



United States Department of Agriculture  
Agricultural Marketing Service

Livestock, Poultry, and Seed Program

# Market Reporter's Handbook



Livestock, Poultry, & Grain Market News

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## INTRODUCTION

The **LPGMN REPORTER'S HANDBOOK** is the product of the efforts of many reporters working individually and together as teams to incorporate the ideas and recommendations of the field staff. This handbook has been organized into sections covering office and report administration, as well as report preparation for each major commodity reported. In addition to the normal procedures to be followed regarding the collection, analysis, and dissemination of market information, this handbook also provides detailed explanations of some of our more complex reports.

This handbook was written to be used by all LPGMN employees as a reference guide to be reviewed on a regular basis. Reporters are expected to be familiar with its contents and apply these procedures in their daily market reporting duties. Administrative support employees should also be thoroughly familiar with the instructions pertaining to administrative responsibilities. While we have tried to make these guidelines as complete as possible, we realize they are not all inclusive. Therefore, employees should rely on their supervisors for guidance on issues that may arise which are not covered in the handbook.

Your suggestions and input to assist in the ongoing maintenance of an up-to-date handbook are greatly appreciated.

Michael Lynch, Director  
Livestock, Poultry and Grain Market News  
Washington D.C.

## **THE PURPOSE OF MARKET NEWS**

The primary function of the Livestock, Poultry and Grain Market News (LPGMN) Division of the Livestock, Poultry and Seed Program (LPS) is to compile and disseminate information that will aid producers, consumers, and distributors in the sale and purchase of livestock, poultry, eggs, meat, grain, and their related products nationally and internationally.

Market News information provides the industry with tools to determine where and when to buy and sell livestock, poultry, eggs, grain, and their related products. Market reports assist producers in their production planning and help promote orderly marketing by placing producers and others in the industry on a more equal bargaining basis. Related industries which process and distribute agricultural products also make considerable use of market reports to conduct and plan business operations. Statistics prepared by the Division are utilized by all segments of the industry and as basic data by agricultural colleges, universities, government agencies, and private research organizations.

## **DIVISION STATEMENT**

Provide to the agricultural industry accurate and unbiased marketing information depicting current conditions relating to the trade of livestock, poultry, meat, eggs, wool, grain, and feedstuffs that will promote orderly marketing and enhance competition.

In pursuit of this mission, our employees are committed to work with the industry to identify changes in the marketing structure and stay abreast of these changes to develop and revise market reports that foster trust and maintain the integrity of our service. Suggestions for improvements in procedures, data collection, and dissemination are encouraged and welcomed from the industry. Reports will reflect consumer preference through the marketing channels to aid the production and processing industry segments.

## **LEGAL AUTHORITY FOR MARKET NEWS SERVICE**

"Livestock Mandatory Reporting Act of 1999" - Legislation enacted by Congress on October 22, 1999, as an amendment to the Agricultural Marketing Act of 1946 provides for the Mandatory Program of reporting market information regarding the marketing of cattle, swine, lambs, and products of such livestock by certain livestock packers, livestock product processors, and importers.

"The Agricultural Marketing Act of 1946, under which marketing services activities were consolidated, contains this statement of duties concerning market news activities "... to collect and disseminate marketing information ..." and "... to collect, tabulate, and disseminate statistics on marketing agricultural products, including , but not restricted to statistics on

marketing supplies, storage, stocks, quantity, quality, and condition of such products in various positions in the marketing channel, utilization of such products, and shipments and unloads thereof.

"The Shepherd Amendment" - Legislation enacted by Congress Aug. 11, 1916, authorized the Secretary of Agriculture "to gather from stockmen, livestock associations, State livestock and agricultural boards, common carriers, stockyards, commission firms, livestock exchanges, slaughtering and meat packing companies, and others information relative to the number of different classes and grades of marketable livestock, especially cattle, hogs, and sheep in the principal livestock feeding districts and growing sections; prices, receipts, and shipments of the different classes and grades of cattle, hogs, and sheep at livestock centers; prices of meats and meat food products, and the amounts of such products in storage, to compile and publish such information at such frequent intervals as most effectively to guide producers, consumers and distributors in the sale and purchase of livestock, meats, and other animal products, and to gather and publish any related information pertaining to marketing and distribution of livestock, meats, and animal byproducts.[1]"

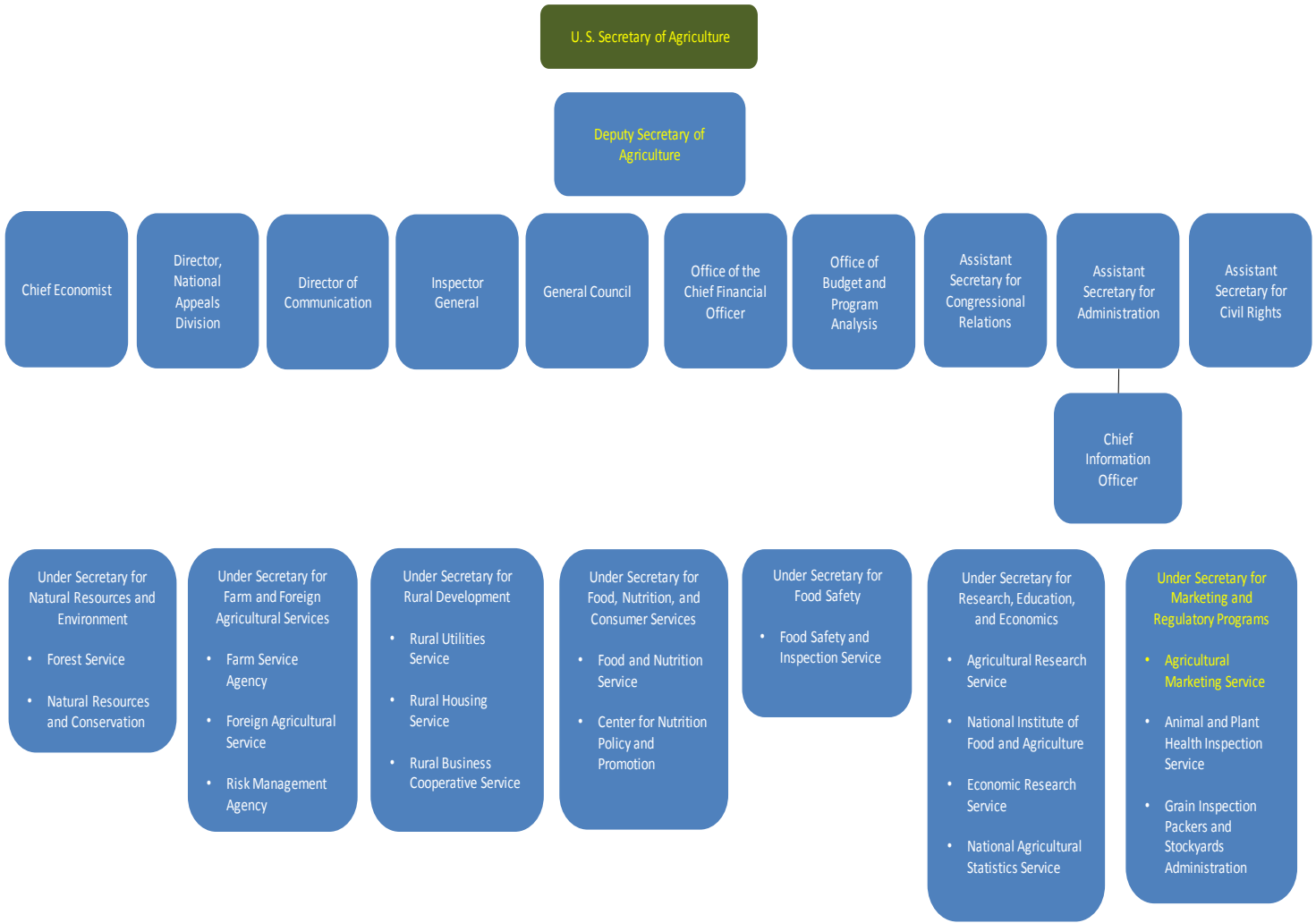
[1]64th Congress, 1st session, 1916 - Agric. Ap. Act for fiscal year 1917 - Vol. 39 Statutes at large, page 473 - Office of Markets and Rural Organization - Congressional Record, Vol. 53, page 779.

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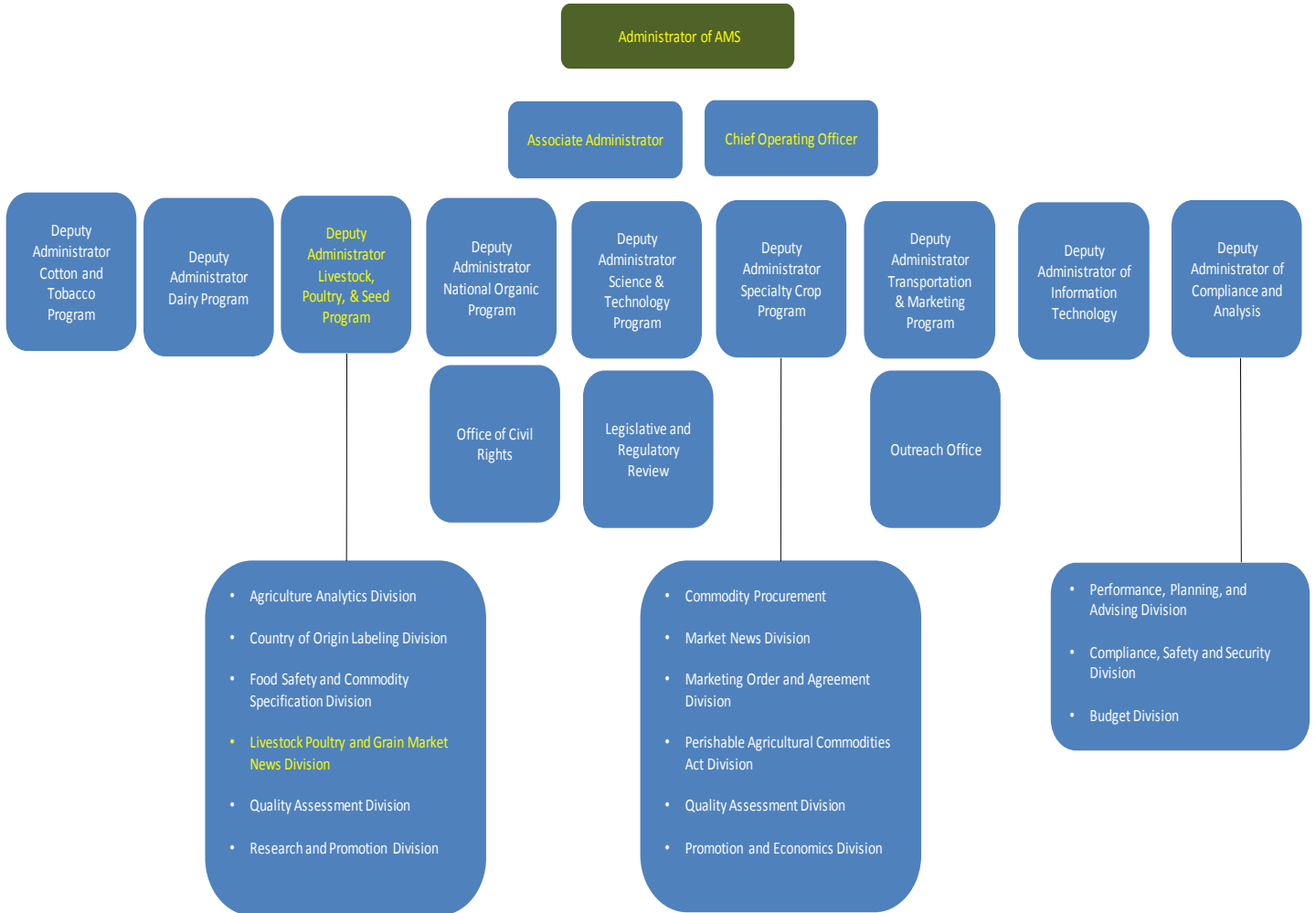
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# ORGANIZATION

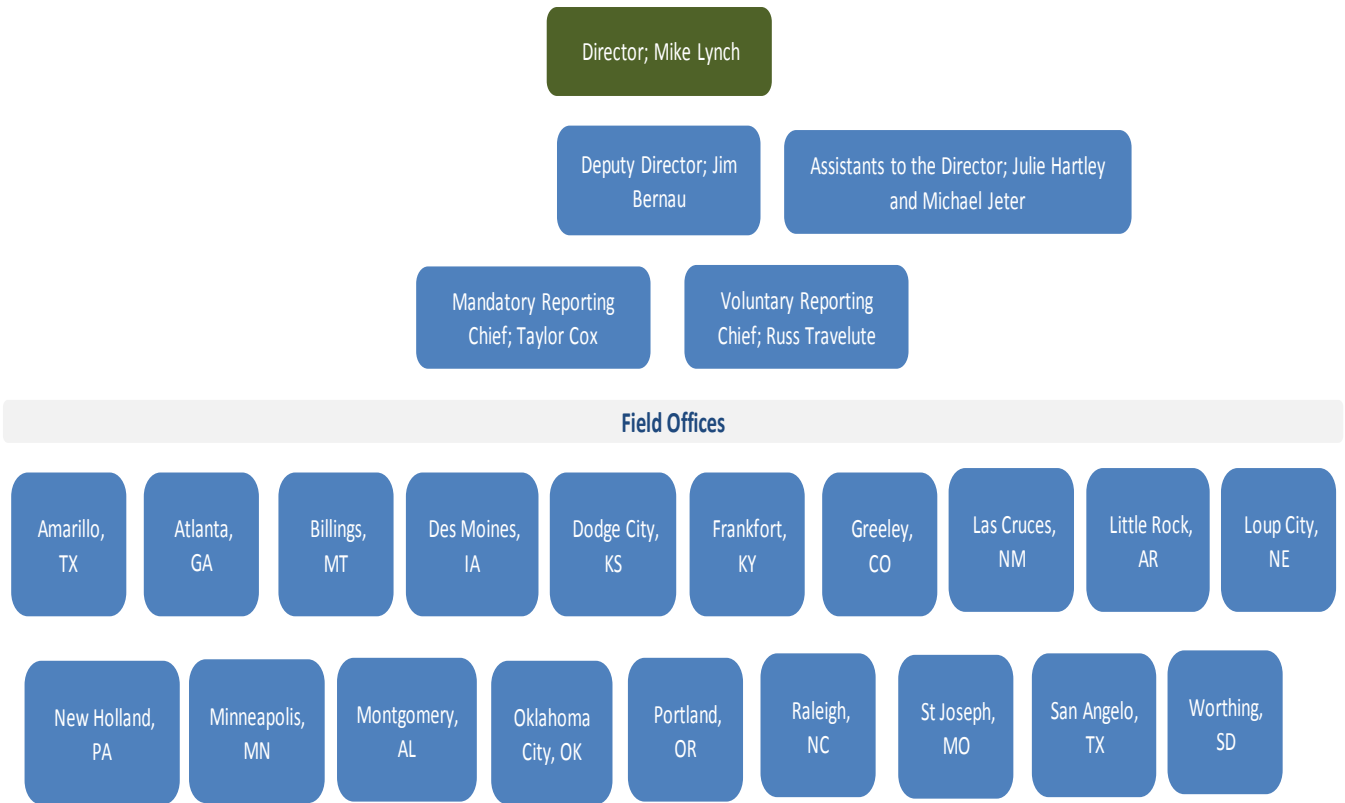
## USDA Organization Chart



# AMS Organization Chart



## Livestock, Poultry, & Grain Market News Organization Chart



**For Office Contact Information click here:**

<https://www.ams.usda.gov/market-news/livestock-poultry-grain-contacts>



## ORGANIZATION OF THE LIVESTOCK, POULTRY AND GRAIN DIVISION

### I. ORGANIZATION

The Market News Division consists of the LPS Program in Washington, DC, and the Market News Division field offices. The Division Director, Assistants, and Chiefs will coordinate and supervise the operations.

### II. GENERAL PLAN OF OPERATION

**A.** Instructions will be issued by the Washington office directly to the chiefs and field offices.

**B.** Chiefs will direct the operation of each market news office in their area.

Chiefs will: (1) direct and coordinate the collection of information and the preparation and dissemination of market reports; (2) plan and approve leave for technical employees and assignment of relief reporters; (3) prepare performance ratings of officers in charge; (4) review and approve performance ratings made by officers in charge; and (5) help the Market News Division maintain and develop working relationships with Federal and State agencies, producers, and marketing and consumer groups for the purpose of collecting and disseminating market news information, obtaining policy and program recommendations, and promoting harmonious relationships and cooperation. Chiefs will be on call to give technical or other assistance to the market reporters in their area.

**C.** Chiefs will conduct correlations and examinations for certification of new Federal and State reporters and cross-utilized personnel.

**D.** Market News Division offices will be headed by a reporter who will be technically in charge of all market news service at that office. The Officer in Charge will be a member of the operating committee when the office is part of an LPS Program field office. On questions of technical operation and program matters, the respective market news offices will communicate with the supervisors assigned to handle such matters, as set forth below. In the event the supervisor is not accessible, and if it is advisable for the field office to submit the matter to the Washington office, an information copy of the communication sent to Washington will be forwarded to the supervisor.

**E. Federal-State Supervisory Responsibilities:** Federal-State supervisors will be responsible for the technical coordination and supervision of all livestock, and grain market news activities within the respective State. The supervisor will work directly with State supervisors and headquarters staff to maintain a strong market news program through the utilization of State personnel. They will take advantage of opportunities to participate in activities which increase the value of the market news service to industry. The work schedule will be arranged to provide the Federal supervisor with time to visit the State reporters on a regular basis. At times, supervisors may be needed to report a market in the absence of the State reporter or grader. The Federal-State supervisor will be directly responsible to the Federal Area Chief.

**F. Other Supervisory Responsibilities:** All OIC's will be alert for opportunities to participate in grading demonstrations, livestock, poultry, or grain group meetings, feedlot and pasture tours, grading of livestock shows and sales, and egg and poultry grading.

**G. Administrative procedures** will be handled as prescribed in LPS Program and AMS Instructions. On questions of administrative procedures, offices will communicate with the Program Administrative Officer or the Headquarters Office.

## **OFFICE ADMINISTRATION**

### **PERSONNEL AND CONFIDENTIAL INFORMATION**

#### **I. CONFIDENTIAL INFORMATION**

Information regarding sales, stocks, prices, etc., obtained from individuals or firms voluntarily is of a confidential nature and must not be revealed. Government or private agencies may in the course of investigations ask for details on some individual's or firm's operations. In most cases, an explanation as to the nature of market news work and respect for information given in confidence should explain why such information cannot be released. If a demand for information continues, refer the request to the Washington Office. Do not under any circumstances release any information of a confidential nature without prior approval from the Washington Office.

Information collected through the Livestock Mandatory Reporting program (LMR) shall be made available to the public in a manner that ensures that confidentiality is preserved regarding the identity of the persons, including parties to a contract and proprietary business information. All requests for information collected through LMR that is not released to the public will be referred to the Washington office. Any person that willfully violates the confidentiality provision of LMR may be assessed a civil penalty of \$10,000. AMS employees and other USDA employees who are permitted access to Mandatory Reporting Data in the course of performing their official duties are required to sign a confidentiality statement annually.

#### **II. COURT TESTIMONY OR APPEARANCE**

An employee who is asked to appear in court to testify on official matters shall contact the Washington Office for instructions. The employee must be subpoenaed in order to testify. In most cases, the employee will not be allowed to testify even if subpoenaed and the Department of Justice will notify the local Jurisdiction that the employee will not make an appearance. The employee may provide official records that are public documents in place of testifying.

#### **III. PERSONAL STATEMENTS**

Expression of personal views contrary to official policies and programs should be avoided.

#### **IV. PROGRESS REVIEWS AND PERFORMANCE APPRAISALS**

##### **A. Performance Appraisals Form AD-435**

The appraisal period is 12 months from Oct. 1 to Sep. 30. A rating of record may not be given unless elements and standards were established and communicated to the employee and the employee served under those elements and standards in the current position for at least 90 days. If the employee has not served in the position for 90 days, the previous position occupied by the employee will be used for rating purposes.

##### **B. Progress Reviews Form AD-435A & B**

Progress reviews are to be conducted with each employee at least once sometime during the appraisal period, preferably at the midpoint or April.

## **V. ETHICAL CONDUCT CERTIFICATION**

Each new employee is to be provided 1 hour of official duty time to review the regulations within 90 days of the date he/she reports for duty. Each office should have a copy of the booklet "Standards of Ethical Conduct". These may be reproduced locally along with the Certification Statements for use in obtaining certifications from new employees. Completed certifications should be forwarded to the Washington Office.

## **OFFICE ADMINISTRATION**

### **GRADING DEMONSTRATIONS AND RELATED ACTIVITIES**

#### **I. POLICY**

Market News Division personnel in all field offices are encouraged to look for opportunities to conduct grading demonstrations and other activities that will enhance the market news service to producers. The scheduling of such activities and demonstrations, however, should be limited to days and times when the reporter can be away from regular market reporting activities. Following are types of activities or meetings which are encouraged.

- A. Grading Demonstrations** - Live animal grading demonstrations in the market area for producers, students, or other industry groups.
- B. Industry Group Meetings, Conferences, and Trade Visits** - Meetings within your reporting area where there is an opportunity to obtain information on current livestock, poultry, or grain production and marketing plans or to discuss market news activities.
- C. Feedlot and Pasture Tours** - Organized tours by market agencies or other livestock production or marketing groups where the market news service can be discussed.
- D. Livestock Shows and Sales** - Live animal grading at shows and sales where premiums are awarded or sales are made on a grade basis.
- E. Special Division Assignments** - Assignments to assist Standardization and other Department employees in grade demonstrations, shows, etc.

#### **II. AUTHORITY TO INCUR ADDITIONAL EXPENSE**

The Division Chief must approve in advance an invitation to conduct grading demonstrations or grading service, to attend meetings, or to accompany tours that involve travel or other extra expense. All travel requires prior authorization and approval. Authorizations should also include details of the trip and the benefit to Market News.

## **OFFICE ADMINISTRATION**

### **CORRESPONDENCE AND RELIEF**

#### **I. CORRESPONDENCE**

- A.** Field offices will forward to Washington a copy of all non-routine letters or memos they write, other than those written directly to the Washington Office. Copies of letters and e-memos from the field offices to Washington should also be sent to Area Chiefs. If there is any doubt as to how an inquiry should be handled, the letter should be acknowledged and the writer informed that the inquiry has been referred to the Washington Office for further attention. A copy of all memos and other correspondence from Washington to field offices is sent to the appropriate Area Supervisor.
- B.** Field offices will prepare a weekly activity report (WAR) that is due by COB each Tuesday. The WAR should include any activity that is scheduled in advance – preferably at least two weeks out or more. This could include meetings, public relations activities, outreach, employee engagement, new reports, etc. Each item only needs to be a few sentences but must include the dates, who will be attending the activity and the expected benefit.
- C.** *Disclaimer Clause* - Market News offices occasionally receive requests for names of manufacturers, dealers, selling agencies, etc. If a field office furnishes such names, USDA's position should be clearly explained to guard against (1) the assumption that the names listed imply endorsement of certain firms to the possible detriment of others, or (2) the impression that the lists necessarily include all dealers or agencies in a certain line. An approved form of disclaimer is as follows: "It is generally impractical to give a complete list of dealers, agencies, packers, etc., and in furnishing a partial list in an effort to aid you, it should be understood that no discrimination is intended and no guarantee of reliability implied."
- D.** *Annual Reports of Market News Activities*  
All field offices must prepare an annual report of market news activities. The original copy will be forwarded to the Washington Office by Sept. 1. A copy will be retained in a permanent file for future reference. Offices will send a copy to their Area Supervisor. It is important that the information be accurate and complete.

#### **II. RELIEF**

Each Market News employee shall maintain an up-to-date desk manual of their duties and responsibilities or use by relief personnel. The outline shall include:

- Commodities covered
- Title and Time of day each report is to be released
- List of trade contacts including names, telephone numbers, etc.
- Radio and press requirements
- Reports to Division headquarters or other offices
- Any other pertinent information regarding their duties

## **OFFICE ADMINISTRATION**

### **TRAVEL MANAGEMENT**

#### **I. GENERAL OBJECTIVE**

All travel will be performed in such a way as to realize maximum economy, and at the same time, effectively carry out the various programs of the Market News Division. Each traveler will be responsible for taking steps to assure the fulfillment of this objective.

#### **II. PRACTICES TO FOLLOW WHEN PLANNING TRAVEL**

- A. Trips should be planned so that all contacts regularly visited in an area will be contacted on each trip to the greatest extent possible.
- B. Reporters on relief assignments will limit travel to the vicinity of the office. Travel outside the office vicinity is more productive when performed by the regular reporter.
- C. All employees are responsible for creating their authorizations and vouchers through the current travel system. Vouchers must be completed within 5 days upon return. All employees must also complete a Trip Report upon their return.
- D. Authorizations must include detailed explanations as to the purpose of the trip and the resulting benefit to the Division from the trip. This also includes filling in all designated boxes (trip comments, details, trip name, etc.).
- E. Any travel outside of the normal reporting area or to national or regional meetings must be approved by the Area Chief or Director.
- F. Livestock, Poultry and Seed Program Notices set policy on the current procedure for authorizing and approving travel. Authorized approving officials must approve on a case-by-case basis travel involving situations noted below. Written justification is required for travel of this type and must be submitted to your Area Chief and Washington D.C.
  - A combination of business and personal travel requires a constructive travel cost comparison statement.
  - Annual leave taken during an official trip requires a constructive travel cost comparison statement.
  - Deviations for personal convenience from the normal mode of transportation or itinerary require a constructive travel cost comparison statement. (Example: Employee elects to drive POV in lieu of using common carrier.)
  - Travel to resort areas requires a written justification.
  - Request for Actual Lodging expense that exceed the lodging rate for that area.

#### **III. CHANGE OF OFFICIAL DUTY STATION VOUCHER SUBMISSION**

The original voucher and all original documents for move vouchers must be submitted to the Washington, D.C. office for approval and in turn will be forwarded to NFC. Travel regulations concerning changes in official duty stations will be provided by Washington, D.C. office. Form AMS-4 must be submitted to Washington, D.C. before any move expenditures are incurred. Upon submission of AMS-4, an AD-202 will be prepared to authorize move expenses.

## **REPORTS ADMINISTRATION AND DISSEMINATION**

### **I. REPORTS RELEASED**

- A.** No new report should be released before prior approval of the Washington office. New reports will be assigned ID number by Washington for identification purposes and for electronic transmission. Reports also cannot be discontinued without prior approval.
- B.** Each Market News office is assigned a filing schedule for regular reports. The scheduled disseminations of reports from each office will be followed as closely as possible to be of maximum benefit to our customers. If marketing practices change or for other reasons it regularly becomes impossible to file reports near the scheduled time, the reasons and recommendations for a schedule change should be suggested to the Area Supervisor.
- C.** All reports should have the credit line inserted within the report (USDA or Federal State) which identifies the report as being an official report prepared by a representative of the LPGMN Division. Disseminating agencies should be encouraged to use this identification. However, they should be informed that this credit line is to be used only on reports that are reproduced as they are released by the Market News office.

### **II. RADIO, TELEVISION, AND AUTOMATIC TELEPHONE**

- A.** Reporters should encourage and promote installations of telephone recording systems wherever possible. Automatic telephone answering devices are in the best interest of the public and of AMS, for they provide faster, more current service to our users and they often cut down our manpower requirements for answering requests. All automated market information phone numbers should be included at the bottom of the reports for that office.
- B.** Market News personnel should take the initiative in seeking out ways to diffuse the information they have acquired. This may include voicing market news on a local radio or TV station, telephoning it to a station in another city for recording, or cooperating in other ways to get the information out promptly and accurately.
- C.** If doing public broadcasts, AMS employees should not be publicly identified with a radio or television station in any manner that suggests they are employees of the station. They should not voice commercial announcements nor endorse commercial products, nor do anything that might imply the Government is endorsing one station or program or product over another. Employees shall avoid any

activity or statement that would imply favoritism or unequal treatment. Employees also cannot receive outside reimbursement for voicing market news.

- D. In preparing material for radio, reporters will keep in mind that the information is for the ear as contrasted with news copy written for the eye. Use simple language, avoid long sentences; talk as though you were telling a friend about the day's trade. Market News personnel reporting the market on TV should be appropriately dressed and use visual aids such as simple price charts and photos as much as possible.
- E. When doing recorded messages, use the following guidelines:
  - Identify yourself and the Market News Service.
  - Speak clearly and at a normal rate. Pause between commodities.
  - Keep the message brief by eliminating unneeded qualifying terms.
  - Establish an orderly sequence or pattern for the message.
  - Specify the date and time when the recording will be updated and use it routinely.
  - Update the recording on time.
  - Listen to the recording and check for errors.

### **III. USE OF GOVERNMENT OFFICE EQUIPMENT**

- A. All Market News employees are responsible for maintaining their government issued computers. This includes keeping it updated and also protected against any threats. Computers should be locked or logged off of when employees are not at their workstation. Computer passwords should also never be shared with anyone else.
- B. Government computers and office equipment are an important tool for carrying out the programs and activities of AMS. These resources provide for quick and efficient communication and access to a wealth of useful information. Under this policy, AMS employees have certain privileges and responsibilities. By authorizing limited personal use of Government office equipment, AMS regards its employees as responsible individuals, capable of balancing this privilege with Agency expectations.
- C. Please refer to AMS directive 3300.1 located on the AMS:  
<http://www.ams.usda.gov/sites/default/files/media/Use%20of%20Government%20Office%20Equipment.pdf>



## **PREPERATION OF REPORTS**

### **GENERAL POLICY**

#### **I. REPORTING GUIDELINES**

- A.** Reporters are responsible for compiling a record of important transactions of a specified market or marketing area. Compiling such releases and related statistical data requires an accurate evaluation of a cross section of the trade. The reporter must include factual data on supply, demand, trade activity, price trends, volume, and quotations by class, grade, and/or weight. Reporters must gain and hold the confidence and respect of trade members, (1) by proving their ability to retain confidential information and (2) by establishing a reputation for fair and equitable treatment of all members of the trade. The reporter should strive to have the trade recognize that they are rendering a service and are seeking information for reporting purposes. Complete reporting of all transactions should be encouraged from all segments of the industry. Information gathered from a wide portion of the industry broadens the reporting base, lends integrity to our reports, and provides for a better report.
- B.** Each reporter should be able to intelligently discuss the overall market situation, not only in the area of the individual market reported, but also at other markets throughout the country. A reporter should not attempt to be dictatorial or predict the future of the market but should be able to intelligently discuss forthcoming market directions. Reporters may trade information but should be careful never to reveal a sale prematurely, and at no time should a reporter reveal confidential bids or trades. If a reporter reveals confidential information or releases it prematurely, the result will be lack of trust and confidence on the part of trade members, making it doubly hard for the reporter to gain any information until it has become common knowledge. A reporter may use confidential information in the preparation of reports if by so doing it does not reveal situations or conditions that would be detrimental or objectionable to the informant.
- C.** Reporters may use discretion to exclude sales or purchases that are substantially above or below the general price range for the day. However, before excluding these lots the reporter should make an effort to determine why the price falls outside the generally established price range to be able to explain to industry members and others why a price is not used. Market reports should reflect prices paid in the market and reporters should not try to establish the market or influence price levels.
- D.** After covering their assigned areas, reporters should carefully evaluate the information received before compiling a report. The reporter should ensure that reports reflect a complete and accurate picture of market conditions and they are not geared to satisfy or cater to individuals or groups. Prices derived under conditions that are not normal for that market should be omitted unless the conditions are specified. The report should be prepared in a manner that would allow average producers to evaluate and determine the approximate value of their commodity by using the market reports.

#### **II. POINTS TO BE KEPT IN MIND**

- A. All reports released by market news offices are official Departmental documents. Therefore, the dignity of the Department will be maintained in preparing reports.
- B. Reporters will exercise great care to see that official grade standards are applied accurately. Uniform and consistent use of official class and grade terms will promote better understanding among producers and trade members, enhancing the value of market reports and broadening the field of service. Descriptive terminology and official grade names are required to be uniform and accurate so that market news reports will convey the same meaning in all sections of the country.
- C. Market comments must be written in a style that is understandable to a wide-range of readers. Many readers and listeners may not understand or have a clear conception of the meaning of many terms commonly used by trade members. Market comment language must be correct, concise, clear, and uniform. This is accomplished through the proper use of a standard set of terminology for which there is defined meaning and through the use of plain, everyday language. Short sentences and short paragraphs dividing the various classes make the report more readable.
- D. Uniform terminology increases the nationwide value of the reports. The use of undefined, local, or non-standardized terms often makes reports confusing. A well-written comment conveys a quick and clear understanding to the reader of those factors influencing current price, supply, and demand trends. These factors are addressed in the order of importance: price, supply/demand, market activity, and causes.

### **III. REPORTS IN DIRECT OR COUNTRY BUYING AREAS**

- A. Price data, trends, and volume in direct trading are obtained by telephone and/or direct contact with buyers or sellers. If possible, reporters at offices in such areas should follow up by frequent visits to packing plants, buying stations, and production sites to observe methods of trading and character of receipts. Accounts of sales at plants, production sites, and buying stations will be reviewed periodically to assure the accuracy of the report received by phone.
- B. Contract sales with prices fixed on an indefinite figure can be reported if the reporter knows the volume traded, approximate delivery date, and conditions of sale. If the reporter is unable to quote the actual sale, contract sale volume figures may still be added to the current week's movement figures to present a clearer picture of the total movement within the area. Contract volume should be specified by number and/or percentage.

## PREPERATION OF REPORTS

### MARKET TERMINOLOGY

Normally, the introductory paragraph of the market report should contain information that describes market conditions and other factors that affect trade or prices. When used, the terms as described in the link below should be placed in the following order: receipts, trend, demand, and trade activity.

For general market terminology to be used in reports go here: [General Market Terminology](#)

#### EXPRESSIONS TO BE AVOIDED

- *Demand Lacking*: Avoid since demand is still present if any buyer is willing to purchase at a price, even though the price is not one that the seller is willing to consider.
- *Nothing Done*: If salesmen have sorted or otherwise prepared the product for sale and/or have indicated tentative prices at which they are willing to entertain bids, it is a misnomer to say that "nothing has been done," even though no sales have been made. More appropriate would be to state "no early sales" or "not enough sales by 11:00 to establish price trends."
- *Trade Demoralized*: Trade is not "demoralized" unless the supply so greatly exceeds demand that sellers find it impossible to make sales, except at levels very decidedly below prices that general conditions at that given time would normally warrant. Even then, the shipper may have options for holding the commodity over for another day, forwarding to another market, or taking the commodity back to the farm or ranch. A statement that supplies are considerably in excess of current local demand, and if available, the probable volume that failed to move out of first hands will be used as a more accurate and factual description of conditions.
- *Demand as a Substitute for Trade Activity*: The term "demand" should not be confused with market activity. Do not use such expressions as "demand slow" or "demand active." Do not use the phrases "market improved" or "market more attractive." If the market was "improved" or "more attractive" to a seller, then very probably the reverse would be true to the buyer. More factual would be statements such as "market active," "demand good," "price trend firm on heavy supply."
- *Lower Grades, Under Grades, etc.*: Do not use these expressions unless they are connected with a statement such as "Choice fairly active, steady, lower grades, etc." Conversely, it may be acceptable to write "Standard and Select slow but higher grades fairly active." It is generally preferable to use specific grade terms, e.g., Choice and Prime, instead of Choice and better, or Standard and Select, instead of Select and below. The phrases "middle grades" and "in between grades" should not be used.
- *Desirable and/or Undesirable Kinds*: Whether a product is or is not "desirable" depends upon (1) the use to be made of it and (2) who is supposed to find it "desirable" or "undesirable," as the case may be. Usually, there is an outlet for every class and grade. If distinct preferences exist for certain classes, weights, or grades, such preferences should be described to the extent that they are significant.
- *Butcher Cattle*: The expression "butcher cattle" is too broad. The term "killing cattle" also is objectionable. "Slaughter cattle" is preferable.
- *Fat for Slaughter Livestock*: The term "slaughter" should be used rather than "fat" when referring to livestock intended for immediate slaughter.

- *Grassy or Grassers*: In referring to cattle marketed directly from range or pasture areas, the term "grass cattle," along with the appropriate grade term, may be used. Generally, the grade terms alone will suffice without the use of "grain fed" or "grass cattle." "Grassy" or "grassers" will not be used.
- *Quality*: Quality is an important grade factor, but should not be used solely as a descriptive term in market reports. Phrases such as "quality below that of yesterday" mean little to anyone outside the immediate area. It would be more appropriate to say "Select to average Choice slaughter steers predominated."
- *Moderately Active to Slow*: This expression adds nothing to the report. If the market on certain classes, weights, or grades is active or slow, or if the market is active or slow, early or late, or in certain areas, this activity should be mentioned but the expression "moderately active to slow" should be avoided.
- *And Below or Above*: Occasionally, a reporter may not be sure of the lowest or highest price on a class of livestock, and a few have used such expressions as \$50.00 and below, or \$70.00 and above, or Canner \$30.00 down. These expressions should be avoided because they do not tell how far above or below. The same applies to such expressions as "or more" and "or less" when reporting price trends.
- *Odd Head*: Avoid use of this term. Use "individual," "selected head," "few head," or the actual number.
- *Rates for Prices*: Since many livestock producers associate the term "rates" with charges made by stockyard companies or selling agencies, the use of this term as synonymous with "prices" should be avoided.
- *Gain for Advance*: "Gain" or "gains" are commonly associated with increase on weight during the feeding period. "Advance," "upturn," or "higher" are preferred when reporting price trends.
- *Several Types of Writing to Avoid*: Avoid flamboyant language long or unusual terms not ordinarily used by the average reader of a market report; long, involved, and cumbersome sentences; purely localized expressions or slang.
- *She Stock*: This is one of the many terms carried over from an earlier era and still used by some members of the trade in referring to cows and heifers. The specific class names are preferred.
- *Steady to .50 cents to \$1 Higher (or Lower)*: Instead state, "Steady to \$1 higher," "mostly 50 cents to \$1 higher," or "few early sales steady, bulk 50 cents to \$1 higher."
- *"Market" for "Trade" or "Price"*: The term "market" is used in many ways in the livestock, meat, and wool trade. Instead of "market active," it is preferable to state "trade active."
- *Choice Load*: Use of such expressions as "Choice load 1100# Yield Grade 3 slaughter steers: should be avoided. Preferred usage: "Load Choice 3 1100# slaughter steers."
- *Lightweights, Heavyweights, Handy weights, etc.*: Actual or estimated weights will be supplied.
- *Supplies Adequate*: Adequate will not be used solely as a description of supplies. Supplies "heavy," "moderate," and "light," in conjunction with a description of the demand or activity, will be used. "Demand adequate" should also be avoided.
- *Steady to \$1 Higher or Lower than Earlier*: If the trend changes from earlier, a complete trend must be given. For example, "prices steady through midsession but late sales \$1 higher."

## **COMMODITY REPORTING**

### **BONELESS PROCESSING BEEF AND BEEF TRIMMINGS**

#### **OVERVIEW**

The National/Regional Boneless Processing Beef and Beef Trimmings report represents the volume, price range (low and high), and weighted average for boneless processing beef (cow product) and beef trimmings (steer/heifer product). Boneless beef is reported in two distinct areas on the daily report and four areas on the weekly report.

#### **STANDARDS**

The official USDA Standards for Beef Carcasses can be found here: [Beef Carcass Standards](#). Processing beef and beef trim are categorized by chemical lean content.

#### **TERMINOLOGY**

A guide to common terminology used in boneless beef and beef trimmings reports can be found here: [Meat Terminology](#)

#### **REPORTS**

There are both daily and weekly boneless beef and beef trimmings reports available. All daily reports can be found here: [Daily Boneless and Trimmings Reports](#). All weekly reports can be found here: [Weekly Boneless and Trimmings Reports](#).

#### **FORMATTING & GENERAL GUIDELINES**

All information is reported in dollars per hundred weight (\$/cwt), load counts, prices for negotiated and formulated processing beef and beef trimmings are from all beef sources, and are no older than 7 days from the time of manufacture and a narrative describing current market conditions. For boneless beef and beef trimmings reporting, each product listed in the report may only be published if they adhere to the 3/70/20 rule, which states a report can only be published if at least 3 packers participate in the market 50% of the time or more in a 60 day period; no packer can have more than 70% of the volume in that same period; and not one packer can be the sole reporting entity more than 20% of the time.

#### **DATA COLLECTION AND METHODOLOGY**

Direct trade reporting of boneless beef and beef trimming items are collected through the Livestock Mandatory Reporting Act, which states that any packer that slaughters 125,000 head of cattle or more a year must electronically submit their transactions to AMS daily. The majority of steers, heifers, cows and bulls are reported through this method. A link to final rule and reporting requirements can be found here: [LMR Final Rule](#). A link to the Industry Guide can be found here: [LMR Overview](#).

# COMMODITY REPORTING

## BOXED BEEF

### OVERVIEW

The boxed beef cutout represents the estimated value of a beef carcass based on prices paid for individual beef items derived from the carcass. Two cutouts are calculated daily, Choice and Select. The cutout values do not include packer revenues from the sale of hide and offal products removed during slaughter, and the processing cost incurred by packers is not deducted from the cutout values.

### STANDARDS

The official USDA Standards for Beef Carcasses can be found here: [Beef Carcass Standards](#). The cutout provides an overall performance indicator for the fabricated beef industry. Its formulation replicates that used by firms when calculating their own cutouts. Styles produced and sold in larger volume will have more influence on the cutout, just as they do within the industry. A breakdown of primals, sub-primals and general information can be found here: [USDA Daily Boxed Beef Report Overview](#). Criteria applicable to the entire report can be found here: [Report Specifications](#)

### TERMINOLOGY

A guide to common terminology used in boxed beef reports can be found here: [Meat Terminology](#)

### REPORTS

There are both daily and weekly boxed beef reports available. All daily reports can be found here: [Daily Boxed Beef Reports](#); all weekly reports can be found here: [Weekly Boxed Beef Reports](#)

### FORMATTING & GENERAL GUIDELINES

All information is reported in dollars per hundred weight (\$/cwt), load counts, prices for negotiated, formulated, branded, forward contracts and ungraded product on Choice and Select both primals and sub-primals in each Grade and a narrative describing current market conditions. For boxed beef reporting, each product listed in the report may only be published if they adhere to the 3/70/20 rule, which states a report can only be published if at least 3 packers participate in the market 50% of the time or more in a 60 day period; no packer can have more than 70% of the volume in that same period; and not one packer can be the sole reporting entity more than 20% of the time.

### DATA COLLECTION AND METHODOLOGY

Direct trade reporting of boxed beef items are collected through the Livestock Mandatory Reporting Act, which states that any packer that slaughters 125,000 head of cattle or more a year must electronically submit their transactions to AMS daily. The majority of steers and heifers are reported through this method. A link to final rule and reporting requirements can be found here: [LMR Final Rule](#). A link to the Industry Guide can be found here: [LMR Industry Guide](#)

## **COMMODITY REPORTING**

### **BOXED AND CARCASS LAMB**

#### **OVERVIEW**

The boxed lamb and lamb cutout report is used by the various parts of the lamb industry (producers, packer/processors, and retailer/distributors) as a price barometer for trade negotiations with other parties. It covers all portions of the lamb carcass, from primals to sub-primals, and eventually cuts from those sub-primals as well as ground lamb and trimmings with both fresh and frozen product required to be reported. Prices of lamb items are a 5-day rolling weighted average. This ensures an adequate market test for item prices used as input data in cutout calculation. Carcass lamb reporting covers the negotiated, formula, and forward contract sales of wholesale lamb carcasses by packers required to report through MPR.

#### **STANDARDS**

Negotiated sales of boxed lamb items are reported on an FOB Plant basis and all Choice and Prime cuts are classified into Fresh and Frozen categories with delivery from the plant within 14 calendar days. The report shows all trades, tonnage and change from the previous day for the current day and immediately previous four days that meets the MPR 3/70/20 confidentiality guidelines. The lamb cutout report utilizes mostly fresh items in its calculation; however some items utilized are a combination of fresh and frozen. Cut weights utilize the latest actual federally inspected slaughter weight of lambs and yields for each item involved in the cutout are shown on each daily report. Industry average cutting and processing loss is utilized to determine the net carcass value after being deducted from the gross carcass value.

Daily and most carcass lamb reports consist of negotiated sales of Choice and Prime, YG 1-4's on a FOB plant basis for delivery within 14 days and is reported in \$/cwt. A weekly comprehensive report expresses negotiated, formula and forward contract sales of carcasses. [Lamb, Yearling and Mutton Carcass Standards](#)

#### **TERMINOLOGY**

A guide to common terminology used in boxed lamb reports can be found here: [Meat Terminology](#)

#### **REPORTS**

There are daily and weekly lamb reports (domestic and imported) available. All reports can be found here: [Daily Lamb Reports](#).

#### **FORMATTING & GENERAL GUIDELINES**

For lamb reporting, each product listed in the report may only be published if they adhere to the 3/70/20 rule, which states a report can only be published if at least 3 packers participate in the market 50% of the time or more in a 60 day period; no packer can have more than 70% of the volume in that same period; and not one packer can be the sole reporting entity more than 20% of the time.

#### **DATA COLLECTION AND METHODOLOGY**

Direct trade reporting of boxed lamb items are collected through the Livestock Mandatory Reporting Act, which states that packers who slaughter or process the equivalent of 35,000 head of lambs or more on an annual basis to report information on lamb carcass and boxed lamb transactions. In addition, importers who import 1,000 metric tons of lamb on an annual basis must report their domestic sales of boxed lamb. The majority of lambs are reported through this method. A link to final rule and reporting requirements can be found here: [LMR Final Rule](#). A link to the Industry Guide can be found here: [LMR Industry Guide](#)



## **COMMODITY REPORTING**

### **BY-PRODUCTS AND VARIETY MEATS**

#### **OVERVIEW**

This report covers the trading of beef and pork variety meats across the country. All items are reported frozen on an FOB Central U.S. basis. Reported domestic trades must deliver within 15 working days of the time of sale to be eligible for the report. Export trade may be used and will be labeled as such. Reported export trades must deliver within 45 working days of the time of sale to be eligible for the report.

#### **STANDARDS**

The by-product and variety meats report for beef and pork show information for cuts based on the specifications recommended by the Meat Grading and Certification Branch, found here: [Variety Meats and Edible By-Product Standards](#).

#### **TERMINOLOGY**

A guide to common terminology used in tallow, protein and hide reports are found here: [Meat Terminology](#)

#### **REPORTS**

There are both daily and weekly variety beef and pork reports available. All daily reports can be found here: [Daily By-Product and Variety Meats Reports](#). All weekly reports can be found here: [Weekly Beef By-Product and Variety Reports](#); [Weekly Pork By-Product and Variety Reports](#).

#### **FORMATTING & GENERAL GUIDELINES**

Meat reports are based on carlot (40,000 lbs. unit) quantities of wholesale based trades unless otherwise noted. Over time, the practice of trading a full carlot consisting of several commodities has become commonplace. Moreover, some commodities, because of their small physical size or availability of supply, simply do not trade reflects a full carlot; the volume of any one item is a fraction of the carlot. Each reported red meat commodity trades within a geographic area specific to that commodity. The reporting basis for each commodity will be an industry-established trading area that has common delivery characteristics. Commodities delivered into a consuming market are reported on a cost-after-freight (CAF) basis where the quote price reflects overages for freight. Commodities delivered from a production area are reported on a free-on board (FOB) basis in which all overages for freight are removed from the quoted price.

#### **DATA COLLECTION AND METHODOLOGY**

Reporters will need to develop a group of telephone and email contacts. The reported load count for the day is supplied for each quoted item along with the full range of reported prices and a weighted average price. Items not tested may have the established price range and weighted average carried over for a maximum of 5 working days accompanied by a letter (A, B, C, D, or E) denoting the number of days since the last actual market test. Load counts are not carried over.



# COMMODITY REPORTING

## CHICKEN

### OVERVIEW

The chicken reports provide sellers and buyers with price, supply and demand information on whole chickens, chicken parts, mechanically separated chicken, light and heavy live fowl and other chicken items. The reports compile and summarize the information by product for national and geographical areas; some are accompanied by a short narrative of the market situation during the trading period. Chicken includes: whole broilers, broiler parts, mechanically separated chicken, and fowl.

### STANDARDS

Broiler/Fryer: Young chickens less than 12 weeks of age. After processing, ready-to-cook broiler/fryers are directed to one of several market channels based primarily on dressed weight. See [U.S. Trade Descriptions](#) for definitions of chicken parts and whole chickens.

Mechanically Separated Chicken: (MSC) is produced by mechanically separating the meat from the bones of the carcasses or parts. The kidneys and sex glands may or may not be removed prior to mechanical separation. Mechanically separated chicken consists of meat and skin that is parte-like in consistency with the following percentages of fat: less than 15%, 15-20%, and more than 20%; MSC with a 15-20% fat content is predominant. Product can be both fresh and frozen with frozen MSC typically made without any salt or cure, and fresh MSC with salt and cure. MSC is used in the production of hot dogs, sausage, bologna, deli meat, and other further processed products.

Spent Hen (Fowl): A breeder or commercial type egg hen that no longer performs at desired production levels. Heavy Fowl are breeding hens, also called “baking hens,” that are usually more than 10 months of age with an approximate dressed weight of 4 Lbs. Light Fowl are hens that produced table eggs, also called “stewing hens,” that are usually more than 10 months of age with an approximate dressed weight of 2.50 Lbs.

For more information check these two websites:

[United States Classes, Standards, and Grades for Poultry](#)  
[Poultry Quality Standards and Grades](#);  
[Poultry Trade Descriptions](#)

### TERMINOLOGY

A guide to common terminology can be found here: [Glossary](#). Key words are; Broiler/Fryer, F.O.B. Dock Equivalent, Heavy Hen, Light Hen, Leg Quarters, Ready-to-Cook, W.O.G.

### REPORTS

Chicken reports include National Broiler Market at-a-glance, Weekly National Whole Broiler/Fryer, Georgia FOB dock, broiler parts by region (Northeastern, Southern, Midwest), Weekly National Fowl, Mechanically Separated Chicken, and statistical reports. A guide to all reports can be found under Chicken here: [Poultry Market News Reports](#).

### REPORT FORMAT AND GENERAL GUIDELINES

Prices are reported in cents per pound, trucklot and less than trucklot quantities, on a delivered or FOB basis. Several reports contain a daily narrative or a weekly review; some reports also include tables, graphs and additional information.

#### **METHODOLOGY & DATA COLLECTION**

All market information is obtained on a voluntary basis. No person or firm is required by law to furnish any information to the market reporter. The reporter's job is to make a thorough canvas of the market and report prices which accurately reflect trading that occurred. In addition, the reporter includes information on supply, demand, and market conditions which will aid buyers and sellers to more intelligently market their products. Information is received via phone, fax, and other electronic means. Succeeding collection, all pricing information and market commentary are then put into a database for report generation and eventual publication for public viewing.

## **COMMODITY REPORTING**

### **FEDERALLY INSPECTED SLAUGHTER AND MEAT PRODUCTION**

#### **OVERVIEW**

The Federally Inspected Slaughter (FIS) and Meat Production reports provide industry with daily and weekly information on the total number of cattle, calves, hogs, and sheep that are harvested throughout the United States, as well as resulting meat production. These reports provide industry with critical benchmarks in tracking volume through the supply chain, as well as comparisons to week ago and year ago numbers for further analysis.

#### **STANDARDS**

As these reports are specific to volume only and not grading, there are no standards. However, grading standards to the livestock covered on these reports and an explanation of the different classes can be found here: [USDA Grades and Standards](#)

#### **TERMINOLOGY**

Terminology for the various classes of livestock on these reports can be found here [Market News Reference Room](#) under the headings of Cattle, Swine, and Sheep.

#### **REPORTS**

All Slaughter and Meat Production reports can be found here: [Slaughter Data](#).

#### **FORMATTING AND GENERAL GUIDELINES**

The Estimated Slaughter Under Federal Inspection report is generated each week day, and provides slaughter estimates for all livestock commodity totals to the nearest thousand head for Monday through Saturday. Revisions to these numbers will occur the following day if the revised sample numbers differ by more than 3,000 head for Cattle; 5,000 head for Hogs; and 1,000 head for Sheep. The report will also include a prior day breakdown of cows and bulls.

#### **METHODOLOGY AND DATA COLLECTION**

Numbers for the Daily Estimated Slaughter report are compiled by reporters collecting current day estimates, and prior day actuals from a large, and consistent sample of slaughter facilities for each commodity. Reporters take this sample number, and compiled with calculations based on previous actual slaughter numbers, to generate the daily estimates.

Market News works closely with National Agricultural Statistics Service (NASS) to cross utilize and share information with this data set. NASS collaborates with Market News reporters to provide detailed FIS Actual Slaughter and meat production data roughly two weeks behind Market News estimates. This actual data is continually updated and analyzed by market reporters to ensure the most up to date information is being utilized to generate daily estimates and estimated meat production reports.

## COMMODITY REPORTING

### FEEDER CATTLE

#### OVERVIEW

Feeder cattle are normally young cattle that are put on a high forage diet or a mixture of forage and grain or silage to promote growth. Feeder cattle reporting includes direct trades, livestock auctions, video/internet auctions, and board sales.

#### STANDARDS

Feeder cattle utilize frame sizes of Large, Medium and Small, along with muscle scores of 1, 2, 3 and 4. Official USDA standards for feeder cattle can be found here: [Feeder Cattle Standards and Grades](#)

Many times, groups of cattle of mixed grades are marketed and should be reported accordingly. If less than 80 percent of the reported lot is of one grade, a mixed classification should be used (ex. 1-2, or 2-3). Single grade categories (ex. Medium) should only be used if at least 80 percent of the reported lot is of that category; otherwise mixed categories (ex. Medium and Large) should be used.

Flesh Conditions are also a component of grading. There are 9 degrees denoting flesh condition with 1 representing the thinnest, and 9 representing the fleshiest. Those cattle that have a 1, 2, or 3 flesh score should be flagged as “thin fleshed” on the report. Those that have a 7, 8, or 9 should be flagged as “fleshy”. All others should not be noted as they would be considered average or in normal flesh condition.

#### TERMINOLOGY

A guide to terminology used in feeder cattle reporting can be found here: [Cattle Terminology](#)

#### REPORTS

All feeder cattle reports can be found here: [Feeder Cattle Reports](#)

#### FORMATTING AND GENERAL GUIDELINES

All feeder cattle reports should include a heading with the name of the auction or trade area and the date the trade occurred. All reports will also include receipts and a descriptive narrative which includes price trends, trade activity, supply, and demand. The body of the report should include grades, weight ranges (in 50 lb. increments) and price spreads.

Using the calves or yearling comment is necessary to differentiate between calves and yearlings even when similar weights and grades are selling at or near the same price level. The weight division between calves and yearlings for market reporting purposes is 600 lbs. No comment is required on calves weighing less than 600 lbs., but is required on all calves weighing more than 600 lbs. Yearlings weighing less than 600 lbs. will be identified on the reports as yearlings, and but is not required on those over 600 lbs.

Descriptions entered in the computer comment section causes a separation in weight groupings and segregates cattle within the same weight. (Example, thin and fleshy cattle within the same 50 lb. weight group are segregated according to the comments and are printed on two separate lines.) Reporters should use these comments wisely as excess comments add excessive length to reports. The first 14 comments are standardized among offices and may not be changed by the local office. Additional comments are discouraged and should only be used for extreme circumstance as they will not be retained in the Division data base.

Standardized weight average comments are as follows: Thin Fleshed, Fleshy, Gaunt, Full, Fancy, Value Added\*, Brahman X, Calves, Yearlings, Per Head, Replacement, Mexican Origin, Canadian Origin, Split Loads (video-only), Load (video-only), and Guaranteed Open. \*Value added should be used when those cattle that meet several of the following Criteria: Electronic Identification Tags, Source Verified, Weaned, Vaccinated, Qualify for Natural Beef Programs, and sell outside of the bulk range.

As a general guideline, price ranges should not exceed 10 percent of the sales price. (Example: If 400 500 lb. feeders are selling in the \$200-\$220 range, price spreads should not exceed \$20 for that weight range). All lots that are "passed out", sold after the auction at a different price, or for any other reason are not a valid sale, will not be reported. If necessary to verify sales information reporters should request a copy of the final sales sheet that includes prices and buyers.

## **METHODOLOGY AND DATA COLLECTION**

The CME Feeder Cattle Index is based upon a sample of transactions from the weight/frame score categories: 700 to 899 pound Medium and Large Frame #1 feeder steers, and 700 to 899 pound Medium and Large Frame #1-2 feeder steers. The sample consists of all feeder cattle auction, direct trade, video sale, and Internet sale transactions within the 12-state region of Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas and Wyoming for which the number of head, weighted average price and weighted average weight are reported. All direct trade reports shall be considered to be Friday transactions. Multiple day sales, for which separate weighted average reports are not issued for each day or it is not evident from the reports issued what cattle sold on which day, shall be included in the sample as if all transactions occurred the final day of the sale. Saturday and Sunday sales shall be included in the sample as if all transactions occurred on Monday. Reports that are designated as "preliminary" shall not be included in the sample, and no transactions from that location shall be used until a final report is issued. Cattle identified in the report as being fancy, thin, fleshy, gaunt or full; having predominantly dairy, exotic or Brahma breeding; shall be excluded from the sample. Transactions for cattle that are reported as having an origin outside of the United States shall be excluded from the sample. Direct trade, video sale, and Internet sale transactions must be quoted on an FOB basis, 3% standing shrink or equivalent, with pickup within 14 days to be included in the sample. Due to the importance of this data, reporters should make an extra effort to thoroughly review the information before the report is released.

**AUCTION MARKET REPORTS:** A wide cross section of trade members (buyers, sellers, order buyers, auction operators) should be interviewed to establish the market report. This exchange of information should include all classes, USDA grade terms, weighing conditions, and other relevant descriptive terminology. Reporters are not required to stay until the end of the sale, but should view and record sales for a majority of the volume to establish a representative cross section. In narrative reports, reporters are encouraged to use the words "mostly," "bulk," "majority of sales" to indicate where the majority of sales have occurred. See Exhibit A and B. **Exhibit A:** [Feeder Cattle Auction Report](#) and **Exhibit B:** [Weighted Average Report](#).

Auctions that have their sales broadcast over the internet and viewers can call to bid on the cattle in the ring as if they were attending the sale. These sales should be included in the regular auction report with no special designation assigned to the cattle. However, if a video auction is held in conjunction with a live auction these cattle must be separated from regular auction cattle. The video auction cattle should be placed in a separate section at the end of the regular auction report or a separate report can be issued on the video auction cattle.

**DIRECT TRADE REPORTS:** Direct trade reports will follow the same general guidelines as auction market reporting. However, since the majority of the information is obtained by telephone the reporter must make frequent visits to feedlots, back grounding lots, buying stations, weighing facilities, etc., in order to observe feeder cattle trading methods. Contract sales of feeder cattle with no price established can be reported if the volume, delivery date, and other conditions of the sale are known. This data may more accurately reflect total feeder cattle movements within an area being reported. The volume of contracted cattle can be shown either at time of contracting or at time of delivery; however, the specific time frame should be noted.

Direct trade feeder cattle reports should utilize a standardized format that includes the weekly weighted averages of feeder cattle reported for the week (Exhibit C). Weighted feeder cattle information should be clearly identified in the weighted average reports as to delivery point FOB or DEL. Current Delivery are those cattle delivered within fourteen days. **Exhibit C:** [Direct Feeder Cattle Report](#)

Reporters should make every effort to exchange information with other market news offices when they pick up information outside their trade area. The information is significant to both areas and can be reported in both areas - one area as an FOB price, and the other area as a delivered price. Reporter's primary goal is to reflect accurate market conditions. Volume is an important part of market conditions, but should not be the primary goal in market reporting.

Direct feeder cattle information collected from contacts may be provided on an FOB or a converted FOB/Delivered Basis. All cattle must originate in the 12-State region. Buyers or sellers may provide information by telephone, e-mail, or fax. Contacts must provide transaction information on a consistent basis to be included in the published report. Reportable trades must have double verification from buyer and seller. New contacts must provide information for a minimum of 30 days before their information will be included in the published report unless approved by OIC and area supervisor.

Delivered Basis transactions may be converted to an FOB Basis by the buyer or seller under the following procedures which are necessary to eliminate double reporting of cattle and may allow the CME to include these transactions in the Feeder Cattle Index calculation: (1) The buyer or seller must convert the price from Delivered to FOB and provide Market News with both prices (2) Provide the origin point of the cattle (3) Provide the names of the buyer and seller (4) At the option of the AMS, LPGMN, documentation supporting the transaction must be provided upon request. Documentation must include price (FOB, Delivered, and/or converted FOB) weight, head count, buyer, seller, and origination point. Failure to provide documentation prior to the scheduled publication of the report may cause the information to be excluded from the report. In addition, to maintain the integrity of direct feeder cattle reporting, information collected on feeder cattle transactions or documentation providing support may be retained by LPGMN for a period of one year. This information, as is all proprietary information collected by market news, is not subject to disclosure under the Freedom of Information Act and can only be provided to another government agency during their course of an active investigation.

**VIDEO / INTERNET AUCTION REPORTING:** Video/Internet auction reports will be released at the completion of the sale. The reports should consist of (1) header including offerings, narrative paragraph, and location code explanations, (2) weighted average reports, and (3) narrative report on replacement cattle and bred cows. Regions are as follows: SOUTH CENTRAL STATES (S.C.): Texas, Oklahoma, New Mexico, Kansas, and Missouri. NORTH CENTRAL STATES (N.C.): Nebraska, North and South Dakota, Iowa, Colorado, Wyoming, and Montana. WESTERN STATES (WEST): All states West of the Central States. EASTERN STATES (EAST): All states East of the Mississippi river, including Minnesota, Louisiana, and Arkansas. (Sales are primarily from the Southeast).

Cattle from Canada and Mexico will be identified as such and will be reported in U.S. dollars. Heifers advertised as "replacement quality" and selling at an obvious premium to other similar kinds will be omitted from the weighted average and reported strictly as "replacements." See **Exhibit D:** [Video/Internet Auction Report](#)

## COMMODITY REPORTING

### FEEDER PIGS

#### OVERVIEW

Over the last decade, the pork industry has gone through dramatic changes in both feeder pig marketing and production. Most pigs are marketed today on a direct farm to farm basis in order to limit exposure to diseases. Also today, nearly all pigs are weaned at less than 20 days of age because they carry passive immunity from the sow, up to that point. When these early weaned pigs are segregated, disease problems can be greatly reduced. Direct marketing of pigs with better health and the ability to ship large loads of early weaned pigs over long distances at a low per head cost has added value and a new dimension to marketing feeder pigs.

#### STANDARDS

Direct feeder pigs and early weaned pigs are generally priced, sold, and shipped on a weekly basis, therefore making a weekly report sufficient. Actual weights are not available until the pigs are loaded- generally a week or two after they are sold. Direct pigs are sold on a per head basis at a base weight (10, 40, 45, 50, 55, or 60 lbs.) with a per pound slide, using an average weight per pig on the load.

#### REPORTS

All Direct Feeder Pig reports can be found here: [Direct Feeder Pig Reports](#)

#### FORMATTING & GENERAL GUIDELINES

Direct trade pigs travel long distances and come from a limited number of contacts, so most state reports would be irrelevant. To avoid revealing an individual's business a report would have to be on a regional, national, or international basis. Reporters should maintain confidentiality when dealing with their contacts. Their reports are providing a service to the industry and the information they seek will be part of a larger report and not identified by contacts. Reporters should be willing to trade information with their sources, without providing identity of individual lots.

#### DATA COLLECTION AND METHODOLOGY

Reporters will develop a group of contacts and realize there will be very few opportunities to actually view the pigs that they report. Direct trade pigs are not marketed using USDA Grades. They are described in terms of estimated lean percent when finished to normal weights in typical confinement feeding conditions. These finished lean estimates are based on their genetics, which are also used in describing various performance factors. Early weaned pigs are usually marketed on a 10 pound basis. Many are sold on a prearranged formula basis as well, because of the narrow time frame that they have to be moved to a nursery facility. Formula transactions can be reported if the price floats within a range based on other markets, usually the Lean Hog Futures. Reports should contain the percent of formulated prices included in the total receipts. Do not report pigs on a fixed price contract. Even with the sorts listed above, wide price ranges are common. This problem is addressed by generating reports with a weighted average price using the Microsoft Access program set up specifically for reporting direct trade feeder pigs. This program also serves as a historical database.



## COMMODITY REPORTING

### GOATS

#### OVERVIEW

Goats are generally raised for three different purposes, which are meat, angora and dairy. Meat goats are primarily raised for human consumption, angora goats are primarily raised for their mohair, while dairy goats are raised for milk. For market reporting purposes goats are broken out into feeder, slaughter, and replacement categories.

#### STANDARDS

A guide to standards for Wool and Mohair can be found on the following page: [Wool and Mohair Standards](#). There are currently no official grade standards for live goats. However, the following designations should be used for market reports:

##### ❖ Slaughter Goats

<u>Description</u>	<u>Definition</u>
Kid	Under 12 months of age, male or female
Yearling	12-24 months of age
Buck/Billy	Uncastrated male over 12 months of age
Doe/Nanny	Mature female over 12 months of age
Wether	Castrated male of any age

##### ❖ Mohair Goats

<u>Description</u>	<u>Definition</u>
Spring Kid	A kid that is spring shorn
Fall Kid	A kid that is fall shorn
Young Goat	A goat that is between 12-24 months when shorn
Fine Adult	Sheared from a goat who is over 25 months and micron size under 34 microns
Coarse Adult	Castrated male of any age

**Selection Criteria:** The following criteria for selection involve consideration of conformation. Selection No. 1 goats or carcasses imply a higher proportion by weight that is meat to bone.

**Selection No. 1** - Live goats and/or carcasses shall possess a superior meat type conformation. Without regard to presence of fat cover, they shall be thickly muscled throughout the body as indicated by the appearance of muscling that is pronounced (bulging) over the outside leg (biceps femoris), full (rounded) over the back strip (longissimus dorsi), and moderately thick over the outside shoulder (triceps brachii group).

**Selection No. 2** - Live goats and/or carcasses shall possess an average meat type confirmation. Without regard to presence of fat cover, they shall be moderately muscled throughout the body as indicated by the appearance of muscling that is slightly thick and less pronounced over the outside leg (biceps femoris), slightly full (flat or slightly shallow) over the back strip, (longissimus dorsi), and slightly thick to slightly thin over the outside shoulder (triceps brachii group).

**Selection No. 3** - Live goats and/or carcasses shall possess an inferior meat type confirmation. Without regard to presence of fat cover, the legs, back and shoulders are narrow in relation with its length and have a very angular and sunken appearance.

### **Replacement, Stocker, and Feeder**

The following descriptions should be used as appropriate. Use Selection Criteria and age classification, if needed, along with weight and descriptive terms when appropriate.

<b><u>Description</u></b>	<b><u>Definition</u></b>
Kid	Under 12 months of age, male or female
Yearling	12 - 24 months of age
Does/Nannies	Mature female over 12 months of age
Bucks/Billies	Uncastrated male over 12 months of age
Pairs and Trios	Female with 1 or 2 kids

Uniform descriptions are needed to fully describe the type of replacement goats traded. These may include: The selection criteria, age, breeding factors, dominant breed. Additional available information should be provided if needed, for example: origination (state or area), breeding dates and/or expected parturition dates, breeding of Billies to which exposed.

### **TERMINOLOGY**

A guide to common terminology can be found here: [Goat Terminology](#)

### **REPORTS**

A guide to reports can be found here: [Goat Reports](#)

### **FORMATTING AND GENERAL GUIDELINES**

All prices will be quoted in dollars per hundred weight (\$/cwt), unless otherwise stated. Reports will contain the volume, a narrative containing the trade activity, demand, and trend, along with any other information describing trade conditions. Besides the type (Slaughter, Feeder, or Replacement), the description and selection criteria should be used to group weights and prices.

### **DATA COLLECTION AND METHODOLOGY**

All goat information is gathered through auction reporting. Auction data is compiled by reporters being physically present at the market to grade the animals. The physical presence of the reporter at the market is very crucial in that it allows the reporter to not only have a better opportunity to grade the animals, but it also allows them to witness and converse with the trade to gain a better understanding of the market that day.

## **COMMODITY REPORTING**

### **GRAIN, FEED, BIOENERGY, RICE, DRY EDIBLE BEANS, PEAS and LENTILS**

#### **OVERVIEW**

The objective of grain, feed, bioenergy, rice, dry edible beans, peas and lentil market reports is to describe the trade in an accurate, adequate, and appropriate manner. These reports are intended to provide informative market data to not only buyers and sellers, but also to the trade industry and data users. Commodities are traded both domestically and internationally. Grains are broken down into several classes and subclasses, please see standards and terminology below. Commodities are used for human consumption and animal feed.

#### **STANDARDS AND TERMINOLOGY**

Official USDA class and grade terms are to be used by reporters in describing grain and grain products covered by market reports. Exact terms of the official grade standards will be utilized and applied in market reporting work. If no U.S. official grade terminology is available, use terminology approved by the Area Supervisor or Director that has a meaning which is generally accepted by the trade.

#### **Links for Standards:**

Official US Standards for [Grain](#)

- [Barley](#)
- [Canola](#)
- [Corn](#)
- [Flaxseed](#)
- [Mixed Grain](#)
- [Oats](#)
- [Rye](#)
- [Sorghum](#)
- [Soybeans](#)
- [Sunflower Seed](#)
- [Triticale](#)
- [Wheat](#)

Official US Standards for [Rice](#)

- [Rough Rice](#)
- [Brown Rice for Processing](#)
- [Milled Rice](#)

Official US Standards for [Whole Dry Peas](#)

Official US Standards for [Split Peas](#)

Official US Standards for [Feed Pea](#)

Official US Standards for [Lentils](#)

Official US Standards for [Dry Edible Beans](#)

## **GRAIN WEIGHTS, MEASURES, AND CONVERSION FACTORS**

A guide to common weights, measures, and conversion factors with examples used in grain reports can be found here: [Weights, Measures, and Conversions with examples](#)

**Links for Terminology:** Guide to common terminology used can be found in the following links:

[Grain Terminology](#)

[Bioenergy Terminology](#)

[Rice, Dry Edible Beans, and Lentils Terminology](#)

## **REPORTS**

There are numerous reports available on a local, regional, and national level. All reports can be found here:

[National Grain Reports](#)

[State Grain Reports](#)

[Feed Reports](#)

[Bioenergy Reports](#)

[Rice Report](#)

[Dry Edible Beans and Lentils Reports](#)

## **FORMATTING AND GENERAL GUIDELINES**

### **Arrangement and content of grain and feedstuff reports:**

**Terms and Conditions of Sale** - The terms and conditions of sale shall be clearly defined as follows.

1. Time period covered by the report
2. Location
  - a. Geographical (town, country points, or area)
  - b. Physical (fob elevator, tracks, trucks, barge, fas, behind the harvester, roadside, etc.)
3. Delivery or shipment (prompt, spot, to-arrive, 20-day shipment, for deferred delivery)
4. Quality, condition, or other commodity descriptions (moisture content, cleanliness, test weight, rice milling yield, protein content, or factors not covered in the grade standards.)
5. Premiums and discounts when they are a factor
6. Type of billing (non-transit, transcontinental multi-car, or other terms.)
7. Type of transportation or packaging if a factor (in bulk or sack, delivered by box car, hopper car, trucks, barge, etc.)

**Format or Style of Wires** - Arrange weekly grain and feed report in paragraphs and in the following order insofar as practical.

1. **Grain:** Summary paragraph, wheat, rye, corn, oats, barley, rice, sorghum, peas, beans, lentils soybeans, flaxseed, canola, and sunflower.

2. **Feedstuffs:** Summary paragraph, oilseed meals, animal protein feeds, grain high-protein feeds, wheat millfeeds and other.
3. **Numerical:** grades shall precede each class and/or subclass of grain. Special grades shall follow each class and/or subclass of grain.
4. **Protein:** content and test weight, when applicable, shall follow each class and/or subclass of grain. Wheat for which the price quotation at a specific market covers the entire range of proteins shall be indicated by "all percent."
5. **Designation:** Point of origin, billing, and/or destination designations, if such information is needed to accurately describe a price, shall follow the protein content, if any.
6. **Grain Unit of sales:** All grain prices should be clearly marked as to the basis of sales, whether in tons, bushels, or hundredweights (cwt).
7. **Feed Unit of Sales:** All feedstuff price quotations should be on a per ton, bulk basis unless otherwise specified.
8. **Abbreviations:** Commodity abbreviations in market reports should only be used when the abbreviation is commonly used and understood by the industry.

## **DATA COLLECTION AND METHODOLOGY**

Daily Reports: There are reports that are done daily on a local, regional, state or national basis. For grains that are traded using a basis, both basis and cash levels will be listed. Most will also have trends for both cash and basis.

Weekly Reports: Most offices will send out a weekly summary comparing prices for the week and giving a general overview as to reasons for the direction of the market.

## COMMODITY REPORTING

### HAY

#### OVERVIEW

Hay is grass, legumes, or other herbaceous plants that have been cut, dried, and stored for use as animal fodder, particularly for grazing livestock such as cattle, horses, goats, and sheep. The types of hay grown and the intended end use can vary widely from region to region, depending on what markets are available.

#### STANDARDS

Knowing the actual nutritive value of hay is very important for both seller and buyer. Though no official USDA Hay Standards actually exist, there are hay quality designations and guidelines that are based on hay test parameters. Further explanations on the quality designations can be found in the terminology section.

The guidelines currently used by market reporters are:

**Hay Quality Designations** Table 1: Alfalfa guidelines: (for domestic livestock use and not more than 10% grass)

<i>Quality</i>	<i>ADF</i>	<i>NDF</i>	<i>RFV</i>	<i>TDN-100%</i>	<i>TDN-90%</i>	<i>CP</i>
<i>Supreme</i>	<27	<34	>185	>62	>55.9	>22
<i>Premium</i>	27-29	34-36	170-185	60.5-62	54.5-55.9	20-22
<i>Good</i>	29-32	36-40	150-170	58-60	52.5-54.5	18-20
<i>Fair</i>	32-35	40-44	130-150	56-58	50.5-52.5	16-18
<i>Utility</i>	>35	>44	<130	<56	<50.5	<16

\*RFV calculated using the WI/MN formula. \*\*TDN calculated using the western formula. Quantitative factors are approximate, and many factors can affect feeding value. Values based on 100 % dry matter (TDN showing both 100% and 90%). Guidelines are to be used with visual appearance and intent of sale.

#### Table 2: Grass Hay guidelines

<b>Quality</b>	<b>Crude Protein Percent</b>
<b>Premium</b>	<b>Over 13</b>
<b>Good</b>	<b>9-13</b>
<b>Fair</b>	<b>5-9</b>
<b>Utility</b>	<b>Under 5</b>

Quantitative factors are approximate, and many factors can affect feeding value. Values based on 100% dry matter. End usage may influence hay price or value more than testing results.

#### Hay Quality physical descriptions:

**Supreme:** Very early maturity, pre bloom, soft fine stemmed, extra leafy. Factors indicative of very high nutritive content. Hay is excellent color and free of damage.

**Premium:** Early maturity, i.e., pre-bloom in legumes and pre head in grass hays, extra leafy and fine stemmed-factors indicative of a high nutritive content. Hay is green and free of damage.

**Good:** Early to average maturity, i.e., early to mid-bloom in legumes and early head in grass hays, leafy, fine to medium stemmed, free of damage other than slight discoloration.

**Fair:** Late maturity, i.e., mid to late-bloom in legumes, head-in grass hays, moderate or below leaf content, and generally coarse stemmed. Hay may show light damage.

**Utility:** Hay in very late maturity, such as mature seed pods in legumes or mature head in grass hays, coarse stemmed. This category could include hay discounted due to excessive damage and heavy weed content or mold. Defects will be identified in market reports when using this category.

**Prairie Grass Hay:** The industry generally recognizes prairie hay as a native grass. It is normally described and traded as prairie grass hay and the quality is understood by the industry. Since prairie grass is usually cut only once a year, specifying the time of cut (i.e., early, mid, or late, cutting season) should provide additional information on the hay quality.

#### **Formula's used to calculate various hay values:**

**CP** = %N x 6.25

**TDN** = (100% DM) = 82.38 - (.7515 x %ADF) Western formula

**RFV** = DDM x DMI / 1.29

**DDM (Digestible Dry Matter)** = 88.9 - (.779 x %ADF)

**DMI (Dry Matter Intake)** = 120 / %NDF

#### **TERMINOLOGY**

A guide to common terminology used in hay reports can be found here:

[Hay Terminology](#). [General Market Terminology](#) is used in the trend body to describe the current market conditions.

#### **REPORTS**

Currently, hay reports are disseminated on a weekly basis and can be found under [Hay Reports](#).

#### **FORMATTING AND GENERAL GUIDELINES**

All prices reported are on a per ton basis on larger packages of hay with small squares usually including a per bale basis. The prices are FOB at the stack or barn unless otherwise noted. Reports will have a trend describing the current market conditions, as well as, any other information relevant to the current market. Markets will be divided into regions to give the reader a more in-depth pricing of the commodity in their area. Furthermore, the report will have a breakdown of the counties in each region. Tables will usually be at the end of the report to explain the hay quality designations and the relating quantitative factors they are derived from.

#### **METHODOLOGY AND DATA COLLECTION**

Hay reporting is a voluntary program that depends heavily on buyer and seller participation in order to establish an accurate market. Information is collected for current trades from industry contacts on a confidential basis. Reporters will use discretion when disseminating trade information in a report as not to single out individuals in a manner that could negatively impact them or their business. Information collected should include: Location, Hay Type, Hay Quality, Package Type, Tonnage, Price/Ton, and any additional comments that explain factors not described in the quality descriptions. This includes geographical (town, region/area or state) and physical (f.o.b. or delivered price, semi or pickup loads, behind the harvester, windrow, roadside, etc. All market information obtained and reported will be spot trades within the past 7 days unless otherwise noted. Current delivery trades reported will have occurred within the past 7 days and delivered within 14 days of a completed contract. Pricing shall reflect actual trades obtained from industry contacts. Trade data collected is via phone, email, and or fax. In instances of which trading hasn't occurred in the areas or regions covered in the report, a "no reported quotes" statement will be used.

## **COMMODITY REPORTING**

### **ORGANIC GRAIN & FEEDSTUFFS**

#### **OVERVIEW**

The organic grain and feedstuffs report provides sellers and buyers with prices and supply and demand information. The report compiles market and trade information for a variety of grains and feedstuffs nationwide. Commodities traded are domestic though there is significant competition from imports. Grains are broken down into several classes and subclasses. Many of the same standards and terminology used in the conventional markets applies to organic grains and feedstuffs; however any organic grains or feedstuffs must also be certified organic and compliant with [USDA NOP](#). Commodities are used for both human consumption and animal feed.

#### **STANDARDS AND TERMINOLOGY**

Official USDA class and grade terms are to be used by reporters in describing grain and grain products covered by market reports. Exact terms of the official grade standards will be utilized and applied in market reporting work. If no U.S. official grade terminology is available, use terminology approved by the Area Supervisor or Director that has a meaning which is generally accepted by the trade.

#### **Links for Organic Standards:**

- [USDA NOP](#)
- [USDA NOP Organic Standards](#)
- [USDA NOP Organic Resource Center](#)

#### **Links for Conventional Commodity Standards and Terminology:**

Official US Standards for [Grain](#)

- [Barley](#)
- [Canola](#)
- [Corn](#)
- [Flaxseed](#)
- [Oats](#)
- [Rye](#)
- [Sorghum](#)
- [Soybeans](#)
- [Sunflower Seed](#)
- [Triticale](#)
- [Wheat](#)

Official US Standards for [Whole Dry Peas](#)

Official US Standards for [Split Peas](#)

Official US Standards for [Feed Peas](#)

Official US Standards for [Lentils](#)

Official US Standards for [Dry Edible Beans](#)

**Links for Terminology:** A guide to common terminology can be found at the following links:

[Grain Terminology](#)

[Rice, Dry Edible Beans, and Lentils Terminology](#)



## GRAIN WEIGHTS, MEASURES, AND CONVERSION FACTORS

A guide to common weights, measures, and conversion factors with examples used in grain reports can be found here: [Weights, Measures, and Conversions with examples](#)

Some helpful conversion factors to know:

Metric ton – 2204.6

Long ton = 2240

Short ton = 2000

The following items are reported on a different basis than price/bushel:

Soybean meal – dollars per ton and FOB the mill

Roasted Soybean – dollars per ton and FOB the mill before packaging

Soybean oil – cents per pound and bulk (tanker truck) FOB the processor

Other items that might be shown in the Other Items section:

Hay – dollars per ton and FOB the stack or barn unless noted otherwise

Sunflowers and spelt – cents per pound

Triticale – convert to a price per bushel (tons divided by bushel weight of 48 then price per ton divided by number of bushels per ton) (ex. 41.7 bushels ton – Price of \$365 per ton = 8.75 per bushel)

### Conversion Chart

Commodity	Unit	Avg Lbs.	Units per Ton		
			Metric	Long	Short
Corn	Bushel	56	39.4	40	35.7
Soybean	Bushel	60	36.7	37.3	33.3
Oats	Bushel	32	68.9	70	62.5
Barley	Bushel	48	45.9	46.7	41.7
Wheat	Bushel	60	36.7	37.3	33.3
Rye	Bushel	56	39.4	40	35.7
Triticale	Bushel	48	45.9	46.7	41.7
Grain Sorghum	Bushel	56	39.4	40	35.7
Flaxseed	Bushel	56	39.4	40	35.7
Sunflower	CWT	100	22.1	22.4	20
Spelt	CWT	100	22.1	22.4	20

## REPORTS

The organic grain and feedstuffs report can be found here:

[National Organic Grain and Feedstuffs Report](#)

## FORMATTING AND GENERAL GUIDELINES

All commodities reported must be certified organic by USDA NOP. Prices are reported nationally in tables and graphs as FOB on the farm (dollars, cents) and in specified quantities (bushels, tons, lbs., CWT, etc.).

Commodity trades are specified as either food or feed grade, as well as by more specific class and subclass (yellow, blue, white, durum, soft red winter, etc.). All transactions are reported as either spot, prompt, or

forward contract respectively. The report also provides a biweekly narrative or review, as well as tables, graphs, and additional information.

## **DATA COLLECTION AND METHODOLOGY**

All market information is obtained on a voluntary basis. No person or firm is required by law to furnish any information to the market reporter. The reporter's job is to thoroughly survey the marketplace and report prices which accurately reflect the trading that occurred. In addition, the reporter includes information on supply, demand, and market conditions which will aid buyers and sellers to more intelligently market their products. Information is received via phone, fax, and other electronic means. Succeeding collection, all pricing information and market commentary are then put into a database for report generation and eventual publication for public viewing.

## **COMMODITY REPORTING**

### **ORGANIC POULTRY & EGGS**

#### **OVERVIEW**

The organic poultry and egg report provides sellers and buyers with price, supply and demand information on chickens, turkeys, and eggs. The report is a national compilation and summary of the organic poultry and egg marketplace accompanied by several charts and graphs. The report features both production and pricing data.

#### **STANDARDS**

Broiler/Fryer: Young chickens less than 12 weeks of age. After processing, ready-to-cook broiler/fryers are directed to one of several market channels based primarily on dressed weight. See [U.S. Trade Descriptions](#) for definitions of chicken parts and whole chickens.

Graded Shell Eggs: Eggs that have been washed, graded and sorted by weight. They may be packed in cartons or packed in trays, flats, or non-carton containers.

For more information on standards go to:

[United States Standards, Grades, and Weight Classes for Shell Eggs](#)

[United States Classes, Standards, and Grades for Poultry](#)

[Poultry Quality Standards and Trade Descriptions](#)

[USDA NOP Homepage](#)

[USDA NOP Standards](#)

[USDA NOP Resource Links](#)

#### **TERMINOLOGY**

A guide to common terminology can be found here: [Glossary](#).

#### **REPORTS**

Report includes poultry slaughter data; shell egg inventory data; egg, turkey, and chicken pricing data, and retail pricing data.

[Organic Poultry and Egg Report](#)

[Weekly Weighted Average Prices for Whole Young Turkeys Report](#)

#### **REPORT FORMAT AND GENERAL GUIDELINES**

Prices are reported in ranges with weighted average prices in cents per pound on an FOB or delivered basis to first receivers. Volumes are reported in head slaughtered, lbs., trucklot and less than trucklot quantities, thousands of 30 dozen cases, dozens, and store counts.

#### **METHODOLOGY & DATA COLLECTION**

All market information is obtained on a voluntary basis. No person or firm is required by law to furnish any information to the market reporter. The reporter's job is to thoroughly canvas the marketplace and report prices and volumes which accurately reflect trading or production that occurred during the specified report time frame. The information provided allows buyers and sellers to more intelligently market their products. Information is received via phone, fax, and other electronic means. After collection, all data is entered into a database for report generation and eventual publication for public viewing.

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# COMMODITY REPORTING

## PORK

### OVERVIEW

The Pork Carcass Cutout is an estimate of the value of a 53-54% lean, 205 lb. hog carcass based upon current wholesale prices being paid for sub-primal pork cuts. The cutout provides an indication of the overall supply and demand situation of the wholesale pork cuts market. A composite value is calculated each day for the various pork primals and these values are combined to reflect a single composite value of a pork carcass.

### STANDARDS

A guide to pork standards can be found here: [Pork Carcass Standards](#). The cutout provides an overall cutout or performance indicator for the pork cuts industry. Its formulation replicates the processes used by the industry when calculating their own overall cutouts. Styles produced and sold in larger volume will have more impact on the overall cutout; higher value sub-primals of equal volume compared to lower value sub-primals will have more impact. A breakdown of the estimated composite pork carcass cutout and general information can be found here: [Pork Carcass Cutout Overview](#)

### TERMINOLOGY

A guide to common terminology used in pork reports can be found here: [Meat Terminology](#)

### REPORTS

There are both daily and weekly reports available for FOB Plant and FOB Omaha. All daily reports can be found here: [Daily Pork Reports](#); all weekly reports can be found here: [Weekly Pork Reports](#)

### FORMATTING & GENERAL GUIDELINES

All information is reported in dollars per hundred weight (\$/cwt), load counts, prices for negotiated, formulated, forward sales and contracts, export sales on primals and sub-primals.

### DATA COLLECTION AND METHODOLOGY

Direct trade reporting of pork items are collected through the Livestock Mandatory Reporting Act, which states that any packer that slaughters 100,000 head of hogs or more a year must electronically submit their transactions to AMS daily. The majority of barrows and gilts, as well as sows and boars, are reported through this method. A link to final rule and reporting requirements can be found here: [LMR Final Rule](#). A link to the Industry Guide can be found here: [LMR Industry Guide](#).

## **COMMODITY REPORTING**

### **PROCESSED EGGS – BREAKING STOCK**

#### **OVERVIEW**

The breaking stock reports provide sellers and buyers with price, supply and demand information on various classes of breaking stock eggs marketed across the country. The reports compile and summarize the information by product class for various geographical areas and are accompanied by a short narrative of the market situation during the trading period.

#### **STANDARDS**

Nest Run Breaking Stock, Checks and Undergrade prices used in Central and Eastern Region reports are prices based on actual trading for 48 lbs. or equivalent nest run breaking stock. Trading is reported in 30 dozen case equivalent delivered to breakers.

[United States Standards, Grades, and Weight Classes for Shell Eggs \(AMS 56, Effective July 20, 2000\) -](#)

#### **TERMINOLOGY**

The terminology can be found here: [Glossary of Terms](#). Key words are; Breaking Stock, Nest Run Breaking Stock, Checks, and Undergrades.

#### **REPORTS**

[Eastern Region Breaking Stock Report](#)

[Central Region Breaking Stock Report](#)

[Weekly Shell Egg Inventory](#)

#### **REPORT FORMAT**

Breaking stock information can be found on three reports: the Daily Central States Breaking Stock Report, Weekly Eastern Region Breaking Stock and the Weekly Shell Egg Inventory. The Central States and Eastern Region breaking stock reports quote delivered prices for breaking stock and for checks and undergrades in a price range and mostly price. Prices are in cents per dozen, delivered to breakers with a 48 lb. minimum net weight per 30 dozen case. A list of states is included in the report. The commentary section of the report provides a narrative summarizing the market situation during the trading period.

#### **METHODOLOGY & DATA COLLECTION**

Reporters gather information from buyers, sellers, brokers and contract producers on supply, demand, and trading. Information is received via phone, fax, and other electronic means. Succeeding collection, all pricing information and market commentary are then put into a database for report generation and eventual publication for public viewing.

## COMMODITY REPORTING

### PROCESSED EGGS – EGG PRODUCTS

#### OVERVIEW

The egg products reports provide buyers and sellers with price, supply and demand information on product classes including Liquid (Whole, White, and Yolks), Frozen (Whole, White, Sugar and Salt Yolks) and Dried (Whole, Yolks, Albumen, and Blends). These reports compile and summarize information gathered from various areas nationwide by product class.

#### STANDARDS

[Whole Eggs](#)- Consist of yolk (yellow portion) and albumen (white or clear portion). For the various egg product classes (liquid, frozen, and dried), the yolk and albumen are separated during the breaking process and later remixed to formulate whole eggs in accordance to customer request.

[Liquid eggs](#)- Liquid eggs, mixed eggs, liquid whole eggs, mixed whole eggs are eggs of the domestic hen broken from the shells and with yolks and whites in their natural proportion as so broken. They may be mixed, or mixed and strained, and they are pasteurized or otherwise treated to destroy all viable Salmonella microorganisms.

[Dried eggs](#)- Dried eggs, dried whole eggs are prepared by drying liquid eggs that conform to [160.115 \(see Liquid Egg\)](#), with such precautions that the finished food is free of viable Salmonella microorganisms. They may be powdered.

Frozen eggs- Frozen eggs, frozen whole eggs, frozen mixed eggs is the food prepared by freezing liquid eggs that conform to [160.115 \(see Liquid Egg\)](#).

For more information see the following websites:

[CFR- Code of Federal Regulations Title 21 \(Part 160\)](#)

[United States Standards, Grades, and Weight Classes for Shell Eggs \(AMS 56, Effective July 20, 2000\) -](#)

#### TERMINOLOGY

Liquid Eggs, Frozen Eggs, Dried Eggs, Whole, White (Albumen), Yolk, Blends. A guide to common terminology can be found here: [CFR- Code of Federal Regulations Title 21 \(Part 160\)](#) and [Glossary of Terms](#).

#### REPORTS

[Weekly Eggs Processed Under Federal Inspection](#)

[Weekly National Egg Products](#)

[Monthly US Dried Eggs Inventory](#)

## **REPORT FORMAT**

Egg products information can be found on three reports: the Weekly Eggs Processed under Federal Inspection, Weekly National Egg Products, and Monthly Inventory US Dried Eggs Inventory. The Monthly Inventory US Dried Egg report provides the number of lbs. produced for various egg product classes. Percentage change from the previous month and previous year are also provided. The Weekly National Egg Products report quotes wholesale prices on a FOB shipper dock basis for liquid, dried and frozen eggs. Price range, mostly and weighted averages are reported in cents per pound. Reported volumes are listed as trucklots and/or less-than-truck lots. A comment is provided summarizing the current market condition. The Weekly Egg Processed under Federal Inspection report quotes total production of egg products in lbs. per thousand. The report also quotes the percentage of total production that comes from in-line production reported in lbs. per thousand.

## **METHODOLOGY & DATA COLLECTION**

Reporters gather information from buyers, sellers, brokers and contract producers on supply, demand, trading and current market conditions. Information is received via phone, email and other electronic means. Following collection, pricing information and/or commentary are entered into a database or program for report generation and disseminated for public viewing.

## COMMODITY REPORTING

### REPLACEMENT CATTLE

#### OVERVIEW

Replacement cattle are those animals that are generally intended to return to the farm or ranch for breeding purposes. Replacement cows and heifers are mostly commonly quoted for being placed in a cow/calf operation.

#### STANDARDS

There are no official standards for replacement cattle. Replacement cattle should be evaluated for frame size and muscling on the same basis as evaluating feeder cattle. Other factors such as flesh, number of months bred, and age should also be incorporated into the reports to further explain the price structure.

#### Frame Size

LARGE FRAME	over 1250 lbs.
MEDIUM FRAME	1000 - 1250 lbs.
SMALL FRAME	under 1000 lbs.

#### Muscle Score

<u>Minimum Thickness</u>	<u>Degree of Thickness</u>
1	Moderately Thick
2	Tends to be Slightly Thick
3	Thin
4	Less than Thin

#### Age

YOUNG	Cows 4 years old or less that have had at least one calf.
MIDDLE AGED	Cows 5 to 8 years old
AGED	Over 8 years old. (Broken mouth cows maybe quoted separately.)

The above weight ranges under Frame Size for Large, Medium, and Small depicts mature cows with normal fill and carrying .2 inches of fat. Several factors affect the weight of replacement cows. Cows continue to grow until they fully mature at approximately 6 years of age, thus age must be taken into consideration when evaluating replacement cows. (Example: A 3 year old cow weighing 1100 lbs. may easily grade Large Frame taking into consideration her growth potential). Excess fat and the pregnancy stage, are also important factors in cow weights and should be taken into consideration.

The number of months bred influences the price. Depending on available information or estimated information, cows can be quoted by such methods as "in first trimester of pregnancy, bred 3-6 months, or will calve in March and April". If sold as pairs, the approximate weight of calves should be included



Age categories may be listed as young, middle aged or aged, or by listing the actual age of the cows sold (2-6 year old, 7 year old and older, etc.). It is best not to use local terminology when quoting ages as it may vary from sale barn to sale barn and from region to region (short mouthed, short and solid mouthed, gummer, etc.).

## **TERMINOLOGY**

A guide to common terminology can be found here: [Cattle Definitions](#)

## **REPORTS**

Quotes for Replacement Cattle are generally found on feeder cattle reports which are located here: [Feeder and Replacement Cattle Reports](#)

## **FORMATTING & GENERAL GUIDELINES**

The reports should also identify if the weights are estimated or actual. Price spreads should be kept as narrow as possible to provide meaningful information. Rarely should a category exceed a \$100 spread when quoted per head/pair, \$10 when quoted per cwt.

The quality of replacement cows is an important factor which can vary widely. In order to keep price spreads as narrow and meaningful as possible reporters are encouraged to use descriptive terms whenever necessary. Terms such as fancy or plain may be used to describe the quality of replacements sold (cattle are assumed to be of average quality unless otherwise stated). It may be helpful to use breed, color, type or kind if a price-determining factor. Statements such as "herd sell-out" or "reputation cattle" may be used along with a statement in the narrative portion of the report to further describe selling conditions.

## **DATA COLLECTION AND METHODOLOGY**

Replacement cattle are normally quoted on feeder cattle reports through auction sales. Auction data is compiled by reporters being physically present at the market to grade the animals. The physical presence of the reporter at the market is very crucial in that it allows the reporter to not only have a better opportunity to grade the animals, but it also allows them to witness and converse with the trade to gain a better understanding of the market that day.

# COMMODITY REPORTING

## RETAIL

### OVERVIEW

Retail data is an invaluable tool for producers and marketers of agricultural commodities to measure, analyze, anticipate, and react to trends in retail marketing and consumer preferences. As a result of this information, users are better able to quickly and efficiently identify and produce those agricultural products in greatest demand as well as to locate the best markets for these products. The power of retail data is in its ability to communicate meaningful patterns across the marketing chain in order to convey insight into consumer and marketing trends. A common application of retail data analytics includes the study of data with an eye to predicting and improving future performance.

### STANDARDS

The most important link in the marketing chain is retail as it is the closest to the ultimate consumer. All decisions made along the marketing chain from “farm to fork” are driven by the behavior of the consumer. Since retail is the closest link to the consumer in the marketing chain, it is critical to a fundamental understanding of the marketplace. What is produced, when it is produced, how much is produced is all dictated by consumer demand. The decisions made by consumers in grocery stores across the country have a direct bearing on the structure and economic health of the agricultural complex.

### TERMINOLOGY

A guide to common terminology used in retail store activity reports can be found here:

[Retail Terminology](#)

### REPORTS

There are weekly reports available, covering commodities such as beef, pork, poultry, lamb and veal. Currently all reports can be found within the specific commodity areas and are shown here:

[Beef Retail](#)

[Chicken Retail](#)

[Lamb and Veal Retail](#)

[Local and Organic](#)

[Pork Retail](#)

[Shell Eggs and Egg Products Retail](#)

[Turkey Retail](#)

### FORMATTING & GENERAL GUIDELINES

Currently, each program samples stores according to their specific commodity needs. Some large retail grocery chains do not regularly advertise all commodities equally which makes them less suitable to be included in the sample for those lightly tested commodities while, at the same time, serving as an excellent source or retail feature data for other commodities. The value of retail reporting, as in all market news reporting, is in having a consistent test. Maintaining a standard master list of retailers across commodities is one internal process that will promote internal efficiency while maintaining the value of retail reporting to our customers. From this list, each program can tailor a store sample specific and appropriate to their commodity market needs as they are in the best position to determine.

## **DATA COLLECTION AND METHODOLOGY**

Each week, market reporters make nearly 2,700 contacts with retail on-line ads to collect information. Livestock Market News uses an internal Oracle program to enter data, while Poultry Market News uses Excel program to enter data. A shared master list will be maintained and updated to provide a standard to retail reporting across all commodities reported.

# COMMODITY REPORTING

## SHEEP AND LAMB

### OVERVIEW

Sheep and lamb reporting is broken out into three major categories; feeder, slaughter, and replacement. Feeder lambs are those that are intended to be fed for a period of time to reach slaughter weight. Slaughter lambs are those intended for immediate slaughter. Replacement lambs are those intended for breeding purposes.

### STANDARDS

For slaughter, reporters must be familiar with the [USDA Slaughter Lamb, Yearling, and Sheep Standards](#). Wool Standards can be found here: [USDA Standards for Grads of Wool](#). Pelt classifications have been updated and can be found here: [Pelt Classifications](#).

There are no official grade standards at this time for feeder lambs or replacement ewes. For reporting purposes they will be classified according to frame size and muscle thickness as follows:

**Frame Size** (Expected Slaughter Weight at or about .2 inches of fat)

<u>Frame Size</u>	<u>Feeder lambs</u>	<u>Replacement Ewes</u>
Small Frame	100 lbs. and down	125 lbs. and down
Medium Frame	100-135 lbs.	125-150 lbs.
Large Frame	Over 135 lbs.	Over 150 lbs.

### Muscling Specifications

**No. 1** - Thrifty animals that are thick throughout. Lambs that are thick and full in the forearm and leg, showing a rounded appearance through the back and loin. Lambs that are wide between the legs, both front and rear.

**No. 2** - Lambs that are thrifty and are slightly thick through the forequarter and the middle part of the leg. The forearm and leg are slightly thick and the back and loin have a slightly thick appearance. The legs are set slightly wide, both front and rear.

**No. 3** - Feeder lambs included here are thrifty animals that have less thickness than the minimum requirements specified for the No.2.

**Inferior** Animals that are unthrifty.

### TERMINOLOGY

A guide to common terminology can be found here: [Sheep and lamb definitions](#)

### REPORTS

All sheep and lamb reports can be found here: [Sheep and lamb reports](#)

### FORMATTING AND GENERAL GUIDELINES

All prices will be quoted in dollars per hundred weight (\$/cwt), unless otherwise stated. Reports will contain the volume, a narrative containing the trade activity, demand, and trend, along with any other information describing trade conditions. Besides the type (Slaughter, Feeder, or Replacement), the following classes should be used when quoting prices on market reports: Lambs, Yearlings, Young 2 and 3 year olds, Solid Mouth, or Broken Mouth. Prices will also be quoted by grade and weight groups. A weighted average price should be

included if possible. Information should be identified as to delivery point FOB or DEL. Slaughter lambs should be quoted as woolled or shorn.

The following comments are currently approved for use in reports to explain price differences: Thin, Fleshy, Gaunt, Short Docks, Full, Blackface, Whiteface, Ewe Lambs, Buck Lambs, Hair Sheep, Poor Fleeces, Old Crop, New Crop.

Slaughter ewes and bucks may use the following comments: Very Thin (Cull YG 1 w/ 0 - .10 inch of fat), Thin (Utility YG1-2 w/ .11 - .20 inch of fat), Medium (Good YG2-3 w/.21 - .30 inch of fat), Fleshy (Good YG3-5 >.31 fat)

Replacement ewes may need further descriptions to describe the trade: Frame size and muscling, Age, Breeding factors, Dominant breed, Blackface, Whiteface, Crossbred mottled face, smut face, speckled face, etc.

### **DATA COLLECTION AND METHODOLOGY**

Data collection for sheep and lamb occurs through either auctions or direct trade reporting. Auction data is compiled by reporters being physically present at the market to grade the animals. The physical presence of the reporter at the market is very crucial in that it allows the reporter to not only have a better opportunity to grade the animals, but it also allows them to witness and converse with the trade to gain a better understanding of the market that day.

Direct trade reporting of slaughter lambs and sheep are collected through the Livestock Mandatory Reporting Act, which states that any packer that processes 75,000 head of lambs or more a year must electronically submit their transactions to AMS daily. A link to final rule and reporting requirements can be found here: [LMR Final Rule.](#)

# COMMODITY REPORTING

## SHELL EGGS

### OVERVIEW

The shell egg reports provide sellers and buyers with price, supply and demand information on various classes of shell eggs by table egg layers marketed across the country. The reports compile and summarize the information by product for various geographical areas and some are accompanied by a short narrative of the market situation during the trading period. Shell eggs covered include: graded eggs in cartons, graded loose packed eggs, gradable nest run eggs, nest run breaking stock and checks.

### STANDARDS

Graded Shell Eggs: Eggs that have been washed, graded and sorted by weight. They may be packed in cartons or packed in trays, flats, or non-carton containers.

Nest Run Eggs: Eggs which are packed as they come from the production facilities without having been washed, sized, and candled for quality, with the exception that some checks, dirties, or other obvious undergrades may have been removed.

Nest Run Breaking Stock (NRBS): Eggs packed as they come from the production facilities without having been washed, sized, and candled for quality and designated to be cracked (broken) for use in further processing.

Checks: Eggs that have a broken shell or crack in the shell but has its shell membrane intact and the contents are not leaking.

For more information on standards go to [United States Standards, Grades, and Weight Classes for Shell Eggs](#)

### TERMINOLOGY

A guide to common terminology can be found here: [Glossary](#). Key words are; Breaking Stock, Carton, Case, Checks, Class, Egg Sizes, Gradable Nest Runs, Graded Loose, Loose Eggs, Miscellaneous Eggs, Nest Run, Undergrade.

### REPORTS

A list of egg reports found under; [Eggs](#)

### REPORT FORMAT AND GENERAL GUIDELINES

All prices are in cents per dozen. Graded shell eggs are reported as jumbo, extra-large, large, medium and small. Gradable nest run (ungraded) shell eggs are reported by Class: XL, 1, 2, 3 and 4 and reflect different weight categories. Nest run breaking stock and checks are reported as a 48 lb. minimum net weight per 30 dozen case. Information on grades and weight classes can be found here: [United States Standards, Grades, and Weight Classes for Shell Eggs](#)

### METHODOLOGY & DATA COLLECTION

All market information is obtained on a voluntary basis. The reporter's job is to make a thorough canvas of the market and report prices which accurately reflect trading that occurred. Reporters gather information from buyers, sellers, brokers and contract producers on supply, demand, and trading. Information is received via

phone, fax, and other electronic means. Succeeding collection, all pricing information and market commentary are then put into a database for report generation and eventual publication for public viewing.

## COMMODITY REPORTING SLAUGHTER CATTLE

### OVERVIEW

Slaughter Cattle are those which are intended for slaughter immediately or in the very near future. Slaughter cattle reporting covers a wide range of classes but all reports are intended to provide informative market data to not only buyers and sellers, but a wide array of industry and data users. Slaughter cattle tend to be broken out into two major categories; mature cattle and fed cattle. Mature slaughter cattle are typically older animals that have been used for breeding purposes and will often be referred to as cows and bulls. Fed slaughter cattle are typically younger animals that have been on a concentrated feed ration in a feedlot setting for a certain period of time (120 days for example) immediately before slaughter, and will often be referred to as steers and heifers.

### STANDARDS

Reporters must be familiar with USDA Slaughter Cattle Standards found here: [Slaughter Cattle Standards](#)

Reporters should also be familiar with not only the grades, and how they are applied, but also how this relates to maturity. An important tool for this is following table:

### Relationship between Marbling, Maturity, and Carcass Quality Grade

Degrees of Marbling	Maturity <sup>1</sup>				
	A <sup>2</sup>	B	C	D	E
Abundant	<b>PRIME</b>			<b>COMMERCIAL</b>	
Moderately Abundant					
Slightly Abundant					
Moderate	<b>CHOICE</b>				
Modest					
Small	<b>SELECT</b>			<b>UTILITY</b>	
Slight					
Traces	<b>STANDARD</b>				
Practically Devoid					

<sup>1</sup> Assumes that firmness of lean is completely developed with the degree of marbling and that the carcass is not a "dark cutter"

<sup>2</sup> Maturity increases from left to right (A through E).

<sup>3</sup> The A maturity portion of the figure is the only portion applicable to bullock carcasses.

Source: U.S. Department of Agriculture

### TERMINOLOGY

A guide to common terminology used in cattle reports can be found here: [Cattle Terminology](#)



## REPORTS

There are numerous slaughter cattle reports available on a local, regional, and national level. All slaughter cattle reports can be found here: [National Direct Slaughter Cattle Reports](#); [Regional Direct Slaughter Cattle Reports](#); [Slaughter Cattle Auctions](#); and [Slaughter Cattle Summaries](#).

## FORMATTING & GENERAL GUIDELINES

All information is reported in dollars per hundred weight (\$/cwt), unless otherwise stated. All reports will quote the volume of cattle, or receipts, for that particular market at the top of the report, followed by a narrative describing current trade conditions. Price quotes will then be broken out by class and grade.

For fed cattle, terms used to describe the upper, middle and lower third of each grade are "high", "average" and "low." Such terms will be written "high-Choice", "low Prime", etc. When prices are quoted for a combination of grades, the lower grade term will be used first in the sequence, such as "Select and Choice Slaughter Steers". If yield grades are used, the numerical grades will be in ascending order such as Choice 2-3 Steers. The terms "high dressing", "gaunt", "full", or other similar terms may be used to more accurately describe price differences for slaughter cattle. These terms will be used only in conjunction with official USDA grade terms.

For auction reporting, the office will only quote those grades or classes, where a significant supply exists. For direct reporting, reports may only be published if they adhere to the 3/70/20 rule, which states a report can only be published if at least 3 packers participate in the market 50% of the time or more in a 60 day period; no packer can have more than 70% of the volume in that same period; and not one packer can be the sole reporting entity more than 20% of the time.

Slaughter Cows will use the following designations for price quotes on the report although each office will adjust weight ranges to fit their markets:

	<u>Percent Lean</u>	<u>Weight</u>
Breaking	75-80%	850-1200 lbs.
Boning	80-85%	850-1200 lbs.
Lean	85-90%	850-1200 lbs.
	85-90%	750-850 lbs.
	85-90%	Under 750 lbs

## DATA COLLECTION AND METHODOLOGY

Data collection for slaughter cattle occurs through either auctions or direct trade reporting. Auction data is compiled by reporters being physically present at the market to grade the live cattle, or through internet auctions where the cattle are viewed on screen. The majority of the slaughter cattle reported through auctions are cows and bulls, although some markets also have steers and heifers. The physical presence of the reporter at the market is very crucial in that it allows the reporter to not only have a better opportunity to grade the cattle, but it also allows them to witness and converse with the trade to gain a better understanding of the market that day.

Direct trade reporting of slaughter cattle is collected through the Livestock Mandatory Reporting Act, which states that any packer that slaughters 125,000 head of cattle or more a year must electronically submit their transactions to AMS daily. The majority of steers and heifers are reported through this method as well as a smaller percentage of cows and bulls. A link to final rule and reporting requirements can be found here: [LMR Final Rule](#)

## COMMODITY REPORTING

### SLAUGHTER HOGS

#### OVERVIEW

Slaughter hogs are mostly purchased on the basis of lean value. Reporting of lean value prices vary considerably from other market reports, because the report is a spreadsheet generated matrix report of what packers are paying for different carcass weights combined with the percentage of lean red meat per carcass. This requires establishing techniques and procedures not normally used within the scope of other types of market reporting. The hog carcass value reports not only project definite values based on lean and weight, but also communicate to the producer the potential value from improved product by providing economic and data feedback from the packer.

#### STANDARDS

The major lean-value determining factor is backfat, which is closely correlated to the lean meat yield. The primary basis for value is lean, determined on individual packer fat measurements, which may be adjusted for superior or inferior muscling. Each cooperating packer provides a base meat price, premiums and discounts for lean value and weights along with the estimated number of deliveries each day. The values are calculated daily for each packer; then a high-low value range is determined and published in the final report. The final report shows a high-low range of values for about 70 combinations of lean percent and carcass weight, and a range of premiums or discounts for lean value and weight associated to backfat. Reporters at offices in selected areas must adhere to established Market News policy and procedures in this complex data-related lean-value type report.

#### TERMINOLOGY

A guide to common terminology used in swine reports can be found here: [Swine Terminology](#)

#### REPORTS

There are numerous direct swine reports available on a regional and national level. All direct reports can be found here: [Swine Direct Reports](#)

#### FORMATTING & GENERAL GUIDELINES

All information is reported in dollars per hundred weight (\$/cwt), unless otherwise stated and all prices are plant delivered by state of origin. For direct reporting, reports may only be published if they adhere to the 3/70/20 rule, which states a report can only be published if at least 3 packers participate in the market 50% of the time or more in a 60 day period; no packer can have more than 70% of the volume in that same period; and not one packer can be the sole reporting entity more than 20% of the time.

#### DATA COLLECTION AND METHODOLOGY

Data is collected by electronic submission from swine packing plants which slaughter 100,000 or more hogs per year. Reporting of carcass based prices, price trends, head counts, defined purchase types and the hog purchases matrix is done by the packer daily per the Livestock Mandatory Reporting Act. A link to the Industry Guide can be found here: [LMR Industry Guide](#). A majority of barrows and gilts are reported through this methods as well as sows and boars. A link to the final rule and reporting requirements can be found here: [LMR Final Rule](#)

# COMMODITY REPORTING

## TALLOW, PROTEINS AND HIDES

### OVERVIEW

This report is composed of three distinct sections. The first covers the trading of tallows and greases. The second section of the report covers the protein feed supplements market. The final section of the report covers the trading of the major packer hides across the country.

### STANDARDS

*Central U.S.* - Area extending along and including both sides of the northern border of Iowa; south to KCMO; east to Mississippi River; and west to Grand Island, NE. *Gulf* - Houston, TX, coastal area. *Panhandle* - Includes northern TX panhandle, panhandle of OK, western KS, eastern CO, and southwestern NE.

### TERMINOLOGY

A guide to common terminology used in tallow, protein and hide reports are found here: [Meat Terminology](#)

### REPORTS

There are both daily and weekly variety beef and pork reports available. All daily reports can be found here: [Daily Tallow, Protein and Hides Reports](#). All weekly reports can be found here: [Weekly Tallow, Protein and Hides Reports](#).

### FORMATTING & GENERAL GUIDELINES

For tallows and greases, three separate basis points are used - FOB Central U.S., CAF (cost after freight) Chicago, and CAF Gulf. Reported trades must ship within 20 working days of the time of sale to be eligible for the report. Trades that overlap this period may be used providing the bulk of the trade volume delivers within the period. For this report and this report only, carlot basis refers to rail cars as opposed to trucks. The sole exception to this is for FOB Central choice white and yellow grease and edible lard FOB plant, which are reported on a truck load basis.

The protein feed supplement market, three basis points are used - FOB Central U.S., CAF California, and FOB Panhandle. Reported trades must deliver within 15 working days of the time of sale to be eligible for the report. Meat and bone meal and blood meal are reported on a per ton basis. Dry rendered tankage is reported on a per unit protein basis in two protein ranges: low, 42-47% and high, 52% and higher.

The hides are reported by cured and fleshed weight except bull hides which are reported by conventional weight (green hide wt.). Hides are quoted on a per piece basis and on a per hundredweight conventional basis. Heavy Texas Steer, Heavy Texas Steer and Heifer, and Branded Steer hides are only reported per piece. FOB Central U.S. is used as the reporting basis.

### DATA COLLECTION AND METHODOLOGY

Reporters will need to develop a group of telephone and email contacts. For the tallow and protein report, the reported load count for the day is supplied for each quoted item along with the full range of reported prices and a weighted average price. On the hide report, only the load count and price range is reported. Items not tested may have the established price range and weighted average carried over for a maximum of 5 working days accompanied by a letter (A, B, C, D, or E) denoting the number of days since the last actual market test. Load counts are not carried over. Any trade not meeting the conditions of the report may be reflected on an added line accompanied by an appropriate description of conditions only on the day the trade was reported. Such trades will not be carried over to the next day's report.

# COMMODITY REPORTING

## TURKEY

### OVERVIEW

The turkey reports provide sellers and buyers with price, supply and demand information on fresh and frozen whole turkeys and turkey parts marketed nationally and internationally. The reports compile and summarize the information by product on a national basis and some include a short narrative of the market situation during the trading period.

### STANDARDS

Turkeys: Whole turkeys are reported as fresh or frozen consumer pack hens and toms for domestic consumption. Prices for exported whole birds are only mentioned in the market comment. Prices for turkey parts are fresh or frozen for domestic use, frozen for export markets.

### TERMINOLOGY

Grade A, plant grade, hens, toms, v-type wings

A guide to common terminology can be found here:

[Poultry and Poultry Products Grades and Standards](#)

[Turkey Trade Descriptions](#)

### REPORTS

Turkey reports are both Daily and Weekly and include National Turkey Market at a Glance; National Weighted Average Prices for Whole Young Turkeys; National Young Turkey Parts; Turkeys Slaughtered in Federally Inspected Plants; Weekly Retail Turkey Feature Activity.

They can be found here: [Turkey Market News Reports](#)

### REPORT FORMAT AND GENERAL GUIDELINES

Whole turkey prices are reported as weighted average prices, cents per pound, F.O.B. shipper dock basis, commodity pack or equivalent. Turkey parts are reported as cents per lb., delivered first receivers, part and full trucklots on a delivered basis. Several reports contain a daily narrative or a weekly review; some reports also include tables, graphs and additional information.

### METHODOLOGY & DATA COLLECTION

All market information is obtained on a voluntary basis. No person or firm is required by law to furnish any information to the market reporter. The reporter's job is to make a thorough canvas of the market and report prices which accurately reflect trading that occurred. In addition, the reporter includes information on supply, demand, and market conditions which will aid buyers and sellers to more intelligently market their products. Information is received via phone, fax, and other electronic means. Succeeding collection, all pricing information is then put into a database for report generation and eventual publication for public viewing.

## **COMMODITY REPORTING**

### **VEAL CARCASS AND BOXED VEAL CUTS**

#### **OVERVIEW**

The Veal Carcass report covers the trading of special-fed veal carcasses across the nation. Prices are reported on a hot basis either hide-on or hide-off as applicable. Two reporting bases are used: Packer Owned and Non-Packer Owned.

The Distributive/LCL Veal Cuts report covers the more traditional style veal cut market in the major cities of the Northeast coast. The reporting basis is the East Coast Area that includes the major markets.

This market is made up of HRI sales, store-door deliveries, and walk-in sales. Only special-fed veal cuts are reported. The veal cuts market trades on a weekly basis and the report reflects those sales made for the current week. To maintain a credible price range, extreme highs and lows will not be used if they are not supported by prevailing market conditions.

#### **STANDARDS**

The Veal Carcass report shows contract information for hot basis, hide-off carcasses on an FOB basis in the Northeast and North Central, as the majority of calves sold in this area trade in this manner. [Veal and Calf Carcass Standards](#).

The Boxed Veal Cuts report covers the trading of boxed, special-fed veal cuts across the country. F.O.B. Major Production Points, North Central Area is used as the reporting basis as this is where the majority of boxed veal cuts are produced.

#### **TERMINOLOGY**

A guide to common terminology used in carcass and boxed veal reports can be found here: [Meat Terminology](#)

#### **REPORTS**

There are both bi-weekly and weekly veal reports available. All reports can be found here: [Bi-weekly and Weekly Veal Reports](#).

#### **FORMATTING & GENERAL GUIDELINES**

The veal carcass report shows a range of reported prices, along with the total head count for each carcass category for Packer Owned and Non-Packer Owned in the Northeast and North Central.

The Boxed Veal Cuts report shows a price range and trend comparing current prices to prices of last week is shown for each cut. To maintain a credible price range, extreme highs and lows will not be used if they are not supported by prevailing market conditions.

#### **DATA COLLECTION AND METHODOLOGY**

Data is collected via telephone and email and gathered into a program specifically designed for veal reporting. The veal carcass report is reported bi-weekly to cover the beginning of the week and later in the week including the weekend. The Boxed Veal Cuts report is reported on a weekly basis and covers the current week of trading.

# LIVESTOCK ACCEPTANCE

## I. FUTURES CONTRACTS

Livestock offered to fulfill futures contracts will be accepted under the specifications for the month of delivery. Guidelines for livestock acceptance work will be closely adhered to so as to assure uniform procedures between delivery points.

- **Guidelines for Futures Livestock Acceptance Work**

- The total number of loads tendered for delivery at any one of the designated delivery points on a given day is public knowledge and may be given to interested persons. Tender Notices and Delivery Notices can be accessed through the Internet at:

Tender Notices

[Text Report](#) and [PDF Report](#)

Delivery Notices

[Text Report](#) and [PDF Report](#)

- Notify the appropriate Area Supervisor as early as possible if the number of loads for grading the following day will exceed the workload of the local staff.
- The Officer-in-Charge (OIC) at the delivery point should review the specifications with the reporters before grading begins. The OIC should work one or more loads with reporters who are unfamiliar with the operating procedure of the yards. All reporters should periodically review the contract specifications and a copy of the specifications should be taken to the grading pens for reference.
- Livestock must be viewed individually from the front, rear, and both sides 3 or 4 head at a time.
- All contracts must be weighed within 1 hour of the time of grading. Grade no more than four (4) loads of cattle before starting to weigh. If possible, it is best to grade the livestock close to a scale. This procedure makes it easier for the reporter to maintain full control of the contract, including weighing and sealing procedures.
- Sorting: No undue time delay can be allowed for substitutions to the contract. Basically, consignments will be accepted or rejected as presented, and reporters should not be engaged in general sorting of livestock so that the unit will be an acceptable contract. Reporters have some latitude in allowing a minimum of sorting by the delivery agent to remove defective or overweight or underweight livestock. It is reasonable to expect that an occasional animal may have to be taken out of a load.
- If the lot is rejected, common courtesy requires that the delivery agent involved be told why the lot was rejected.
- Livestock should be moved with extreme caution and sealed in pens which have water available and are large enough to prevent crowding.

- When weighing a contract that has two or more drafts, the first draft should be retained near the scale until the second draft is weighed and total weight and average weight are computed.
- Reporters will not assume the primary responsibility for obtaining the health certificate or any other certificate to be supplied by another organization. However, field offices may forward the required certificate(s) to the Commodity Exchange if made available by the appropriate party.
- The safety of Market News personnel is of paramount importance and unnecessary risks should not be taken for any reason.
- Reporters are encouraged to catch weight on individual animals in order to assure that the animals accepted are within the correct weight ranges specified by the contract.
- After grading and weighing each load, a sale barn or commission agent will move the livestock to the holding pen where the gate will be sealed under the supervision of the reporter. This will assure that once accepted as meeting the delivery specification, the load will remain intact.
- If a contract is rejected, it may not be re-graded until permission is obtained from the CME. A certificate must be completed and the reason for the rejection stated.
- **The following procedures will be used in completing the grading certificates.**
  - The number of accepted steers/cattle, total weight and average weight will be entered on the certificate.
  - Estimated dressing percent will be entered on the grading certificate.
  - The number of cattle 1475 1550 lbs. entered on the certificate.
  - The number of Prime, Choice, Select, Standard and Sub-Standard as well as number of Yield Grades 1, 2, 3, 4 and 5 will be entered on the certificate.
  - The pen (s) number the cattle are held in and the seal (s) used to seal said pen will be entered on the certificate.
  - If a contract is rejected, a certificate must be completed and the reason for the rejection stated.

## II. CERTIFICATE PREPARATION AND CHARGE

- **Guidelines**
  - The livestock acceptance certificates (Form LS 9 11) will be prepared upon completion of services provided, as prescribed in Section - **Preparation of Certificates - Grading Charges**.
  - Grading information for cattle presented for Chicago Mercantile Exchange (CME) settlement will be provided to the responsible office where the Livestock Acceptance Certificate will be prepared and electronically transmitted to the CME. When the reporter finishes grading CME deliveries they should provide the grading information to the office responsible for the delivery. This can be done after all deliveries are completed or throughout the grading period. After receiving the grading information from the reporter, the responsible office should immediately complete and transmit the certificates to the CME.
  - An electronic certificate will be prepared by the responsible office and transmitted to the CME.



- All billing to the National Finance Center will be done from the St. Joseph, MO. office. Copies of the certificates for local use, delivery agent or auction barn, etc. will be provided by fax, e-mail or mail. Official scale tickets attached to a copy of the certificate will be mailed to the CME.
- Each office will be responsible for maintaining their own set of sequential numbers listed and assign them to certificates. The sequential numbers will start over at the beginning of each calendar year.
- The distribution of copies of grading certificates is as follows:
  - Original certificates with official scale tickets attached are mailed to the CME at:  
Chicago Mercantile Exchange Inc.  
Clearing House Department  
Attn: Deliveries Manager  
20 S. Wacker Drive  
Chicago, Il 60606
  - Provide a copy to the agent handling the delivery.
  - Retain a file copy in the official office file.
- Calendar year (CY) dates will be recorded as the certificate date and will change January 1 each year.
- All offices will use the same 9 digit subcenter number.
- The Certificate Number block is divided into two blocks. The first block will contain the delivery location code; the second block will contain the sequential number for the certificate.

**Location Codes and Certificates Number:**

Office	Delivery Location	Delivery Point Code	Certificate Numbers
Amarillo, TX			
	Amarillo, TX	11	1001 - 2000
	Tulia, TX	12	
	Clovis, NM	13	
	Texhoma, TX	15	
Dodge City, KS			
	Dodge City, KS	21	2001 - 3000
	Pratt, KS	22	
	Syracuse, KS	23	
Kearney, NE			

	Columbus, NE	31	3001 - 4000
	North Platte, NE	32	
	Ogallala, NE	33	
Sioux Falls, SD			
	Norfolk, NE	41	4001 - 5000
	Worthing, SD	43	
Greeley, CO			
	Wray, CO	51	5001 - 6000

- **Preparation of Certificates - Grading Charges**

- Grading Charge: Beginning December 1, 2004, a rate of \$100 per load will be charged for each load accepted or rejected. No additional charges will be made for travel and per diem or overtime.
- A certificate must be prepared for livestock which are tendered but not offered for delivery. A grading fee of \$100 will be assessed.

### III. EMPLOYEE COMPENSATION

- **Compensatory Time/Overtime Compensation**

All reporters performing futures work are entitled to compensatory time or overtime pay depending on GS-grade level if they work more hours than their regular scheduled tour of duty, or if travel is uncontrollable and outside of normal working hours. Travel time is to be based on common carrier unless P.O.V. has been authorized. AMS Instruction 350 will explain travel compensation, but the following guidelines will apply in most situations.

#### **USDA APHIS HRDG Subchapter 4550 - Premium Pay Section E - Compensatory Time**

If your pay exceeds a GS-10, step 10, and you are exempt from FLSA, your supervisor may require you to take compensatory time in lieu of overtime pay for irregular or occasional overtime work (5 CFR 550.114[c] and 5 CFR 551.531[c]). If your pay is at or below a GS-10, Step 10, (regardless of FLSA status), you must request compensatory time off in lieu of overtime pay (5 CFR 550.114[a][b]). You may not be required to take compensatory time off.

- If the employee works more than a regularly scheduled daily and/or weekly tour of duty grading livestock, that person is entitled to compensatory time or compensation at the overtime rate<sup>1</sup>.
- If the employee must travel or work on a Sunday or Federal holiday, the employee is allowed compensation at the Sunday or holiday rate.
- If the person travels outside of normal working hours, compensation may be approved if the travel is uncontrollable. The compensation will begin with the scheduled departure time from the common carrier terminal. Travel time ends upon arrival at the common carrier terminal at the destination point.

#### *EXCEPTION:*

If the employee must travel 1 hour or more to or from the delivery point and the place of residence or work, the period of travel begins with the actual departure from the residence or arrival at work. However, the waiting time from between the arrival at the terminal and the scheduled time of departure by common carrier is not counted. If the employee uses a P.O.V. to travel to a temporary duty point, compensation time will begin with the departure from the residence and end when the employee reaches the work point.

- **Travel Authorizations**

Under normal conditions, employees will not be authorized overtime salary compensation to return to their official duty station, because the travel is controllable and can be performed during working hours. However, the Area Supervisor should be contacted if a situation arises which could be considered as uncontrollable.

#### **IV. TRAVEL EXAMPLES**

- **Examples of Uncontrollable Travel**

- Reporter is told on Friday to be in Amarillo at 7:00 a.m., Monday, ready for work. The reporter must travel on Sunday and is allowed compensation at the Sunday rate.
- Reporter is told Tuesday at 1:30 p.m. to be in Amarillo Wednesday at 7:00 a.m. ready for work. Reporter is to leave immediately, and if travel cannot be completed within normal working hours, compensation is allowed for excess hours to complete travel.
- "TWO DAY RULE" ON PER DIEM. Delays in departure or return to permit travel during regular working hours, which result in payment of less than 2 days per diem, are not considered unreasonable and are not compensable at overtime rates. However, if such a delay requires 2 or more days per diem (usually a weekend layover), then authorized travel outside regular hours is considered uncontrollable and compensable at overtime rates. When grading slaughter cattle on Friday and the work schedule does not allow a return to permanent station within working hours on Friday, compensatory time or overtime compensation for travel will be allowed for Friday or Saturday travel.

- **Examples of Controllable Travel**

- Reporter finishes work at Amarillo at 3:00 p.m., Wednesday. Normal travel time is 4 hours to their official duty station, of which 3 hours would be after regular work hours. Reporter cannot claim overtime compensation for the 3 hours of excess travel. Travel in this case is controllable and the reporter can travel during working hours on Thursday. However, reporters can elect to travel at their own convenience without compensation.
- Participation in futures workshops is controllable travel. Overtime for travel will not be chargeable unless authorized.

#### **V. PROCEDURES FOR PROCESSING FUTURES ACCEPTANCE CERTIFICATES**

- **Submissions to NFC**

- All participating Market News offices will electronically transmit a copy of each Livestock Acceptance Certificate produced by that office to the St. Joseph, MO. office. The responsible person in the St. Joseph office will electronically transmit each charge to the National Finance Center (NFC).
- **Verification**
  - The St. Joseph, MO. office will be responsible for verifying that the certificates are processed and paid.