of El Niño does bode well for the spring precipitation outlook.

For the livestock sector, 2002 was a year of contraction. National hog breeding stock fell by 3 percent. The number of market hogs dropped to 52.9 million head, a 1 percent decrease from 2001. The September to November pig crop was 2 percent below the 2001 level. Planned farrowings are down 1 percent for December to February period and down 3 percent for March to May. Nationally, there are just over 75,000 hog operations, a 7 percent decrease from 2001, and a 13 percent drop since 2000.

Trends in Iowa’s hog production parallel the national trends. Breeding stock declined by 7 percent in 2002. Market hogs held at 14.25 million head, slightly below the 2001 figure. The September to November pig crop was down 2 percent. Planned farrowings are up 2 percent for December to February but down 4 percent for March to May. Roughly 500 Iowa hog operations ceased production in 2002, bringing the state total down to nearly 10,000 hog operations.

Local hog prices are also down from last year. The weekly weighted average price for Iowa and southern Minnesota is $42.15, down $8.20 from last year at this time. However, stronger packer demand and tighter supplies have helped boost lean hog futures over $60. Also, pork exports for 2002 were up 3 percent for the year, with most of the increase coming from Japan, Canada, South Korea, and Taiwan.

National cattle on feed numbers fell 8 percent from last year, even with increased placements and decreased marketings during November. As of December 2002, 10.9 million cattle are in feedlots with over 1,000 head. During November 2002, 2 million cattle were placed in feedlots, while 1.7 million head were marketed. For Iowa, the number of cattle on feed equaled last year’s figure. November marketings were up 7 percent from 2001, but marketings were down 2 percent.

Local cattle prices are up compared to last year. The average price for choice steers on a live basis from interior Iowa markets is $77.50, up $11.07 from this time last year. Tightening supplies, poor feeding conditions in some regions of the country, and winter weather concerns are helping maintain cattle prices. Demand for beef is projected to remain strong through 2003 both domestically and internationally. Beef exports for 2002 are expected to finish at record levels.◆