



# DatelineERS

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Economic Research Service

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ERS is the main source of research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.



## Commodity Markets and Trade

ERS Outlook reports provide timely analysis of major commodity markets and trade.

### This Month

- Rice
- Wheat
- Feed Yearbook Summary
- Cotton and Wool
- Oil Crops
- Vegetables and Melons
- Livestock, Dairy, and Poultry

All reports along with a calendar of future releases are available at:

[www.ers.usda.gov/publications/outlook](http://www.ers.usda.gov/publications/outlook)

## Amber Waves

[www.ers.usda.gov/AmberWaves](http://www.ers.usda.gov/AmberWaves)

### *Hired Farmworkers a Major Input For Some U.S. Farm Sectors*

With more than half of hired farmworkers lacking legal authorization to work in the United States, legislative reforms of immigration policies could affect some parts of the agricultural sector.



### *Technology, Larger Farm Size Increased Productivity on U.S. Hog Farms*

There has been a rapid shift in U.S. hog production to fewer and larger operations that specialize in a single phase of production. Amber Waves examines the role that contracts and improved technology play in increasing productivity on U.S. hog farms.

### *Global Market Opportunities Drive Beef Production Decisions in Argentina and Uruguay*

Argentina and Uruguay are increasingly important suppliers of beef in global markets. ERS evaluates the keys to both countries' success in international markets: certification and traceability programs, which have been improved in response to recent cattle disease outbreaks.

### *Twenty Years of Competition Reshape the U.S. Food Marketing System*

The past 20 years have brought significant changes in structure and competition in the U.S. food marketing system. Companies have devised a number of strategies to lower costs and stand out from the competition. ERS identifies individual strategies that are changing the food marketing system in the United States.

## Markets Making News

[www.ers.usda.gov/News/MarketsToWatch.htm](http://www.ers.usda.gov/News/MarketsToWatch.htm)

Recent market events have made corn, soybeans, wheat, and rice the subjects of news stories. ERS provides background data on production, consumption, prices, and trade for each of these commodities. Our newsroom links directly to this information.



## Agricultural Contracts on the Rise

[www.ers.usda.gov/Publications/EIB35](http://www.ers.usda.gov/Publications/EIB35)

More than half of all transactions for U.S. agricultural products are still conducted through spot market exchanges, in which commodities are bought and sold in open-market transactions for immediate delivery. But a growing share of U.S. farm production is produced and sold under agricultural contracts. Such contracts between farmers and their buyers are arranged prior to harvest (or before the completion stage for livestock) and govern the terms under which products are transferred from the farm.



ERS's *Agricultural Contracting Update, 2005* reports that agricultural contracts covered 41 percent of the value of U.S. agricultural production in 2005, up from 39 percent in 2003, 36 percent in 2001, 28 percent in 1991, and 11 percent in 1969. Use of contracts is closely tied to farm size; large farms are far more likely to use contracts than small farms. Contracts lower the costs of large-scale commercial agriculture, and hence help to drive production toward larger operations. Contracts are also widely used to guide the production of differentiated agricultural products, such as specialty grains, organic poultry, or heirloom hog breeds. Contract production is expected to continue to expand, as consumer demand for differentiated products grows, and as large family farms encompass growing shares of production.

## ERS Podcasts!

[www.ers.usda.gov/Podcast](http://www.ers.usda.gov/Podcast)

Several Economic Research Service podcasts are available for download on our website and on iTunes. Podcasts range in topic from narrated commodity outlooks to interviews and roundtable discussions with our economists. The most recent additions include:

- *Whey, Once a Marginal Byproduct, Comes Into Its Own*
- *Health Insurance as a New Indicator of Farm Households' Well-being*
- *Convergence in Global Food Demand and Delivery*

Visit our website to download these and other audio files from ERS.



### Agricultural Trade Boosts U.S. Economy

[www.ers.usda.gov/Publications/FAU/2008/04Apr/FAU124/FAU124.pdf](http://www.ers.usda.gov/Publications/FAU/2008/04Apr/FAU124/FAU124.pdf)

According to the recent ERS Outlook Report, *U.S. Agricultural Trade Boosts Overall Economy*, agricultural trade generates employment, income, and purchasing power in both the farm and nonfarm sectors. Each farm export dollar earned stimulated another \$1.65 in business activity in calendar year 2006. The \$71 billion of agricultural exports in 2006 produced an additional \$117.2 billion in economic activity for a total economic output of \$188.2 billion. Agricultural exports also generated 841,000 full-time civilian jobs, which include 482,000 jobs in the nonfarm sector. Farmers' purchases of fuel, fertilizer, and other inputs to produce commodities for export spurred economic activity in the manufacturing, trade, and transportation sectors.

#### How to get more information...

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