HAWAII AGRICULTURAL STATISTICS SERVICE
NASS

HAWAII MONTHLY LIVESTOCK REVIEW

HAWAII DEPARTMENT OF AGRICULTURE
P.O. BOX 22159
HONOLULU, HI 96823-2159

FACT FINDERS FOR AGRICULTURE

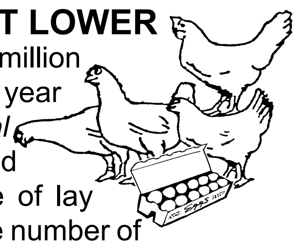
U.S. DEPARTMENT OF AGRICULTURE
Phone: (808) 973-9588
FAX: (808) 973-2909

FREQUENCY: Monthly RELEASED: February 8, 2002

IN THIS ISSUE

DECEMBER EGG PRODUCTION 12 PERCENT BELOW A YEAR AGO

2001 EGG PRODUCTION 10 PERCENT LOWER



Egg production during December, totaled **10.3** million eggs (28,611 cases) 12 percent less than a year earlier, according to the *Hawaii Agricultural Statistics Service*. Fewer layers on hand accompanied by a decline in the average rate of lay accounted for the lower production. The average number of layers on hand during December 2001 was 552,000, compared with 616,000 a year ago and 563,000 during November 2001. The average rate of lay was 1,866 eggs per 100 layers (60.2 percent lay rate) compared with 1,899 (61.3 percent) a year ago. Egg production for the calender year 2001 was 128.0 million eggs, 10 percent less than during 2000.

U.S. EGG PRODUCTION

U.S. egg production totaled 7.40 billion during December 2001, up 2 percent from last year. Production included 6.33 billion table eggs and 1.07 billion hatching eggs, of which 1.01 billion were broiler-type and 62.0 million were egg-type. The total number of layers during December 2001 averaged 339 million, up 2 percent from the total average number of layers during December 2000. December egg production per 100 layers was 2,187 eggs, slightly below the 2,193 eggs in December 2000.

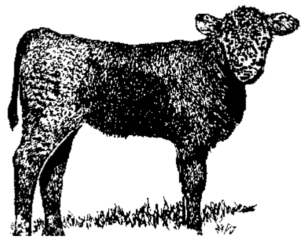
December 2001 contained 21 weekdays, one holiday and five Saturdays, equal to December 2000.

All layers in the U.S. on January 1, 2002 totaled 339 million, up 2 percent from a year ago. The 339 million layers consisted of 280 million layers producing table or commercial type eggs, 56.3 million layers producing broiler-type hatching eggs, and 2.59 million layers producing egg-type hatching eggs. Rate of lay per day on January 1, 2002, averaged 69.8 eggs per 100 layers, down 1 percent from the 70.4 eggs a year ago. Laying flocks in the 30 major egg producing States produced 6.95 billion eggs during December 2001, up 2 percent from a year ago. The average number of layers during December, at 317 million, was up 2 percent from a year earlier.

Number of layers and egg production, State of Hawaii, December 2001 [1]

County	Number of layers on hand during month			Eggs per 100 layer		Total eggs produced			
	Dec. 2000	Nov. 2001	Dec. 2001	Dec. 2000	Dec. 2001	Dec. 2000	Dec. 2001	Year-to-date 2000	Year-to-date 2001
	- - - - - - Thousands - - - - - -			- - - Number - - -		- - - - - - - - - - - Millions - - - - - - - - - - -			
Hawaii/Kauai/Maui	148	145	137	1,959	1,962	2.9	2.7	35.8	32.7
Honolulu	468	418	415	1,872	1,838	8.8	7.6	107.2	95.3
State	616	563	552	1,899	1,866	11.7	10.3	143.0	128.0

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



DECEMBER MARKETINGS OFF 14 PERCENT FROM YEAR AGO

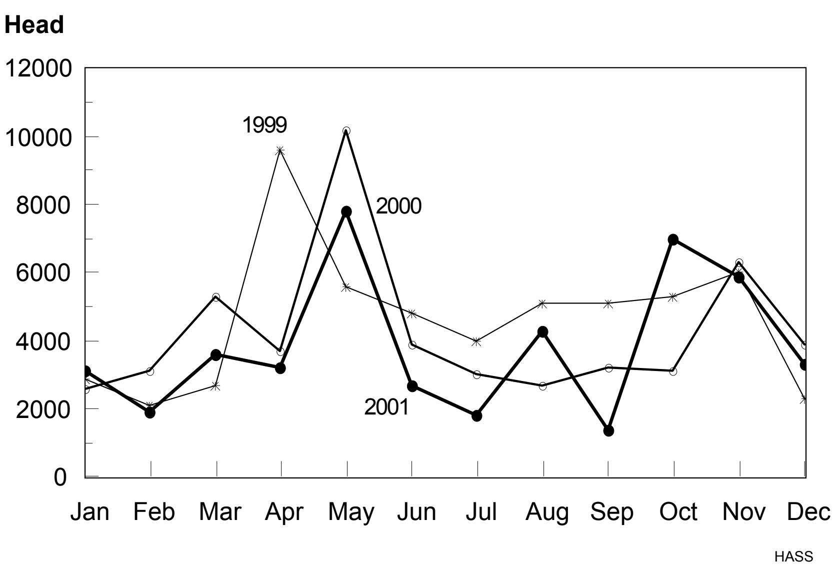
Cattle marketings during December 2001 totaled 4,300 head, compared with 5,000 a year ago and 6,500 during November 2001. Declines in out-shipments and local slaughter accounted for the 14 percent drop in marketings when compared with December 2000. Cattle and calves shipped out-of-State totaled 3,300 head compared with 3,900 a year earlier and 5,900 during November. Year-to-date marketings for 2001 were 58,700 head, 14 percent less than a year earlier; while cumulative out-shipments for 2001 was off 10 percent to 46,000 head.

Cattle Marketings, State of Hawaii, December 2001

Month	Total Marketings [1] Number of Head [3]		Exports [2] Number of Head Steers		Heifers		Total [3]		Average Live Weight	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
	head								pounds	
December	5,000	4,300	2,700	1,900	1,200	1,400	3,900	3,300	400	470
Year-to-date [4]	68,000	58,700	29,900	26,400	21,100	19,600	51,000	46,000	400	440

[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, 1999-2001



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		
12-29-01	—	—
1-12-02	—	—
from Sioux Falls		
12-29-01	65.25	64.25
1-12-02	66.25	65.75

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 20 PERCENT BELOW A YEAR AGO

Commercial beef production (local slaughter) during December 2001 totaled 527,000 pounds, compared with 658,000 pounds a year earlier. Commercial kill for December 2001 totaled 1,000 head, 100 fewer than a year ago. Average live weight per head, at 991 pounds, was 7 percent lighter than a year ago. Cumulative production for 2001 was 7.0 million pounds, 20 percent less than the same period in 2000.

U.S. BEEF PRODUCTION

Beef production, at 2.11 billion pounds, was 6 percent above the previous year. Cattle slaughter totaled 2.78 million head, up 2 percent from December 2000. The average live weight was up 31 pounds from the previous year, at 1,255 pounds.

PORK PRODUCTION OFF 13 PERCENT FROM A YEAR AGO

Commercial pork production during December 2001 totaled 486,000 pounds, compared with 556,000 pounds a year ago. Total hog kill of 3,200 head was 400 less than a year ago. Average live weight per head, at 203 pounds, was 4 pounds lighter than December a year ago. Cumulative production for 2001 was 5.3 million pounds, 4 percent less than the same period in 2000.

U.S. PORK PRODUCTION

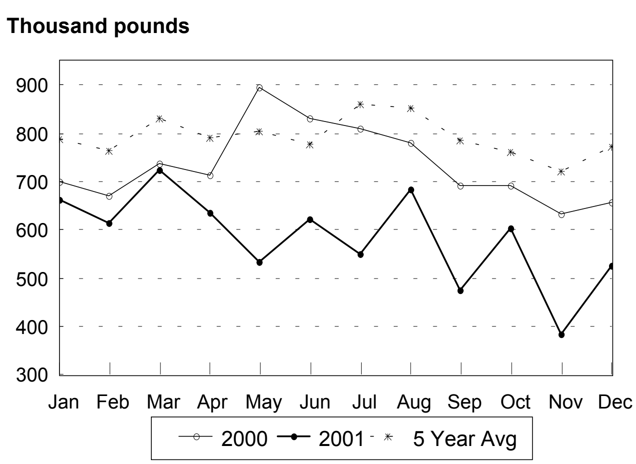
Pork production totaled 1.67 billion pounds, up 6 percent from the previous year. Hog kill totaled 8.42 million head, 4 percent above December 2000. The average live weight was 3 pounds above the previous year, at 268 pounds.

Commercial slaughter, State of Hawaii, December 2001 [1]

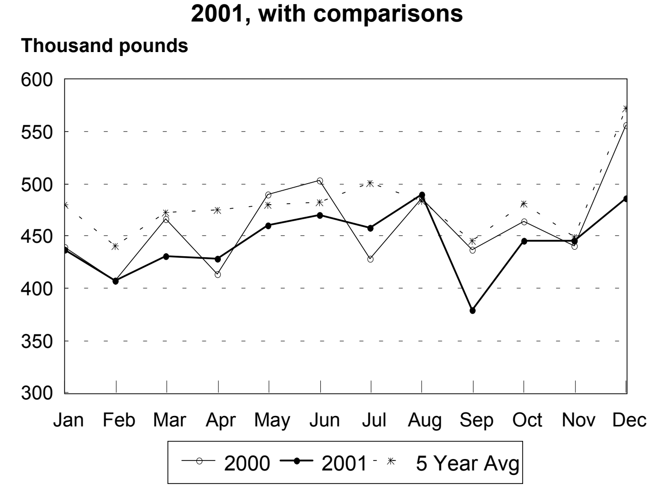
Species	Number of head		Average live weight		Total live weight [2]		Total dressed weight	
	2000	2001	2000	2001	2000	2001	2000	2001
			pounds		1,000 pounds			
Cattle								
December	1,100	1,000	1,061	991	1,198	960	658	527
Year-to-date	17,000	12,700			16,048	12,779	8,810	7,016
Hogs [3]								
December	3,600	3,200	207	203	741	648	556	486
Year-to-date	35,800	34,900			7,375	7,119	5,531	5,339

[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 2001, with comparisons



Commercial Pork Production, State of Hawaii 2001, with comparisons



PASTURE AND LIVESTOCK CONDITION, JANUARY 1, 2002

Hawaii County

Hilo and Puna: Above normal rainfall occurred throughout nearly the whole district, resulting in this windward area being the wettest location in the State, during December. Nearly daily shower activities kept soil moisture levels ample. However, cool temperatures, overcast skies, and wet conditions slowed grass growth in many areas. Most pastures were in fair to good condition with an adequate supply of forage. The rains caused some minor flooding, but no major damage. Stock water supplies were adequate. Rainfall totals for the year ranged from a low of 82 percent at Pahoa to 117 percent at the Glenwood gage. Cattle and calves were in fair to good condition.

Ka'u: Rainfall totals were half of what would normally occur during December, but when combined with rains received during November most pastures received sufficient moisture to stimulate some good, new grass growth. A few areas, however, still were in need of more precipitation to improve soil moisture and forage growth. Improved pasture conditions and replenished stock water supplies had most cattle and calves in fair to very good condition. The year-to-date rainfall levels for both rain gage stations in Ka'u were at 83% of normal.

Kona: Below normal rainfall fell throughout the district during December. As a result, pasture condition was fair and dry. However, heavy rains in a few areas of North Kona toward mid-month provided some much needed moisture to stimulate new forage growth and improve soil moisture levels. Cattle and calves were in fair to good condition. Some supplements were still being fed. The four rain gage stations in Kona recorded rainfall totals between 60% and 74% of normal for the year.

Kohala: Most windward pastures continued to receive good rainfall to keep pastures in fair to good condition, although cool temperatures at the higher elevations slowed grass growth. Good rains, especially during the second week of December, benefited even lower elevation leeward pastures. Forage supplies on most pastures increased with future grass prospects also good, consequently pasture conditions were much improved. Year-end rain gage totals ranged from 34 percent at Kahua Ranch to 89 percent at the Upper Kamuela rain gage. Stock water supplies were adequate. Cattle and calves were still in poor to good condition. Supplemental feedings continued at a lower level.

Hamakua: Most pastures, especially the lower elevation pastures, were in fair to good condition. Forage growth at the higher elevations, however, as slowed due to shorter days and cool temperatures. The condition of cattle and calves was fair to good. The two rain gage stations in the district recorded rainfall at 70% and 93% of normal.

Honolulu County

Multiple weather systems brought light to moderate rainfall to pastures throughout much of the island. The only area to receive less than an inch of rainfall was in the Waianae District. Although rainfall totals were below normal for all areas of the island, most pastures benefitted from the relatively consistent shower activities during the month. Rainfall totals throughout the year in agricultural areas of Oahu were below normal and ranged from 35 percent at the Kunia substation to 73 percent in Kahuku. Cattle and calves were in fair to good condition.

Kauai County

Rainfall totals, during December, were below normal leaving most pastures in fair condition. New grass growth was slow. Pastures on the west side were dry and not fairing well, while pastures located on the east side were in slightly better condition. Rainfall totals, during the year were below normal at all rain gage stations, ranging from 47% to 85% of normal. Most cattle and calves were in good condition.

Maui County

Although there were many weather system activities occurring near Maui, rainfall amounts were below normal for the month. However, when combined with rainfall amounts from the previous month many pastures were showing signs of recovering. Many leeward sectors of Maui and Molokai, however, were still in need of more precipitation to reverse the effects of the long dry spell. On the whole, windward pastures were in fair to good condition, while leeward pastures were in poor to fair condition. Forage growth at the upper elevations stalled due to the cold temperatures. Rainfall totals for the year ranged from a low of 37 percent at the Kihei station to a high of 88 percent at Mahinahina. Cattle and calves were in poor 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.***

Hog producers' Returns Remain Favorable

In 2001, the $1 per hundredweight (cwt) rise in hog prices nearly offset increased hog production costs (cash expenses), giving hog producers 2 years of favorable returns. Returns in early 2000 were above breakeven for the first time since late 1997. In 2002, hog prices are expected to decline about $1-2 per cwt, and given expectations of slightly higher corn costs, producers' returns are likely to be squeezed somewhat compared with the past 2 years.

Despite relatively favorable returns in recent years, producers have not responded to the improved returns as they have done in the past. Historically, producers have increased the number of sows farrowing after 6 to 9 months of above-breakeven returns. In 2001, the number of sows farrowing was below a year earlier in each quarter, except for a slight increase in September-November. However, according to the recent *Quarterly Hog and Pigs* report, producers intend to have more sows farrow during December-May than a year ago.

In addition to a smaller number of sows farrowing in 2001, annual average pigs per litter declined slightly for the first time since 1988 and for only the third time in the past 20 years. As a result, the 2001 pig crop was down 1.274 million head from 2000. However, hog imports rose by more than a million head, of which almost 60 percent were feeder pigs. (Hog exports were insignificant.) This left hog slaughter in 2001 virtually unchanged from 2000. A 2-pound gain in dressed weights boosted pork production by 1 percent over 2000.

Hogs and Pigs Report Suggests Larger Pig Crop in 2002

The *Quarterly Hogs and Pigs* report released on December 28 suggests a larger pig crop in 2002. Producers indicated intentions to have 3 percent more sows farrow in December-February than a year ago and 1 percent more in March-May. The December 1 breeding inventory was down 1 percent from a year earlier, but up about 1 percent from September. Sows farrowing as a percentage of the breeding inventory continues on an upward trend (44.5 percent in 2001 versus 41.5 percent in 1996). The inventory of all hogs and pigs totaled 58.8 million head on December 1, 1 percent below a year ago and slightly below September 1.

Pork Production To Be Nearly Unchanged

Based on the market hog inventory, pig crops, and farrowing intentions reported in December, commercial pork production in 2002 is forecast at 19.165 billion pounds, only slightly above 2001. If the 2002 forecast is realized, production would be just over 110 million pounds short of the record set in 1999. Commercial hog slaughter is expected to be slightly lower than in 2001, with heavier slaughter weights supporting production levels.

The June-August pig crop implies a first-quarter 2002 slaughter of about 24.15 million head, assuming slaughter is about 96-97 percent of the pig crop (5-year average). Given the upward trend in weights and relatively cheap feed, the average dressed weight is expected to rise about a pound, which will only partially offset lower slaughter. As a result, production in the first quarter will likely be down about 1 percent from a year ago.

Most of the September-November pig crop will be slaughtered in second-quarter 2002. Dressed weights are expected to decline from the first quarter but still be about a pound above a year ago. The expected reduction in commercial slaughter due to a smaller pig crop will likely be offset by heavier weights. As a result, commercial pork production is expected to be about the same as a year earlier.

Based on December farrowing intentions and expectations that pigs per litter will be slightly below a year ago, the December-February pig crop is expected to be up about 3 percent. Using a slaughter rate of 98 percent (the 5-year average), the implied third-quarter slaughter is 24.25 million head. The average dressed weight for the quarter is expected to climb about 2 pounds. Third-quarter pork production is expected to total about 4.7 billion pounds, up 3 percent from last year.

The December farrowing intentions for March-May imply about a 1-percent increase in the pig crop. If these intentions are realized, fourth-quarter slaughter would total about 26 million head, as the percentage of the pig crop slaughtered is expected to drop to 101 percent, compared with an extraordinary 104 percent in 2001.

Hog Prices To Decline

Although hog prices were in the high-$30s per cwt early in 2002, prices in the first quarter are expected to average in the low-$40s (about the same as last year) as pork production declines from a year ago. Price gains may be limited by competing meat supplies, which are expected to register year-over-year increases, and continued weakness in the economy. In the second quarter, prices are expected to climb seasonally into the high $40s per cwt. In 2001, second-quarter prices averaged $52 per cwt. If the economy remains weak, consumers are likely to scale down their food purchases, pressuring prices.

In the third quarter, a year-over-year increase in pork production is expected to pressure hog prices into the mid-$40s, compared with $51 a year ago. In the fourth quarter, hog prices are expected to average about $40 per cwt, compared with $37 in 2001. Moderately low pork production, sharply lower beef production, and a strengthening economy will likely boost prices. As slaughter rises seasonally in the fourth quarter, weekly federally inspected slaughter rates are expected to exceed 2 million head for several weeks, but not enough to strain capacity. When slaughter rates exceed 2 million head per week for an extended period, slaughter capacity is strained, and hog prices are bid down.

Beef Herd Liquidation Continues

2001 almost certainly marked the fifth year of herd liquidation since the 103.5 million head cyclical peak on January 1, 1996. In spite of strong feeder cattle prices and positive cow-calf returns above cash costs, the most severe winter since 1992/93 and drought in many areas forced another year of herd reductions. The January 1, 2002, cattle inventory will be released by NASS on February 1, 2002. The inventory breakout will be of particular interest as final 2001 calf crop estimates are released, along with the size of the beef cow herd and producer intentions for heifer retention in 2002. Numbers of beef and dairy heifers expected to calve this year will be released for the second time of this series, which began in 2001. In addition, the number of calves, other heifers, and steers grazing on small grain pastures will be released.

Beef cow slaughter rose sharply in 2001, and large numbers of heifers were placed into feedlots rather than retained for herd expansion. While grain prices remain favorable and have supported feeder cattle prices, accumulated pasture and range as well as small grain pasture in many areas have again been inadequate. Consequently, the farm price of hay remained well above year-earlier levels in December. However, hay stocks on December 1, 2001, released in the January *Crop Production* report, were up 5 percent from a year earlier. Improving forage supplies and, of course, good grain crop development this spring and summer will be keys to herd expansion. If forage conditions do support retaining and then breeding more heifers in late spring-early summer, it will still be 2005 before beef supplies begin to rise. Until then, beef supplies will likely fall. The rate of production decline will depend on reductions in both beef cow and heifer slaughter along with reduced feeder cattle supplies. Calf crops are likely to decline through 2004.

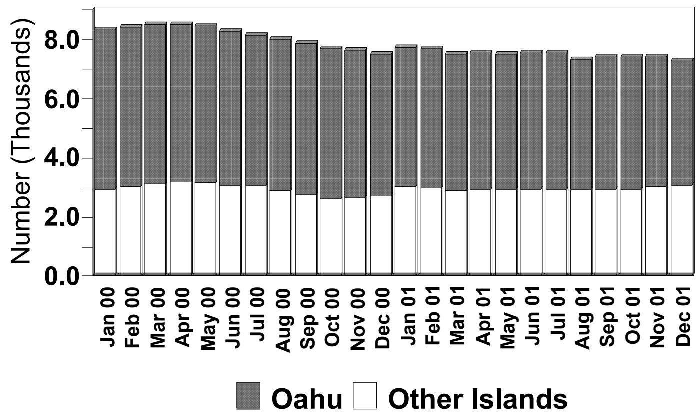
Retail prices for Choice beef in 2001 averaged a record $3.385 a pound, up over 10 percent from a year earlier. Prices were up sharply in the first half due to weather reduced beef supplies, particularly of higher quality cuts. However, the beef price spread widened 17 percent, with the wholesale-to-retail spread up 18 percent and the farm-to-wholesale price up over 13 percent. Fed cattle prices were up nearly 4 percent.

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

DECEMBER AND 2001 MILK DOWN

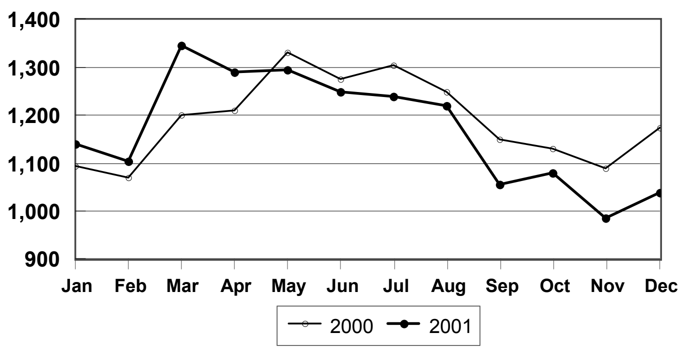
Hawaii's dairy cows produced **7.6** million pounds of milk in December, down 14 percent from December 2000 and 1 percent lower than November 2001. The cow inventory, both dry and in milk, numbered 7,300 head, 200 fewer than December last year and 100 lower than November of this year. December average output per cow was 135 pounds below the same time a year ago but 25 pounds above November. Milk production for 2001 totaled 105.7 million pounds, 9 percent below the same period last year and the third year of decline.

Milk Cows
State of Hawaii, 2000-2001



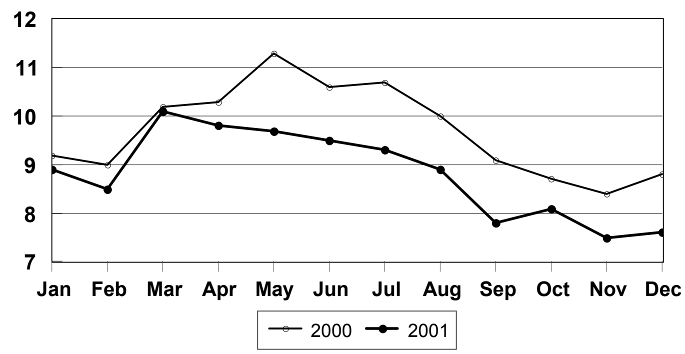
HASS

Milk Production Per Cow,
State of Hawaii, 2000-2001



HASS

Total Milk Production,
State of Hawaii, 2000-2001



HASS

Milk cows and milk production, State of Hawaii, December 2001

County	All milk cows [1,2,3]			Milk per cow [3]		Milk production [1,3]			
	Dec. 2000	Nov. 2001	Dec. 2001	Dec. 2000	Dec. 2001	Dec. 2000	Dec. 2001	Year-to-date 2000	Year-to-date 2001
	------ Number ------			--- Pounds ---		---------- 1,000 pounds ----------			
Hawaii	2,710	3,020	3,070	1,015	880	2,745	2,705	38,100	33,895
Honolulu	4,800	4,400	4,200	1,260	1,170	6,045	4,905	78,200	71,870
State	7,500	7,400	7,300	1,175	1,040	8,800	7,600	116,300	105,700

[1] State totals may not add due to rounding.
[2] Includes dry cows and cows on non-commercial dairy farms.
[3] Figures for 2000 are final but preliminary for 2001. There were no commercial dairies on Kauai after September 2000.

U.S. PRODUCTION UP 0.4 PERCENT

Milk production in the 20 major States during December totaled 12.0 billion pounds, up 1.0 percent from December 2000. November revised production, at 11.5 billion pounds was up 0.8 percent from November 2000. The November revision represented an increase of 0.3 percent or 38 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,547 pounds for December, 28 pounds above December 2000. The number of cows on farms in the 20 major States was 7.74 million head, 62,000 head less than December 2000 but 10,000 head more than November 2001.

Average farm prices, State of Hawaii, December 2001

Commodity		December 2000	November 2001	December 2001
		cents per pound		
Range steers and heifers [1]	*- dressed weight*	79.0	77.0	78.0
	- (live weight equivalent)	(43.4)	(42.3)	(42.8)
Cows [1]	*- dressed weight*	51.0	51.0	52.0
	- (live weight equivalent)	(28.0)	(28.0)	(28.5)
Market hogs [1 2]	*- dressed weight*	110.5	111.0	113.0
	- (live weight equivalent)	(82.9)	(83.3)	(84.8)
		dollars per 100 pounds		
Milk [3]		25.00	25.70	24.10
		cents per dozen		
Eggs [4]		83.0	84.5	86.0

[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.

U.S. Department of Agriculture
Hawaii Agricultural Statistics Service
P.O. Box 22159
Honolulu, HI 96823-2159