

The deadline for comments on the proposed rule to amend the labeling provision of the country-of-origin labeling program is Monday, April 8. As we pointed out in the DLRs of March 12 and 13 (which can be found at www.dailylivestockreport.com), our read on the proposed rule is that it is unlikely to satisfy the World Trade Organization's findings that MCOOL violates the terms of our WTO trade agreements. At this point, the issue is not really whether one thinks country-of-origin labeling is good or bad thing but is more an issue of whether one thinks exports to Mexico and Canada are important enough to find a solution that meets WTO rules. Our discussion of the trade situation with Russia and China yesterday pretty much spells out where we believe the U.S. industries stand: They are built for exports and cannot long stand any actions that impede them. While any retaliatory tariffs may be a year or more in coming, the fact that the U.S. has a program that violates WTO rules provides license for other countries to do the same thing. The U.S. cannot behave one way and expect others to behave another.

Your opinions and actions matter. USDA is required to consider all comments it receives regarding a proposed rule. We urge you to decide for yourself and get into the debate. The rule, as well as instructions on the comment period and submitting comments, can be found at <http://www.ams.usda.gov/AMSv1.0/COOL>. The WTO's ruling on the case can be found at http://www.wto.org/english/tratop_e/dispu_e/384_386abr_e.pdf.

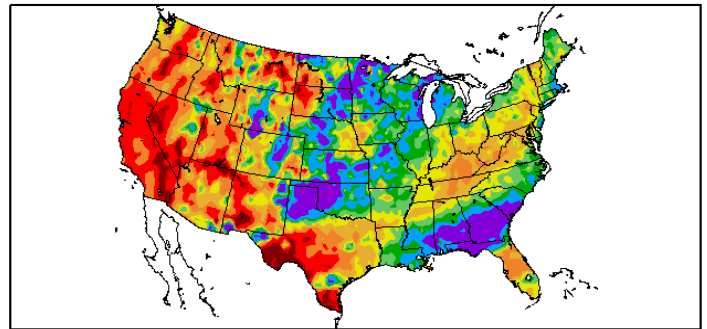
Monday's first Crop Progress Report of 2013 contained, as can be expected at this point, only a small amount of information relevant to livestock and poultry growers. Grain sorghum planting is on schedule in Texas with 40% of acres as planted as of March 31. That number is 1% higher than last year and even with the 5-year average. Louisiana planting is well ahead of schedule while Arkansas reported no grain sorghum planting as of Sunday where it had planted 24% of its acres last year and has averaged 8% over the past 5 years. Nationally, 16% of sorghum acres were planted by Sunday.

Perhaps the most important information in the report was winter wheat condition ratings. The news was, as expected, not positive with only 34% of acres rated good or excellent. That compares to 58% at the same time last year. Perhaps more concerning, 30% of all winter wheat acres are considered in poor or very poor condition. That compares to 12% last year. What's more, the bad acres are in some big states with poor/very poor ratings at 49% in Texas, 29% in Kansas, 42% in Colorado, 49% in Nebraska, 76% in South Dakota and 33% in Oklahoma.

As can be seen in the map at top right, much of the southern part of the winter wheat area received larger-than-normal rainfall in February. That statement doesn't apply to South Dakota or one area of eastern Colorado but, in general, moisture conditions have definitely improved. The issue is how much damage has already been done by dry conditions at planting time, poor germination and, now, frost damage is parts of Texas and Oklahoma.

The size of the winter wheat crop is important for several rea-

Percent of Normal Precipitation (%)
2/1/2013 - 2/28/2013



Generated 3/2/2013 at HPRCC using provisional data.

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sons. First, USDA has projected sharply higher feed usage this year. Second, the timing of the winter wheat harvest in the summer months provides feed ingredients near the end of the corn marketing year. And finally, the price of one grain impacts the prices of others. While the focus of late has been on how corn drives everything, there is some impact of higher wheat supplies and lower wheat prices on corn prices as well. The influences are not a one-way street.

It should be noted that there was no information in this week's report regarding corn and there was no mention of corn in the tables USDA expects to be in next week's report. That is noteworthy primarily when compared to last year when USDA first Crop Progress report of the year included corn planting progress (3% of acres were planted as of April 2, 2012) and its second report of 2012 shows 7% of acres having been planted. The mild winter and early spring of 2012 allowed for that early start that ultimately resulted in one of the earliest-planted crops for both corn and soybean on record. And a lot of good it did us, huh?

This year, of course, is vastly different with a much larger portion of the country receiving significant winter snow cover and witnessing cooler temperatures through March. The result has been a much slower — and actually much more normal — rise in soil temperatures. Syngenta's GreenCast website (<http://www.greencastonline.com/tools/SoilTempMaps.aspx>) indicates, though, that soils as far north as southern Iowa had warmed to 50° as of today. See the top map on page 2. Corn can be planted at that soil temperature.

The bottom map on page 2 shows GreenCast's 5-day outlook for soil temperatures. Note that 55° soil temperatures are expected by then in most of Missouri, Illinois and Indiana and that the 50° line will cover roughly two-thirds of Iowa. Planters should roll soon.

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