

Market News

With corn prices up to \$8 per bushel for much of the year and transportation costs going up to record levels, large livestock integrators are left to ponder the reality of continuing in the livestock business in the Carolinas and Virginia. Feed makes up about 70% of the cost of feeding livestock, and historically the bulk of this feed has been corn, most of it sent to North Carolina by rail from the Midwest, reported *Southeast Farm Press*. [Full Story](#)

The California strawberry crop has potential for another record-setting harvest. Production of the Southern California strawberry crop during the winter months seldom proceeds without some form or another of weather interruption. Several days of freezing or near-freezing temperatures about mid-January caused light to moderate damage to fruit on the plants in a few locations. Ironically, several days of unseasonably warm temperatures immediately followed the cold spell and brought on an unexpected flush of fruit, reported *The Produce News*. [Full Story](#)

A cod bonanza off north Norway and Russia and recovery of some fish stocks off developed nations from the U.S. to Australia have led many scientists to state the future for over-fished world stocks is a bit less bleak. Stocks off developing nations - from the Pacific to the Caribbean - are still in sharp decline but the recoveries give hope that the problems are not irreversible. Meanwhile, fish landings off the U.S. rose to a 14-year-high in 2011, "thanks in part to rebuilding fish populations," according to the U.S. National Oceanic and Atmospheric Administration. U.S. successes include Atlantic swordfish, summer flounder, New England scallops, Pacific lingcod and mid-Atlantic bluefish, the Washington-based Pew Environment Group stated, reported *Reuters*. [Full Story](#)

The persistent drought is taking a toll on producers of ethanol, with corn becoming so scarce that nearly two dozen ethanol plants have been forced to halt production. Data from The Renewable Fuels Association, an ethanol industry trade group, shows that 20 of the nation's 211 ethanol plants have ceased production over the past year, including five in January. Most remain open, with workers spending time performing maintenance-type tasks. But

ethanol production won't likely resume until after 2013 corn is harvested in late August or September, reported *The Associated Press*. [Full Story](#)

Minnesota remains in a deep drought despite winter snowfall.

Much of the state has picked up a few inches of snow over the past couple weeks, including a series of clippers that dumped an inch or two for several days in a row starting late last week. But updated data released by the U.S. Drought Monitor shows 98% of Minnesota is still in a moderate to extreme drought. More than 80% of the state falls into the severe or extreme categories, reported *The Associated Press*. [Full Story](#)

USDA released its Agricultural Projections to 2022. The report provides longrun projections for the farm sector for the next 10 years. Key results in the projections include the following: Prices for major crops decrease in the early years of the projections as global production responds to recent high prices; Total U.S. red meat and poultry production is projected to fall in 2013 in response to lower producer returns and drought in the Southern Plains of the U.S. over the past two years; and World economic growth and demand for biofuels combine to support longer run increases in consumption, trade, and prices for agricultural products. [Full Story](#)

Tomato importers project higher prices and reduced volumes by early March, the expected effective date of a new suspension agreement between Mexican tomato growers and the U.S. Commerce Department. The Commerce Department announced the plan Feb. 2. The proposal raises minimum prices substantially, in some cases more than double the current floor price for certain products. U.S. growers had been unhappy with current floor prices for Mexican tomatoes and in 2012 requested the end of a suspension agreement that set those prices since 1996, stopping an anti-dumping investigation, reported *The Packer Online*. [Full Story](#)

About 76 million bushels of U.S. fresh-market apples - more than 72 million from Washington - had yet to be shipped as of Feb. 1, 11% more than last year at the same time. The February total was also 13% higher than the five-year average, according to the U.S. Apple Association, reported *The Packer Online*. [Full Story](#)

California almond growers may not have enough honey bees to pollinate this year's crop of 800,000 acres, stated an extension apiculturist of the UC Davis Department of Entomology. The expert attributes the difficulty to winter losses and less populous hives. Those winter losses still being tabulated and the resulting fewer bees per hive could spell trouble for almond growers, reported *Western Farm Press*. [Full Story](#)

Through innovation and thinking big, U.S. farmers and ranchers have transformed agriculture from mule-and-plow operations into one of the most tech-savvy and society-changing industries in the modern world. Modern agriculture is at the forefront in technology, leading to greater efficiency and safety, reported *Ag Alert*. [Full Story](#)

Farmers who rely on rainfall to irrigate their crops state they are optimistic the coming weeks will hold more rain to help support the fields they have already planted. Wheat is the leading California crop to be grown using dryland techniques, but vegetables, walnuts and winegrapes can also be grown this way, reported *California Farm Bureau Federation*. [Full Story](#)

Southern Hemisphere apple and pear production and exports should be up in 2013. About 6.03 million tons of apples are expected to be produced in Argentina, Australia, Brazil, Chile, New Zealand and South Africa in 2013, up 1% from 2012, according to the World Apple and Pear Association. About 1.68 million tons of pears are expected from the Southern Hemisphere this year, 2% more than last year, reported *The Packer Online*. [Full Story](#)

After adjusting for inflation, 2013's net farm income, forecast at \$128.2 billion, is expected to be the highest since 1973, according to ERS. A return to trend yields would lead to record crop production levels and result in substantial year-end crop inventories. [Full Story](#)

Despite the crop-decimating drought, Midwestern farm incomes rose in the fourth quarter of 2012 due to record crop insurance payouts, according to a survey by the Federal Reserve Bank of St. Louis. The figures could stoke debate over crop insurance subsidies in coming months as Congress determines the scope of government

supports in a new farm bill, reported *St. Louis Post-Dispatch*. [Full Story](#)

Sunrise Fresh Produce, a wholly owned subsidiary of Merchants Foodservice, completed its acquisition of certain assets from Emerald Coast Finest Produce. The closing, completed Jan. 18, enables Sunrise Fresh Produce to operate its third produce distribution center as Sunrise Produce Gulf Coast. With the acquisition, Sunrise Produce Gulf Coast will have a 40,000-sq.-ft. facility, reported *The Produce News*. [Full Story](#)

Berries, peppers and cucumbers were among the fastest-rising U.S. fresh produce imports by value for 2012. U.S. imports of peppers and cucumbers rose sharply, but the value of tomato imports dropped double digits percentage-wise in 2012, according to U.S. trade data, reported *The Packer Online*. [Full Story](#)

Corn futures for May delivery fell 0.1% to close at \$6.9275 a bushel on the Chicago Board of Trade (CBOT), but fell to \$6.855 at one point, capping the longest slump since 1965. Forecasts for rain improved prospects for corn harvests in Brazil and Argentina, and U.S. exports lagged behind year-earlier shipments. Wheat futures for March delivery also fell 0.5% to \$7.32 a bushel on the CBOT on speculation rain and snow in Oklahoma and Texas will improve crop prospects, reported *Bloomberg*. [Full Story](#)

USDA submitted an information collection requirement to OMB for review and clearance related to the monthly Cold Storage Survey, which provides information on national supplies of food in refrigerated storage facilities. A biennial survey of refrigerated warehouses is also conducted to provide a benchmark of the capacity available for refrigerated storage of the nation's food supply. Comments regarding this information collection received by March 18 will be considered. [Full Notice](#)

AMS will hold a meeting of the National Organic Standards Board April 9 through 11 in Portland, OR. The deadline to submit written public comments and sign up for oral public comments is March 19. [Full Notice](#)

