cattle marketings during April totaled 1,800 head, compared with 4,300 head a year ago and 2,800 head during March 2004. Out-of-state shipments accounted for most of the decline as exports decreased 70 percent from a year ago to 1,000 head. Cumulative marketings for the first four months of 2004 was 9,200 head, a decrease of 39 percent from the same period a year earlier. Year-to-date exports for 2004 was 5,800 head, a decrease of 50 percent from the same 4-month period in 2003.

Cattle Marketings, State of Hawaii, April 2004

Month	Total Marketings [1] Number of Head [3]		Exports [2] Number of Head Steers		Heifers		Total [3]		Average Live Weight	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
	head								pounds	
April	4,300	1,800	1,900	500	1,400	400	3,300	1,000	397	434
Year-to-date [4]	15,100	9,200	6,400	3,700	5,100	2,100	11,500	5,800	437	441

[1] Sum of Commercial Slaughter and Exports.
[2] Cattle and calves shipped out-of-State.
[3] Total may not add to sum due to rounding.
[4] Includes any revisions made to previous month figures.

CATTLE & CALF OUTSHIPMENTS
STATE OF HAWAII, 2002-2004



SLAUGHTER CATTLE (U.S.)

Weekly Simple Average of Daily Quotations, Choice 2-4

Dollars per 100 pounds

Week ending	Steers (1,150 - 1,500 pounds)	Heifers (1,000 - 1,300 pounds)
from Sioux Falls		
2-21-04	77.00	77.50
3-6-04	84.00	82.50

Source: Livestock, Meat and Wool Weekly Summary and Statistics; **Agricultural Marketing Service, Livestock and Seed Division**

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COMMERCIAL BEEF PRODUCTION 14 PERCENT BELOW A YEAR AGO

Commercial beef production (local slaughter) during April 2004 totaled 472,000 pounds, compared with 551,000 pounds a year earlier. Commercial kill for April 2004 totaled 800 head, 200 fewer than a year ago. Average live weight per head, at 1,081 pounds, was 4 percent heavier than a year ago.

U.S. BEEF PRODUCTION

Beef production, at 1.96 billion pounds, was 9 percent below the previous year. Cattle slaughter totaled 2.70 million head, down 9 percent from April 2003. The average live weight was down 9 pounds from the previous year, at 1,200 pounds.

PORK PRODUCTION DOWN 7 PERCENT FROM A YEAR AGO

Commercial pork production during April 2004 totaled 344,000 pounds, compared with 369,000 pounds a year ago. Total hog kill of 2,300 head was unchanged from a year ago. Average live weight per head, at 196 pounds, was 8 percent lighter than a year ago.

U.S. PORK PRODUCTION

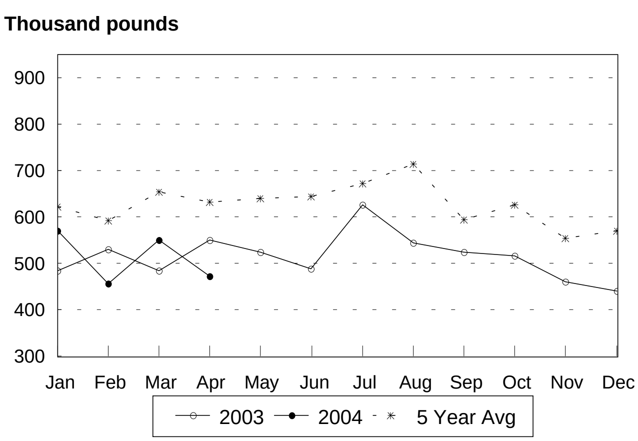
Pork production totaled 1.73 billion pounds, up 4 percent from the previous year and set a record monthly high. Hog kill totaled 8.65 million head, 4 percent above April 2003. The average live weight was unchanged from the previous year, at 268 pounds.

Commercial slaughter, State of Hawaii, April 2004 [1]

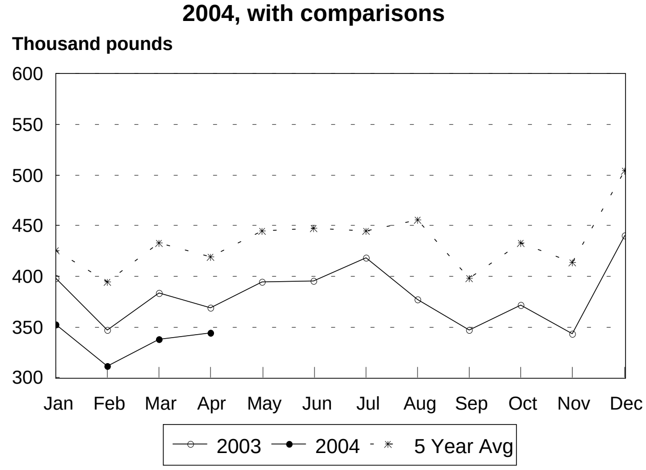
Species	Number of head		Average live weight		Total live weight [2]		Total dressed weight	
	2003	2004	2003	2004	2003	2004	2003	2004
			pounds		1,000 pounds			
Cattle								
April	1,000	800	1,034	1,081	1,003	860	551	472
Year-to-date	3,600	3,400			3,735	3,733	2,051	2,049
Hogs [3]								
April	2,300	2,300	213	196	492	459	369	344
Year-to-date	9,500	9,000			1,997	1,794	1,498	1,346

[1] Excludes non-inspected farm slaughter and live cattle and calves shipped out-of-state; includes custom slaughter.
[2] Estimates based on 54.9 dressing percentage for cattle; 75.0 dressing percentage for hogs.
[3] Excludes non-inspected farm slaughter; includes custom slaughter and live hog inshipments from the mainland for slaughter.

Commercial Beef Production, State of Hawaii 2004, with comparisons



Commercial Pork Production, State of Hawaii 2004, with comparisons



PASTURE AND LIVESTOCK CONDITION, MAY 1, 2004

Hawaii County

Hilo and Puna: Above normal rainfall totals, in the district, kept most pastures in fair to good condition, but the heavy rains left many of the pastures in soggy condition. However, intermittent sunny periods provided for some good stimulus for new grass growth in areas not under water. An invasion of the Broom Sage weed is spreading in the Mountain View area. Stock water supplies were good. Most of the cattle and calves were in fair to good condition.

Ka'u: The above normal rainfall totals for April combined with the rainfall amounts from the previous three months to keep pastures in good condition. New grass growth was good, with available forage in ample supply. Pasture conditions in the district were at or above average for this time of year. Stock water supplies were adequate. The condition of the cattle and calves were good.

Kona: Except for some areas of North Kona, above normal rainfall totals kept pastures throughout much of Kona green, with prospects of new grass growth, good. A lot of this rain fell during the April 21-23 period. In general, pasture condition for the district was fair to good. Rainfall was lighter in the North Kona sectors, but the area received sufficient moisture to help stimulate adequate new grass growth. Stock water levels were good. Cattle and calves were in good condition.

Kohala: Heavy rainfall again saturated the district, causing some flooding and washout of roads and fences. As it was in the previous month, some pastures were soggy, although most pastures benefitted from the moisture and were in good condition. New grass growth was good in nearly all areas, even in some of the normally dry lower leeward elevation pastures. On the downside, this favorable weather has also enhanced the growth of the noxious Senecio and Gorse weeds. Stock water supplies were good. Cattle and calves were in good to very good condition.

Hamakua: A second month of heavy rainfall, resulted in more flooding, which caused further damage to fence lines and roads. Much of this rainfall occurred during the April 10-12 period. Most pastures, even those at the upper elevation slopes of Mauna Kea, were in fair to good condition. Stock water supplies were replenished and in good supply. Cattle and calves were in fair to good condition.

Honolulu County

After a relatively wet first quarter of 2004, rainfall totals declined to below normal levels for April. Nevertheless, year-to-date rainfall totals continued to be at near normal to well above normal levels. As a result, pasture conditions continue to be mostly in good to very good condition, with drier leeward pastures in fair to good condition. Forage feed supplies were good. Cattle and calves were also in fair to good condition.

Kauai County

Rainfall totals were variable throughout the island. Most northern sectors received near normal to above normal rainfall. This overcast, wet, and soggy condition, left most pastures in fair condition. Elsewhere rainfall was more sporadic, with some heavier localized precipitation which kept many of the pastures in fair to good. Ranchers reported some isolated yellow sugarcane aphid damage. Also reported were a moderate infestation of horn flies. Cattle and calves were in fair to good condition, with a few cattle loss due to the wet, cold conditions.

Maui County

Rainfall totals across the county were variable ranging from the 566 percent of normal rainfall recorded at Ulupalakua compared with the 0 percent of normal recorded a few miles down slope at the Kihei 2 rain gage. The frequent rains over windward and mountain areas provided for adequate forage on pasture and helped to maintain pastures in good to very good condition. The increase in grass growth, however, has also been accompanied by an increase in the spread of the Fireweed. Leeward pastures have received sufficient precipitation in the past few months to sustain fair to good pasture growth. Cattle and calves were in good to very good condition.

Rainfall Data Source: ***National Weather Service Forecast Office. NWS-NOAA.***

Disclaimer: ***Data from Hydronet state-wide network of automated rain gages. Gages are not certified and rainfall information is provided for informational purposes only.***

Cattle/Beef

Strong Demand, Tight Supplies Result in Record Monthly Prices

Cattle inventories continue to decline, restricting domestic beef supplies. In spite of restrictions by most countries on importing U.S. beef due to the December discovery of a Canadian-born dairy cow in Washington with BSE and a subsequent sharp drop in beef exports, domestic supplies cannot keep up with demand. Although they have declined from the fall records, prices strengthened through early spring and the cookout season. The initial near-normal spring grazing season has raised prospects for diminished drought conditions in 2004. But much of the West and Northern Plains remains dry, and conditions have diminished from a year ago in the Southeast. Cow slaughter has declined sharply from the larger year-earlier levels, even after accounting for the absence of Canadian cows from the market since late May 2003. Prices for beef and dairy cows, as well as replacement heifers, have risen sharply. Weather conditions will be a key to a shift toward broad expansion in breeding inventories this summer as restored grazing conditions and at least moderate feed grain prices are still important variables. Grain prices have favored herd expansion since 1995/96 when drought and record grain prices combined to set off herd liquidation. Drought has been a persistent issue in many areas since 1998.

Weather/Forage Supplies Key to 2004/05 Forecasts

Spring grazing conditions are developing favorably even in the drought areas, but the key to expansion will be conditions in June/July at the beginning of the breeding season. Hay stocks on May 1 were the largest in several years and are up 1 percent from a year earlier. Although stocks are up, the quality of the stocks and last year's harvest remain an issue. Supplies of irrigation water in many key areas are low, and harvest beyond the first cutting in all areas will be an important factor in determining herd expansion over the next couple of years, regardless of cattle prices.

Cattle Inventories Continue Decline

While much uncertainty exists as to the number of heifers that will be retained for breeding over the next couple of years, present numbers suggest very tight supplies for 2004. The number of beef replacement heifers and beef heifers expected to calve in 2004 were both down 2 percent from a year earlier on January 1. Dairy replacement heifers were down 2 percent, but the number of dairy heifers expected to calve this year was down 4 percent. Heifers on feed in feedlots with over 1,00 head of capacity on April 1 were up 4 percent from a year ago. Overall both the number of heifers bred or available for breeding in 2004 are down, and any meaningful increase in heifer retention cannot begin until heifers from this year's calf crop are weaned in the fall. Even if larger numbers are retained, these heifers will not be bred until 2005 to calve in 2006. If a larger proportion of the calves weaned in the fall of 2006 were placed on feed, beef production would not begin to rise until mid-2007, and then from progressively lower production levels in 2004 through 2006 due to declining inventories.

Feeder Cattle Supplies Continue To Decline

Feeder cattle supplies outside feedlots on April 1 and available for grazing or feeding enterprises were down nearly 2 percent from a year earlier. The smallest calf crop since 1951 and strong demand for feeder cattle continues to pull down feeder cattle supplies outside feedlots. With steadily reduced calf slaughter as more dairy bull calves are priced away from bob veal slaughter and into feedlots, little flexibility exists to adjust the domestic inventory to increase supplies. In fact, increased heifer retention will make the situation even tighter over the couple of years. The situation was made even tighter with the ban on imports of cattle from Canada in May 2003. Strong stocker/feeder cattle prices are resulting in larger imports from Mexico, but their cattle inventory has also been declining, and availability of animals for additional imports is limited.

Fed Marketings Continue To Be Pulled Forward

Steer and heifer federally inspected slaughter weights remain below the low levels of a year earlier and well below the 2002 averages. Feedlot inventories were nearly 6 percent above a year earlier on January 1, but were about unchanged from a year earlier on April 1. Feedlot placements this year are expected to remain well below the large 2003 placement levels this year with continued declines occurring in 2005. Feedlot performance has been somewhat disappointing this year, particularly in late winter/spring, but the primary reason for reduced slaughter weights has been the strong demand for beef and near record prices pulling cattle marketings forward. The market remains in a quandary with very strong cattle prices enticing feeders to market cattle early, while at the same time the Choice/Select price spread continues to widen as the demand for higher quality, consistent eating beef remains very strong.

Beef Production Decline Continues

Beef production was 7 percent below a year earlier in the first quarter and is expected to average down about 5 percent in the second and third quarters. Production may be about unchanged from the very low levels of last year in the fourth quarter. Not only are fed marketings declining, but cow slaughter has dropped sharply from a year earlier. The proportion of the cow herd slaughtered is expected to drop to near historic lows as the demand foe beef and dairy cows continues to be driven by record prices. Production is expected to decline about 4 percent this year, the result of both reduced slaughter levels and lower weights. Slaughter weights are expected to rise seasonally through fall. While weights are expected to be above the lows of 2003, weights in the second half of 2004 may only approximate the record levels of 2002. This rise will be due in large part to a sharply reduced level of cows in the slaughter mix.

Beef production in 2005 is likely to become somewhat more stable, with the already low levels of 2004 production declining another 3 percent. Increased heifer retention from this year's calf crop and a somewhat lower cow slaughter will more than offset some pickup in dressed slaughter weights. Even with the continued reduction in the proportion of cows in the slaughter mix, carcass weight will be pressed to reach the record levels set in 2002. As prices and demand strengthen, more cattle will be pulled forward to meet demand, but the cost will be lighter slaughter weights and fewer cattle grading Choice or higher.

Export Bans Holds Up Beef Per Capita

Per capita beef consumption this year is expected to rise nearly 2 pounds from the low levels of 2003 due largely to export bans on U.S. beef. However, even though the export bans are expected to continue in 2005, exports to North American Free Trade Agreement (NAFTA) countries are expected to rise from the low first-quarter 2004 level through the summer quarter and then level out until trade restrictions are resolved. Larger beef exports in 2005, reduced cattle on feed inventories, and lower cow slaughter are expected to pull per capita beef supplies down 2 to 3 pounds from this year's near 67-pound average.

Beef Trade

U.S. Beef Exports and Cattle Trade are Still Limited by BSE-Related Restrictions

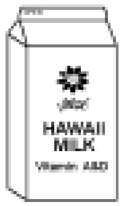
U.S. beef and cattle trade remains limited by widespread restrictions related to the 2003 discovery of BSE in Canada (May 20) and the United States (December 23). U.S. and Canadian beef face complete bans in all major markets except the NAFTA countries of Canada, Mexico and the United States. The NAFTA countries allow beef imports from Canada and the United States provided it is boneless cuts from animals less than thirty months of age. Canada allows imports of U.S. cattle, but Mexico does not. The United States has not lifted its restriction on live cattle imports from Canada.

U.S. beef exports in the first quarter 2004 were only 6 percent of year-earlier levels, as even permitted exports to Canada and Mexico were far below normal levels. While exports to Canada have been allowed since January, they had only reached 6 percent of year-earlier levels in March, and weekly export data suggest similarly slow movement through April. Exports to Mexico were resumed in March, but the weekly data suggest they have gradually increased to only 50 percent of pre-BSE levels by early May. Exports to both countries should continue increasing for the remainder of the year and into 2005, but may not reach pre-BSE levels because of product limitations and higher-than-normal supplies in Canada. Minor markets also account for some U.S. beef exports.

U.S. beef exports for 2004 are forecast to be 465 million pounds — only 18 percent of last year's level. Assuming current restrictions by importers, 2005 exports of 600 million pounds are expected. Live cattle exports may be insignificant this year and in 2005, assuming restrictions by Mexico remain in place. Although live cattle may be exported to Canada, the same growing surplus of animals in Canada are expected to limit U.S. beef exports and is likely to discourage exports of U.S. animals to Canada.

Full text of stories covered above can be found at:
Source: ***Livestock, Dairy, and Poultry Outlook, May 18, 2004, Economic Research Service, United States Department of Agriculture.***
Internet web site: ***http://www.ers.usda.gov/publications/ldp/***

APRIL OUTPUT LOWER

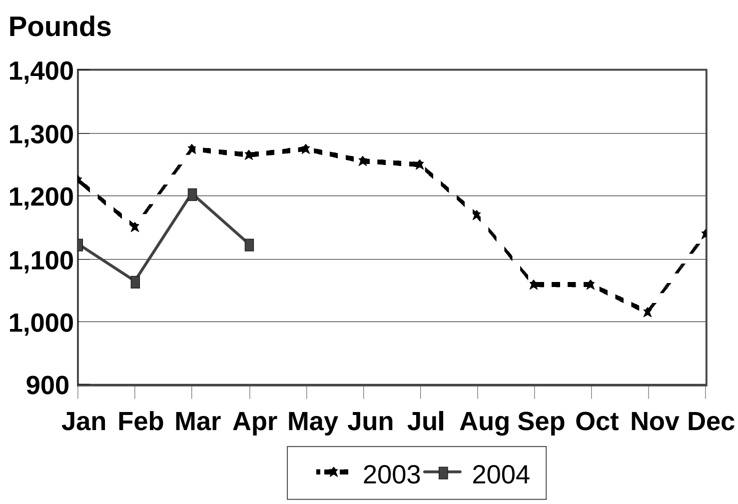


In April, Hawaii's dairy cows produced 7.2 million pounds of milk, compared to 8.1 million pounds in April 2003 and 7.7 million pounds in March 2004. The cow inventory, both dry and in milk, numbered 6,400 head, unchanged from April 2003 and March 2004. The average output per cow in April was 1,125 pounds, 140 pounds less than the same month last year and 80 pounds below the previous month. Production for the first four months of this year was 9 percent below the comparable period in 2003 and totaling 29.1 million pounds.

U.S. MILK PRODUCTION

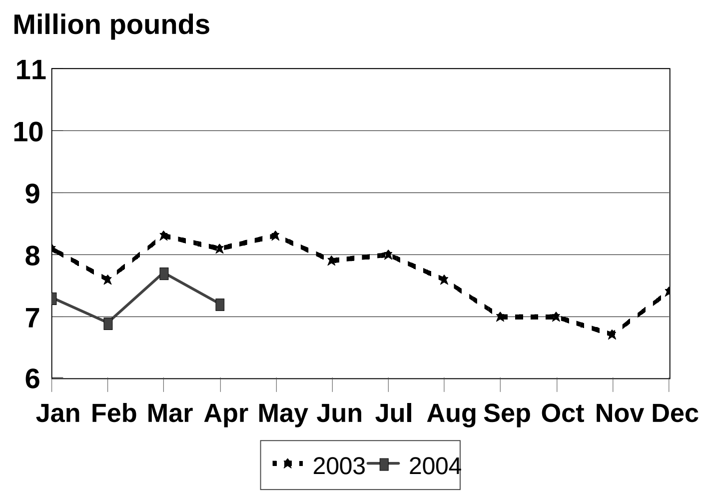
Milk production in the 20 major States during April totaled 12.6 billion pounds, down 0.9 percent from April 2003. March revised production, at 12.8 billion pounds, was down 1.7 percent from March 2003. The March revision represented an increase of 0.2 percent or 22 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,630 pounds for April, 3 pounds above April 2003. The number of milk cows on farms in the 20 major States was 7.72 million head, 81,000 head less than April 2003, but 2,000 head more than March 2004.

Milk Production Per Cow, State of Hawaii, 2003-2004



HAS

Total Milk Production, State of Hawaii, 2003-2004



HAS

Milk cows and milk production, State of Hawaii, April 2004

County	All milk cows [1,2,3]			Milk per cow [3]		Milk production [1,3]			
	Apr. 2003	Mar. 2004	Apr. 2004	Apr. 2003	Apr. 2004	Apr. 2003	Apr. 2004	Year-to-date 2003	Year-to-date 2004
	- - - - - - Number - - - - - -			- - - Pounds - - -		- - - - - - - - - - 1,000 pounds - - - - - - - - - -			
Hawaii	3,100	3,200	3,200	1,005	885	3,120	2,830	12,485	11,830
Honolulu	3,300	3,200	3,200	1,505	1,370	4,960	4,385	19,600	17,240
State	6,400	6,400	6,400	1,265	1,125	8,100	7,200	32,100	29,100

[1] State totals may not add due to rounding.
[2] Includes dry cows and cows on non-commercial dairy farms.
[3] Figures for 2004 are preliminary.

Average farm prices, State of Hawaii, April 2004

Commodity		April 2003	March 2004	April 2004
		- - - - - - - - - - - - cents per pound - - - - - - - - - - - -		
Range steers and heifers [1]	*- dressed weight*	75.0	84.0	83.5
	- (live weight equivalent)	(41.2)	(46.1)	(45.8)
Cows [1]	*- dressed weight*	56.0	53.0	52.0
	- (live weight equivalent)	(30.7)	(29.1)	(28.5)
Market hogs [1 2]	*- dressed weight*	114.0	117.0	116.0
	- (live weight equivalent)	(85.5)	(87.8)	(87.0)
		- - - - - - - - - - dollars per 100 pounds - - - - - - - - - -		
Milk [3]		22.60	24.20	25.30
		- - - - - - - - - - - - cents per dozen - - - - - - - - - - - -		
Eggs [4]		82.5	108.0	111.0

[1]Equivalent delivered slaughterhouse for sales on island of production and delivered shippers dock for off-island sales. Factors of 0.549 and 0.75 used to convert dressed weight prices to live weight equivalent for cattle and hogs, respectively.
[2] Includes roasters.
[3] Beginning 1999, monthly average price rounded to the nearest dime.
[4] Prices are for all eggs, equivalent delivered processing plant. Preliminary prices are based on processor reports from Hawaii, Kauai, Maui and adjusted Market Analysis & News Branch wholesale prices for Oahu. Final prices are based on processor reports from all islands.