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Livestock, Dairy, and Poultry Outlook

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After Strong Exports for Most of 2008, a Weaker 4th Quarter Is Expected

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Tables will be released
on Dec 30, 2008

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Approved by the
World Agricultural
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Poultry: Continued declines in chick placements are expected to be reflected in lower year-over-year broiler meat production through the first three quarters of 2009. Even with slowing production, falling export demand has resulted in a sharp decline in leg quarter prices. However, over time lower broiler meat production is expected to place upward pressure on most broiler prices. Strong turkey production through the first 10 months of 2008 has resulted in higher cold storage holdings and, over the last several weeks, in lower prices for whole turkeys. The number of hens in the table egg flock continues to be lower than the previous year. With lower production, egg prices are expected to be relatively strong in fourth-quarter 2008 and into 2009.

Cattle and Beef: Despite steep declines in feed grain prices, adverse effects from the current worldwide economic downturn are being felt throughout the cattle and beef sectors. In addition to declining grain prices, oil price declines are a plus for the sector. The appreciation of the dollar against most foreign currencies is making U.S. beef more expensive internationally, dampening foreign demand.

Beef/Cattle Trade: After strong exports for most of 2008, a weaker fourth quarter is expected. This year's exports are expected to be 30 percent higher than 2007. The weakening global economic outlook and strengthening dollar will limit further growth in 2009. Beef imports are expected to decrease 20-percent from last year. Growth in 2009 imports are expected to be limited due to high cow slaughter for 2008 and 2009.

Hogs/Pork: Export forecasts for fourth-quarter 2008 and for 2009 were lowered on expectations for continued slower economic activity in important U.S. foreign markets. Fourth-quarter 2008 exports are expected to be 1.2 billion pounds, and total 2009 pork exports are expected to be 4.1 billion pounds, 14 percent below this year, but more than 30 percent ahead of 2007. October 2008 pork exports were 25 percent greater than a year ago.

Dairy: Milk production will inch upward in 2009 as lower feed prices help boost yields. However, softening exports, combined with the slightly higher milk production, will push prices downward in 2009. Domestic use is forecast to rise slightly despite overall economic weakness.

Broiler Meat Production Falls in October

Broiler meat production totaled 3.27 billion pounds in October, down 2.8 percent from the previous year. This is expected to be the beginning of a slowdown in broiler meat production. Over the first 10 months of 2008, broiler meat production increased strongly, totaling 31.3 billion pounds, up 3.5 percent from the same period in 2007. The October decrease in meat production was the result of a sharp decline in the number of birds slaughtered, down 4.2 percent from the previous year. This decrease was partially offset by a small increase—0.7 percent—in the average live weight of birds at slaughter to 5.65 pounds. So far in 2008, the average live weight at slaughter for broilers has been 5.58 pounds, which is 1.6 percent higher than in the same period in 2007. In recent weeks there have been sharp declines in chick placements, which are expected to translate into lower broiler production in November and December, and production is now forecast to be lower than the previous year through the first three quarters of 2009.

Over the last 5 weeks (Nov. 8 to Dec. 6, 2008), the number of chicks placed for growout averaged 7.4 percent lower than for the same period in 2007. With uncertainties about the domestic and world economies, the trend of year-over-year declines in chick placement is expected to continue well into 2009.

With smaller chick placements forecast, the estimates of broiler meat production have been adjusted downward in fourth-quarter 2008 and in the first three quarters of 2009. The revised estimate for fourth-quarter 2008 is now 9 billion pounds, down 3.2 percent from the previous year. The annual estimate for 2009 is now 36.5 billion pounds, down 1.3 billion pounds from the previous year. The quarterly estimates for 2009 now show a decline in production in the first three quarters on a year-over-year basis.

Cold storage holdings of broiler meat products at the end of third-quarter 2008 were revised slightly to 728 million pounds. This is down slightly from the end of the second quarter, but it is up 16 percent from the third-quarter 2007 level of 629 million pounds. Stocks are expected to gradually decline over the next several months as declines in production reduce overall supplies. At the end of third-quarter 2008 stock levels were higher for almost all broiler products, which put downward pressure on prices. The lower meat production in 2009 is expected to result in lower stock levels through all four quarters of 2009.

In fourth-quarter 2008, the domestic broiler industry is expected to have smaller production, declining exports, and a small decline in stocks. As production slows and stock levels gradually decline, there is expected to be a slow increase in most broiler prices, although they are expected to average well below year-earlier levels. In November, prices for whole birds averaged 78.5 cents per pound, 9 percent higher than a year earlier. However, this was about the only broiler price that was above the previous year. Prices in the Northeast market for boneless/skinless breast meat and leg quarters were 100.5 and 30 cents per pound, down 19 and 29 percent, respectively.

All the uncertainties in the global economy have combined to sharply reduce the demand for broiler exports. After rising to a quarterly record of 1.91 billion pounds in third-quarter 2008, an increase of almost 25 percent from the previous year, broiler exports are expected to fall to 1.53 billion pounds in fourth-quarter 2008. This is a decline of 6 percent from the previous year and down 20 percent from third-quarter 2008. The decline is expected to come from sharply lower exports in November and December from October's record 669 million pounds. The largest impact of the decline in broiler export demand has been in falling leg quarter prices. After rising to a peak of 55.5 cents per pound in August, prices started to fall in October and averaged only 30 cents per pound in November.

The quarterly export estimates were also lowered for all four quarters of 2009, with the revised estimate for 2009 now 6.15 billion pounds, down 8.6 percent from 2008. Much of the reduction is expected to come in the largest markets, but declining exports may be slightly mitigated by lower prices for leg quarters, the primary export product.

October Turkey Production Down Slightly

Turkey meat production in October was reported at 584 million pounds, down less than 1 percent from October 2007. The decrease is the result of a 4.6-percent decrease in the number of birds being slaughtered. This decline was partially offset by an increase in the average live weight of turkeys at slaughter of 4 percent to 28.8 pounds. Even with the decrease in October, turkey meat production over the first 10 months of 2008 has totaled 5.3 billion pounds, 5.9 percent above the same period in 2007 and 11 percent higher than in the first 10 months of 2006.

Despite strong exports, the higher turkey meat production resulted in sharp increases in turkey in cold storage throughout 2008. Cold storage stocks of whole turkeys and turkey products at the end of third-quarter 2008 have been revised upward to 621 million pounds, 23 percent higher than the previous year. Stocks were higher for both whole birds and turkey parts. Cold storage holdings declined seasonally by the end of October to 571 million pounds, still up 37 percent from the previous year. Turkey production is expected to be 1.58 billion pounds in fourth-quarter 2008, about the same as in fourth-quarter 2007. Cold storage holdings are expected to remain above year-earlier levels until the end of second-quarter 2009.

After being higher than a year earlier over the first 10 months of 2008, prices for whole hens in the Eastern market averaged 88.9 cents per pound in November, down 6 percent from the previous year. With high stock levels, prices for whole turkeys are expected to average 88-89 cents per pound in fourth-quarter 2008, down 2.5 percent from the previous year. Even with this price decline, whole hen prices for 2008 are expected to average between 87.8 cents per pound, up 7 percent from 2007 and the fifth consecutive year of annual price increases.

Over the first 10 months of 2008, the number of turkey poults placed for growout has totaled 252 million, down 3 percent from the same period in 2007. Additionally, the declines in poult placements have been even stronger over the last 3 months, a situation expected to result in smaller turkey meat production supplies throughout 2009.

Turkey exports remained very strong in October, totaling 71.8 million pounds, up 36 percent from the previous year. Shipments of turkey products are expected to slow considerably in November and December due to the effects of slowing economic growth. Much of the increase in October's turkey exports was due to higher shipments to the largest markets — exports to Mexico, Canada, and the combined China/Hong Kong markets were all up considerably from the previous year.

Table Egg Production Continues Lower

The table egg laying flock in October was estimated at 278 million hens, down 1.9 percent from the previous year. Year-over-year table egg flock numbers have been lower for the last 22 months. This trend is expected to continue through the end of 2008 and into 2009 as the flock size at the beginning of November was reported at 280 million birds, down 5 million from the previous year. The number of birds in the table egg flock is expected to only gradually expand in 2009, as lower energy costs and feed prices provide producers some incentive to expand. But the incentives brought on by lower costs will be countered by expected lower demand for eggs.

With the decline in the number of birds in the table egg flock, table egg production has also declined, falling on a year-over-year basis for the last seven quarters. This lower table egg production has resulted in relatively strong prices on a historical basis. In the third quarter of 2008 wholesale prices in the New York market averaged nearly \$1.15 per dozen, down about 3 cents from the previous quarter and nearly 5 cents lower than third-quarter 2007. Prices in the New York market are expected to average \$1.19 to \$1.22 per dozen in fourth-quarter 2008. Prices in 2007 had been especially strong, reaching as high as \$1.63 per dozen and averaging \$1.41 per dozen in the fourth quarter.

Egg exports continue to be lower than the previous year. Over the first 10 months of 2008 egg exports have totaled 175.7 million dozen, down almost 35 million (17 percent) from the same period in 2007. Much of the decline is due to generally stronger domestic egg prices in 2008. Shipments of all shell eggs and egg products in October totaled 17.9 million dozen, down 13 percent from the previous year. Much of the decline in total egg exports is due to lower shipments to Mexico and Hong Kong.

Cattle and Beef

Grain and Oil Price Declines Not Enough To Offset Negatives

Adverse effects from the current economic downturn are being felt throughout the cattle and beef sectors as the negative effects of declining beef demand overwhelms the positive effects of declining grain prices. Grain prices have declined over the last few months due to abundant, albeit low quality, worldwide wheat supplies and decreased demand by foreign buyers. In addition to wheat supplies, foreign demand for corn is declining due to the worldwide economic downturn and appreciation of the dollar against most other currencies. In the U.S., demand for corn is declining as falling oil prices impact the U.S. ethanol sector. However, the declines in grain prices have not been enough to counter the downward pressures on feeder cattle prices brought on by the—thus far—lack of winter grazing demand, heavy losses to cattle feeding, and shrinking margins in the wholesale sector, all of which are ultimately tied to declining domestic and foreign demand for beef. However, prices for corn, feeder cattle, fed cattle, and live cattle futures are at levels commensurate to positive cattle feeding margins for cattle placed on feed now for marketing in the spring of 2009.

While the short-term outlook is not positive for the cattle and beef sectors, monthly placements of feeder cattle below year-earlier levels since August 2008 have increased bullish sentiment for the near-term fed cattle price outlook. This near-term outlook is further bolstered by a shift from placements of relatively more heavy-weight (800-plus pound) feeder cattle in September to the seasonal placement of relatively more light-weight (under-600 pound) feeder cattle in October. While these heavier placements will go to market after about 130 to 160 days on feed, the lighter feeder cattle placements could still be on feed into next summer, meaning that relatively lower numbers of cattle could be available for market in the spring.

Cow prices have come under downward pressure as a result of higher-than-usual seasonal slaughter. Commercial cow slaughter, especially of beef cows, continues to be relatively heavy, even after accounting for imports of Canadian cows. The downward pressure on cow prices is exacerbated as the dollar appreciates against foreign currencies because it makes processing beef from Australia, New Zealand, and Uruguay more competitive.

Declines in fed cattle prices have not offset declines in byproduct values and cutout values, squeezing packers. Byproduct values are declining primarily because of a glut in the supply of hides and declining demand for leather products due to weakening economies worldwide. Hides are an important component of the byproduct value and account for about 70 percent of the byproduct yield from cattle.

Monthly average retail prices have remained at near-record highs, following the record monthly price of \$4.53 per pound set in August 2008. After remaining in the \$4.51 range for September and October, prices in November, at \$4.43, averaged 2 percent below the August record.

Weak Fourth Quarter Expected for Beef Exports

After U.S. exports reached a 5-year high in the third quarter, a cooling global economy slowed demand for U.S. beef in October and November. October exports were 176 million pounds, which is a 29, percent increase year-over-year, but a 12-percent decrease from September. Over the past 5 years, total monthly exports in October have been above September, generally driven by exports to Mexico before the holiday season. Exports to Mexico, the largest importer of U.S. beef, have been particularly weak in October according to official data and FAS weekly Export Sales Reports for November indicate continued weakness. Despite the weaker 4th quarter, annual exports for 2008 are expected to be 1.86 billion pounds, 30 percent higher than last year.

Several of the largest Korean retail grocery stores agreed to put U.S. beef on their shelves at the end of November. The stores had been hesitant to market U.S. beef products after public concerns over the safety of imported U.S. beef products led to public demonstrations last summer. Initial reports stated that large volumes of beef were sold from the popular retail stores. Sales in these stores make U.S. beef more accessible for Korean, customers. The additional sales should relieve cold storage facilities in Korea which were near capacity from the initial surge of imports after the new agreement was reached. However, a deteriorating outlook for the Korean economy and a continually depreciating Korean Won are expected to temper exports of U.S. beef.

Beef exports for 2009 are forecast to grow to 1.92 billion pounds, a 3-percent increase. Exports will continue to be affected by slowed growth in the global economy spurred by the financial crisis. A stronger U.S. dollar and weaker currencies for major producing countries will also limit the expansion of exports next year, as markets could substitute U.S. beef for relatively less expensive in Oceania and South America.

Beef Imports Forecast to be 20-Percent Below 2007, Moderately Higher in 2009

Quantities of beef imported into the United States continue to be well below last year's levels. Imports for the month of October were 19-percent below last year. This year's imports are expected to total 2.452 billion pounds, 20 percent below last year and the lowest annual total since 1997.

U.S. cow slaughter remains high, partly due to increased imports of Canadian cows for slaughter. The high domestic supply of processing meat used for items such as ground beef may limit demand for imported beef, even with the stronger dollar. The United States primarily imports trimmings and beef for processing.

The dollar has continued strengthening against the Canadian, New Zealand, and Australian dollars, as well as the Brazilian Real, making products from those countries relatively cheaper in U.S. dollar terms. The appreciation of the dollar occurred during a volatile exchange rate market, which could negatively impact trade.

Imports of beef from Brazil were down significantly in October, most likely a result of a fluctuating currency and limited availability of credit for Brazilian slaughterhouses and exporters. While a strong U.S. dollar makes foreign beef relatively cheaper, the volatility in prices in conjunction with limited credit could discourage imports in the short-term.

In 2009, beef imports are expected to increase to 2.595 billion pounds, almost a 6-percent increase. This would be the first time in 5 years that imports increased. U.S. Cow slaughter is expected to be lower than this year, but still relatively high by historical terms. As a result domestic supplies will remain high, limiting the amount of growth in imports. Foreign beef could be cheaper in 2009, due to reduced demand for beef globally. Many global exporters were able to market beef in countries with developing demand for beef in 2008. This new demand buffered global meat prices. However, the diminished demand from these emerging markets likely in 2009, could make foreign sourced beef more competitive with U.S. beef.

Imports of Canadian Cows Increase, Steers and Heifers Down from Last Year

This year, the United States is forecast to import 2.2 million head of cattle. This would be a 12-percent decrease from last year. In 2009, cattle imports are expected to decline 5 percent to 2.1 million head.

Imports of Canadian slaughter cows have increased in November according to AMS reports, as ranchers in the U.S. and Canada cull cows going into the winter. Canadian cows have contributed to an already high cow slaughter rate in 2008. Through November 29th, slaughter cows and bulls have accounted for approximately 14 percent of cattle imports from Canada. In November of 2007, cattle over 30 months of age were permitted to be imported into the United States from Canada.

Slaughter steers and heifers and feeder cattle imports from Canada declined in October and November relative to last year. Feeder cattle came south in greater numbers in the fourth quarter of 2007 and continued to be above previous-year levels through the summer of 2008. In September, the number of imported feeder cattle broke from the pattern of continual increases. This coincided with the rapid depreciation of the Canadian dollar, making Canadian cattle relatively cheaper in U.S. dollar terms, but also making Canadian beef more competitive on the export market. Feeder cattle have been remaining in Canada. Placements in Canadian feedlots increased significantly in October and November according to CanFax. Imports of slaughter steers and heifers from Canada also declined dramatically in September, driven by the same exchange rate conditions affecting feeder cattle. Additionally, the past increase in Canadian exports of feeder cattle would reduce the current supply of fed cattle in Canada to be marketed or exported, lowering the number of Canadian cattle sent to the United States for slaughter.

According to weekly reports, imported cattle from Mexico increased in November, following normal seasonal trends. However, cattle imports from Mexico remain low relative to historical levels. As of December 6, year-to-date cattle imports from Mexico are about 38 percent below the corresponding week last year.

Hogs/Pork

Export Forecasts Lowered

USDA export forecasts for fourth-quarter 2008 and for 2009 were reduced, based on lower-than-expected third-quarter exports, and expectations for continued slower economic growth next year in important foreign markets for U.S. pork. Fourth-quarter 2008 exports were lowered by 200 million pounds to 1.150 billion pounds, 20 percent higher than a year ago. The pork export forecast for 2009 was lowered by 400 million pounds to 4.1 billion pounds, 14 percent below 2008, but more than 30 percent ahead of 2007.

October Exports Increase 25 Percent

U.S. pork exports in October were 392 million pounds, 25 percent above October a year ago. The table below shows the 12 most important U.S. exports markets so far this year. On a cumulative basis, through October 2008, exports were 61 percent greater than in the same period last year. In the first 10 months of 2008, the top five export destinations for U.S. pork were Japan, Mexico, Hong Kong, Russia, and China. Although still in the top five on a cumulative basis, China's monthly exports have been year-over-year lower since August, coinciding with its improved herd health situation and the end of the Olympic Games. Japan continues to be far and away the most important export destination for U.S. pork. Even with its lower overall share of U.S. exports so far this year—28 percent vs. 36 percent through October 2007—Japan imports of U.S. pork alone have accounted for about 6 percent of U.S. commercial pork production in the first 10 months of 2008.

	Oct. 2008 U.S. Exports	Oct. 2007 U.S. Exports	Percent Change (08/07)	Jan.-Oct. 2008 U.S. Exports Cumulative	Jan.-Oct. 2007 U.S. Exports Cumulative	Percent Change (08/07)	Jan.-Oct. 2008 Export Share	Jan.-Oct. 2007 Export Share	Production Share of Cumulative Exports
	-- Million pounds --						Percent	Percent*	Percent
World	392	313	25	4,011	2,495	61			
1 Japan	120	92	31	1,117	892	25	28	36	6
2 Mexico	70	40	75	530	360	47	13	14	3
3 Hong Kong	32	19	68	452	87	422	3	11	2
4 Russia	42	35	20	400	182	119	10	7	2
5 China	5	33	-84	348	176	97	9	7	2
6 Canada	34	35	-4	345	292	18	9	12	2
7 S. Korea	23	21	10	257	202	27	6	8	1
8 E.U.	14	8	80	127	47	172	3	2	1
9 Australia	14	6	127	86	65	33	2	3	0.4
10 Cntrl. & S. Amer.	8	8	10	68	65	4	2	3	0.3
11 Caribbean	8	6	26	61	42	44	2	2	0.3
12 Taiwan	4	2	113	48	31	55	1	1	0.2

* Column sums to greater than 100 percent due to rounding.

Source: <http://www.ers.usda.gov/data/meattrade/>

Slightly More Milk and Weakening Global Demand Combine for a Lower Price Forecast Next Year

Falling feed costs, which are likely to continue into 2009, will provide little relief for dairy producers. Milk prices are also declining and are expected to continue to do so into next year. Current USDA forecasts place the season-average corn price between \$3.65 to \$4.35 per bushel and the average soybean meal prices at \$240 to \$300 per ton in 2009. Falling milk prices leave the milk feed price ratio at a projected 1.9 for 2009. A ratio in this range suggests continued pressure for contraction. Cow numbers are forecast to decline slightly to 9,245 thousand head. However, yields are forecast to rise about 1 percent to 20,700 pounds per cow, an increase well below trend. This small yield increase is sufficient to nudge milk production to 191.4 billion pounds in 2009, a below-trend increase of less than 1 percent. In the face of weakening demand, domestically and especially internationally, milk and dairy product prices will continue to glide downward throughout much of 2009.

September commercial disappearance, all products milk equivalent fat basis, is up from a year earlier by 2.7 percent. Butter had the largest upturn on a percentage basis. 2008 production continues to outpace last year's for the major products. Commercial use on a fats basis is expected to climb in 2009 by about 2 percent, which is about trend. What has changed the price outlook is softening export sales. Global dairy demand has been weakened by recession, and supplies of products from the United States, the European Union and the Oceania countries remain ample. Trade data are reflecting the fundamentals. In October cheese exports fell for the second straight month, with exports as a percentage of production falling to 2.5 percent, the lowest share thus far in 2008.

The stronger dollar has also disadvantaged US producers. The outlook is for continued weakening exports into 2009, especially for dry products. Exports on a skims solids basis are forecast at 23.5 billion pounds, the lowest since 2005. On a fats basis, exports are forecast to slide to 6.7 billion pounds, well below 2008's projected 9.1 billion-pound total. Butter exports held steady at low levels not seen since early 2008 and down about 25 percent from the levels that prevailed through August. Nonfat dry milk (NDM) exports have fallen to the lowest level of the year, and to a near-record low as a percentage of production. Weaker exports next year, along with slightly higher milk production, will soften prices across all products and milk classes. Prices for the major dairy products have trended downward through November.

Prices for the major dairy products are forecast to decline in 2009. Cheese prices are forecast to average \$1.655 to \$1.735 per pound next year, a decline from 2008's projected average of \$1.890 to \$1.900 per pound. Butter prices are expected to average \$1.265 to \$1.375 per pound next year compared with \$1.420 to 1.450 this year. The price declines for dry products are expected to be steeper, with NDM prices falling to 87.5 to 93.5 cents per pound in 2009, a substantial drop from an average \$1.215 to \$1.235 per pound this year. Dry whey prices are forecast to average between 19.0 to 22.0 cents per pound in 2009, down from 24.5 to 22.5 cents a pound this year.

Lower product prices will lead to lower milk prices in 2009. The forecast Class III price is expected to slide to \$14.50 to \$15.30 per cwt from an average \$17.40 to \$17.50 per cwt this year. The Class IV prices are forecast to decline even more sharply next year to average between \$10.75 and \$11.65 per cwt, down from \$14.55 to \$14.95 projected for 2008. The all milk prices are expected to fall to between \$14.95 to \$15.75 per cwt next year, a drop from 2008's expected \$18.30 to \$18.40 per cwt.

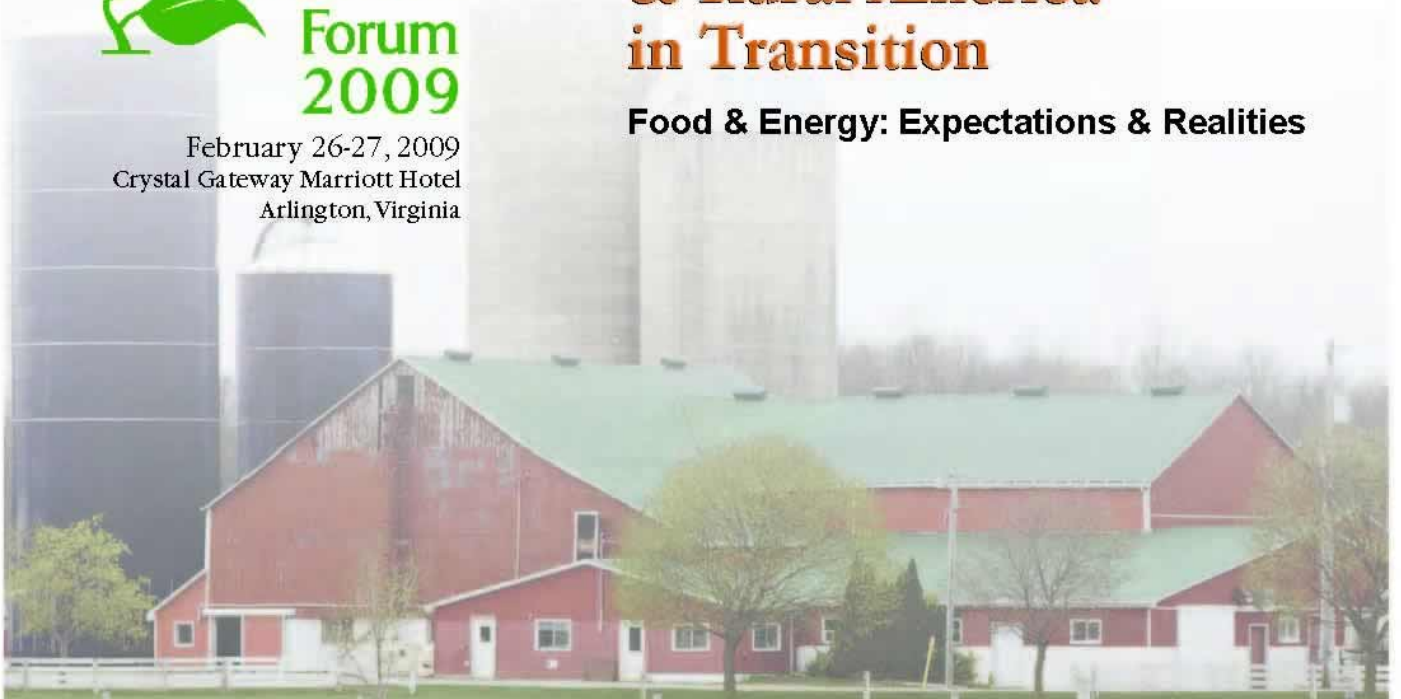


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Contacts and Links

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Data Products

Meat Price Spreads, <http://www.ers.usda.gov/Data/MeatPriceSpreads/>, provides monthly average price values, and the differences among those values, at the farm, wholesale, and retail stages of the production and marketing chain for selected cuts of beef, pork, and broilers. In addition, retail prices are provided for beef and pork cuts, turkey, whole chickens, eggs, and dairy products.

Livestock and Meat Trade Data, <http://www.ers.usda.gov/Data/MeatTrade/>, contains monthly and annual data for the past 1-2 years for imports and exports of live cattle and hogs, beef and veal, lamb and mutton, pork, broiler meat, turkey meat, and shell eggs. The tables report physical quantities, not dollar values or unit prices. Breakdowns by major trading countries are included.

Related Websites

Animal Production and Marketing Issues, <http://www.ers.usda.gov/briefing/AnimalProducts/>
Cattle, <http://www.ers.usda.gov/briefing/cattle/>
Dairy, <http://www.ers.usda.gov/briefing/dairy/>
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U.S. red meat and poultry forecasts

	2004		2005				2006				2007 1/				2008				2009			
	Annual	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	Annual	
Production, million lb																						
Beef	24,548	24,683	6,082	6,724	6,834	6,513	26,153	6,237	6,649	6,802	6,733	26,421	6,371	6,897	6,911	6,410	26,589	6,260	6,770	6,970	26,540	
Pork	20,511	20,685	5,335	5,008	5,087	5,625	21,055	5,396	5,128	5,256	6,163	21,943	6,023	5,593	5,633	6,170	23,419	5,920	5,480	5,550	23,125	
Lamb and mutton	195	187	49	47	42	47	185	49	44	42	48	183	46	43	41	42	172	43	44	40	169	
Broilers	34,063	35,365	8,814	8,980	8,870	8,835	35,500	8,625	9,085	9,131	9,285	36,126	9,108	9,432	9,455	9,000	36,995	8,800	9,250	9,275	36,525	
Turkeys	5,454	5,504	1,351	1,435	1,419	1,476	5,682	1,413	1,482	1,488	1,575	5,958	1,541	1,565	1,571	1,575	6,252	1,495	1,510	1,510	6,070	
Total red meat & poultry	85,442	87,097	21,792	22,362	22,413	22,656	89,224	21,874	22,552	22,876	23,962	91,264	23,258	23,712	23,796	23,368	94,134	22,688	23,219	23,516	93,101	
Table eggs, mil. doz.	6,365	6,413	1,617	1,617	1,632	1,656	6,522	1,598	1,593	1,602	1,642	6,435	1,590	1,581	1,601	1,630	6,402	1,580	1,580	1,610	6,420	
Per capita disappearance, retail lb 2/																						
Beef	66.1	65.6	15.8	16.9	16.9	16.3	65.8	15.9	16.6	16.4	16.2	65.2	15.6	16.3	15.7	15.1	62.7	15.0	15.9	16.1	62.1	
Pork	51.4	50.0	12.4	11.9	11.9	13.1	49.4	12.3	12.2	12.3	14.0	50.8	12.6	11.7	12.0	13.1	49.3	13.0	12.4	12.0	50.2	
Lamb and mutton	1.1	1.1	0.3	0.3	0.2	0.3	1.1	0.3	0.3	0.3	0.3	1.1	0.3	0.3	0.2	0.3	1.0	0.3	0.2	2.0	1.0	
Broilers	84.4	85.8	21.7	22.1	21.9	20.9	86.5	21.2	21.6	21.4	21.2	85.4	21.2	21.4	21.0	20.8	84.4	20.4	21.2	21.5	83.9	
Turkeys	17.1	16.7	3.5	3.9	4.3	5.2	16.9	3.8	4.1	4.2	5.5	17.5	4.0	4.1	4.3	5.5	17.8	4.1	4.3	4.2	17.7	
Total red meat & poultry	221.6	221.0	54.1	55.5	55.6	56.1	221.3	53.9	55.1	54.9	57.6	221.6	54.0	54.2	53.8	55.1	217.1	53.0	54.4	54.4	216.6	
Eggs, number	257.3	255.8	64.1	63.7	63.9	64.7	257.8	62.2	61.7	62.4	63.8	250.1	61.8	61.3	61.9	63.3	248.3	60.9	60.3	61.5	245.7	
Market prices																						
Choice steers, Neb., \$/cwt	84.75	87.28	89.24	80.39	85.40	86.61	85.41	90.61	93.45	91.36	91.85	91.82	89.59	92.82	98.45	89-90	92.59	90-94	91-99	93-101	92-99	
Feeder steers, Ok City, \$/cwt	104.76	110.94	106.23	104.08	115.17	103.22	107.18	99.53	108.87	115.64	108.88	108.23	99.88	106.60	110.81	94-96	102.95	98-102	101-109	104-112	102-110	
Boning utility cows, S. Falls, \$/cwt	52.35	54.36	48.89	47.79	49.28	44.29	47.56	51.04	53.96	54.07	49.40	52.12	53.88	57.30	61.78	46-50	55.12	49-53	51-55	53-57	51-55	
Choice slaughter lambs, San Angelo, \$/cwt	96.69	97.76	77.03	66.56	81.10	84.53	77.31	82.59	82.23	87.33	87.55	84.93	86.23	79.62	88.83	85-87	85.05	88-88	86-90	82-90	81-91	
Barrows & gilts, N. base, i.e. \$/cwt	52.51	50.05	42.63	48.45	51.83	46.13	47.26	46.04	52.55	50.33	39.43	47.09	39.64	52.51	57.27	41-42	47.73	46-48	49-53	51-55	48-52	
Broilers, 12 City, cents/lb	74.10	70.80	62.7	61.0	67.8	65.9	64.4	75.00	80.30	79.20	71.10	76.40	78.10	80.60	80.60	79-880	79.70	80-84	81-87	82-88	81-87	
Turkeys, Eastern, cents/lb	69.70	73.40	67.3	71.3	79.4	89.8	77.0	69.70	77.90	89.90	90.80	82.10	77.4	88.90	96.50	88-89	87.80	77-81	84-90	90-98	85-91	
Eggs, New York, cents/doz.	82.20	65.50	71.4	62.7	64.0	89.0	71.8	105.3	92.0	119.1	141.0	114.4	158.8	117.30	114.50	119-122	127.80	122-128	116-126	113-123	119-127	
U.S. trade, million lb																						
Beef & veal exports	460	697	215	315	307	308	1,145	269	363	424	375	1,431	360	471	609	420	1,860	425	505	500	1,920	
Beef & veal imports	3,679	3,599	843	790	730	722	3,085	770	884	774	624	3,052	637	661	584	570	2,452	605	685	670	2,595	
Lamb and mutton imports	181	180	53	44	41	52	190	56	44	44	59	202	52	48	38	49	186	50	43	40	181	
Pork exports	2,181	2,666	767	763	654	811	2,995	792	685	703	959	3,138	1,106	1,387	1,126	1,150	4,769	900	950	1,000	4,100	
Pork imports	1,099	1,024	259	237	239	254	989	239	256	240	232	968	217	205	191	200	813	220	210	205	850	
Broiler exports	4,783	5,203	1,270	1,297	1,234	1,404	5,205	1,275	1,393	1,493	1,610	5,771	1,507	1,787	1,912	1,525	6,731	1,475	1,550	1,525	6,150	
Turkey exports	442	570	119	125	152	150	547	124	135	148	146	553	148	160	186	160	654	135	145	160	605	
Live swine imports (thousand head)	8,506	8,191	2,133	2,088	2,204	2,338	8,763	2,302	2,370	2,464	2,869	10,005	2,915	2,149	2,201	1,950	9,215	1,850	1,850	1,750	7,200	

1/ Forecasts are in **bold**.

2/ Per capita meat and egg disappearance data are calculated using the Resident Population Plus Armed Forces Overseas series from the Census Bureau of the Department of Commerce.

Source: World Agricultural Supply and Demand Estimates and Supporting Materials.

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Dairy Forecasts

	2007			2008					2009			
	III	IV	Annual	I	II	III	IV	Annual	I	II	III	Annual
Milk cows (thous.)	9,159	9,198	9,158	9,249	9,274	9,277	9,265	9,266	9,260	9,250	9,240	9,246
Milk per cow (pounds)	5,034	5,003	20,267	5,140	5,249	5,048	5,030	20,467	5,155	5,325	5,110	20,700
Milk production (bil. pounds)	46.1	46.0	185.6	47.5	48.7	46.8	46.6	189.7	47.7	49.3	47.2	191.4
Farm use	0.3	0.3	1.2	0.3	0.3	0.3	0.3	1.2	0.3	0.3	0.3	1.2
Milk marketings	45.8	45.7	184.4	47.3	48.4	46.5	46.3	188.5	47.4	49.0	46.9	190.2
Milkfat (bil. pounds milk equiv.)												
Milk marketings	45.8	45.7	184.4	47.3	48.4	46.5	46.3	188.5	47.4	49.0	46.9	190.2
Beginning commercial stocks	13.8	12.5	9.5	10.4	12.1	13.6	11.5	10.4	9.5	11.0	12.8	9.5
Imports	1.0	1.3	4.6	1.0	0.7	0.7	0.8	3.2	0.9	0.7	0.8	3.4
Total supply	60.6	59.5	198.6	58.6	61.3	60.8	59.0	202.1	57.8	60.7	60.4	203.1
Commercial exports	1.6	2.0	5.7	2.2	2.5	2.5	1.9	9.1	1.8	1.7	1.6	6.7
Ending commercial stocks	12.5	10.4	10.4	12.1	13.6	11.5	9.5	9.5	11.0	12.8	11.1	9.1
Net removals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial use	46.5	47.1	182.5	44.2	45.1	46.9	47.2	184.4	45.0	46.2	47.7	187.2
Skim solids (bil. pounds milk equiv.)												
Milk marketings	45.8	45.7	184.4	47.3	48.4	46.5	46.3	188.5	47.4	49.0	46.9	190.2
Beginning commercial stocks	10.2	9.7	9.1	9.9	10.1	10.6	10.2	9.9	10.2	10.0	10.6	10.2
Imports	1.1	1.2	4.4	1.0	0.8	0.8	0.8	3.4	0.8	0.8	0.8	3.4
Total supply	57.1	56.7	198.0	58.1	59.3	58.0	57.3	201.8	58.5	59.7	58.3	203.8
Commercial exports	6.1	6.5	24.5	6.7	7.6	6.9	5.3	26.5	6.0	5.9	5.8	23.5
Ending commercial stocks	9.7	9.9	9.9	10.1	10.6	10.2	10.2	10.2	10.0	10.6	10.1	10.0
Net removals	0.0	0.0	0.0	0.0	0.0	0.0	1.1	1.1	1.0	0.7	0.0	1.7
Commercial use	41.3	40.2	163.6	41.4	41.1	40.9	40.7	164.1	41.5	42.4	42.4	168.7
Milk prices (dol./cwt) 1/												
All milk	21.67	21.60	19.13	19.23	18.57	18.67	16.90	18.30	14.80	14.40	14.80	14.95
							-17.10	-18.40	-15.30	-15.20	-15.80	-15.75
Class III	20.43	19.51	18.04	18.12	18.40	17.28	15.86	17.40	14.19	14.42	14.72	14.50
							-16.06	-17.50	-14.69	-15.22	-15.72	-15.30
Class IV	21.71	20.29	18.36	15.04	15.25	16.23	11.95	14.55	10.02	10.09	11.17	10.75
							-12.25	-14.75	-10.62	-10.99	-12.27	-11.65
Product prices (dol./pound) 2/												
Cheddar cheese	1.978	1.995	1.738	1.933	1.977	1.869	1.793	1.890	1.635	1.650	1.663	1.655
							-1.813	-1.900	-1.685	-1.730	-1.763	-1.735
Dry whey	0.610	0.435	0.600	0.305	0.267	0.243	0.180	0.245	0.172	0.185	0.205	0.190
							-0.200	-0.255	-0.202	-0.215	-0.235	-0.220
Butter	1.428	1.301	1.344	1.230	1.411	1.575	1.508	1.420	1.183	1.198	1.325	1.265
							-1.548	-1.450	-1.263	-1.308	-1.455	-1.375
Nonfat dry milk	2.043	1.940	1.708	1.364	1.300	1.334	0.898	1.215	0.830	0.830	0.895	0.875
							-0.918	-1.235	-0.870	-0.890	-0.965	-0.935

1/ Simple averages of monthly prices. May not match reported annual averages.

2/ Simple averages of monthly prices calculated by the Agricultural Marketing Service for use in class price formulas. "Based on weekly "Dairy Product Prices", National Agricultural Statistics Service. Details may be found at http://www.ams.usda.gov/dyfmos/mib/fedordprc_dscrp.htm

Source: World Agricultural Supply and Demand Estimates and supporting materials.

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