HAWAII AGRICULTURAL STATISTICS

NASS

HAWAII MONTHLY LIVESTOCK REVIEW

HAWAII DEPARTMENT OF AGRICULTURE
1428 South King Street
HONOLULU, HI 96814-2512

U.S. DEPARTMENT OF AGRICULTURE
Phone: (808) 973-9588
FAX: (808) 973-2909

FACT FINDERS FOR AGRICULTURE

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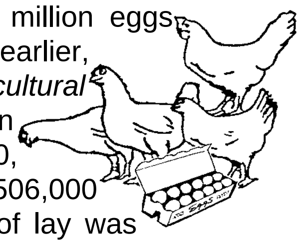
IN THIS ISSUE

APRIL EGG PRODUCTION 9 PERCENT BELOW A YEAR AGO



Egg production during April totaled **9.4** million eggs (26,111 cases), 9 percent less than a year earlier, according to the office of the *Hawaii Agricultural Statistics.* The average number of layers on hand during April 2005 was 504,000, compared with 505,000 a year ago and 506,000 during March 2005. The average rate of lay was 1,865 eggs per 100 layers (62.2 percent lay rate) compared with 2,040 (68.0 percent) a year ago. Cumulative production of eggs for the first 4 months of 2005 was 39.3 million eggs, 1 percent above the same period in 2004.

U.S. EGG PRODUCTION

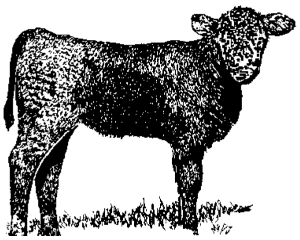
U.S. egg production totaled 7.39 billion during April 2005, up slightly from last year. Production included 6.29 billion table eggs, and 1.10 billion hatching eggs, of which 1.04 billion were broiler-type and 63 million were egg-type. The total number of layers during April 2005 averaged 344 million, up slightly from a year earlier. April egg production per 100 layers was 2,148 eggs, unchanged from April 2004.

All layers in the U.S. on May 1, 2005, totaled 343 million, up slightly from a year ago. The 343 million layers consisted of 283 million layers producing table or market type eggs, 57.4 million layers producing broiler-type hatching eggs, and 2.68 million layers producing egg-type hatching eggs. Rate of lay per day on May 1, 2005, averaged 71.4 eggs per 100 layers, up 1 percent from a year ago.

Number of layers and egg production, State of Hawaii, April 2005 [1]

County	Number of layers on hand during month			Eggs per 100 layer		Total eggs produced			
	Apr. 2004	Mar. 2005	Apr. 2005	Apr. 2004	Apr. 2005	Apr. 2004	Apr. 2005	Year-to-date 2004	Year-to-date 2005
	- - - - - - Thousands - - - - - -			- - - Number - - -		- - - - - - - - - - - Millions - - - - - - - - - - -			
Hawaii/Kauai/Maui	121.2	122.7	117.0	1,968	1,655	2.38	1.90	9.70	9.00
Honolulu	383.8	382.3	387.0	2,064	1,929	7.92	7.50	30.10	30.30
State	505.0	506.0	504.0	2,040	1,865	10.30	9.40	39.80	39.30

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



APRIL MARKETINGS 42 PERCENT BELOW YEAR AGO

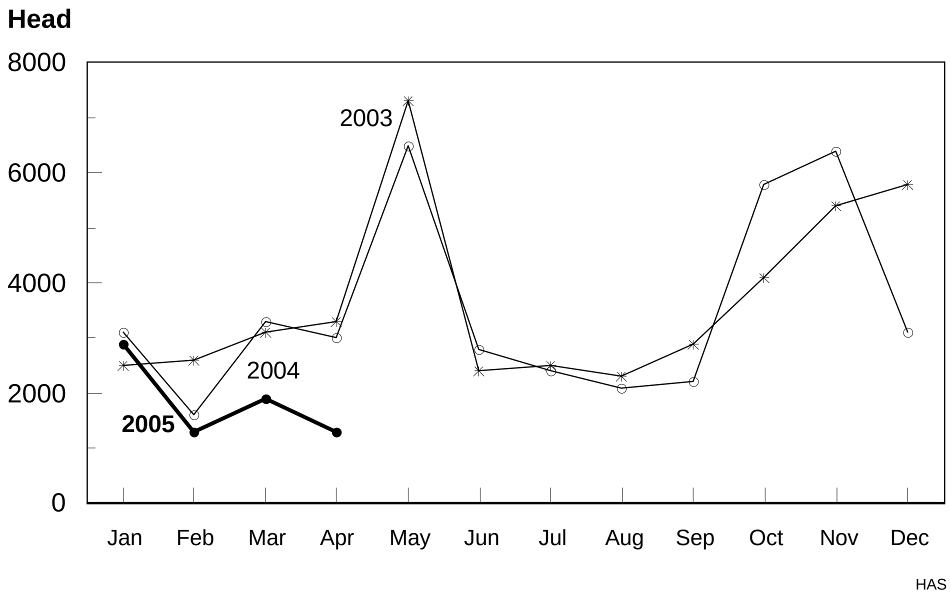
Cattle marketings during April totaled 2,200 head, compared with 3,800 head a year ago and 2,800 head during March 2005. The decline in out-of-state shipments accounted for the 42 percent drop in marketings. Exports during April 2005 decreased 57 percent from a year ago to 1,300 head. Cumulative marketings for the first 4 months of 2005 was 10,500 head, a decrease of 27 percent from the same period a year earlier. Year-to-date exports for 2005 was 7,500 head, a decline of 32 percent from the same 4-month period in 2004.

Cattle Marketings, State of Hawaii, April 2005

Month	Total Marketings [1] Number of Head [3]		Exports [2] Number of Head Steers		Heifers		Total [3]		Average Live Weight	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
	head								pounds	
April	3,800	2,200	1,600	800	1,400	600	3,000	1,300	450	465
Year-to-date [4]	14,400	10,500	6,600	4,300	4,400	3,200	11,000	7,500	453	462

[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, 2003-2005



COMMERCIAL BEEF PRODUCTION 9 PERCENT ABOVE A YEAR AGO

Commercial beef production (local slaughter) during April 2005 totaled 512,000 pounds, compared with 472,000 pounds a year earlier. Commercial kill for April 2005 totaled 900 head, 100 more than a year ago. Average live weight per head, at 1,095 pounds, was 1 percent heavier than a year ago. Cumulative beef production for the first four months of 2005 was 15 percent below the same period a year earlier.

U.S. BEEF PRODUCTION

Beef production, at 1.89 billion pounds, was 3 percent below the previous year. Cattle slaughter totaled 2.56 million head, down 5 percent from April 2004. The average live weight was up 20 pounds from the previous year, at 1,220 pounds.

PORK PRODUCTION 13 PERCENT LESS THAN A YEAR AGO

Commercial pork production during April 2005 totaled 300,000 pounds, compared with 344,000 pounds a year ago. Total hog kill of 1,900 head was 400 less than a year ago. Average live weight per head, at 211 pounds, was 8 percent heavier than a year ago. Year-to-date pork production for the first four months of 2005 was 11 percent less than the same period in 2004.

Pork production totaled 1.70 billion pounds, down 1 percent from the previous year. Hog kill totaled 8.44 million head, 2 percent below April 2004. The average live weight was 3 pounds above the previous year, at 271 pounds.

U.S. PORK PRODUCTION

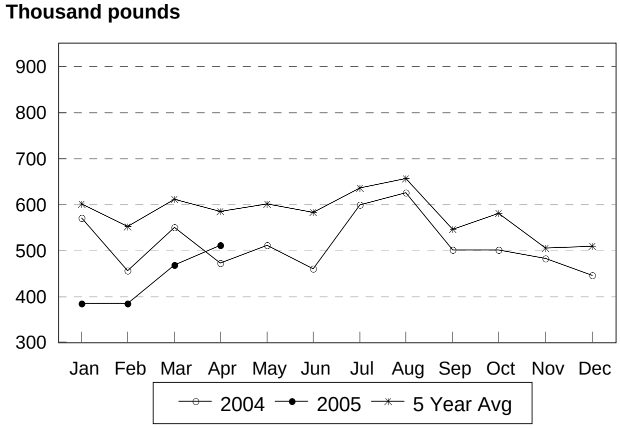
Commercial slaughter, State of Hawaii, April 2005 [1]

Species	Number of head		Average live weight		Total live weight [2]		Total dressed weight	
	2004	2005	2004	2005	2004	2005	2004	2005
			- - - - - - pounds - - - - - -		- - - - - - - - - - - - 1,000 pounds - - - - - - - - - - - -			
Cattle								
April	800	900	1,081	1,095	860	933	472	512
Year-to-date	3,400	3,000			3,733	3,191	2,049	1,752
Hogs [3]								
April	2,300	1,900	196	211	459	400	344	300
Year-to-date	9,000	7,900			1,794	1,597	1,346	1,198

[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.

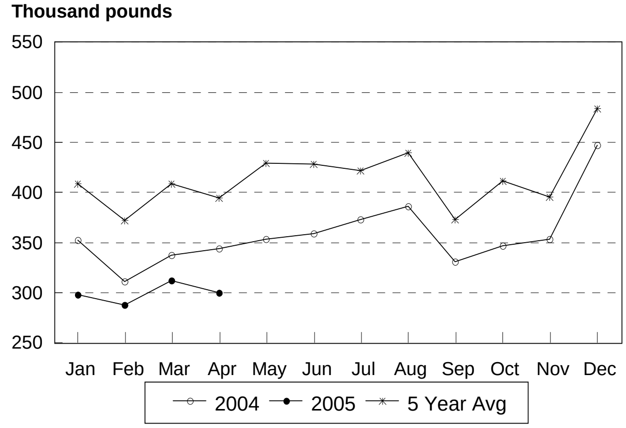
Commercial Beef Production, State of Hawaii
2005, with comparisons

Thousand pounds



Commercial Pork Production, State of Hawaii
2005, with comparisons

Thousand pounds



PASTURE AND LIVESTOCK CONDITION, MAY 1, 2005

Hawaii County

Hilo and Puna: Although rainfall totals for April were below normal, almost daily showers during the first half of the month along with carry over soil moisture from previous months helped to maintain most pastures in fair to good condition. Most pastures had a good supply of forage feed on hand. Pastures at the upper elevations of Mauna Kea were in fair condition. The hot, dry conditions at the end of the month, slowed new grass growth and increased the incidences of weed growth in some pastures. Cattle and calves were in good condition.

Ka'u: Hot, dry weather dominated conditions in the district. Rainfall amounts were very light and well below normal. Most pastures were in fair to poor condition. Soil moisture levels were declining, forage supplies were being depleted as well as drying out rapidly and weed growth were quickly spreading. Stock water supplies were low, with some water hauling taking place. Cattle and calves were in good condition, with some light mineral supplementation occurring.

Kona: Generally, hot, dry conditions prevailed, for the district. Rainfall totals were below normal for the month, although intermittent timely showers helped a few grazing areas. Most pastures were in fair to good condition with some reported in poor, dry condition. In general, upper elevation pastures and southern Kona pastures faired better than coastal pastures and pastures located towards northern Kona. Soil moisture levels were diminishing and stock water levels were getting low. Cattle and calves were in fair to good condition.

Kohala: Although rainfall totals for the month was below normal, carryover moisture from previous months helped to maintain most pastures in fair to good condition. Forage supply levels were good in nearly all pastures, except for coastal and lower elevation pastures, which were very dry and in poor condition. The infestation of the Senecio weed is continuing to spread to more grazing areas. Cattle and calves were in fair to good condition.

Hamakua: Light, but consistent showers, during the first half of the month helped most pastures to maintain a good supply of forage feed on hand. Sunny, dry conditions during the second half of the month slowed new grass prospects. Most pastures were in fair to good condition. Stock water supply levels were declining. Cattle and calves were in fair to good condition.

Honolulu County

Near normal trade wind weather prevailed throughout much of the month. This resulted in more stable atmospheric conditions and as a result drier weather. All rain gages on the island recorded below normal rainfall totals, with many recording rainfall totals below 50 percent of normal. Most pastures were still rated good to very good. Although the availability of forage feed was ample in most areas, many pastures were starting to dry out. The wet winter had provided many of the grazing areas the current abundance of forage that is on hand. Cattle and calves were in good condition.

Kauai County

Dry conditions prevailed during the month of April, after a wet first two months of 2005. Rainfall totals from all rain gages were below normal, except for the rain gage at Kalaheo, which register normal rainfall for the month. Although the dry weather has been drying out pastures and slowing new grass growth, most pastures were still in fair to good condition, although several were in poor condition. Cattle and calves were in good condition.

Maui County

As with the other counties, rainfall totals for the month was below normal for all areas. However, the eastern sector of Maui Island received nearer normal rainfall amounts when compared with other areas of the county. Most windward facing pastures were in fair to good conditions with adequate forage available. Drier conditions prevailed for leeward facing pastures. Molokai pastures were in fair to good condition. Cattle and calves were in 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

Trade Restrictions, Litigation Continue To Dominate Beef/Cattle Outlook

Major shifts in meat trade due to the discovery of bovine spongiform encephalopathy (BSE) in Canada in May 2003 and the United States in December 2003 will almost certainly continue to influence forecasts well into 2006. U.S. cattle inventories remain near cyclical lows, with no meaningful domestic production increases likely before 2007. Cows and heifers bred this year will calve in 2006 and begin to increase fed cattle marketings and beef production in mid-2007. The major uncertainties for this forecast period are caused by the timing of rule and legal changes that may allow the markets to return to some resemblance of the order existing prior to 2003.

Court hearings on the delay in implementing the minimal-risk regions rule continue to move toward resolution. Court hearings in the 9th Circuit Court of Appeals in San Francisco, slated for June, is the earliest the border may open. Hearings in the U.S. District Court for the District of Montana, Billings Division, are scheduled for late July. Present forecasts assume the U.S. border will be open in the third quarter for cattle under 30 months of age for immediate slaughter and for feedlot placement and then immediate slaughter.

Tight cattle inventories in the United States and the early stages of female retention and herd expansion will hold down U.S. cattle production. Slaughter capacity in Canada continues to increase and steadily work down the bubble of accumulated cattle inventory in Canada. First-quarter imports of Canadian fed beef rose over 7 percent above a year earlier due to a large U.S. price premium. With the increased supply of cattle under 30 months of age from Canada possibly beginning this summer, beef production is expected to rise about 3 percent this year and again in 2006. Timing of the border reopening with Canada is the major uncertainty on supplies. Reopening and re-establishing the Asian markets for U.S. beef exports and the availability of cattle meeting export requirements will be key factors affecting beef prices over the next couple of years.

Feeder Cattle Supplies Remain Cyclically Low

Although feeder cattle supplies outside feedlots on April 1 remain near the cyclical lows of the past few years, they were 3 percent above a year earlier. First-quarter feedlot placements were about unchanged from a year ago, but steer/heifer and calf slaughter declined over 3 percent, supporting larger supplies. Favorable grazing conditions in late winter/early spring and positive cattle feeding margins have resulted in very strong demand and record stocker-feeder cattle prices. Tightening feeder cattle supplies and heifer retention will hold down feedlot placements, even with feeder cattle from Canada available to be placed on feed.

Early Spring Cattle on Feed Inventories Remain Tight

Cattle on feed April 1, 2005, were 1 percent higher than a year ago and 1.5 percent higher than 2003. First-quarter placements were about unchanged from a year earlier, while marketings were 1 percent below year-earlier levels. Poor feeding conditions this past winter have held down marketings, but feedlot performance, and consequently slaughter weights, is now increasing and weights are expected to rise through early fall.

Cow-Calf and Feeder Cattle Conditions Favorable

Cow/calf and cow/calf/yearling operators continue to reap the benefits of reduced supplies of calves and feeder cattle under the continuing prospects for a second year of good pasture conditions. The drought areas in the inter-mountain West and parts of the northern Plains continue to shrink, while the remainder of the country is in good shape. Stocker-feeder calf prices, while not at the record highs of mid-2004 or the pre-BSE peaks in October-November 2003, remain very high, with some calves still selling for almost $1.50 per pound. Cow/calf producers face a tough dilemma over whether to retain heifers for herd expansion or sell the heifers at current high prices.

Cow Slaughter Continues Cyclical Decline

Cow slaughter is down by almost 6 percent over first-quarter 2004 and by almost 19 percent from first-quarter 2003. Heifers on feed April 1, 2005 are also the lowest April numbers since April 1, 1996. In contrast, steers on feed April 1 are the highest April numbers since April 1, 1995. The reduced cow slaughter and low heifer numbers on feed contribute to the evidence that the building phase of the next cattle cycle has begun. Cow prices have begun to slip below recent highs in the low $60 range, and processing beef imports are beginning to fill the gap.

Feedlots Current but Could Face Pressure

Feedlots are current, and continue to be just on the positive side of breakeven, as they were in March.

Prices in the low- to mid-$90 per hundredweight for fed cattle will continue to be profitable as long as feed prices remain at or near current low levels and feeder cattle prices remain near or below $110 per cwt. Feed prices are forecast at relatively low levels, especially if weather conditions hold throughout the summer, as higher prospective plantings, if they translate into increased production, generally mean more grain and lower prices. Working against this scenario are the fact that good pasture conditions will mean heavy competition and higher prices for the limited supply of stocker cattle. In addition, seasonally heavier numbers of feedlot cattle on feed for 120 days or more will be coming to market. Fed cattle prices could come under some pressure as these cattle begin coming to market, even without imported Canadian cattle contributing to supplies. At the same time, the continuing injunction against live cattle coming from Canada will exacerbate the feeder cattle supply situation. Fed cattle performance should begin to improve seasonally as the weather improves, increasing slaughter and dressed weights.

Beef Supplies Remain Tight in 2006

Beef supplies will remain cyclically tight in 2006, with cow slaughter remaining near a cyclical low of about 5 million head. Steer and heifer slaughter is expected to rise with additional Canadian fed and feeder cattle entering the market. However, cyclical low cattle inventories and the end of surplus cattle from the Canadian cattle inventory through increased slaughter in both countries are expected to result in year-to-year declines in beef production by late 2006. Seasonal price lows will be exaggerated during the summer of 2006 as the last of the fall/winter feedlot placement bulge is worked off and these cattle enter the slaughter market. Beef production in 2006 is expected to rise about 3 percent, about the same increase as in 2005. Both steer and heifer slaughter and slaughter weights are expected to rise. Slaughter weights are expected to set a record in 2005, exceeding the 758-pound 2002 dressed weight record by about 3 pounds. An additional 3- to 5-pound gain is likely in 2006.

Fed cattle prices are expected to come under pressure in 2006, averaging in the upper $70s per cwt until late fall. Prices, although down from 2005's record levels, are still expected to average over $10 per cwt above the 2002 average before the Canadian border closing. Feeder cattle prices are also expected to decline, but cyclically tight supplies are expected to average about $15 per cwt above the 2002 average of $80.04. Utility cow prices are expected to remain very strong, about $15 above the 2002 average, as herd expansion continues.

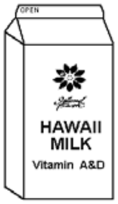
Hogs/Pork

Pork Production To Increase Slowly in 2006, With Lower-Valued Dollar Continuing To Fuel Exports

The pork outlook for 2006 largely reflects the “steady-state” structure of the North American pork industry, a continuation of strong foreign demand for U.S. pork products, deriving mainly from a low-valued U.S. dollar, and demand for U.S. pork as an alternative to restricted imports of beef and poultry. Commercial pork production in 2006 is expected to be almost 21 billion pounds, about 1.2 percent greater than this year. Most of the production increase will come from productivity increases in the domestic breeding herd, larger imports of Canadian animals, and higher average dressed weights that are expected to result from continued favorable costs of gain. The live equivalent price of 51-52 percent lean hogs is expected to range between $44 and $48 per cwt.

The low value of the U.S. dollar, relative to the currencies of pork-importing countries, and competing pork-exporting countries, is likely to be a major factor driving U.S. pork exports in 2006. Favorable exchange rates, together with continued concerns relating to cattle (BSE) and poultry (avian influenza) diseases — particularly in Asia — set the stage for U.S. pork exports of 2.75 billion pounds next year. Exports of this quantity represent 13 percent of production, a continuation of a trend that accelerated in 2003, the year when the U.S. dollar began to depreciate significantly and BSE first appeared in North America.

Full text of stories covered above can be found at:
Source: *Livestock, Dairy, and Poultry Outlook, May 19, 2005, Economic Research Service, United States Department of Agriculture.*
Internet web site: *http://www.ers.usda.gov/publications/ldp/*



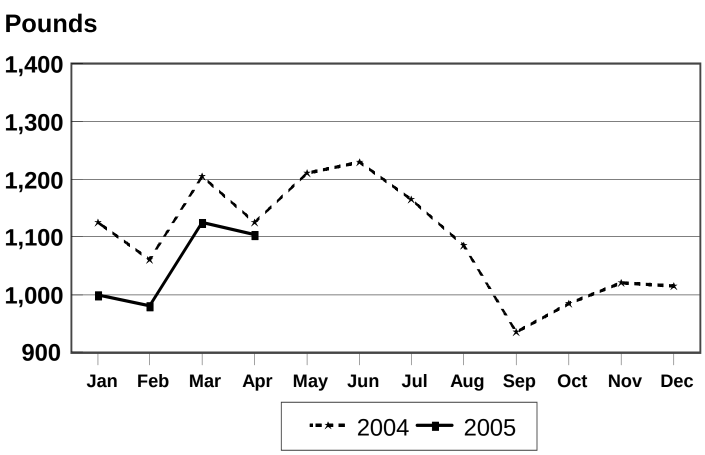
APRIL PRODUCTION LOWER

In April, Hawaii's dairy cows produced 6.2 million pounds of milk compared with 7.2 million pounds for April last year and 6.3 million pounds in March this year. The dairy herd of cows both dry and in milk numbered 5,600 head, down 800 from April 2004 but unchanged from March 2005. In April, output per cow averaged 1,105 pounds, 20 pounds below the same month last year and the previous month. Production for the first four months of 2005 totaled 23.9 million pounds, down 18 percent from the January-April period in 2004.

U.S. MILK PRODUCTION

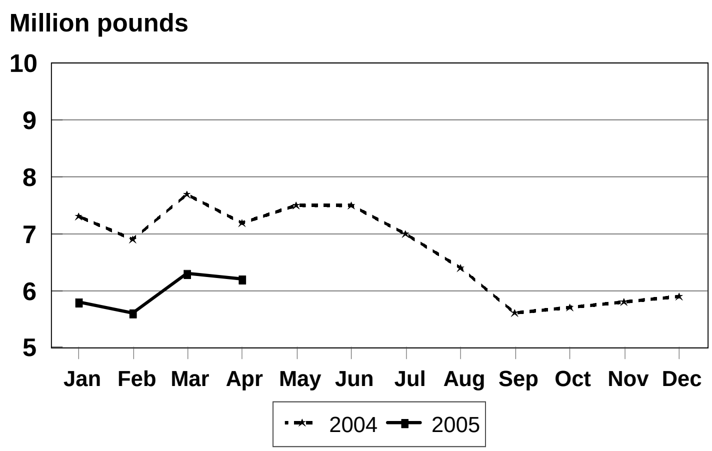
Milk production in the 23 major States during April totaled 13.6 billion pounds, up 3.2 percent from April 2004. March revised production, at 13.8 billion pounds, was up 2.9 percent from March 2004. The March revision represented a decrease of 0.1 percent or 20 million pounds from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,679 pounds for April, 43 pounds above April 2004. The number of milk cows on farms in the 23 major States was 8.11 million head, 44,000 head more than April 2004, and 12,000 head more than March 2005.

Milk Production Per Cow, State of Hawaii, 2004-2005



HAS

Total Milk Production, State of Hawaii, 2004-2005



HAS

Milk cows and milk production, State of Hawaii, April 2005

County	All milk cows [1,2,3]			Milk per cow [3]		Milk production [1,3]		Year-to-date	
	Apr. 2004	Mar. 2005	Apr. 2005	Apr. 2004	Apr. 2005	Apr. 2004	Apr. 2005	2004	2005
	- - - - - - Number - - - - - -			- - - Pounds - - -		- - - - - - - - - - 1,000 pounds - - - - - - - - - -			
Hawaii	3,200	[4]	[4]	885	[4]	2,835	[4]	11,835	[4]
Honolulu	3,200	[4]	[4]	1,375	[4]	4,405	[4]	17,260	[4]
State	6,400	5,600	5,600	1,125	1,105	7,200	6,200	29,100	23,900

[1] State totals may not add due to rounding.
[2] Includes dry cows and cows on non-commercial dairy farms.
[3] Figures for 2005 are preliminary.
[4] Hawaii and Honolulu are combined due to disclosure beginning August 2004.

Average farm prices, State of Hawaii, April 2005

Commodity		April 2004	March 2005	April 2005
		- - - - - - - - - - - - cents per pound - - - - - - - - - - - -		
Range steers and heifers [1]	*- dressed weight*	84.5	91.0	91.0
	- (live weight equivalent)	(46.4)	(50.0)	(50.0)
Cows [1]	*- dressed weight*	51.0	50.0	50.0
	- (live weight equivalent)	(28.0)	(27.5)	(27.5)
Market hogs [1 2]	*- dressed weight*	118.5	119.0	118.0
	- (live weight equivalent)	(88.9)	(89.3)	(88.5)
		- - - - - - - - - - dollars per 100 pounds - - - - - - - - - -		
Milk [3]		25.40	27.20	27.00
		- - - - - - - - - - - - cents per dozen - - - - - - - - - - - -		
Eggs [4]		115.0	95.0	93.0

[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.