

CORN PRICE

Changes following Crop Production Reports 1/

Crop Item	One Day After Report	One Week After Report
Average Change -- Cents per Bushel		
1985-2007 Crop Production	45 Increases Ave 5.4¢	58 Increases Ave 9.1¢
	17 No Change	1 No Change
	53 Decreases Ave -5.3¢	56 Decreases Ave -10.1¢
Total Reports	115	115

1/ Closing cash price for Southern Iowa #2 yellow corn.

SOYBEAN PRICE

Changes following Crop Production Reports 1/

Crop Item	One Day After Report	One Week After Report
Average Change – Cents per Bushel		
1985-2007 Crop Production	55 Increases Ave 11.5¢	59 Increases Ave 17.7¢
	4 No Change	2 No Change
	56 Decreases Ave -10.7¢	54 Decreases Ave -18.4¢
Total Reports	115	115

1/ Average prices paid at Southern Iowa points by processors.

WHEAT PRICE

Changes following Crop Production Reports 1/

Crop Item	One Day After Report	One Week After Report
Average Change – Cents per Bushel		
1987-2007 Crop Production	54 Increases Ave 6.3¢	61 Increases Ave 10.6¢
	11 No Change	6 No Change
	54 Decreases Ave -4.9¢	52 Decreases Ave -13.1¢
Total Reports	119	119

1/ Closing cash price for Kansas City #1 hard winter wheat (ordinary protein).

All prices reported by AMS Grain Market News.

HOG PRICE

Changes following Quarterly Hog & Pig Reports 1/

Year	Report Date	Week of Report	Week after Report	Price Change
- Dollars per Cwt. -				
2005	Mar 24	49.51	48.61	-0.90
	Jun 24	49.56	47.66	-1.90
	Sep 30	50.35	50.01	-0.34
2006	Dec 28	42.46	42.06	-0.40
	Mar 31	39.24	39.18	-0.06
	Jun 30	54.44	51.59	-2.85
2007	Sep 30	45.33	48.48	+3.15
	Dec 27	44.53	40.70	-3.83
	Mar 30	43.33	44.78	+1.45
	Jun 29	53.68	51.04	-2.64
	Sep 28	43.58	41.70	-1.88
	Dec 27	36.91	35.83	-1.08

1/ Slaughter Hogs, Iowa, Southern Minnesota base lean prices, converted to live price.
Source: Market News, Agriculture Marketing Service.

THREE YEAR SUMMARY

Number of Changes and Ave. Change

2005, 2006, & 2007 Hog Summary – 12 Reports

Price Increases - - 2	Ave: +\$2.30
Price Decreases - - 10	Ave: -\$1.59

USDA – NASS

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Do USDA Reports Lower Commodity Prices?



United States Department of Agriculture
National Agricultural Statistics Service
South Dakota Field Office



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THE FACTS ON USDA REPORTS AND PRICES

We are often asked why prices always go down following the release of USDA crop and livestock reports. Most opinions would lead you to believe that prices always “take a tumble” following the release of these reports. The fact is that prices go up about as often as they go down. We usually don’t hear when prices go up following our reports, but we have the facts showing they do.

This pamphlet illustrates a comparison of commodity price changes following USDA reports. The tables show the number of times prices increase and decrease after the release of reports over time, and the average gains and declines. If you look at the Monthly Cattle Price table, as an example, you can see that during 2006 and 2007 cattle prices actually increased 15 times and decreased 9 times following the monthly Cattle on Feed report. Similar findings occurred for Hogs, Corn, Soybeans, and Wheat Prices.

USDA reports in and of themselves do not determine the price. The actual supply that enters the marketplace, along with domestic and export demand, determine the price farmers receive for their products. It is true that the futures market, and then in turn the current cash market, may go up or down following our reports. But these fluctuations are generally minor, as the market has already made adjustments to expected supplies. One reason why farmers and others may believe that USDA reports drive down prices is because the media rarely emphasize price increases following the reports. As you can see from the attached tables, that is only telling half of the story.

WHY HAVE USDA REPORTS?

- Reports published by USDA’S National Agricultural Statistics Service serve as a tool for farmers and others involved in agriculture to make production, marketing, and business decisions.
- The reports are based on voluntary reporting by farmers and agribusinesses who are the most accurate source for the information.
- USDA Crop Production and Livestock Inventory Reports are an unbiased source of information, available to everyone in agriculture.
- Without unbiased supply reports for agriculture, farmers would be at the biggest disadvantage trying to secure the best price for their commodities...buyers generally have more information resources at their disposal.

TWO YEAR SUMMARY Number of Changes and Ave. Change

2006 & 2007 Cattle Summary – 24 Reports	
Price Increases - - 15	Ave: +\$1.70
Price Decreases - - 9	Ave: -\$1.65

MONTHLY CATTLE PRICE Changes following Cattle on Feed Reports Average Price 1/

Year	Report Date	Week of Report	Week after Report	Price Change
- - -Dollars per Cwt.- - -				
2006	Jan 20	96.00	94.60	-1.40
	Feb 24	89.19	88.01	-1.18
	Mar 24	86.24	83.90	-2.34
	Apr 21	82.30	79.30	-3.00
	May 19	79.23	80.78	+1.55
	Jun 23	83.20	83.92	+0.72
	Jul 21	79.62	79.50	-0.12
	Aug 18	85.62	87.58	+1.96
	Sep 22	88.59	90.80	+2.21
	Oct 20	87.55	89.52	+1.97
	Nov 17	86.37	87.63	+1.26
	Dec 22	85.33	87.98	+2.65
2007	Jan 26	86.39	87.84	+1.45
	Feb 23	90.64	93.59	+2.95
	Mar 23	97.22	95.81	-1.41
	Apr 20	96.06	96.28	+0.22
	May 18	97.55	94.58	-2.97
	Jun 22	86.67	85.77	-0.90
	Jul 20	89.63	90.70	+1.07
	Aug 17	90.25	92.67	+2.42
	Sep 21	93.78	95.52	+1.74
	Oct 19	93.26	92.51	-0.75
	Nov 16	92.76	95.10	+2.34
	Dec 21	90.95	92.14	+1.19

1/ Based on 7 state steer and heifer prices.
Source: Market News, Agriculture Marketing Service.