HAWAII
FIELD OFFICE
NASS

HAWAII MONTHLY LIVESTOCK REVIEW

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MAY EGG PRODUCTION 8 PERCENT BELOW A YEAR AGO

Egg production during May totaled **9.4** million eggs (26,111 cases), 8 percent less than a year earlier, according to the office of the *Hawaii Field Office of USDA's National Agricultural Statistics Service.* The average number of layers on hand during May 2005 was 486,000, compared with 502,000 a year ago and 504,000 during April 2005. The average rate of lay was 1,934 eggs per 100 layers (62.4 percent lay rate) compared with 2,032 (65.5 percent) a year ago. Cumulative production of eggs for the first 5 months of 2005 was 48.7 million eggs, 3 percent below the same period in 2004.

U.S. EGG PRODUCTION

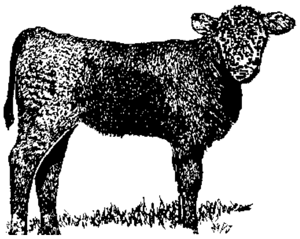
U.S. egg production totaled 7.56 billion during May 2005, up one percent from last year. Production included 6.43 billion table eggs, and 1.13 billion hatching eggs, of which 1.07 billion were broiler-type and 65 million were egg-type. The total number of layers during May 2005 averaged 342 million, down slightly from a year earlier. May egg production per 100 layers was 2,210 eggs, up one percent from May 2004.

All layers in the U.S. on June 1, 2005, totaled 342 million, down one percent from a year ago. The 342 million layers consisted of 282 million layers producing table or market type eggs, 56.8 million layers producing broiler-type hatching eggs, and 2.70 million layers producing egg-type hatching eggs. Rate of lay per day on June 1, 2005, averaged 71.3 eggs per 100 layers, up 1 percent from a year ago.

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

County	Number of layers on hand during month			Eggs per 100 layer		Total eggs produced			
	May 2004	Apr. 2005	May 2005	May 2004	May 2005	May 2004	May 2005	Year-to-date 2004	Year-to-date 2005
	------ Thousands ------			--- Number ---		----------- Millions -----------			
Hawaii/Kauai/Maui	119.2	117.0	110.0	1,907	1,735	2.25	1.91	11.90	11.00
Honolulu	382.8	387.0	376.0	2,077	1,993	7.95	7.49	38.10	37.70
State	502.0	504.0	486.0	2,032	1,934	10.20	9.40	50.00	48.70

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



MAY MARKETINGS 45 PERCENT BELOW YEAR AGO

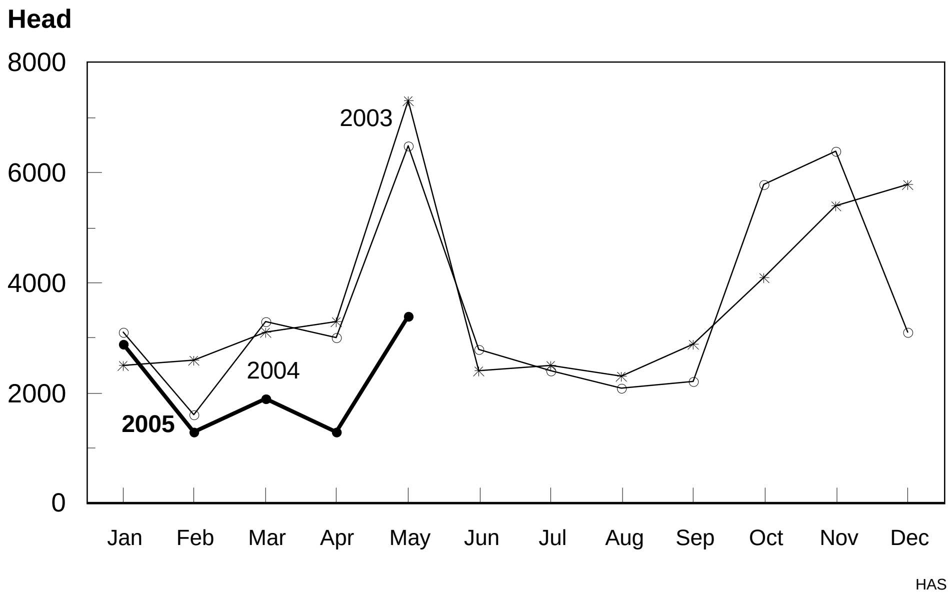
Cattle marketings during May totaled 4,100 head, compared with 7,400 head a year ago and 2,200 head during April 2005. Declines in both out-of-state shipments and local slaughter accounted for the 45 percent drop in marketings. Exports during May 2005 decreased 48 percent from a year ago to 3,400 head. Cumulative marketings for the first 5 months of 2005 was 14,600 head, a decrease of 33 percent from the same period a year earlier. Year-to-date exports for 2005 was 10,900 head, a decline of 38 percent from the same 5-month period in 2004.

Cattle Marketings, State of Hawaii, May 2005

Month	Total Marketings [1]		Exports [2]							
	Number of Head [3]		Number of Head						Average Live Weight	
			Steers		Heifers		Total [3]			
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
	head								pounds	
May	7,400	4,100	4,200	1,700	2,300	1,700	6,500	3,400	434	372
Year-to-date [4]	21,800	14,600	10,800	6,000	6,700	4,800	17,500	10,900	446	434

[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



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COMMERCIAL BEEF PRODUCTION 11 PERCENT BELOW A YEAR AGO

Commercial beef production (local slaughter) during May 2005 totaled 453,000 pounds, compared with 511,000 pounds a year earlier. Commercial kill for May 2005 totaled 800 head, 100 fewer than a year ago. Average live weight per head, at 1,098 pounds, was 3 percent heavier than a year ago. Cumulative beef production for the first five months of 2005 was 14 percent below the same period a year earlier.

U.S. BEEF PRODUCTION

Beef production, at 2.07 billion pounds, was slightly above the previous year. Cattle slaughter totaled 2.79 million head, down 2 percent from May 2004. The average live weight was up 20 pounds from the previous year, at 1,224 pounds.

PORK PRODUCTION 7 PERCENT LESS THAN A YEAR AGO

Commercial pork production during May 2005 totaled 328,000 pounds, compared with 356,000 pounds a year ago. Total hog kill of 2,000 head was 300 less than a year ago. Average live weight per head, at 224 pounds, was 10 percent heavier than a year ago. Year-to-date pork production for the first five months of 2005 was 10 percent less than the same period in 2004.

Pork production totaled 1.61 billion pounds, up 7 percent from the previous year. Hog kill totaled 8.03 million head, 6 percent above May 2004. The average live weight was 4 pounds above the previous year, at 270 pounds.

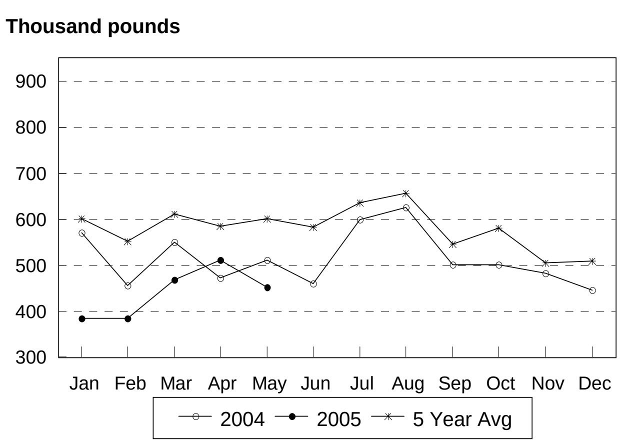
U.S. PORK PRODUCTION

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

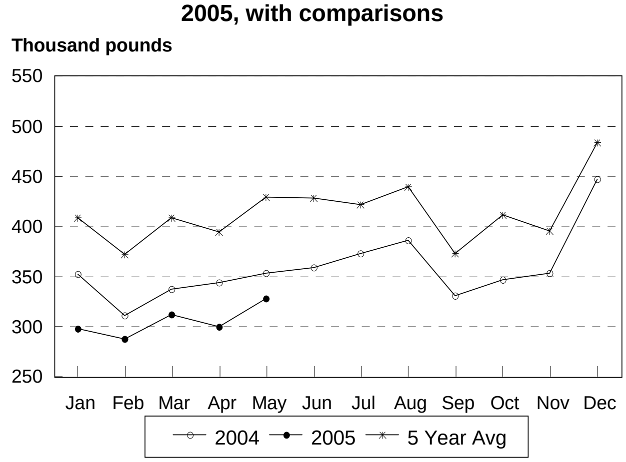
Species	Number of head		Average live weight		Total live weight [2]		Total dressed weight	
	2004	2005	2004	2005	2004	2005	2004	2005
			- - - - - - pounds - - - - - -		- - - - - - 1,000 pounds - - - - - -			
Cattle								
May	900	800	1,068	1,098	930	825	511	453
Year-to-date	4,300	3,700			4,663	4,016	2,560	2,205
Hogs [3]								
May	2,300	2,000	203	224	474	437	356	328
Year-to-date	11,300	9,800			2,268	2,034	1,702	1,526

[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



Commercial Pork Production, State of Hawaii 2005, with comparisons



PASTURE AND LIVESTOCK CONDITION, JUNE 1, 2005

Hawaii County

Hilo and Puna: Very dry conditions, below 40 percent of normal rainfall, during May has most pastures in fair to good condition. The dry weather has left most pastures with a dwindling supply of forage but an increased amount of weed growth. Cattle and calves were in fair to good condition.

Ka'u: Sunny, dry weather continued for the third consecutive month. Rainfall amounts were very light and well below normal levels. Most pastures were in fair to poor condition, with a diminishing supply of forage. There was some loss of forage feed due to a range fire. Soil moisture levels were decreasing, grasses were drying out and weeds were spreading. Stock water supplies were low, with some water hauling taking place. Cattle and calves were in good condition.

Kona: Frequent shower activities provided most of the district with adequate moisture to stimulate new grass growth. Although rainfall totals were below normal for most areas, the percentage of normal rainfall were nearer normal levels than in any other area of the island. Most pastures were in fair to good condition with some at the lower elevation pastures in poor, dry condition. In general, upper elevation pastures and southern Kona pastures faired better than coastal pastures. Some areas of North Kona received above normal rainfall. Soil moisture levels were adequate with stock water levels improving. Cattle and calves were in fair to good condition.

Kohala: Rainfall totals for the month were below normal. Moisture levels were dwindling leaving pastures in fair condition. Forage supplies were adequate although drying out. Most coastal and lower elevation pastures were dry and in poor condition. The infestation of the Senecio weed continue to spread to more grazing areas. Cattle and calves were in fair to good condition.

Hamakua: Shower activities, during May, was generally very light. Most pastures were in fair to good condition with an adequate supply of forage feed on hand. Cool, cloudy conditions at the upper elevations helped to sustain the upper elevation pastures in better condition than the lower pastures. Stock water supply levels were declining. Cattle and calves were in fair to good condition.

Honolulu County

Variable rainfall amounts were recorded for the month. Many of the rain gages along windward areas recorded near to above normal rainfall totals, while most leeward pastures, along with several windward sectors, registered below normal rainfall amounts. Timely rainfall kept most windward pastures in good condition. Leeward pastures, however, were quickly drying and were in fair to poor condition. Brush fires, especially in the Waianae District, resulted in the lost of forage supplies. Cattle and calves were in good condition.

Kauai County

Except for the Kapahi rain gage, which recorded above normal rainfall totals for the month, dry conditions prevailed throughout the remainder of the county. Three consecutive months of dry weather has left pastures dry and in fair to poor condition. Cattle and calves were in good condition.

Maui County

Rainfall totals for the month continued below normal for most areas. However, above normal rainfall totals were recorded in the Kula, Ulupalakua sector of Maui Island. This resulted in good new grass growth and has pastures in fair to good condition. Most windward facing pastures received below normal, but timely, rainfall to maintain pastures in fair to good condition. Drier conditions prevailed along leeward facing areas resulting in pastures in fair to poor condition. 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

Cattle Weights/Beef Supplies Rising Seasonally

Second-quarter beef production is expected to be unchanged from the low levels of last year, but down about 9 percent from 2002 and 2003. The discovery of a cow with Bovine Spongiform Encephalopathy (BSE) in Canada on May 20, 2003, resulted in the closing of Canada's border for trade with most countries. A period of reduced beef supplies in the United States followed, even after the opening of the U.S. border for boneless beef from cattle under 30 months of age on August 8, 2003. Court hearings on an appeal of the March 2, 2005, Billings, Montana U.S. District Court preliminary hearing against imports of live cattle under 30 months of age from Canada are scheduled for July 13 in Seattle, Washington before the Ninth Circuit Court of Appeals. Hearings on the permanent injunction are scheduled for July 27 before the District Court in Billings, Montana. The present forecasts assume the border closure will not be over before the end of July.

Even with the continued border closure to under 30-month-old fed and feeder cattle due to the District Court's decision, beef supplies are beginning to rise seasonally. Prices are being pressured by increased fed-cattle slaughter at heavier weights and seasonally declining demand as summer heat shifts diets to lighter fare. Cattle dressed-slaughter weights reached seasonal lows in April and have been rising fairly sharply through June. Cattle on feed inventories on May 1 in feedlots with over 1,000 head of feedlot capacity were up 3 percent from a year earlier. Although cow slaughter remains below the cyclical lows of a year earlier, increased fed cattle marketings at heavier weights and a resumption of cattle trade in August could result in third-quarter beef production rising about 8 percent from a year earlier and about 10 percent from the low second-quarter level. Consequently, cattle/beef prices have peaked for this year and will come under increasing pressure from larger beef supplies and greater supplies of competing meats at relatively lower prices.

Hogs/Pork

May Hog Prices Lower Than a Year Ago

May was the first month in 2005 in which the live equivalent price of 51-52 percent lean hogs was below year-earlier levels. The May 2005 price – $55.40 per cwt – was 5 percent below the May 2004 price of $58.45, but exceeded the May 2003 price by 27 percent, and remains well above USDA's estimated May breakeven price of $42.15 per cwt for a farrow-to-finish operation in the North Central region of the United States. The recent weakness of U.S. hog prices is an outcome of supply and demand factors: slightly elevated U.S. pork production and a slowing domestic demand for some pork products.

On the production side, first-half 2005 pork production is expected to be only fractionally above a year ago. With 2005 slaughter numbers running very close to last year, the small year-over-year production difference is largely attributable to higher average dressed weights. Through May 2005, estimated dressed weights have been running almost 2 pounds ahead of last year. When feed costs are relatively low and pork demand is strong, heavier hogs are especially desirable for both producers and processors because per-head costs can be spread over the additional weight of the animal, thus lowering average costs of production and processing.

Higher Retail Prices and Macro Factors Could Be Slowing Pork Demand

Slower movement and lower wholesale values of pork cuts may be partially attributable to good availability of other animal proteins – beef, and poultry in particular – with poultry relatively well-priced at retail compared with beef and pork. Second-quarter 2005 retail prices of beef and pork are expected to average more than 2 percent above the same period last year, whereas retail chicken prices are expected to decline slightly. So, relatively strong retail red meat prices, together with higher gasoline prices and interest rate uncertainty on the macro side, could be contributing to the moderating consumer demand for pork products. It is also possible that U.S. consumers are to some degree resuming animal protein consumption patterns established prior to the popular weight-loss regimes of 2004.

For 2005, hog prices are expected to range between $48 and $50 per cwt, and retail pork prices are expected to average in the low-$2.80s per pound. This year, per capita pork consumption is expected to be slightly more than 50 pounds, down about a pound from 2004. USDA will release its *Quarterly Hogs and Pigs* report on June 24.

Poultry

Revisions Boost First-Quarter Broiler Production

Upward revisions in U.S. broiler meat production boosted first-quarter 2005 production to 8.57 billion pounds, up 118 million from the previous estimate. This is a 4.6-percent increase from the same period in 2004. The increase was due to a number of factors. First, the number of birds slaughtered in the first quarter was up 1.2 percent from the previous year. Second, the weight of birds at slaughter averaged 5.33 pounds, up 2.2 percent from first-quarter 2004. Third, the useable meat yield that processors achieved was higher. The meat yield is the percentage of meat that processors are able to remove from an average carcass. In the first quarter of 2005, the percentage of ready to cook meat production compared with the total liveweight of birds slaughtered was .745 percent. This yield factor is 1.1 percent higher than for the same period in 2004.

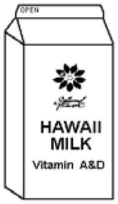
Total broiler meat production in April was 2.85 billion pounds, only 1.4 percent higher than the previous year. However, the major reason for the small increase was that April 2005 had one fewer slaughter day than in the previous year. With a higher number of birds expected to be slaughtered in May and June and with slaughter weights averaging about 2 percent higher than the previous year, the estimates for broiler production in the second and third quarters of 2005 were both increased by 50 million pounds and the fourth quarter estimate was increased by 25 million pounds. These changes pushed the broiler meat production estimate for 2005 to nearly 35.4 billion pounds, 3.8 percent higher than in 2004.

With higher production, prices for most broiler products continue to be below the strong prices of a year earlier. Over the first 5 months of 2005, prices in the Northeast market for boneless/skinless breast meat averaged $1.47 per pound, down 26 percent from the same period in 2004. The average prices for boneless/skinless thigh meat and wings were also lower, down 18 and 10 percent, respectively. With no restrictions on exports, total shipments of leg quarters were up 19 percent during the first 4 months of 2005 compared with the same period in 2004. These higher shipments have been reflected in strengthening prices. Leg quarter prices averaged 33.5 cents per pound through May, down 3 percent from a year earlier. However, prices for leg quarters have strengthened through the first 5 months of 2005, with the price in May up 9 cents per pound from January.

Broiler exports in April totaled 470 million pounds, up 46 percent from last year. The broiler export increase during the first 4 months of 2005 (up 24 percent) is due in large part to the elimination of avian influenza-based restrictions on broiler shipments like those that held down trade in the first half of 2004. The increased shipments went to a number of countries. Exports to Russia in the first 4 months of 2005 totaled 426 million pounds, up 4 percent from the same period in 2004. In addition to the small increase in shipments to Russia, has been strong export growth to Commonwealth of Independent States (CIS) countries. Exports to the Ukraine totaled 54 million pounds, up 184 percent. Shipments were also higher to a number of Asian markets, with shipment to the Hong Kong/China market up by 70 percent.

Full text of stories covered above can be found at:
Source: *Livestock, Dairy, and Poultry Outlook, June 16, 2005, Economic Research Service, United States Department of Agriculture.*
Internet web site: *http://www.ers.usda.gov/publications/ldp/*

MAY OUTPUT BELOW A YEAR AGO

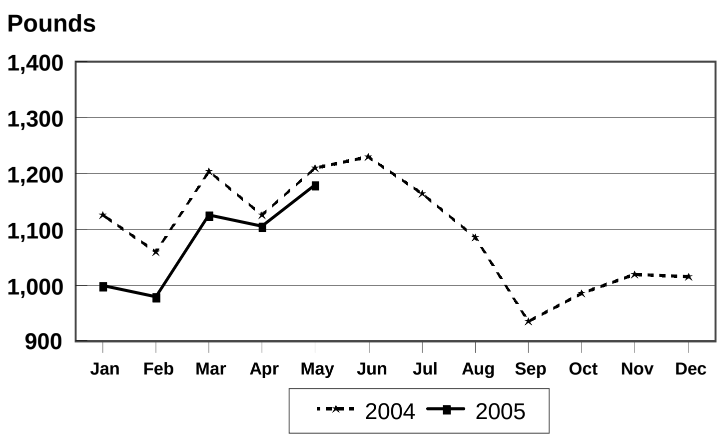


Hawaii's dairy cows produced 6.5 million pounds of milk in May compared with 7.5 million pounds for the same month in 2004 and 6.2 million pounds in April 2005. The dairy herd of cows both dry and in milk numbered 5,500 head, down 700 from May 2004 and 100 head below April 2005. Output per cow averaged 1,180 pounds in May, 30 pounds below the May 2004 but 75 pounds above April 2004. Production for the first five months of 2005 totaled 30.4 million pounds, down 17 percent from the January-May period in 2004.

U.S. MILK PRODUCTION

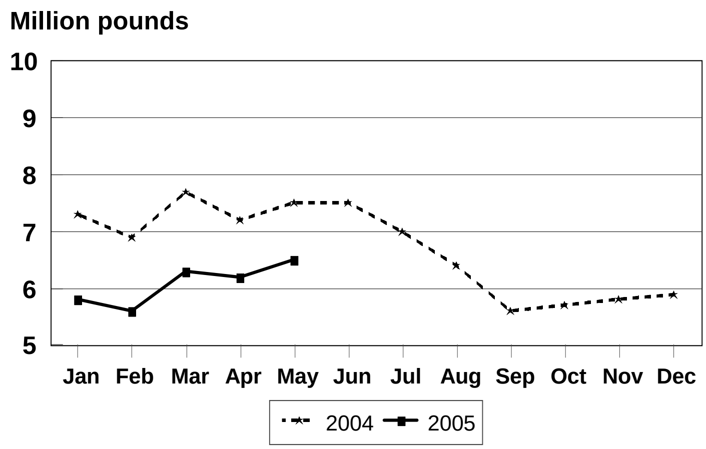
Milk production in the 23 major States during May totaled 14.2 billion pounds, up 4.4 percent from May 2004. April revised production, at 13.6 billion pounds, was up 3.4 percent from April 2004. The April revision represented an increase of 0.3 percent or 35 million pounds from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,754 pounds for May, 62 pounds above May 2004. The number of milk cows on farms in the 23 major States was 8.12 million head, 54,000 head more than May 2004, and 9,000 head more than April 2005.

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



USDA NASS Hawaii Field Office

Total Milk Production, State of Hawaii, 2004-2005



USDA NASS Hawaii Field Office

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

County	All milk cows [1,2,3]			Milk per cow [3]		Milk production [1,3]			
	May 2004	Apr. 2005	May 2005	May 2004	May 2005	May 2004	May 2005	Year-to-date 2004	Year-to-date 2005
	- - - - - - Number - - - - - -			- - - Pounds - - -		- - - - - - - - - - 1,000 pounds - - - - - - - - - -			
Hawaii	3,200	[4]	[4]	935	[4]	2,990	[4]	14,825	[4]
Honolulu	3,000	[4]	[4]	1,505	[4]	4,510	[4]	21,770	[4]
State	6,200	5,600	5,500	1,210	1,180	7,500	6,500	36,600	30,400

[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, May 2005

Commodity		May 2004	April 2005	May 2005
		- - - - - - - - - - - - cents per pound - - - - - - - - - - - -		
Range steers and heifers [1]	*- dressed weight*	86.0	91.0	92.5
	- (live weight equivalent)	(47.2)	(50.0)	(50.8)
Cows [1]	*- dressed weight*	52.0	50.0	50.0
	- (live weight equivalent)	(28.5)	(27.5)	(27.5)
Market hogs [1 2]	*- dressed weight*	119.5	118.0	118.0
	- (live weight equivalent)	(89.6)	(88.5)	(88.5)
		- - - - - - - - - - dollars per 100 pounds - - - - - - - - - -		
Milk [3]		28.00	27.00	27.40
		- - - - - - - - - - - - cents per dozen - - - - - - - - - - - -		
Eggs [4]		114.0	93.0	96.0

[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.