HAWAII AGRICULTURAL
STATISTICS SERVICE
NASS

HAWAII MONTHLY LIVESTOCK REVIEW

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

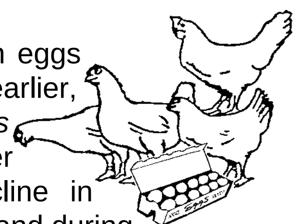
U.S. DEPARTMENT OF AGRICULTURE
Phone: (808) 973-9588
FAX: (808) 973-2909

FACT FINDERS FOR AGRICULTURE

FREQUENCY: Monthly RELEASED: August 15, 2002

IN THIS ISSUE

JUNE EGG PRODUCTION 12 PERCENT BELOW YEAR AGO



Egg production during June, totaled **9.6** million eggs (26,667 cases) 12 percent less than a year earlier, according to the *Hawaii Agricultural Statistics Service*. Fewer layers on hand with a lower average rate of lay accounted for the decline in production. The average number of layers on hand during June 2002 was 532,000, compared with 591,000 a year ago and 524,000 during May 2002. The average rate of lay was 1,805 eggs per 100 layers (60.2 percent lay rate) compared with 1,844 (61.5 percent) a year ago. Cumulative egg production for the first half of 2002 was 59.0 million eggs, 12 percent less than during the same period in 2001.

U.S. EGG PRODUCTION

U.S. egg production totaled 7.12 billion during June 2002, up 2 percent from last year. Production included 6.03 billion table eggs and 1.09 billion hatching eggs, of which 1.03 billion were broiler-type and 60.0 million were egg-type. The total number of layers during June 2002 averaged 335 million, up 1 percent from the total average number of layers during June 2001. June egg production per 100 layers was 2,124 eggs, up 1 percent from the 2,100 eggs in June 2001.

June 2002 contained 20 weekdays and five Saturdays, compared to June 2001 which contained 21 weekdays and five Saturdays.

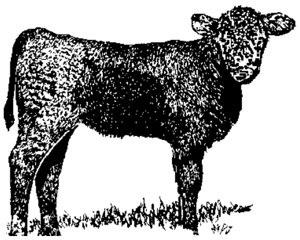
All layers in the U.S. on July 1, 2002 totaled 335 million, up 1 percent from a year ago. The 335 million layers consisted of 275 million layers producing table or commercial type eggs, 57.3 million layers producing broiler-type hatching eggs, and 2.51 million layers producing egg-type hatching eggs. Rate of lay per day on July 1, 2002, averaged 70.9 eggs per 100 layers, up 1 percent from a year ago.

Laying flocks in the 30 major egg producing States produced 6.66 billion eggs during June 2002, up 2 percent from a year ago. The average number of layers during June, at 314 million, was up slightly from a year earlier.

Number of layers and egg production, State of Hawaii, June 2002 [1]

County	Number of layers on hand during month			Eggs per 100 layer		Total eggs produced			
	June 2001	May 2002	June 2002	June 2001	June 2002	June 2001	June 2002	Year-to-date 2001	Year-to-date 2002
	- - - - - - Thousands - - - - - -			- - - Number - - -		- - - - - - - - - - - Millions - - - - - - - - - - -			
Hawaii/Kauai/Maui	145	117	122	1,899	1,842	2.7	2.2	17.1	14.3
Honolulu	446	407	410	1,830	1,794	8.2	7.4	50.0	44.7
State	591	524	532	1,844	1,805	10.9	9.6	67.1	59.0

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



JUNE MARKETINGS 29 PERCENT BELOW A YEAR AGO

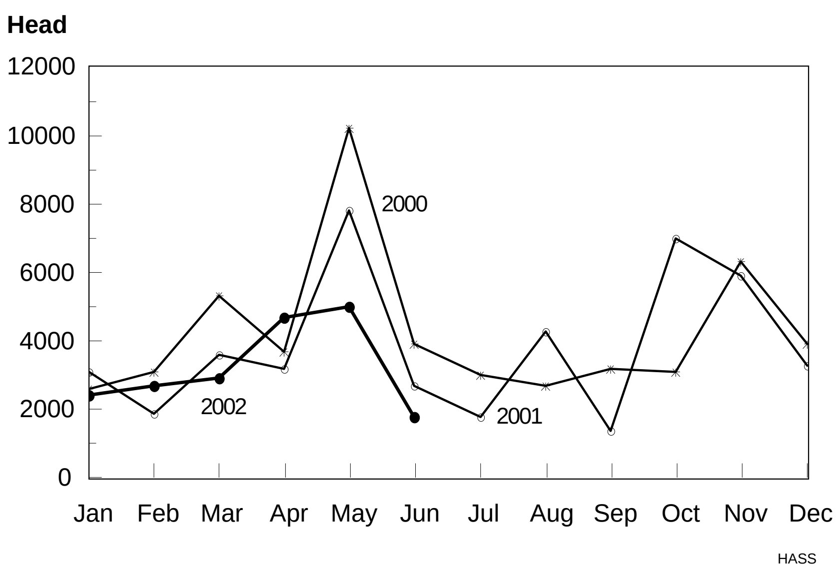
Cattle marketings during June 2002 totaled 2,700 head, compared with 3,800 head a year ago and 6,000 head during May 2002. Declines in both out-of-state shipments and local marketings accounted for the 29 percent drop in marketings compared with a year earlier. Year-to-date marketings at 25,200 head was 14 percent fewer than the same 6-month period in 2001. The number of cattle and calves shipped out-of-State totaled 1,800 head compared with 2,700 a year earlier and 5,000 during May. Out-of-state marketings during the first 6 months of 2002 was 19,400 head, 13 percent below the same period in 2001.

Cattle Marketings, State of Hawaii, June 2002

Month	Total Marketings [1]		Exports [2]							
	Number of Head [3]		Number of Head						Average Live Weight	
			Steers		Heifers		Total [3]			
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
	head								pounds	
June	3,800	2,700	1,600	1,100	1,100	600	2,700	1,800	450	470
Year-to-date [4]	29,200	25,200	13,100	11,600	9,200	7,800	22,300	19,400	430	430

[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, 2000-2002



SLAUGHTER CATTLE (U.S.)

Weekly Simple Average of Daily Quotations, Choice 2-4

Dollars per 100 pounds

Week ending	Steers (1,100 - 1,300 pounds)	Heifers (1,000 - 1,200 pounds)
from California		
6-15-02	—	—
6-29-02	—	—
from Sioux Falls		
6-15-02	64.00	63.75
6-29-02	63.00	63.00

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

DONALD A. MARTIN
State Agricultural Statistician

REGINA W. HIDANO
Agricultural Statistician

JOYCE JAY
Statistical Assistant

NILS K. MORITA
Research Statistician

KAREN A. LEE
Statistical Assistant

Contributing by County
James Yamaki — Hawaii
Robert Miyake — Hawaii
Naomi Landgraf — Maui
June Okamura — Kauai, Honolulu
Wendell Au — Honolulu

COMMERCIAL BEEF PRODUCTION 17 PERCENT BELOW A YEAR AGO

Commercial beef production (local slaughter) during June 2002 totaled 516,000 pounds, compared with 621,000 pounds a year earlier. Commercial kill for June 2002 totaled 900 head, 200 fewer than a year ago. Average live weight per head, at 1,051 pounds, was 5 percent heavier than a year ago. Cumulative production for the first half of the year was 3.3 million pounds, 14 percent below the same period last year.

U.S. BEEF PRODUCTION

Beef production, at 2.30 billion pounds, was 1 percent above the previous year. Cattle slaughter totaled 3.06 million head, down 2 percent from June 2001. The average live weight was 1,236 pounds, up 37 pounds from June a year ago.

PORK PRODUCTION DOWN 12 PERCENT FROM A YEAR AGO

Commercial pork production during June 2002 totaled 412,000 pounds, compared with 470,000 pounds a year ago. Total hog kill of 2,600 head was 400 fewer than a year ago. Average live weight per head, at 212 pounds, was 6 pounds heavier than June a year ago. Cumulative production for the first 6 months of 2002 was 2.5 million pounds, 5 percent less than the same period in 2001.

U.S. PORK PRODUCTION

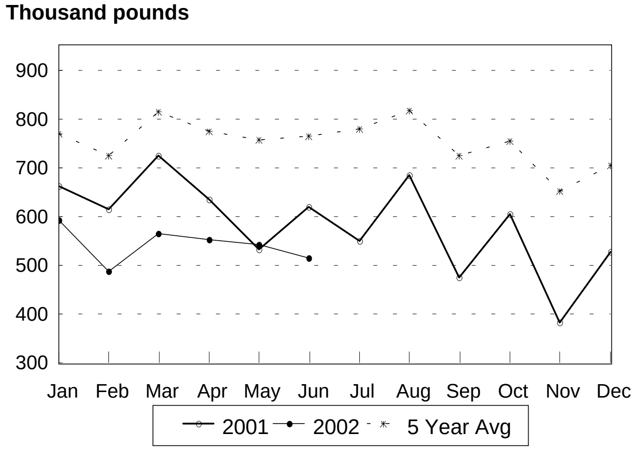
Pork production totaled 1.48 billion pounds, up 2 percent from the previous year. Hog kill totaled 7.54 million head, 1 percent above June 2001. The average live weight was 265 pounds, up 2 pounds from June a year ago.

Commercial slaughter, State of Hawaii, June 2002 [1]

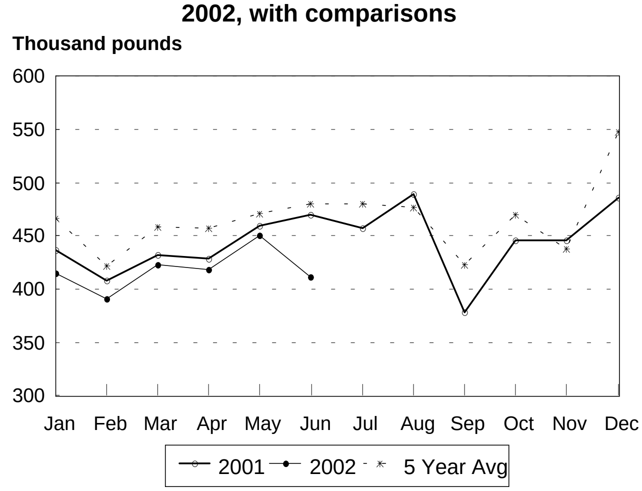
Species	Number of head		Average live weight		Total live weight [2]		Total dressed weight	
	2001	2002	2001	2002	2001	2002	2001	2002
			------ pounds ------		------------ 1,000 pounds ------------			
Cattle								
June	1,100	900	1,005	1,051	1,131	940	621	516
Year-to-date	6,900	5,700			6,904	5,934	3,790	3,258
Hogs [3]								
June	3,000	2,600	206	212	627	549	470	412
Year-to-date	17,300	15,800			3,515	3,346	2,636	2,510

[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 2002, with comparisons



Commercial Pork Production, State of Hawaii 2002, with comparisons



PASTURE AND LIVESTOCK CONDITION, JULY 1, 2002

Hawaii County

Hilo and Puna: Pastures were in fair to good condition as precipitation during June kept soil moisture levels adequate in most areas. Cattle and calves were in fair to good condition.

Ka'u: Although rainfall totals were below normal, frequent showers kept many pastures in fair to very good condition. Pastures in the southern portion of the district fared better than those located on the northeastern end. Some insect infestations were noticed. Minimal water hauling was needed. Cattle and calves were in fair to very good condition.

Kona: Below normal overall rainfall totals, but still frequent showers, maintained most pastures in fair to good condition. Forage supplies were good in most areas receiving rainfall, however, lower elevation pastures in North Kona were dry with little available forage. Cattle and calves were in fair to good condition with some supplement being fed.

Kohala: Except for a few pocket areas and lower elevation sectors, rainfall totals in the district were good. Most pastures were in fair to excellent condition with a good amount of forage on hand. However, the growth and spread of noxious weeds was increasing. Cattle and calves were in fair to excellent condition.

Hamakua: For the most part, sufficient rainfall during the month benefitted pasture development. Most pastures were in fair to good condition with an adequate supply of forage feed. Minimal hauling of stock water took place. Cattle and calves were in fair to good condition.

Honolulu County

Although rainfall for June was light, moisture received during the previous month maintained most pastures in fair to very good condition. Cattle and calves were in fair to good condition.

Kauai County

Pastures along the east to southeastern side of the island benefitted from June rainfall and were in fair to very good condition. Elsewhere rainfall was lighter leaving pastures in fair condition. Some increase in insect infestations was evident. Cattle and calves were in good condition.

Maui County

Rainfall was generally light throughout the county, however, pastures in areas which benefitted from adequate precipitation were in good condition. However, most areas did not receive much rainfall and were in fair conditions with a sufficient supply of old feed generated from the previous month's rainfall. Cattle and calves were in fair to 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.***

Large Domestic Meat Supplies

Total red meat and poultry production is expected to be about 85.1 billion pounds this year and may decline slightly in 2003. This year's large meat production, combined with an 8-9 percent decline in exports and a 2-3 percent increase in imports, is resulting in an abundant supply of meats for domestic consumption. Cattle, hog, and broiler prices will be pressured lower, while turkey prices are about unchanged.

Based on hog inventories, pig crops, and farrowing intentions reported in the **Quarterly Hogs and Pigs** report released on June 28, the U.S. pork industry is expected to produce record quantities of pork in 2002 and 2003. Pork production is expected to be nearly 19.8 billion pounds this year and 20 billion pounds in 2003. Hog prices are expected to average in the mid-$30s for both years. The farm-to-retail price spread is expected to narrow slightly in 2003, reducing retail pork prices slightly.

Broiler exports are suffering the sharpest decline largely due to the lack of resolution on a number of issues concerning broiler exports to Russia. Negotiations between the two governments continue on a number of issues, but a number of issues remain to be resolved. As a result, broiler export forecasts are reduced from earlier expectations. The forecast for 2002 stands at 4.8 billion pounds, down more than 13 percent from the 5.56 billion pounds shipped in 2001. In 2003, exports are expected to total 5.45 billion pounds.

Weather conditions and limited forage supplies continue to affect cattle producers' decisions. Increased cow slaughter and large feedlot placements of heavyweight cattle suggest that producers may not be planning to expand herds. The **Cattle** and **Cattle on Feed** reports, scheduled for release on July 19, will provide a better indication of producers' intentions.

Heavy commercial stocks of dairy products continue to be a dominant factor in dairy price prospects. With sizable increases in milk production, sluggish commercial use of dairy products pushed stocks to large levels this spring. These large holdings will overhang dairy markets for some time to come.

Hogs/Pork

Report Helps Clarify Situation

The Quarterly Hogs and Pigs report released on June 28 indicated that inventory numbers were slightly below industry expectations. The U.S. inventory of all hogs and pigs on June 1, 2002, was 59.8 million head, 2 percent above 2001 and 1 percent above 2000. The breeding inventory was reported at 6.2 million head, slightly higher than June 2001. The market hog inventory was 53.6 million head, 2 percent greater than last year.

The March-May pig crop, which accounts for most of the October-December slaughter, came in at 1 percent above 2001 and 2000. However, the pig crop was more than 1.1 million animals below the pig crop in 1998 that led to the enormous fourth-quarter slaughter and very low prices. The March-May pig crop, plus feeder pig imports during April-June and expected slaughter hog imports during October-December, still point to a slaughter of around 27 million head in the fourth quarter, some 500,000 head fewer than in 1998. Although this level of slaughter will likely pressure fourth-quarter prices, it is unlikely to lead to a repeat of fourth-quarter 1998 prices.

The report indicated that producers intend to have 2 percent more sows farrow in June-August than a year ago. If producers' intentions are realized and pigs per litter decline slightly, the summer pig crop will likely exceed year-earlier levels by about 2 percent. The expected larger pig crop points to a larger slaughter in first-quarter 2003. When forecasted numbers of imported hogs are included, the January-March 2003 slaughter could exceed year-earlier levels by more than 3 percent. If carcass weights in 2003 repeat their 2002 pattern — which seems likely — pork production in the first quarter of 2003 could exceed year-earlier levels by 3 percent.

In June, producers indicated intentions to have about 1 percent more sows farrow than in September-November last year. The larger fall pig crop implies a slightly larger second-quarter 2003 slaughter. After accounting for live Canadian imports, the spring 2003 slaughter will likely exceed year-earlier levels by a half-percent or more. Spring 2003 pork production would exceed 2001 by about 1 percent, if the average carcass weight in the second quarter holds at 198 pounds.

Prices of 51-52 percent lean hogs (liveweight equivalent) ended the second quarter on a high note, averaging $35 per hundredweight (cwt). Hog prices increased on seasonally lower slaughter in June and higher demand for pork products, particularly since mid-June. With demand expected to remain comparatively strong through the summer months, prices are expected to average $35-$37 per cwt in the third quarter. Prices are expected to decline into the high-$20s per cwt in the fourth quarter because of the seasonally heavy slaughter. In 2003, first quarter prices are expected to average around $34 per cwt, as slaughter remains heavy. Second-quarter hog prices are expected to average around $37 per cwt. Prices for both 2002 and 2003 should average in the mid-$30s per cwt.

Exports Lower

The United States is expected to export almost 6 percent less pork in 2002 than in 2001. Lower demand for U.S. pork products can be attributed generally to slower than anticipated economic growth in important foreign markets. Specifically, there are several foreign markets where weakness has either become apparent already or is likely to become apparent in the near future.

Cattle/Beef

Dry Conditions, Large Beef Supplies Drive Cattle Market

First-half cattle slaughter statistics reflect large beef supplies and little hint of herd expansion. Second-quarter beef production was record-large and up 5 percent from the weather-reduced levels of last year. Commercial dressed slaughter weights set a record, up about 26 pounds from a year earlier. Last year domestic and international buyers competed strongly for a sharply reduced supply of higher quality beef, this year supplies are more than ample with even larger supplies likely this summer.

Dry Conditions Again Likely Delay Expansion

Weather conditions and limited forage supplies continue to constrain producer decisions. Since herd liquidation began in 1996, the industry has faced almost continuous drought in much of the country. Grazing conditions are poorest in the western half of the country and the Northern Plains, as well as the Mid- and South Atlantic coastal States. The mid-July pasture and range conditions indicated 39 percent very poor and poor conditions versus 26 percent a year earlier. Fortunately, the North Central grain producing areas have again been spared and low grain prices have kept the price of feedlot gain down. Consequently, favorable feeding costs have supported large feedlot placements and kept feeder cattle prices from dropping even lower. The next view of the cattle inventory will be in the mid-year **Cattle** report to be released July 19.

Forage conditions and hay production again remain major uncertainties for the industry at mid year. The Acreage report indicated that farmers and ranchers expect to expand harvested hay acreage by nearly 2 percent over a year earlier. This would be the largest acreage since 1988. With drought and limited irrigation water in many areas, the real question will be production per acre. The August **Crop** report will provide the next estimate of expected hay production for the year which will indicate the number of cows the industry will be able to carry into 2003.

First-half cow slaughter was down nearly 4 percent from the weather-impacted levels of a year earlier, but up over 1 percent from first-half 2000. First-half heifer slaughter was down only marginally from a year earlier, but large feedlot placements weighing over 800 pounds in April and May raised questions on the number of heifers that are likely to be bred this year and calve in 2003. The quarterly **Cattle on Feed** report, also scheduled for release on July 19, will provide an inventory on the number of heifers that were on feed July 1.

Poultry

Egg Production Steady, but Exports Higher

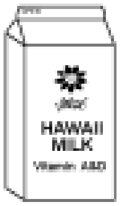
Egg production over the first 5 months of 2002 was 35.5 billion eggs, only slightly higher than a year ago. While shell egg production was up 0.5 percent from the previous year, production of hatching eggs had fallen by 0.4 percent. The real difference is in terms of eggs for broiler production and eggs for replacement birds in the egg laying flock. Broiler egg production over the first 5 months of 2002 was 5.1 billion eggs, virtually unchanged from the previous year. However, eggs for replacement birds for the egg laying flock are down 5.5 percent from the same period in 2001. This points towards falling egg-type bird numbers and slowing shell egg production, compared with last year, in the latter portion of 2002.

While shell egg production has been little changed, the number of eggs used in the breaking egg market continues to expand. Over the first 5 months of 2002, over 758 million dozen eggs were used by the breaking egg industry, 4 percent above the same period in 2001.

Egg exports over the first 4 months of 2002 totaled 54.2 million dozen, 6 percent higher than the same period in 2001. Exports to the four largest traditional markets have had mixed success in 2002. Shipments to Canada and Mexico were both down slightly, and shipments to Japan have fallen by over 50 percent. On a positive note exports to Hong Kong were up 19 percent. The real boost in egg exports so far in 2002 has been shipments to European Union countries. So far in 2002 the largest market for egg exports has been Belgium at 13.2 million dozen. All of the exports to Belgium have been in the form of egg products and is a continuation of the expansion in exports that began in 2001. Previously, Belgium had been only a minor market for U.S. eggs.

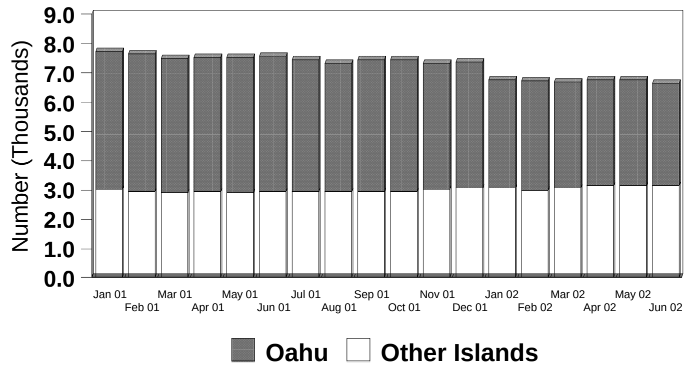
Source: ***Livestock, Dairy, and Poultry Outlook, July 16, 2002, Economic Research Service, United States Department of Agriculture.***

JUNE, FIRST HALF OF 2002 MILK LOWER



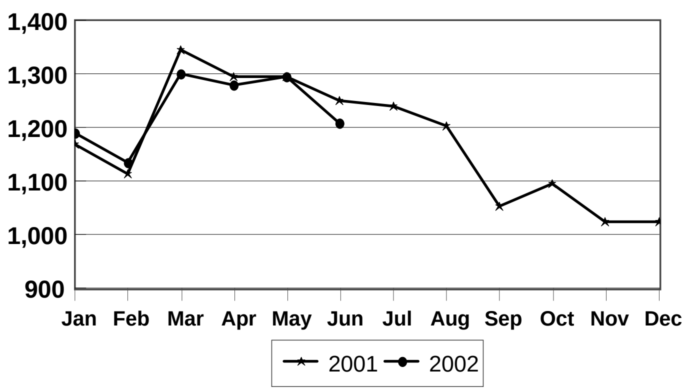
Hawaii's dairy cows produced **8.1** million pounds during June compared to 9.5 million in June 2001 and 8.8 million in May 2002. The cow inventory, both dry and in milk, numbered 6,700 head, 900 less than June 2001 and 100 down from May 2002. Cows averaged 1,210 pounds during the month, 40 pounds lower than last year and 85 pounds below the previous month. Production for the first half of 2002 was down 12 percent from the comparable period in 2001 to 50.0 million pounds. About 65 percent of the output was produced on Oahu and the remainder on Hawaii island.

Milk Cows
State of Hawaii, 2001-2002



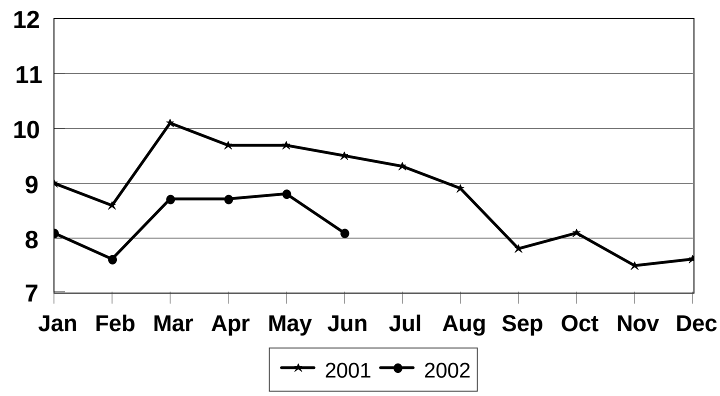
HASS

Milk Production Per Cow, State of Hawaii, 2001-2002



HASS

Total Milk Production, State of Hawaii, 2001-2002



HASS

Milk cows and milk production, State of Hawaii, June 2002

County	All milk cows [1,2,3]			Milk per cow [3]		Milk production [1,3]			
	June 2001	May 2002	June 2002	June 2001	June 2002	June 2001	June 2002	Year-to-date 2001	Year-to-date 2002
	------ Number ------			--- Pounds ---		---------- 1,000 pounds ----------			
Hawaii	2,960	3,150	3,150	1,020	925	3,025	2,915	17,405	17,705
Honolulu	4,600	3,600	3,500	1,410	1,485	6,485	5,205	39,185	32,375
State	7,600	6,800	6,700	1,250	1,210	9,500	8,100	56,600	50,000

[1] State totals may not add due to rounding.
[2] Includes dry cows and cows on non-commercial dairy farms.
[3] Figures for 2001 are final but preliminary for 2002.

U.S. PRODUCTION UP 2.0 PERCENT

Milk production in the 20 major States during June totaled 12.3 billion pounds, up 2.0 percent from June 2001. May revised production, at 13.0 billion pounds was up 3.0 percent from May 2001. The May revision represented a decrease of 0.2 percent or 25 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,579 pounds for June, 24 pounds above June 2001. The number of milk cows on farms in the 20 major States was 7.78 million head, 29,000 head more than June 2001, and 16,000 head more than May 2002.

Average farm prices, State of Hawaii, June 2002

Commodity		June 2001	May 2002	June 2002
		cents per pound		
Range steers and heifers [1]	*- dressed weight*	78.0	78.5	79.0
	- (live weight equivalent)	(42.8)	(43.1)	(43.4)
Cows [1]	*- dressed weight*	52.5	55.0	53.0
	- (live weight equivalent)	(28.8)	(30.2)	(29.1)
Market hogs [1 2]	*- dressed weight*	114.0	113.0	114.0
	- (live weight equivalent)	(85.5)	(84.8)	(85.5)
		dollars per 100 pounds		
Milk [3]		25.80	23.70	23.40
		cents per dozen		
Eggs [4]		85.5	86.0	84.0

[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.