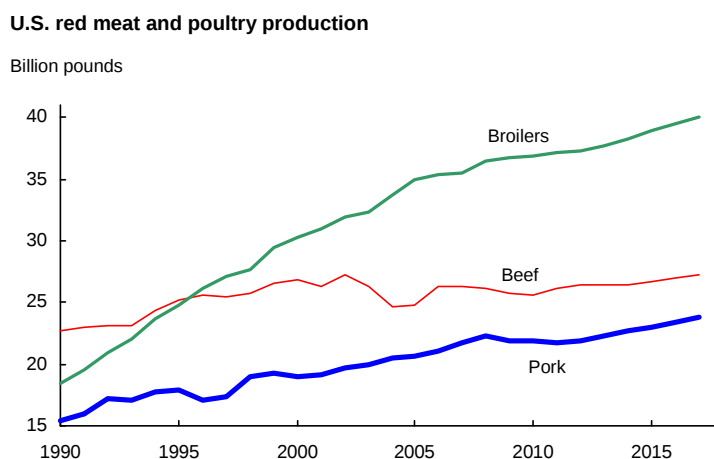


Livestock

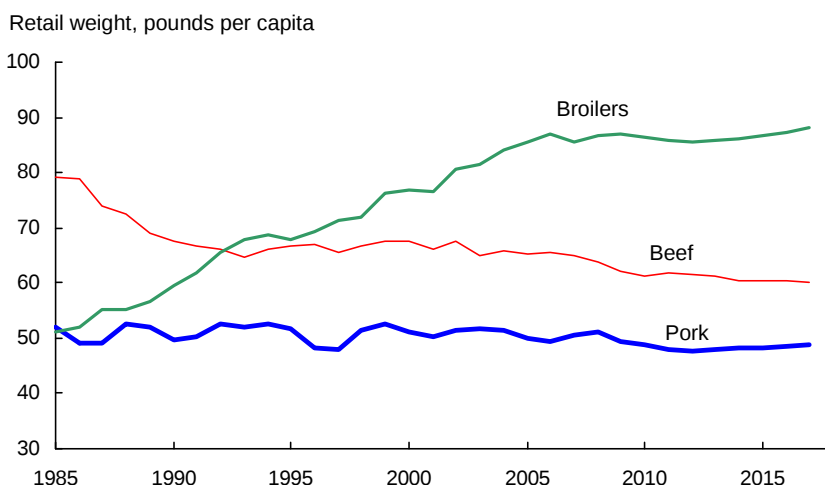
Projections for the livestock sector include production adjustments in response to high grain and soybean meal prices resulting from the expansion of corn-based ethanol production. Returns to U.S. meat and poultry production fall below levels in recent years, slowing increases in or reducing production of all meats over the next several years. Once the sector adjusts, lower overall production combined with strong domestic demand and some strengthening in meat exports result in higher prices and higher returns, providing economic incentives for expansion in the sector and a resumption in meat production gains.



Production of all meats slows or declines in the first half of the projection period, reflecting higher feed costs as more corn is used in ethanol production. Distillers grains, a coproduct of ethanol production, can be used in livestock rations, partially substituting for corn and sometimes for soybean meal. However, distillers grains can more easily be used by ruminants (such as cattle) compared to monogastric animals (such as hogs and chickens). Beef cattle feedlots located close to ethanol plants are best situated to benefit from a steady supply of distillers grains, also reflecting the ability of those animals to use the wet form of distillers grains. Meanwhile, distillers grains are less suitable in poultry and hog rations.

- Higher grain prices as well as effects of drought in recent years hold down cattle inventories, pushing U.S. beef production down in 2008-10. Production then rises in the remainder of the projection period as returns improve and herds are rebuilt. The cattle inventory remains in a range of 96-99 million head throughout the projections. Rising slaughter weights contribute to the moderate expansion of beef production beyond 2010. Higher costs of feedlot gain will result in stocker cattle remaining on pasture to heavier weights before entering feedlots.
- Pork production declines in 2009-11 in response to higher feed prices and then grows for the remainder of the projections as higher hog prices improve returns. Production coordination and market integration between the United States and Canada continue in the hog sector. Canada is the major supplier of live swine imported by the United States. Imported feeder pigs from Canada are finished and processed in the United States, where both finishing and processing costs are lower.
- Poultry production slows in 2009-13 while adjusting to higher feed costs, but begins to rise towards the end of the projections period. During the period, rising exports account for a larger share of total production.

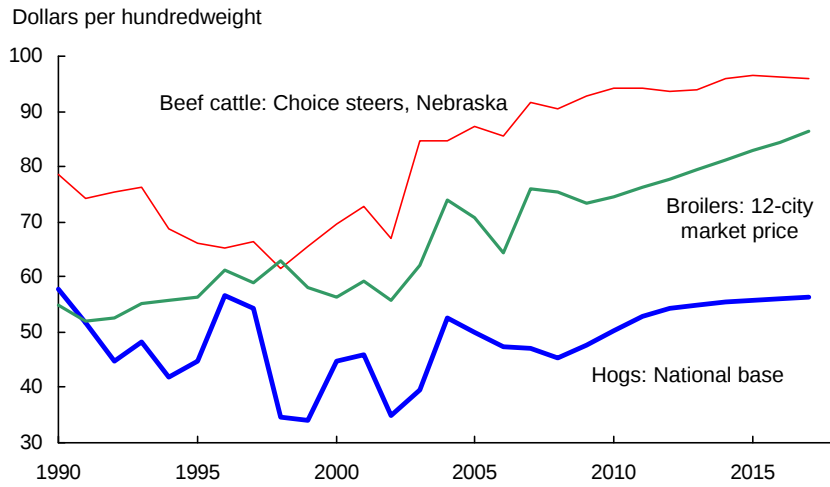
U.S. per capita meat consumption



Livestock sector production adjustments to higher feed costs as well as gains in meat and poultry exports result in higher consumer prices and lower per capita consumption. Annual per capita consumption of red meats and poultry falls from 222 pounds in 2006 to a low of 214 pounds in 2012-14. Per capita consumption of red meats and poultry then resumes growth to almost 217 pounds in 2017.

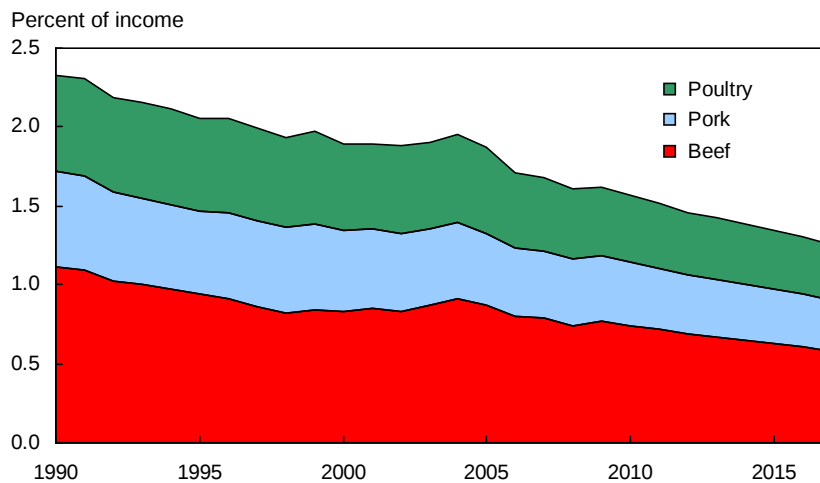
- Per capita beef consumption declines through the projection period, reflecting production adjustments in the industry to higher feed costs. U.S. beef exports rise through the projection period, further limiting domestic per capita beef consumption. A gradual rebuilding of U.S. beef exports to Japan and South Korea is assumed.
- Strong demand for consistent, high-quality beef continues in the domestic hotel and restaurant market, and increasingly in the retail market. Demand for U.S. beef in export markets is also primarily for high-quality beef.
- Higher feed costs lead to reductions in pork production, which combine with rising pork exports to push per capita pork consumption down through 2012. A gradual rebound in per capita pork consumption occurs over the remainder of the projection period as production gains strengthen.
- Due partly to higher feed conversion rates, poultry prices remain lower than red meat prices. However, as returns are squeezed, slower production growth and higher exports result in per capita consumption declines in 2010-12. Following these adjustments, production strengthens and per capita consumption slowly grows toward the end of the projection period.

Nominal U.S. livestock prices



Livestock prices rise through most of the projection period reflecting production adjustments in response to higher feed costs.

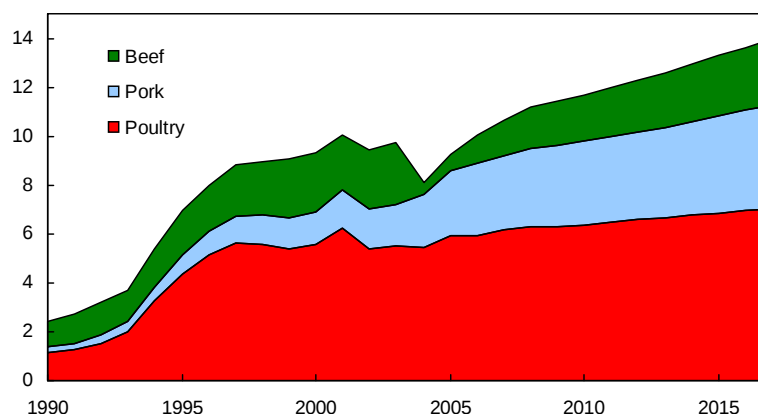
U.S. spending on meat



Rising incomes facilitate gains in consumer spending on meat. Nonetheless, overall meat expenditures represent a declining proportion of disposable income, continuing a long-term trend.

U.S. meat exports

Billion pounds



The domestic market remains the dominant source of overall meat demand, but exports account for a growing share of U.S. meat use. Despite higher prices, U.S. meat exports rise throughout the projection period, supported by global economic growth and a continued weak U.S. dollar.

Beef

- U.S. beef exports primarily reflect demand for high-quality fed beef, with most U.S. beef exports typically going to Mexico, Canada, and markets in Pacific Rim nations. A gradual recovery of U.S. beef exports is assumed in the Japanese and South Korean export markets lost following the first U.S. case of bovine spongiform encephalopathy (BSE) in December 2003.
- U.S. imports of processing beef from Australia and New Zealand increase in the projections. With more demand in East Asian markets being met by the United States, exports from Australia and New Zealand are reduced, resulting in more of their product being shipped to the United States. The United States is a net beef importer by volume throughout the projection period as the recovery of high-quality fed beef exports does not reach levels of 2000-03 until the last several years of the projections.

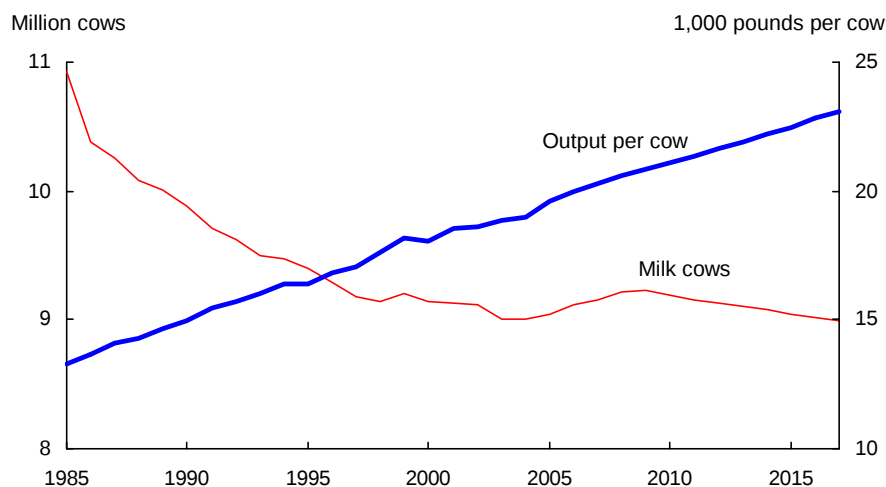
Pork

- Pacific Rim nations and Mexico remain key markets for long-term growth of U.S. pork exports. Brazil is also a major pork exporter. However, no changes in the set of countries recognizing Brazil as free of foot-and-mouth disease (FMD) are assumed, thus limiting Brazilian pork producers' ability to compete in some markets. Consequently, Brazil's pork exports expand to markets such as Russia, Argentina, and Asian markets other than Japan and South Korea.
- Despite higher feed costs, increased efficiency in U.S. pork production enhances the competitiveness of U.S. pork products. Nonetheless, longer term gains in U.S. pork exports will be determined by costs of production and environmental regulations relative to competitors. Such costs tend to be lower in countries which are developing integrated pork industries, such as Brazil.
- The value of the U.S. dollar relative to currencies of other pork exporting countries is expected to enhance U.S. pork export volumes, particularly in the early years of the projection period.

Poultry

- U.S. broiler exports rise through the projection period, although at a slower pace than in earlier years. Major U.S. export markets include China, Russia, and Mexico. Gains in these markets reflect economic growth and increasing consumer demand. Demand for poultry also remains strong due to its lower cost relative to beef and pork. U.S. producers will continue to face strong competition from other major exporters, particularly Brazil. For most of the projection period, exports from avian influenza-affected countries are expected to be limited to fully cooked products.

U.S. dairy herd and milk production per cow



In 2007, U.S. prices for farm-level milk and for dairy products, such as cheese, nonfat dry milk, and dry whey, were high relative to historic levels due in part to the international dairy situation. Relatively high prices are expected to extend into 2008. As incomes in developing countries have grown, so has the global demand for dairy products. World milk supplies have been tight, however, due in part to reform of the Common Agricultural Policy (CAP) in the European Union and drought conditions in Australia. The U.S. dairy industry has become a major commercial exporter of nonfat dry milk, dry whey products, and cheese. Although U.S. milk production grew significantly in 2007, the growth was limited by high feed costs relative to historic levels and tight supplies of dairy heifers.

- Despite higher feed costs, strong farm-level milk prices are projected to encourage further increases in milk cow numbers through 2009. Combined with an upward trend in output per cow, the results are relatively strong gains in milk production in 2008 and 2009 and decreases in milk prices. Smaller production gains are projected on average over the rest of the projection period because milk cow numbers decline after 2009.
- Milk output per cow is projected to increase, although some slowing in these gains occurs in 2009 and 2010 in response to higher feed costs. Nonetheless, further development of large, specialized operations in most regions will contribute to a continuation of gains in output per cow.
- Milk cow numbers are expected to decline after 2009, although reductions are moderate as increasing specialization of dairy farms over time slows exit rates from milk production compared with past decades.
- Commercial use of dairy products increases slightly faster than the growth in population. Cheese demand benefits from greater consumption of prepared foods and increased away-from-home eating. However, per capita consumption of fluid milk is expected to continue to decline slowly.
- Farm-level milk prices decrease in 2009 from recent high levels as milk production gains are relatively strong. Milk prices then rise through the rest of the projections, but increases are projected to be less than the general inflation rate. Efficiency gains in production accommodate moderately higher overall per capita consumption at declining real prices.

Table 19. Per capita meat consumption, retail weight

Item	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Pounds</i>												
Total beef	65.7	65.0	63.7	62.0	61.2	61.7	61.5	61.1	60.4	60.3	60.3	60.1
Total veal	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
Total pork	49.3	50.5	51.1	49.4	48.8	47.8	47.6	47.8	48.1	48.3	48.5	48.8
Lamb and mutton	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9
Total red meat	116.6	117.1	116.4	113.0	111.5	111.0	110.7	110.4	110.0	110.0	110.2	110.3
Broilers	87.1	85.4	86.8	87.0	86.4	85.9	85.6	85.7	86.2	86.8	87.4	88.1
Other chicken	1.2	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Turkeys	16.9	17.3	17.1	17.3	17.1	17.0	16.9	16.8	16.8	16.9	17.0	17.2
Total poultry	105.1	103.9	105.1	105.5	104.7	104.1	103.7	103.7	104.2	104.9	105.6	106.5
Red meat & poultry	221.7	221.0	221.5	218.5	216.2	215.1	214.3	214.1	214.2	214.8	215.8	216.8

Table 20. Consumer expenditures for meats

Item	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beef, dollars per person	260.81	270.42	265.54	279.05	289.75	293.82	295.86	297.64	302.72	306.66	309.10	311.33
Percent of income	0.80	0.79	0.74	0.75	0.74	0.72	0.69	0.67	0.65	0.63	0.61	0.58
Percent of meat expenditures	47.01	47.05	45.85	46.17	46.81	46.84	46.67	46.42	46.44	46.47	46.41	46.21
Pork, dollars per person	138.54	145.00	149.28	152.49	154.72	155.72	157.81	160.13	162.54	164.41	166.12	168.06
Percent of income	0.43	0.42	0.42	0.41	0.40	0.38	0.37	0.36	0.35	0.34	0.33	0.32
Percent of meat expenditures	24.97	25.23	25.78	25.23	25.00	24.83	24.89	24.97	24.93	24.91	24.94	24.94
Broilers, dollars per person	136.78	139.45	145.06	153.46	154.92	158.31	160.99	164.17	167.42	169.51	171.18	174.38
Percent of income	0.42	0.41	0.41	0.41	0.40	0.39	0.38	0.37	0.36	0.35	0.34	0.33
Percent of meat expenditures	24.65	24.26	25.05	25.39	25.03	25.24	25.40	25.60	25.68	25.69	25.70	25.88
Turkeys, dollars per person	18.72	19.92	19.21	19.44	19.59	19.39	19.28	19.24	19.21	19.37	19.57	20.03
Percent of income	0.06	0.06	0.05	0.05	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.04
Percent of meat expenditures	3.37	3.47	3.32	3.22	3.17	3.09	3.04	3.00	2.95	2.93	2.94	2.97
Total meat, dollars per person	554.85	574.80	579.08	604.44	618.98	627.24	633.93	641.18	651.90	659.95	665.98	673.79
Percent of income	1.71	1.68	1.62	1.62	1.59	1.54	1.49	1.44	1.40	1.35	1.31	1.26

Table 21. Beef long-term projections

Item	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beginning stocks	Mil. lbs.	571	630	575	600	600	600	600	600	600	600	600	600
Commercial production	Mil. lbs.	26,153	26,135	26,000	25,565	25,515	26,017	26,273	26,365	26,373	26,586	26,893	27,132
Change from previous year	Percent	6.0	-0.1	-0.5	-1.7	-0.2	2.0	1.0	0.4	0.0	0.8	1.2	0.9
Farm production	Mil. lbs.	105	105	105	105	105	105	105	105	105	105	105	105
Total production	Mil. lbs.	26,258	26,240	26,105	25,670	25,620	26,122	26,378	26,470	26,478	26,691	26,998	27,237
Imports	Mil. lbs.	3,085	3,244	3,420	3,466	3,513	3,560	3,607	3,656	3,705	3,754	3,804	3,855
Total supply	Mil. lbs.	29,914	30,114	30,100	29,736	29,733	30,282	30,585	30,726	30,783	31,045	31,402	31,692
Exports	Mil. lbs.	1,145	1,432	1,710	1,824	1,927	2,032	2,138	2,245	2,354	2,464	2,575	2,696
Ending stocks	Mil. lbs.	630	575	600	600	600	600	600	600	600	600	600	600
Total consumption	Mil. lbs.	28,139	28,107	27,790	27,312	27,206	27,650	27,847	27,881	27,829	27,981	28,227	28,396
Per capita, carcass weight	Pounds	93.8	92.9	91.0	88.6	87.4	88.1	87.9	87.3	86.3	86.1	86.1	85.9
Per capita, retail weight	Pounds	65.7	65.0	63.7	62.0	61.2	61.7	61.5	61.1	60.4	60.3	60.3	60.1
Change from previous year	Percent	0.4	-1.0	-2.0	-2.6	-1.3	0.7	-0.2	-0.8	-1.0	-0.3	0.0	-0.2
Prices:													
Beef cattle, farm	\$/cwt	87.09	90.16	89.07	91.22	92.77	92.78	92.20	92.50	94.53	95.04	94.66	94.57
Calves, farm	\$/cwt	133.42	125.03	123.56	127.77	121.91	123.84	123.50	123.74	126.78	127.44	126.35	125.30
Choice steers, Nebraska	\$/cwt	85.41	91.61	90.50	92.68	94.26	94.27	93.68	93.99	96.05	96.57	96.18	96.09
Deflated price	\$/cwt	42.37	44.21	42.49	42.36	42.02	41.01	39.76	38.92	38.79	38.06	36.98	36.04
Yearling steers, Oklahoma City	\$/cwt	107.18	108.21	106.75	110.39	105.32	106.99	106.70	106.91	109.53	110.10	109.16	108.26
Deflated price	\$/cwt	53.16	52.22	50.12	50.45	46.96	46.54	45.29	44.27	44.24	43.40	41.97	40.61
Retail: Beef and veal	1982-84=100	202.1	211.1	216.0	230.5	236.1	237.7	239.8	243.1	249.8	253.9	255.8	258.3
Retail: Other meats	1982-84=100	180.7	184.8	186.0	191.0	194.8	198.5	201.7	204.7	207.6	210.5	213.3	216.1
ERS retail beef	\$/lb.	3.97	4.16	4.17	4.50	4.73	4.77	4.81	4.87	5.01	5.09	5.13	5.18
Costs and returns, cow-calf enterprise:													
Variable expenses	\$/cow	257.78	285.28	283.52	287.26	289.23	290.35	293.96	298.63	303.03	307.25	308.75	312.67
Fixed expenses	\$/cow	130.49	135.54	139.89	142.63	145.03	147.28	149.48	151.65	153.95	156.21	156.21	158.54
Total cash expenses	\$/cow	388.27	420.82	423.42	429.89	434.25	437.64	443.45	450.28	456.98	463.46	464.96	471.21
Returns above cash costs	\$/cow	140.98	123.25	119.09	140.63	118.55	130.96	132.14	135.27	152.50	158.69	161.50	159.61
Cattle inventory	1,000 head	96,702	97,003	96,900	96,800	97,132	97,472	97,532	97,443	97,469	97,814	98,130	98,503
Beef cow inventory	1,000 head	32,994	32,894	32,780	32,910	33,175	33,603	33,685	33,935	34,203	34,486	34,712	34,974
Total cow inventory	1,000 head	42,123	42,003	41,859	41,987	42,208	42,593	42,645	42,868	43,100	43,340	43,519	43,725

Table 22. Pork long-term projections

Item	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beginning stocks	Mil. lbs.	494	514	560	565	565	565	565	565	565	565	565	565
Commercial production	Mil. lbs.	21,055	21,754	22,265	21,884	21,866	21,737	21,904	22,230	22,623	23,004	23,372	23,756
Change from previous year	Percent	1.8	3.3	2.3	-1.7	-0.1	-0.6	0.8	1.5	1.8	1.7	1.6	1.6
Farm production	Mil. lbs.	20	20	20	20	20	20	20	20	20	20	20	20
Total production	Mil. lbs.	21,075	21,774	22,285	21,904	21,886	21,757	21,924	22,250	22,643	23,024	23,392	23,776
Imports	Mil. lbs.	990	1,005	1,025	1,045	1,065	1,085	1,105	1,125	1,150	1,175	1,200	1,225
Total supply	Mil. lbs.	22,559	23,293	23,870	23,514	23,516	23,407	23,594	23,940	24,358	24,764	25,157	25,566
Exports	Mil. lbs.	2,995	3,027	3,180	3,304	3,403	3,493	3,582	3,684	3,805	3,956	4,090	4,205
Ending stocks	Mil. lbs.	514	560	565	565	565	565	565	565	565	565	565	565
Total consumption	Mil. lbs.	19,050	19,706	20,125	19,645	19,548	19,349	19,447	19,691	19,988	20,243	20,502	20,796
Per capita, carcass weight	Pounds	63.5	65.1	65.9	63.7	62.8	61.6	61.4	61.6	62.0	62.3	62.5	62.9
Per capita, retail weight	Pounds	49.3	50.5	51.1	49.4	48.8	47.8	47.6	47.8	48.1	48.3	48.5	48.8
Change from previous year	Percent	-1.3	2.5	1.2	-3.3	-1.4	-1.9	-0.4	0.4	0.6	0.4	0.4	0.6
Prices:													
Hogs, farm	\$/cwt	46.25	46.17	44.46	46.82	49.24	51.89	53.36	54.04	54.42	54.77	55.10	55.37
National base, live equivalent	\$/cwt	47.26	46.98	45.25	47.65	50.11	52.81	54.31	55.00	55.38	55.74	56.07	56.35
Deflated price	\$/cwt	23.76	22.06	21.32	21.78	22.34	22.97	23.05	22.78	22.37	21.97	21.56	21.14
Retail: Pork	1982-84=100	177.3	180.9	185.0	195.4	201.1	206.3	209.8	212.1	214.0	215.5	216.9	218.1
ERS retail pork	\$/lb.	2.81	2.87	2.92	3.08	3.17	3.26	3.31	3.35	3.38	3.40	3.42	3.44
Costs and returns, farrow to finish:													
Variable expenses	\$/cwt	33.54	40.48	45.63	46.20	47.04	46.04	45.94	46.42	47.22	47.72	47.80	48.61
Fixed expenses	\$/cwt	7.72	7.81	5.23	5.73	5.62	5.49	5.44	5.45	5.48	5.51	5.39	5.40
Total cash expenses	\$/cwt	41.25	48.28	50.86	51.93	52.66	51.53	51.38	51.87	52.70	53.23	53.19	54.01
Returns above cash costs	\$/cwt	8.89	1.49	-5.61	-4.28	-2.55	1.28	2.92	3.14	2.68	2.50	2.89	2.34
Hog inventory,													
December 1, previous year	1,000 head	61,449	62,489	64,400	65,200	65,148	64,786	65,257	66,172	67,276	68,346	69,378	70,457

Table 23. Young chicken long-term projections

Item	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beginning stocks	Mil. lbs.	924	745	675	750	750	750	750	750	750	750	750	750
Federally inspected slaughter	Mil. lbs.	35,752	35,825	36,850	37,144	37,279	37,465	37,727	38,129	38,699	39,281	39,883	40,503
Change from previous year	Percent	1.1	0.2	2.9	0.8	0.4	0.5	0.7	1.1	1.5	1.5	1.5	1.6
Production	Mil. lbs.	35,369	35,442	36,456	36,772	36,906	37,090	37,350	37,748	38,312	38,888	39,484	40,098
Total supply	Mil. lbs.	36,340	36,251	37,191	37,582	37,716	37,900	38,160	38,558	39,122	39,698	40,294	40,908
Change from previous year	Percent	1.7	-0.2	2.6	1.1	0.4	0.5	0.7	1.0	1.5	1.5	1.5	1.5
Exports	Mil. lbs.	5,205	5,468	5,565	5,600	5,664	5,762	5,842	5,932	6,017	6,106	6,196	6,265
Ending stocks	Mil. lbs.	745	675	750	750	750	750	750	750	750	750	750	750
Consumption	Mil. lbs.	30,390	30,108	30,876	31,232	31,302	31,388	31,568	31,876	32,355	32,842	33,348	33,893
Per capita, carcass weight	Pounds	101.4	99.5	101.1	101.3	100.6	100.0	99.7	99.8	100.4	101.0	101.7	102.5
Per capita, retail weight	Pounds	87.1	85.4	86.8	87.0	86.4	85.9	85.6	85.7	86.2	86.8	87.4	88.1
Change from previous year	Percent	1.7	-1.9	1.6	0.2	-0.7	-0.6	-0.3	0.1	0.6	0.6	0.7	0.8
Prices:													
Broilers, farm	Cents/lb.	38.6	39.4	39.0	38.0	38.6	39.6	40.3	41.2	42.0	42.9	43.7	44.8
12-city market price	Cents/lb.	64.4	76.1	75.3	73.4	74.5	76.4	77.8	79.6	81.1	82.8	84.4	86.5
Deflated wholesale price	Cents/lb.	31.9	36.7	35.4	33.5	33.2	33.2	33.0	33.0	32.7	32.6	32.4	32.5
Change from previous year	Percent	-12.0	14.9	-3.5	-5.4	-0.9	0.0	-0.6	-0.2	-0.7	-0.3	-0.6	0.1
Composite retail broiler price	Cents/lb.	157.1	163.2	167.1	176.4	179.3	184.3	188.0	191.6	194.1	195.3	195.9	198.0
Costs and returns:													
Total costs	Cents/lb.	66.94	70.84	74.74	76.50	77.50	76.78	77.22	78.02	79.08	79.93	80.91	82.59
Net returns	Cents/lb.	-2.54	5.26	0.56	-3.15	-3.00	-0.38	0.56	1.58	1.98	2.90	3.48	3.95

Table 24. Turkey long-term projections

Item	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beginning stocks	Mil. lbs.	206	218	245	275	275	275	275	275	275	275	275	275
Federally inspected slaughter	Mil. lbs.	5,686	5,892	5,940	5,940	5,956	5,973	5,988	6,024	6,077	6,156	6,257	6,389
Change from previous year	Percent	3.3	3.6	0.8	0.0	0.3	0.3	0.2	0.6	0.9	1.3	1.6	2.1
Production	Mil. lbs.	5,612	5,815	5,862	5,863	5,879	5,896	5,910	5,946	5,998	6,076	6,176	6,306
Total supply	Mil. lbs.	5,830	6,043	6,119	6,150	6,166	6,183	6,197	6,233	6,285	6,363	6,463	6,593
Change from previous year	Percent	1.8	3.7	1.3	0.5	0.3	0.3	0.2	0.6	0.8	1.2	1.6	2.0
Exports	Mil. lbs.	547	554	605	549	557	567	575	584	592	601	610	619
Ending stocks	Mil. lbs.	218	245	275	275	275	275	275	275	275	275	275	275
Consumption	Mil. lbs.	5,065	5,244	5,239	5,326	5,334	5,341	5,347	5,374	5,419	5,487	5,578	5,699
Per capita	Pounds	16.9	17.3	17.1	17.3	17.1	17.0	16.9	16.8	16.8	16.9	17.0	17.2
Change from previous year	Percent	1.3	2.6	-1.0	0.7	-0.8	-0.8	-0.8	-0.4	0.0	0.4	0.8	1.3

Prices:

Turkey, farm	Cents/lb.	48.6	45.4	43.0	42.6	44.5	45.5	46.8	48.2	49.4	51.0	52.6	54.7
Hen turkey (wholesale) East	Cents/lb.	77.0	82.4	78.0	77.3	80.8	82.6	85.0	87.4	89.7	92.6	95.4	99.2
Deflated hen turkey	Cents/lb.	38.9	35.9	35.5	35.3	36.0	35.9	36.1	36.2	36.2	36.5	36.7	37.2
Retail frozen turkey	Cents/lb.	110.8	115.0	112.0	112.6	114.3	114.0	114.2	114.4	114.3	114.7	115.0	116.2
Retail: Poultry	1982-84=100	182.0	191.4	194.5	203.0	206.3	210.8	214.3	217.6	219.9	221.2	221.8	224.2

Costs and returns:

Total costs	Cents/lb.	62.40	68.48	72.63	73.87	74.90	74.36	74.62	75.27	76.15	76.79	77.48	77.40
Net returns	Cents/lb.	14.60	13.92	5.37	3.42	5.88	8.26	10.36	12.16	13.58	15.79	17.94	21.79

Table 25. Egg long-term projections

Item	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beginning stocks	Mil. doz.	16	13	13	12	12	12	12	12	12	12	12	12
Production	Mil. doz.	7,572	7,533	7,625	7,656	7,694	7,748	7,825	7,911	7,998	8,086	8,175	8,265
Change from previous year	Percent	0.8	-0.5	1.2	0.4	0.5	0.7	1.0	1.1	1.1	1.1	1.1	1.1
Imports	Mil. doz.	11	14	14	14	14	14	14	14	14	14	14	14
Total supply	Mil. doz.	7,599	7,559	7,652	7,682	7,720	7,774	7,851	7,937	8,024	8,112	8,201	8,291
Change from previous year	Percent	0.8	-0.5	1.2	0.4	0.5	0.7	1.0	1.1	1.1	1.1	1.1	1.1
Hatching use	Mil. doz.	994	1,017	1,030	1,041	1,045	1,048	1,053	1,060	1,070	1,082	1,094	1,106
Exports	Mil. doz.	202	242	230	233	236	239	242	245	248	251	254	257
Ending stocks	Mil. doz.	13	13	12	12	12	12	12	12	12	12	12	12
Consumption	Mil. doz.	6,390	6,287	6,380	6,396	6,427	6,475	6,544	6,620	6,694	6,767	6,841	6,916
Per capita	Number	255.8	249.3	250.6	248.9	247.9	247.5	248.0	248.6	249.2	249.8	250.4	251.0
Change from previous year	Percent	0.2	-2.5	0.5	-0.7	-0.4	-0.2	0.2	0.3	0.2	0.2	0.2	0.2

Prices:

Eggs, farm	Cents/doz.	57.2	87.6	75.6	82.8	86.1	87.7	88.6	89.4	90.2	91.0	91.8	92.7
New York, Grade A large	Cents/doz.	71.8	109.1	93.0	101.0	105.0	107.0	108.0	109.0	110.0	111.0	112.0	113.0
Deflated wholesale prices	Cents/doz.	35.6	52.7	43.7	46.2	46.8	46.5	45.8	45.1	44.4	43.8	43.1	42.4
Retail, Grade A, large	Cents/doz.	131	161	162	172	179	182	184	185	187	189	190	192
Retail: Eggs	1982-84=100	151.2	195.3	189.0	198.0	205.8	210.7	213.7	216.7	219.7	222.7	225.7	228.7

Costs and returns:

Total costs	Cents/doz.	71.85	86.71	97.76	100.59	102.38	100.23	100.03	101.05	102.77	103.84	104.00	105.75
Net returns	Cents/doz.	-0.05	22.39	-4.76	0.41	2.62	6.77	7.97	7.95	7.23	7.16	8.00	7.25

Table 26. Dairy long-term projections

Item	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Milk production and marketings:													
Number of cows	1,000	9,112	9,148	9,215	9,230	9,195	9,160	9,130	9,105	9,075	9,040	9,015	8,985
Milk per cow	Pounds	19,951	20,260	20,625	20,835	21,070	21,335	21,670	21,895	22,185	22,480	22,845	23,090
Milk production	Bil. lbs.	181.8	185.3	190.1	192.3	193.7	195.4	197.8	199.4	201.3	203.2	205.9	207.5
Farm use	Bil. lbs.	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	0.9	0.9	0.9	0.9
Marketings	Bil. lbs.	180.7	184.2	188.9	191.3	192.7	194.4	196.8	198.4	200.4	202.3	205.0	206.6
Supply and use, milkfat basis:													
Beginning commercial stocks	Bil. lbs.	8.0	9.5	9.9	9.3	9.1	9.0	8.9	8.8	8.7	8.7	8.7	8.6
Marketings	Bil. lbs.	180.7	184.2	188.9	191.3	192.7	194.4	196.8	198.4	200.4	202.3	205.0	206.6
Imports	Bil. lbs.	5.0	4.8	4.7	4.9	5.0	5.2	5.3	5.4	5.5	5.6	5.7	5.8
Commercial supply	Bil. lbs.	193.6	198.5	203.6	205.5	206.8	208.6	211.0	212.6	214.6	216.6	219.4	221.0
Commercial use	Bil. lbs.	184.1	188.6	194.3	196.4	197.8	199.7	202.2	203.9	205.9	207.9	210.8	212.4
Ending commercial stocks	Bil. lbs.	9.5	9.9	9.3	9.1	9.0	8.9	8.8	8.7	8.7	8.7	8.6	8.6
CCC net removals	Bil. lbs.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supply and use, skim solids basis:													
Beginning commercial stocks	Bil. lbs.	9.0	9.1	9.3	9.2	9.4	9.5	9.5	9.6	9.7	9.8	9.9	10.0
Marketings	Bil. lbs.	180.7	184.2	188.9	191.3	192.7	194.4	196.8	198.4	200.4	202.3	205.0	206.6
Imports	Bil. lbs.	4.8	4.4	4.4	5.2	5.3	5.4	5.6	5.7	5.9	6.0	6.1	6.2
Commercial supply	Bil. lbs.	194.4	197.7	202.7	205.7	207.4	209.3	211.9	213.7	216.0	218.1	221.0	222.8
Commercial use	Bil. lbs.	184.5	188.4	193.5	196.3	197.9	199.8	202.3	204.0	206.2	208.2	211.0	212.7
Ending commercial stocks	Bil. lbs.	9.1	9.3	9.2	9.4	9.5	9.5	9.6	9.7	9.8	9.9	10.0	10.1
CCC net removals	Bil. lbs.	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prices:													
All milk	\$/cwt	12.90	19.00	18.15	17.05	17.30	17.60	17.85	18.10	18.35	18.65	18.95	19.25
Retail, all dairy products	1982-84=100	181.4	194.8	200.0	199.5	203.5	208.0	212.5	217.0	221.5	226.0	231.0	236.0