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**A LITTLE BIT COUNTRY
WARREN FROELICH
NDSU EXTENSION SERVICE
WILLIAMS COUNTY**

Lamb Prices at Record High

The principles of supply/demand are certainly impacting the current lamb market. Below are some numbers gleaned from a recent report of the Livestock Marketing Information Center based in Denver.

The U.S. sheep and lamb flock continued to decline in 2010, which has been reflected in below year ago numbers of available feeder and slaughter lambs this year. In addition, lamb imports during the first half of 2010 were below 2009 and, although imports did increase in July, imports have not been able to compensate for the decline in domestic lamb supplies. As a result of tighter lamb supplies, feeder and slaughter lamb prices have been at historically high levels thus far in 2010.

In the first quarter of 2010, Texas feeder lamb prices (60 to 90 lbs) averaged about \$131 per cwt. compared to \$119 per cwt. last year, with prices jumping from the mid \$120's per cwt. in January to the mid \$140's per cwt. in March. Feeder lamb prices seasonally increased to over \$142 per cwt. in the second quarter, a new quarterly record price (previous quarterly record was set in 2005) and over 20 percent higher than last year. For the summer quarter, feeder lamb prices are expected to average in the high \$130's to low \$140's per cwt. 43 percent or more than \$40 per cwt. higher than the prior year quarterly average. Feeder lamb prices are expected to remain high in the fourth quarter with prices in the low \$140's per cwt. For 2010, feeder lamb prices are forecast to be record high with the annual average 25 to 30 percent higher than last year.

In the first quarters of 2010, slaughter lamb prices averaged \$202.90 per cwt. (carcass weight basis), about five percent higher than in 2009. Prices increased in the

second quarter to an average of \$237.38 per cwt. nearly \$40 per cwt. higher than last year. In the current quarter, slaughter lamb price continued to seasonally increase and set new record high levels with weekly prices reaching just under \$270 per cwt. in late September. For the summer quarter, price should average around \$255 per cwt. or 25 percent higher than 2009's and set a new quarterly record price (last was set in 2008). Looking ahead, slaughter lamb prices are forecast to remain historically high, but fourth quarter prices will seasonally decline from current levels to the high \$240 per cwt. to low \$250 per cwt. range. The 2010 annual average slaughter lamb price is expected to be 20 to 25 percent higher than last year.

Let Corn Silage Cook

A major goal of making corn silage is to reduce oxygen and raise acidity rapidly so that lactic acid bacteria grow to stabilize and preserve or "pickle" the silage. Often, people believe the corn silage is fairly well-fermented after three weeks in the silo or bag, and starting to feed it then is OK.

Cumberland Valley Analytical Services Inc. analyzed 19,185 corn silage samples from farms in New York between January 2004 and February 2008. All samples were analyzed using the near-infrared (NIR) technique. They ranged from 25 to 45 percent dry matter.

Corn silage that is ensiled properly has a rapid pH drop where lactic acid-producing bacteria predominate. Lactic acid should be a significant end product of good corn silage fermentation. Higher levels of lactic acid indicate the corn silage is stable.

Experts have found that well-preserved corn silage generally contains more than 3 percent lactic acid and less than 3 percent acetic acid, with a pH of less than 4.

In the Cumberland Study lactic acid pH did not reach maximum levels until four months after ensiling. Acetic acid levels continued to go up six months after ensiling.