

DEPARTMENT OF AGRICULTURAL ECONOMICS

Obtaining and Utilizing USDA Market and Production Reports

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It has been said that “accurate and timely information is the lubricant of an efficient market” (Moulton and Padberg). Information, whether factual or false, will have an effect upon where a market trades. While all market participants need equal information in order for the market to operate efficiently, this equality

seldom exists. Those participants that have superior information hold a distinct marketing advantage over those who do not have the information.

The widespread adoption of computer technology has allowed accurate and timely commodity information to become readily available. In fact, many producers can suffer from information overload, resulting in a distorted perception of what is happening in the markets. The purpose of this article is to sort through some of the important information, particularly public information, that is available and where to find it. Crop and livestock information will be discussed separately.

Sources of Information

Market information is gathered and disseminated by both public or private organizations. Public information is commonly available from the United States Department of Agriculture (USDA) and Land-Grant Universities. USDA is responsible for collecting and reporting to the public a vast array of information on virtually every agricultural commodity produced in the United States. In addition, USDA is charged with estimating production and prices of most commodities eligible for government support. Most land grant universities employ specialists who then provide interpretations of those reports to producers.

Over time, many private commodity firms have started gathering data and making the same type of projections. However, in order to have access to those private reports, interested persons typically have to pay a subscription or membership fee to the firm. These private reports can go far beyond what the public organizations can

do including providing technical analysis of market charts and actual marketing recommendations.

The impact of private information should not be underestimated. Several large firms provide production estimates to their clientele and eventually release their projections to the public. Generally, these estimates become available to the public a few days to a few weeks prior to the associated USDA report and can cause the market to move. The influence of private company estimates can affect the impact of a USDA report. Often, the impact of a USDA report is not measured from the change in the previous report but how it differs from the industry guesses. Therefore, it is important to factor in pre-report private estimates when gauging the impact of a USDA report.

Public Crop Reports

USDA publishes reports throughout the year estimating crop production, use, and stocks. Reports for the new year begin in January with the *Wheat and Rye Seeding Supplement* of the *Crop Production* report. In March, the *Prospective Plantings Supplement* of the same report is released. In April, *Crop Progress* reports begin. In May, *WASDE* reports begin projecting crops for the current growing season. In June, USDA releases their *Acreage* supplement of the *Crop Production*. Each report is discussed below. Table 1 details many of the USDA reports throughout the calendar year.

United States in order to derive the amount of on-farm grain stocks and the other to commercial grain storage facilities to generate an estimate of off-farm storage.

U.S. Export Sales

U.S. agriculture is highly depended upon export sales. Typically, a quarter to half of the U.S. annual production of corn, wheat, soybeans and cotton is exported. The Foreign Agricultural Service publishes the weekly *U.S. Export Sales* which outlines export sales during a particular week and outstanding sales. Outstanding sales are defined as grain which has been contracted but not yet shipped to foreign buyers.

Normally, this report becomes very important after a crop size has been determined, or near the end of a commodity's marketing year.

Other Pertinent USDA Reports

USDA publishes many additional reports outlining agricultural statistics and growth stages. The weekly *Crop Progress* is a good example of a report that readers need to be aware of. USDA begins releasing this report in April with the last release at the end of the calendar year. This report outlines crop plantings and conditions and is released on Monday afternoon at 3:00 p.m. CST. Each commodity market will trade based on the results of this report on Tuesday.

Public Livestock Reports

USDA publishes many reports detailing inventories of herds, slaughter, and consumption of livestock in the United States and the world. Some that producers need to be aware of are outlined in Table 2.

Cattle Inventory

The cattle inventory is published twice a year. The first report is released around January 30 and reflects U.S. cattle herd dynamics as of the first of the year. A second report is released around July 20 and reflects herd dynamics as of July 1.

These two reports are a good indication of the general situation in the cattle industry. Past and current data from this report can be used to illustrate cattle cycles and predict the general direction of cattle inventories and resultant prices.

Cattle on Feed

The *Cattle on Feed* report is released around the fifteenth of each month. It estimates the number of cattle and calves on feed, placement in feedlots, marketing, and other disappearance. These figures are presented by

weight groups and feedlot capacity for selected states. The placement figures are used to assess price prospects for the period when the cattle are to be slaughtered.

Livestock Slaughter

The *Livestock Slaughter* report is a monthly outline of animals that have been slaughtered in the United States. This report provides the number of head slaughtered, live weight, and dressed weight of cattle, sheep, and hogs slaughtered in the United States. In addition, total red meat production by species are reported by states and for the United States.

Cold Storage Report

The *Cold Storage* report contains estimates of the regional and national end of the month stocks of meats, dairy products, poultry products, and fruits and vegetables in public, private and semiprivate refrigerated warehouses. This report is normally released around the 20th of each month.

The amount of meat that the market has on hand is represented. The meat reported includes what is ready to be delivered to a retail outlet or to the consumer. If the report indicates larger supplies of meat on hand than expected meat prices will tend to fall. This report helps define where prices have been and current prices levels.

Where to get the Information

All market participants can access USDA reports. USDA provides several means of obtaining reports.

Internet Access

All USDA reports are available free of charge on the worldwide web. For access, connect to the internet and go to the NASS home page at: <http://www.usda.gov/nass/>

Select "Today's Reports" or publication and then Reports by Calendar or "Publications" and then Search, by Title or Subject.

University Websites

All of the USDA reports are available through Kansas State University and Texas A&M University websites. Both agricultural economics departments provide analysis and updated databases of the reports. The website addresses are: www.agecon.ksu.edu K-State Research and Extension Agricultural Economics home page, then click on "Research and Extension." The home page for Texas A&M University is: agecoext.tamu.edu.

E-mail Subscription

Readers can have any or all reports automatically e-mailed free of charge to them upon the reports release. To subscribe, send an e-mail message to: *usda-reports@usda.mannlib.cornell.edu*. In the message body type the word **list** to obtain an entire listing of USDA publications available.

Autofax Access

A fax service is available for some reports. Readers can subscribe by calling (202) 720-2000, using the handset attached to your fax. The user then follows voice prompts. There is a cost with this method.

Mail

Any reports can be ordered by calling 800-999-6779. There is a cost associated with this method.

Other Report Services

Many of the USDA reports are also available on services such as DTN (Data Transmission Network). Contact your local representative to determine the costs.

References

Moulton, Kirby, and Daniel I. Padberg. "Mandatory Public Reporting of Market Information." *Marketing Alternatives for Agriculture: Is There a Better Way?* Cooperative Extension. New York State College of Agriculture and Life Sciences. Cornell University. Ithaca, New York. November 1976.

Table 2. USDA Livestock Reports by Month

	January	February	March	April	May	June	July	August	September	October	November	December
Cattle Inventory	✓						✓					
Cattle on Feed	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Livestock Slaughter	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cold Storage	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hog Inventory			✓			✓			✓			✓
Hog Farrowing			✓			✓			✓			✓
Milk Production	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sheep Inventory	✓						✓					

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