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# Livestock, Dairy, and Poultry Outlook

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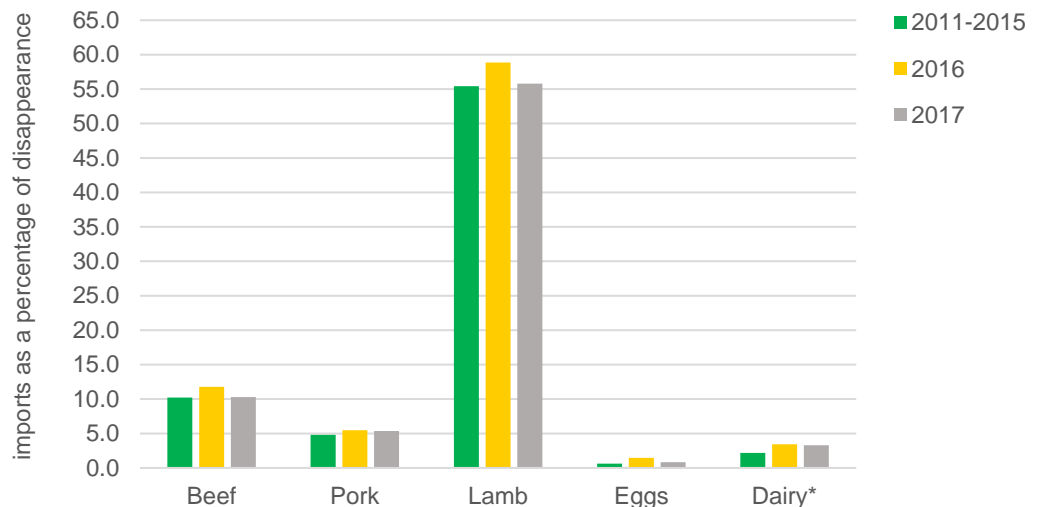
The next Outlook Report release is December 15, 2016

Approved by the World Agricultural Outlook Board.

## U.S. imports of Red Meat, Eggs, and Dairy Account for a Modest Percentage of Domestic Use

The figure below shows imports of red meat, eggs, and dairy products as a percentage of total domestic disappearance (i.e., “use”) for 2016 and 2017 based on USDA forecasts. The average percentage for 2011-2015 is included as a basis for comparing ratios for 2016 and 2017. With the exception of lamb—with imports of upwards of 55 percent of use—other red meat, eggs, and dairy imports comprise a relatively modest percentage of U.S. usage. Poultry imports are minimal, so are not included in this analysis. Also, the ratios for beef and pork depicted in the figure above do not account for live animal imports. In each case, live animal imports from NAFTA partner countries are expected to account for roughly 5 percent of cattle and hogs slaughtered in the United States this year. Most red meat imports come from Oceania and Canada. NAFTA partners Canada and Mexico account for almost half of U.S. egg imports. Most dairy products are imported from the European Union and New Zealand.

## Imports as a Percentage of Disappearance: Beef, Pork, Lamb, Eggs and Dairy, 2011-2015 and Projections for 2016, 2017



\*Dairy percentages are calculated on a milk-fat milk-equivalent basis.  
Source: WAOB, U.S. Department of Agriculture

**Cattle/Beef:** Packers continue to enjoy attractive margins, and given the higher 2017 beef production forecast and the increased amount of beef currently held in cold storage, prices are likely to remain under pressure. Lower cattle prices have begun to spill over into the retail price market.

**Dairy:** USDA National Agricultural Statistics Service revised the number of milk cows downward for July and August, and September cow numbers are slightly below the previous month. The forecast for milk cows has been lowered, resulting in production forecasts for 2016 and 2017 that are 0.2 and 0.3 billion pounds lower, respectively, than last month. Exports on a milk-fat milk-equivalent basis in 2016 and 2017 are expected slightly lower than last month. Cheese price forecasts are raised for the rest of 2016 and for 2017, and the all-milk price forecast is raised to \$16.00-\$16.10 per cwt in 2016 and \$16.30-\$17.20 in 2017.

**Pork/hogs:** Pork production is likely to be especially strong as the industry moves through the fourth quarter of 2016. Prices will reflect very heavy slaughter numbers, particularly in November and December. Fourth-quarter prices are expected to average \$34-\$36 per cwt. Export shipments in the third quarter were solid at 5.3 percent greater volume than in the same period last year.

**Poultry:** Price forecasts were lowered across broilers, turkeys, and eggs for the fourth quarter due to weaker-than-expected prices in recent weeks. Exports in September showed signs of a continued recovery across the three commodities. Forecast production was lowered for turkey for the fourth quarter, and broiler production was lowered for 2017.

### *Cattle Prices Declined in October*

October cattle prices were lower relative to September and last year. Weekly average fed cattle prices declined during the month, averaging about \$100 per cwt compared to \$131 in 2015. However, prices in early November have averaged above \$100. Medium-frame feeder steers in Oklahoma City averaged \$123.50 cwt in October, down 8 percent from September, and 35 percent from the same period last year. Cutter-cow prices have also declined, with prices falling to the low-\$60's per cwt in late October. Given the higher 2017 beef production forecast and the large amount of beef currently held in cold storage, prices are likely to remain under pressure. Beef production in 2017 is forecast to be just over 4 percent higher year over year compared to last month, when it was under 4 percent higher. Fed cattle prices for 2017 have likewise been reduced from last month and are forecast to average \$102 to \$110 per cwt.

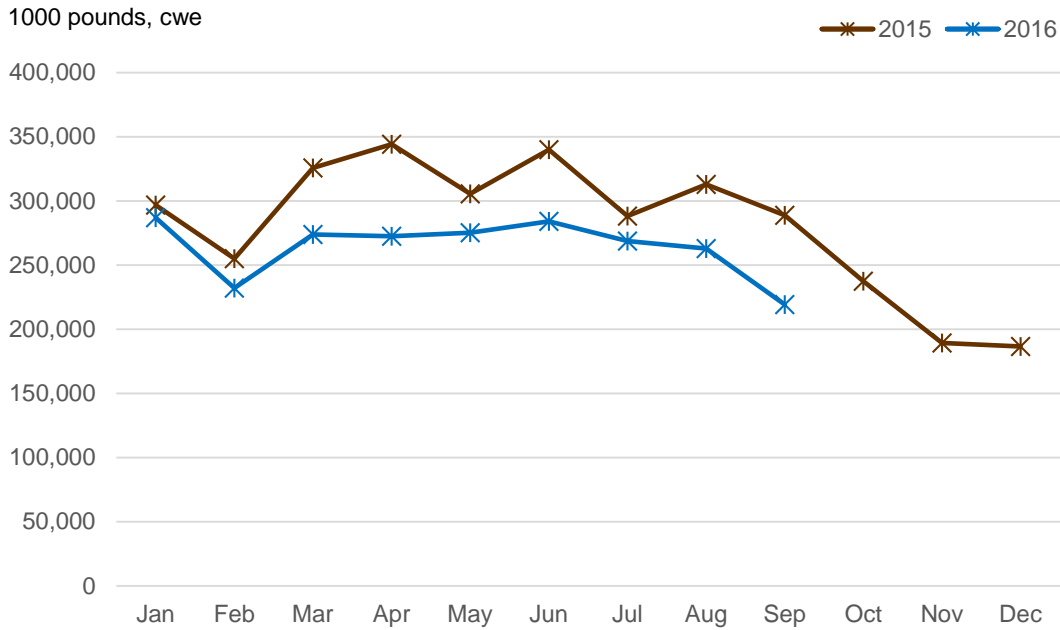
Lower cattle prices have begun to spill over into the retail price market. The retail Choice beef price in September, 2016 was \$5.87 per pound, about 1 percent lower than August and 6 percent lower than 2015. Retail prices have been known to show a delayed response to changes in cattle and wholesale beef prices.

### *Beef Imports Revised Downward*

Third-quarter 2016 beef imports were 751 million pounds, down 16 percent from the same period last year. Imports for the fourth quarter were revised downward 10 million pounds from last month's forecast to 635 million pounds. Figure 1 shows monthly imports for 2015 and imports from January through September 2016. Each month's imports for 2016 have been below those for 2015 as supplies from Australia have tightened with herd rebuilding and domestic cow slaughter has been higher.

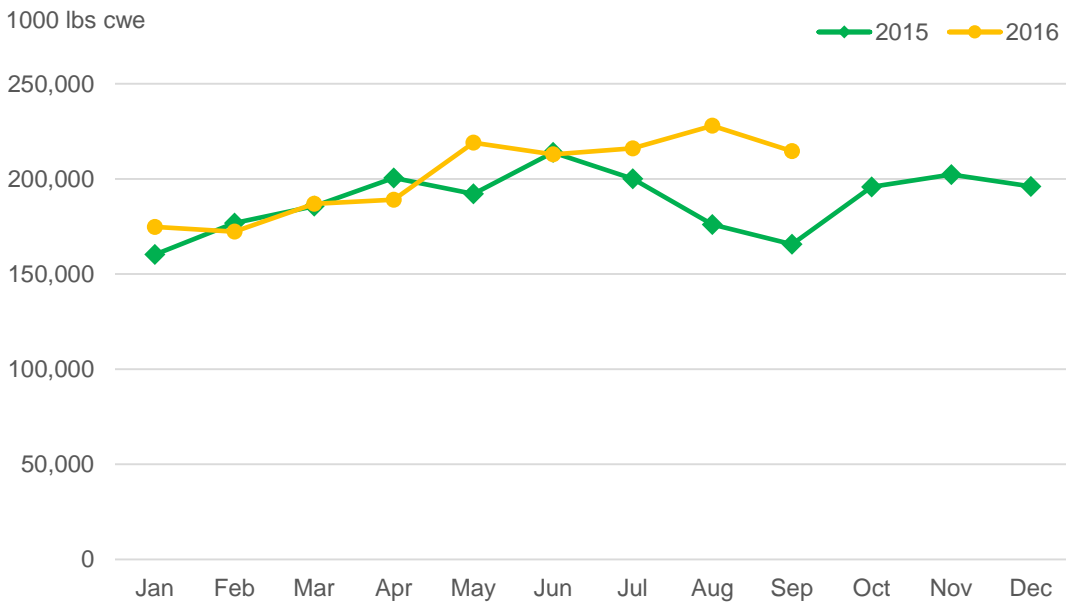
Third-quarter 2016 exports came in at 659 million pounds, up 22 percent from last year. However, September export data and reported October export sales were weaker than expected, and as a result, slight downward revisions of 10 million pounds in exports to 645 million pounds were made to fourth-quarter 2016. Figure 2 shows monthly exports for 2015 and January-September 2016. Exports are generally running above last year. Mexican exports this year have been stronger than last year. Although the depreciation of the peso continues to affect the competitiveness of U.S. beef despite declines in U.S. wholesale price declines, beef exports are still running near or above last year's levels.

## U.S. beef imports, monthly, 2015 and 2016



Source: U.S. Dept. of Agriculture, Economic Research Service.

## U.S. beef exports, monthly, 2015 and 2016



Source: U.S. Dept. of Agriculture, Economic Research Service.

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## ***Recent Developments in Dairy Markets***

The U.S. Dept. of Agriculture (USDA) National Agricultural Statistics Service (NASS) reported that milk cow numbers fell in September to a total of 9.338 million head, a drop of 3,000 head from August. Notably, this drop is from a lower base than reported in the October *Milk Production* report, due to NASS downward revisions in milk cow numbers for July and August. Milk per cow fell seasonally in September from the previous month, but increased year-over-year to 1,817 pounds. Milk production in September totaled 17.0 billion pounds, an increase of 2.1 percent from September 2015.

Dairy product exports fell about 0.1 billion pounds on a milk-fat milk-equivalent basis from August to September, while exports on a skim-solids milk-equivalent basis fell about 0.4 billion pounds. Dry whey exports and nonfat dry milk (NDM) exports fell about 12 million pounds and 6 million pounds, respectively, from last month. Imports fell about 0.1 billion pounds on both milk-fat and skim-solids milk-equivalent bases from August to September.

Cheese prices have trended upward over the second half of October; prices of 40-pound blocks of cheddar cheese, as reported in the USDA National Dairy Products Sales Report (NDPSR), fell from \$1.668 for the week ending October 1st to \$1.576 mid-month, but rebounded to \$1.603 for the week ending October 29th. Similarly, prices of 500-pound barrels of cheddar (adjusted to 38-percent moisture) fell from \$1.595 to \$1.544 and rebounded to \$1.572 in the same period. Chicago Mercantile Exchange (CME) cheese prices have risen even higher recently, to an average of \$1.831 for 40-pound blocks and \$1.776 for 500-pound barrels for the week ending November 5th. Dry whey prices, as reported in the NDPSR, rose during the month from \$0.314 for the week ending October 1st to \$0.345 on October 29th. NDM prices in the NDPSR rose from \$0.905 to \$0.913 during the same period, while NDPSR butter prices fell from \$2.049 to \$1.819 during the month.

International dairy prices have generally moved higher over the last month. The largest price increase in the Global Dairy Trade (GDT) auction on November 1 was for whole milk powder, a 19.8-percent weighted-average increase from October 18 to \$1.50 per pound.<sup>1</sup> GDT-weighted-average prices for skim milk powder and butter saw increases of 6.5 percent (to \$1.06 per pound) and 4.0 percent (to \$1.88 per pound), respectively, over the same period.

## ***Dairy Forecasts for the Remainder of 2016 and 2017***

Feed price forecasts are raised slightly this month but remain low relative to milk prices. The 2016/17 corn price is forecast \$0.05 higher at both ends of the range, at \$3.00-\$3.60 per bushel; the 2016/17 soybean meal price is forecast \$5 higher at each end of the range, at \$305-\$345 per short ton.

Following downward revisions of previous milk cow numbers, the milk production forecast for 2016 is lowered 0.2 billion pounds to 212.5 billion pounds. On a milk-fat milk-equivalent basis, the export forecast is lowered 0.3 billion pounds to 8.7 billion pounds, while the annual import forecast is unchanged. The import and export forecasts on a skim-solids milk-equivalent basis are both lowered 0.1 billion pounds, to 6.6 and 38.4

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<sup>1</sup> GDT prices have been converted from metric to English units.

billion pounds, respectively. The all-milk price for 2016 is raised \$0.20 at the midpoint of the range to \$16.00-\$16.10 per cwt, mainly due to higher expected cheese prices in the fourth quarter.

The forecast for milk cows is lowered 25 thousand head for 2017 to 9.370 million head. With a lower expected dairy herd more than offsetting a slightly higher milk per cow forecast, the new forecast for milk production in 2017 is 217.0 billion pounds, 0.3 billion pounds lower than last month. The forecast for exports on a milk-fat basis has been lowered to 8.9 billion pounds, 0.2 billion pounds below last month's forecast, as exports of cheese and whole milk powder are expected to be lower. The forecasts for skim-solids imports and both fat- and skim-solids basis exports for 2017 are unchanged. The cheese price for the year is raised \$0.10 at the midpoint of the range to \$1.610-\$1.700, while the whey price for the year is raised \$0.03 at the midpoint to \$0.360-\$0.390. The all-milk price forecast for 2017 is \$16.30-\$17.20 per cwt, \$0.75 higher than last month's forecast at both ends of the range.

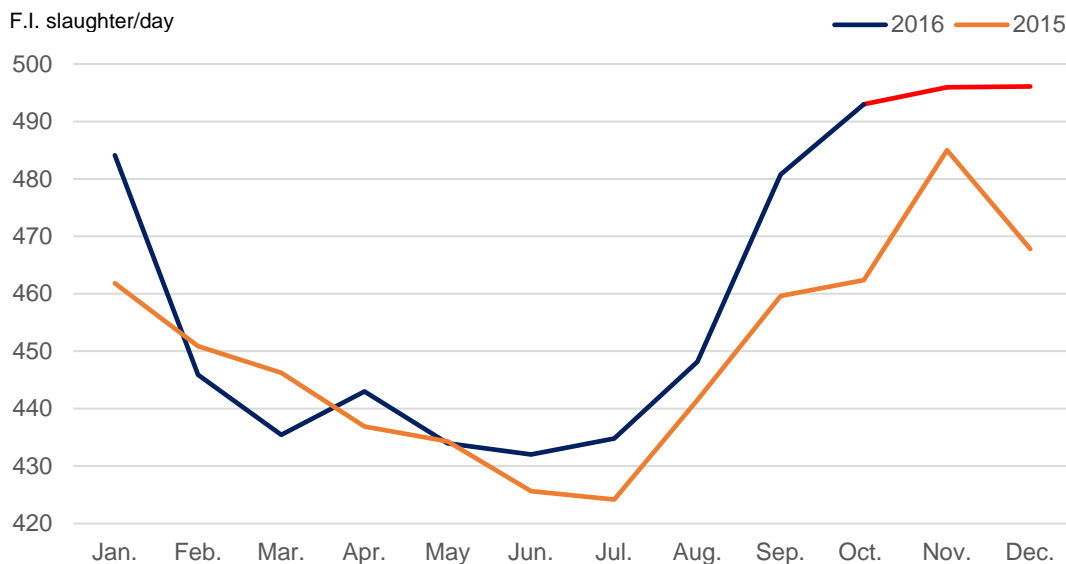
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## ***U.S. Pork Industry Expected To Produce Record Volumes of Pork in the Fourth Quarter***

The fourth quarter of the calendar year is typically the one in which pork production achieves its maximum. This is largely due to biology. Sow fertility rates tend to be higher during periods of cooler temperatures than during hot summer months. Hogs that are being slaughtered and processed right now—the fourth quarter of the calendar year—were largely born in the March-May quarter, meaning that sows farrowing in these quarters were bred in cooler months, anywhere from late 2015 through late winter 2016. It follows, then, that fourth-quarter hog slaughter usually accounts for more than a quarter of annual slaughter.

Since the summer, weekly hog slaughter has been running generally above 2015 levels, with several recent weeks in excess of 2.5 million head. Estimated weekly slaughter for the week ending October 22 was 2.533 million head, the highest weekly slaughter since the series began in 1955. Preliminary slaughter data for the weeks thus far in November point to slaughter at or near 2.5 million head. On the basis of October and early November slaughter data, the forecast for fourth-quarter commercial pork production has been raised by 30 million pounds to just under 6.7 billion pounds, 3 percent higher than a year ago. The fourth-quarter production increase is represented in the red section of the monthly slaughter line for 2016 in the figure below.

### **Daily Federally Inspected Hog Slaughter, by month, 2015-October 2016**

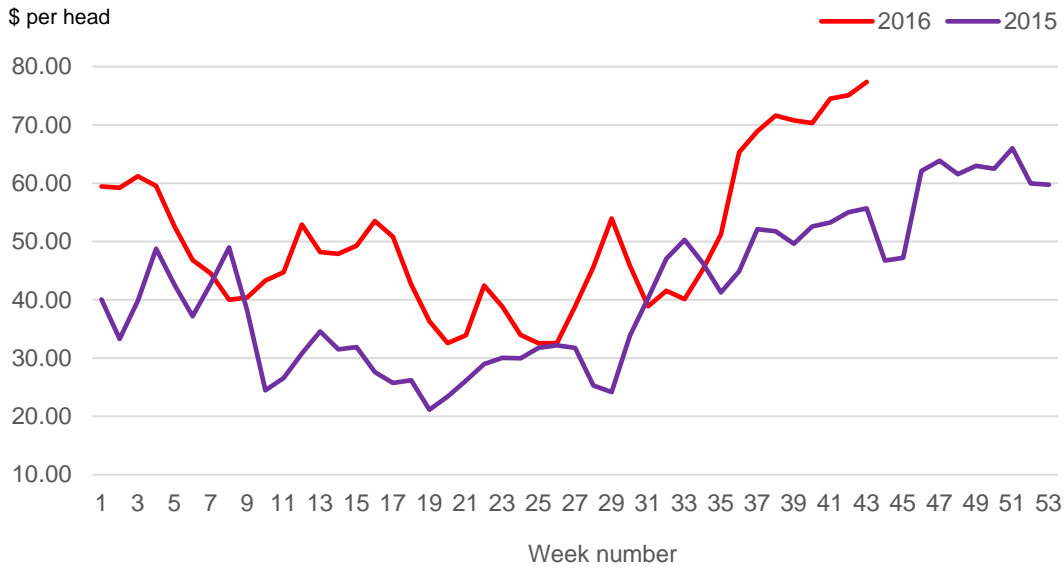


Source: U.S. Dept. of Agriculture, National Agricultural Statistics Service.

Hog prices will continue to reflect very large supplies of slaughter-ready animals. Average fourth-quarter live equivalent prices for 51-52 percent lean animals are expected to average \$34-\$36 per cwt, almost 22 percent below a year ago. At these price levels, it is unlikely that a large number U.S. hog producers are covering feed costs. Packer spreads remain very wide, even as wholesale values decline seasonally (see figures below), meaning that hog prices are falling faster than pork prices. Consumers, however, are expected to benefit, to a limited degree, from large fourth-quarter hog supplies. The ERS

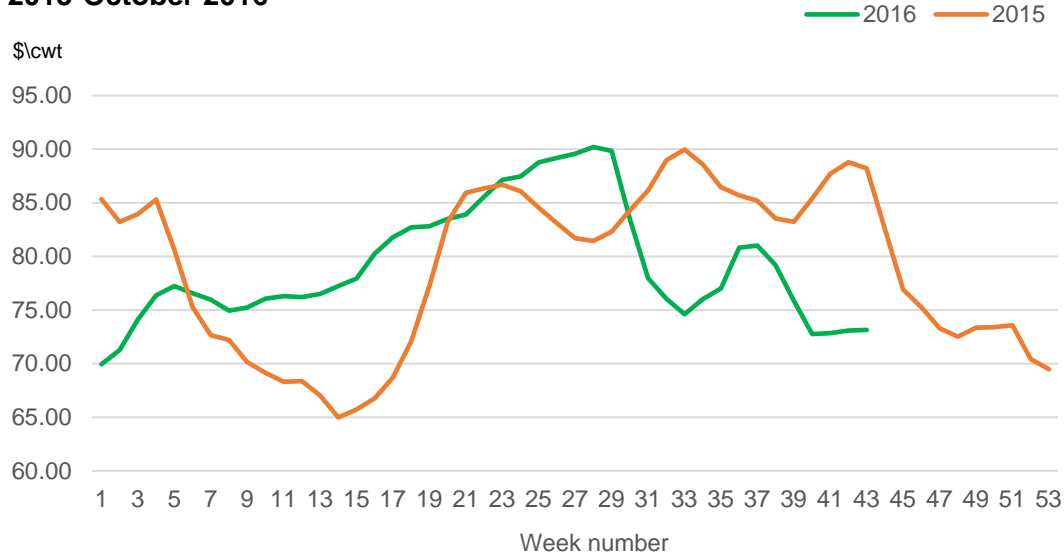
Composite Retail Pork Value averaged \$3.79 in September, down 5 percent from 2015, and is expected to average in the mid-\$3.50s per pound during the fourth quarter.

**Weekly gross hog packer spread, drop value included, 2015-October 2016**



Source: U.S. Dept. of Agriculture, Agricultural Marketing Service.

**Weekly estimated composite pork carcass cutout 2015-October 2016**



Source: U.S. Dept. of Agriculture, Agricultural Marketing Service.

***Both September and Third-Quarter Exports Solid***

U.S. pork exports in both September and third-quarter 2016 were year-over-year higher. September exports of 416 million pounds—3 percent higher than a year ago—contributed to a strong third-quarter total of 1.236 billion pounds, 5 percent above the same period a year ago. The 10 largest exports markets for U.S. pork for the third quarter are summarized below:



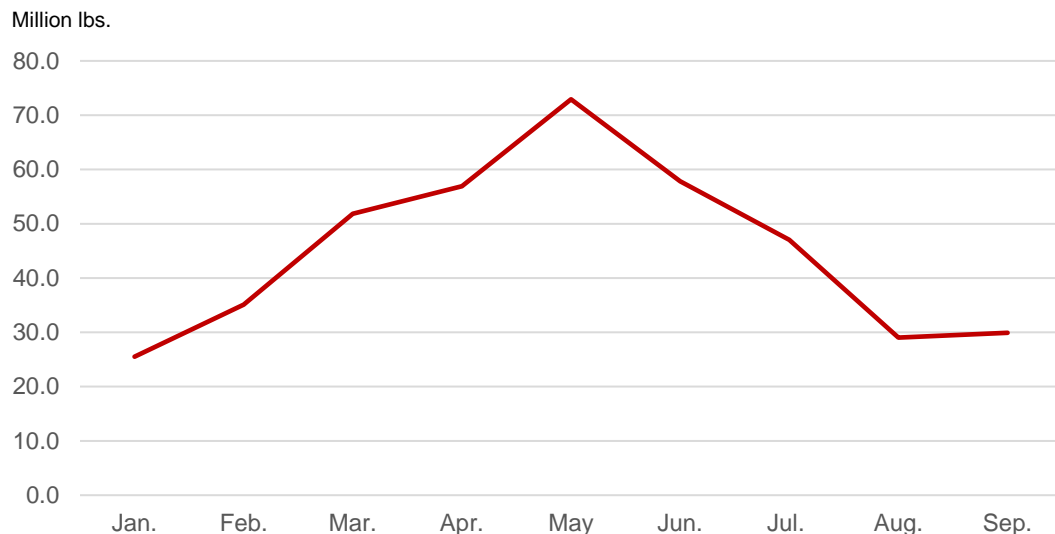
**U.S. pork exports: Volumes and trade shares of the 10 largest foreign destinations, Third-quarter 2015, 2016.**

	Country	Exports Third quarter 2015	Exports Third quarter 2016	Percent change	Trade share Third quarter 2015	Trade share Third quarter 2016
		(mil. lbs)	(mil. lbs)	(2016/2015)	%	%
	<b>World</b>	1,173	1,236	5.3		
<b>1</b>	<b>Mexico</b>	386	398	3.0	33	32
<b>2</b>	<b>Japan</b>	294	303	3.1	25	25
<b>3</b>	<b>Canada</b>	140	139	-0.2	12	11
<b>4</b>	<b>China/Hong Kong</b>	96	137	42.4	8	11
<b>5</b>	<b>South Korea</b>	60	65	8.9	5	5
<b>6</b>	<b>Australia</b>	46	44	-4.2	4	4
<b>7</b>	<b>Colombia</b>	25	24	-2.6	2	2
<b>8</b>	<b>Philippines</b>	24	20	-18.6	2	2
<b>9</b>	<b>Dominican Republic</b>	12	18	46.9	1	1
<b>10</b>	<b>Honduras</b>	16	16	1.0	1	1

Source: U.S Dept. of Agriculture, Economic Research Service.

Exports to China in September were about 1 million pounds higher than in August—about 30 million pounds. The figure below shows U.S. exports to China so far in 2016. Chinese demand for U.S. pork has cooled since earlier in the year, more than likely due to competition from European exporters.

**U.S. pork exports to China, Jan.-Sept. 2016**



Source: U.S. Dept. of Agriculture, Economic Research Service.

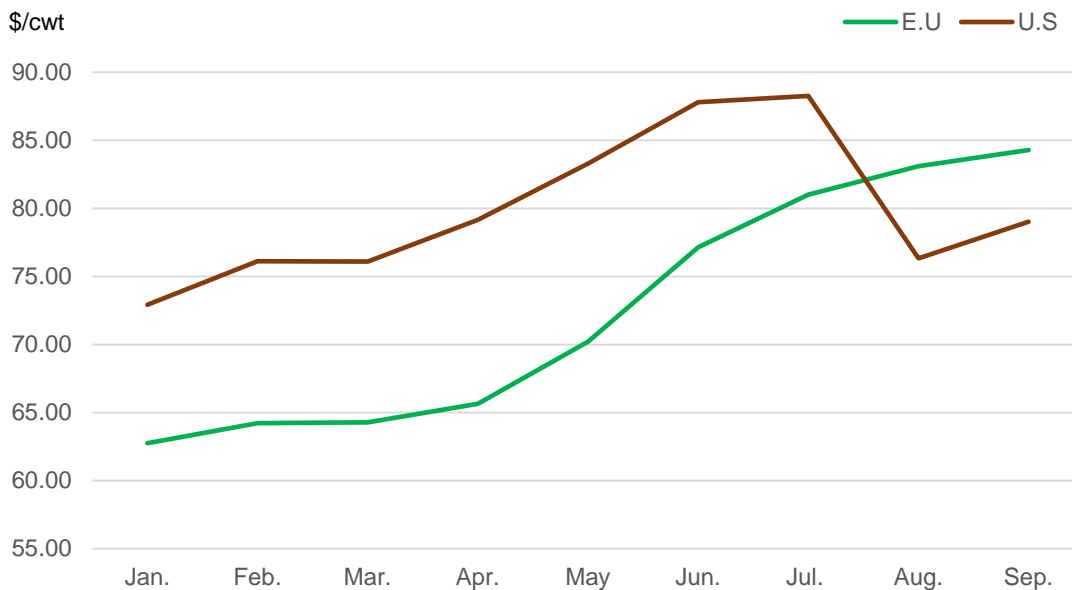
### EU pork exports to China, Jan.-Sept. 2016



Source: Global Trade Atlas.

While European pork continues to draw some competitive advantage from a favorable exchange rate and its policy of zero-ractopamine usage, declining U.S. pork prices appear to have created a competitive advantage for U.S. pork products, even as total Chinese pork imports begin to slow down.

### U.S. carcass cutout, E.U. grade E carcass, Jan.-Sept. 2016



Source: U.S Dept. of Agriculture, Agricultural Marketing Service and European Commission.

Fourth-quarter U.S. exports are expected to be 1.4 billion pounds, almost 10 percent higher than in the same period a year ago. Exported U.S. pork is expected to be especially competitive in Asia and Mexico for the balance of 2016.

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### *Broilers*

Third-quarter 2016 production was slightly lower than expected, in part because average slaughter weights remained beneath year-earlier levels in September. Exports in September were the highest since March 2015. Exports to Cuba were the second highest on record, eclipsed only by shipments in January 2008, and have been trending generally upward since April.<sup>1</sup> Exports to Angola were the highest since November 2014. The fourth-quarter forecast for total broiler exports was raised 40 million pounds, and the 2017 export forecast was raised 30 million pounds. The forecast for 2016 year-ending stocks was lowered 40 million pounds as the higher export forecast was expected to dampen the seasonal increase in broiler stocks in cold storage. No change was made to 2017 ending stocks.

Weekly prices for whole broilers (national composite) have remained below year-earlier levels since mid-September. The fourth-quarter forecast was reduced to 72-74 cents per pound, and the 2017 forecast was lowered to 77-84 cents per pound as large supplies of meat were expected to contribute to downward pressure on broiler prices. These lower prices would likely impact 2017 producer profitability, and the 2017 production forecast was lowered 100 million pounds.

### *Turkeys*

Preliminary weekly production of turkey for the 4 weeks through October 29 was below year-earlier levels, and the fourth-quarter forecast was reduced 30 million pounds. Whole hen prices have remained relatively strong but have shown a smaller-than-typical seasonal increase in recent weeks. The fourth-quarter forecast for frozen hen prices was lowered slightly to 118-122 cents per pound. While hen stocks in cold storage as of September 30 were down from a year earlier, stocks of toms were at the highest September level since 2013. Turkey exports in September were strong compared to 2015 when trade was affected by Highly Pathogenic Avian Influenza, but remained well below September levels during 2012-2014.

### *Eggs*

Despite starting October very weakly, table egg prices finished the month much stronger as a typical seasonal pattern emerged. Grade A large eggs were up to 81 cents per dozen on the New York market for the week ending November 5. As a result of the weak start in October, the fourth-quarter price forecast was lowered to 74-76 cents per dozen. The price forecast for 2017 was reduced to 88-95 cents per dozen.

Total egg and egg product exports in September were the highest since April 2015. The most important destination markets were Mexico, Canada, Jamaica, Hong Kong, and Japan. These markets were up from a year ago with the exception of Canada. The approximately 3 million eggs (shell-egg equivalent) sent to Jamaica continued a pattern of strong growth during 2016.

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<sup>1</sup> On March 15, 2016, regulations on travel to Cuba by Americans, as well as related regulations, were amended by the U.S. Government. For more information, please see: <https://www.treasury.gov/press-center/press-releases/Pages/jl0379.aspx>.

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Livestock & Meat Domestic Data, <http://www.ers.usda.gov/data-products/livestock-meat-domestic-data/>, contains domestic supply, disappearance, and price data.

Dairy Data, <http://www.ers.usda.gov/data-products/dairy-data.aspx>, includes data from multiple sources concerning supply, demand, and prices for the dairy industry.

## Related Websites

Livestock, Dairy, and Poultry Outlook, <http://www.ers.usda.gov/publications/?page=1&topicId=0&authorId=0&seriesCode=LDPM&ort=CopyrightDate&sortDir=desc>  
Animal Production and Marketing Issues, <http://www.ers.usda.gov/topics/animal-products/animal-production-marketing-issues.aspx>  
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**U.S. red meat and poultry forecasts**

	2013				2014				2015				2016				2017								
	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	Annual	
<b>Production, million lb</b>																									
Beef	6,175	6,513	6,609	6,423	25,720	5,866	6,184	6,179	6,021	24,250	5,665	5,856	6,068	6,109	23,698	5,935	6,187	6,468	6,465	25,055	6,140	6,600	6,730	26,160	
Pork	5,775	5,516	5,622	6,274	23,187	5,784	5,504	5,424	6,131	22,843	6,162	5,925	5,958	6,457	24,501	6,230	5,962	6,099	6,655	24,946	6,440	6,150	6,385	25,800	
Lamb and mutton	38	41	40	38	156	37	43	38	38	156	38	39	37	37	150	38	39	36	37	150	38	39	37	152	
Broilers	9,144	9,466	9,683	9,537	37,830	9,299	9,618	9,835	9,814	38,565	9,718	10,021	10,372	9,937	40,048	10,039	10,253	10,333	10,100	40,725	10,150	10,450	10,600	41,550	
Turkeys	1,459	1,486	1,440	1,420	5,806	1,332	1,428	1,478	1,517	5,756	1,429	1,389	1,352	1,458	5,627	1,435	1,520	1,515	1,550	6,020	1,445	1,525	1,550	6,135	
Total red meat & poultry	22,743	23,183	23,563	23,844	93,333	22,469	22,934	23,111	23,671	92,185	23,157	23,382	23,940	24,150	94,630	23,830	24,117	24,610	24,955	97,513	24,362	24,927	25,463	100,430	
Table eggs, mil. doz.	1,733	1,746	1,775	1,829	7,083	1,794	1,823	1,852	1,894	7,364	1,809	1,711	1,646	1,700	6,866	1,761	1,796	1,831	1,860	7,247	1,830	1,830	1,835	7,380	
<b>Per capita disappearance, retail lb I/</b>																									
Beef	13.7	14.5	14.3	13.9	56.3	13.1	14.0	13.7	13.4	54.1	13.1	13.6	13.9	13.3	53.9	13.6	13.9	14.0	13.9	55.4	13.5	14.5	14.4	55.6	
Pork	11.5	11.3	11.4	12.7	46.8	11.2	10.8	11.0	12.8	45.8	12.2	11.8	12.1	13.5	49.7	12.6	11.8	12.2	13.4	49.9	12.8	12.1	12.6	51.0	
Lamb and mutton	0.3	0.2	0.2	0.2	0.9	0.2	0.2	0.2	0.3	0.9	0.2	0.3	0.2	0.3	1.0	0.3	0.3	0.2	0.2	1.0	0.2	0.2	0.2	0.9	
Broilers	20.0	20.3	21.0	20.5	81.8	20.3	20.8	21.2	21.1	83.3	21.4	22.1	23.3	22.1	88.9	22.5	22.7	22.7	21.8	89.6	22.4	22.8	22.9	90.4	
Turkeys	3.7	3.6	4.0	4.8	16.0	3.4	3.5	3.9	5.0	15.8	3.5	3.6	3.9	4.9	16.0	3.6	3.9	4.2	5.1	16.8	3.7	3.8	4.3	17.0	
Total red meat & poultry	49.5	50.2	51.3	52.4	203.5	48.5	49.7	50.3	52.9	201.6	50.8	51.8	53.7	54.5	210.8	52.9	52.9	53.9	54.9	214.3	52.9	53.9	54.8	217.4	
Eggs, number	64.2	63.3	64.5	66.0	258.0	65.5	66.1	67.1	68.4	267.1	65.2	62.2	61.1	64.5	252.9	66.1	66.0	66.8	67.5	266.5	66.6	66.4	66.5	267.1	
<b>Market prices</b>																									
Choice steers, 5-area Direct, \$/cwt	125.52	124.95	122.30	130.77	125.89	146.34	147.82	158.49	165.60	154.56	162.43	158.11	144.22	127.71	148.12	134.81	127.68	113.26	102-106	119.94	102-108	102-110	102-110	102-110	
Feeder steers, Ok City, \$/cwt	141.36	133.12	152.08	161.69	147.06	168.49	188.64	220.90	234.25	203.07	210.31	219.65	208.11	173.59	202.92	155.83	146.49	140.66	132-136	144.25	133-149	131-139	138-146	135-143	
Cutter Cows, National L.E., \$/cwt	77.87	77.46	78.36	76.55	77.56	89.12	98.57	111.27	109.21	102.04	107.61	109.50	103.34	77.80	99.56	73.50	75.87	73.16	61-65	71.38	63-69	66-74	66-74	65-73	
Choice slaughter lambs, San Angelo, \$/cwt	107.53	91.72	94.26	150.97	111.12	166.69	148.99	156.02	162.69	158.60	147.17	140.09	146.23	142.52	144.00	133.33	136.15	137.52	132-136	135.25	132-138	126-134	128-136	128-136	
Natl base cost, 51-52 % lean, live equivalent, \$/cwt	59.03	65.46	70.59	61.11	64.05	68.69	85.40	83.30	66.74	76.03	48.47	53.20	54.59	44.66	50.23	44.63	53.71	49.26	34-36	45.65	36-38	39-43	43-47	38-42	
Broilers, 12 City, cents/lb	103.50	108.60	93.90	92.80	99.70	98.40	113.70	104.60	102.80	104.90	97.00	104.20	83.70	77.20	90.50	84.60	93.00	81.7	72-74	83.1	76-80	79-85	79-85	77-84	
Turkeys, Eastern, cents/lb	96.00	97.70	99.90	105.40	99.80	100.70	105.60	110.20	113.90	107.60	99.60	108.50	126.40	130.10	116.20	114.70	116.50	120.7	118-122	118.1	108-114	108-118	113-123	111-120	
Eggs, New York, cents/doz.	126.90	109.90	119.00	143.00	124.70	142.70	134.60	129.30	162.70	142.30	146.90	170.30	235.70	174.10	181.80	121.50	67.90	71.6	74-76	84.0	68-72	86-94	93-101	88-95	
<b>U.S. trade, million lb</b>																									
Beef & veal exports	557	636	716	680	2,588	583	667	679	643	2,572	523	607	542	594	2,265	534	621	659	645	2,459	570	660	710	2,630	
Beef & veal imports	590	629	515	516	2,250	597	767	765	818	2,947	878	990	890	613	3,371	793	832	751	635	3,011	670	795	645	2,680	
Lamb and mutton imports	49	44	36	44	173	46	49	45	55	195	53	56	46	59	214	68	55	41	52	216	50	47	43	188	
Pork exports	1,216	1,225	1,205	1,341	4,986	1,399	1,342	1,146	1,205	5,092	1,223	1,338	1,173	1,274	5,009	1,223	1,320	1,236	1,400	5,179	1,285	1,360	1,335	5,440	
Pork imports	208	210	229	233	880	213	241	257	301	1,011	279	266	270	300	1,116	293	257	266	290	1,106	290	255	265	1,095	
Broiler exports	1,752	1,865	1,855	1,874	7,345	1,827	1,834	1,858	1,779	7,298	1,624	1,713	1,487	1,496	6,321	1,573	1,607	1,736	1,750	6,666	1,660	1,730	1,765	6,925	
Turkey exports	175	179	192	195	741	159	182	215	219	775	148	123	125	152	529	115	140	160	160	575	140	145	165	630	
Live swine imports (thousand head)	1,326	1,285	1,223	1,113	4,948	1,195	1,216	1,264	1,272	4,947	1,309	1,541	1,371	1,519	5,740	1,475	1,405	1,376	1,520	5,776	1,490	1,375	1,490	5,880	

Note: Forecasts are in bold.  
 1/ 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.  
 For further information, contact: Mildred M. Haley, mhaley@ers.usda.gov  
 Updated 11/14/2016

## Dairy Forecasts

	2015		2016					2017			
	IV	Annual	I	II	III	IV	Annual	I	II	III	Annual
Milk cows (thousands) 1/	9,321	9,317	9,319	9,328	9,336	9,345	9,330	9,360	9,365	9,370	9,370
Milk per cow (pounds)	5,503	22,394	5,692	5,828	5,632	5,615	22,765	5,740	5,935	5,745	23,160
<b>Milk production (billion pounds)</b>	<b>51.3</b>	<b>208.6</b>	<b>53.0</b>	<b>54.4</b>	<b>52.6</b>	<b>52.5</b>	<b>212.5</b>	<b>53.7</b>	<b>55.6</b>	<b>53.8</b>	<b>217.0</b>
Farm use	0.2	1.0	0.2	0.2	0.2	0.2	1.0	0.2	0.2	0.2	1.0
Milk marketings	51.0	207.7	52.8	54.1	52.3	52.2	211.5	53.5	55.3	53.6	216.0
<b>Milk-fat (billion pounds milk equiv.)</b>											
Milk marketings	51.0	207.7	52.8	54.1	52.3	52.2	211.5	53.5	55.3	53.6	216.0
Beginning commercial stocks	14.1	11.2	13.3	15.6	16.6	16.2	13.3	13.4	14.8	17.0	13.4
Imports	1.6	5.7	2.1	1.6	1.7	1.8	7.2	1.7	1.7	1.7	7.1
Total supply	66.7	224.6	68.3	71.3	70.6	70.3	232.0	68.6	71.8	72.3	236.4
Commercial exports	1.8	8.8	2.2	2.2	2.2	2.1	8.7	2.1	2.3	2.3	8.9
Ending commercial stocks	13.3	13.3	15.6	18.0	16.2	13.4	13.4	14.8	17.0	15.0	12.8
Net removals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic commercial use	51.6	202.5	50.4	52.5	52.2	54.8	209.9	51.7	52.6	55.0	214.7
<b>Skim solids (billion pounds milk equiv.)</b>											
Milk marketings	51.0	207.7	52.8	54.1	52.3	52.2	211.5	53.5	55.3	53.6	216.0
Beginning commercial stocks	14.0	13.1	13.9	14.7	15.3	14.9	13.9	13.5	13.4	14.2	13.5
Imports	1.6	6.0	1.6	1.6	1.6	1.7	6.6	1.6	1.6	1.6	6.4
Total supply	66.6	226.7	68.3	70.4	69.2	68.9	231.9	68.6	70.3	69.4	235.8
Commercial exports	8.7	37.3	8.5	9.7	10.2	9.9	38.4	9.5	10.0	10.3	39.7
Ending commercial stocks	13.9	13.9	14.7	15.3	14.9	13.5	13.5	13.4	14.2	13.5	13.2
Net removals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic commercial use	44.1	175.5	45.2	45.4	44.0	45.4	180.0	45.6	46.1	45.6	182.9
<b>Milk prices (dollars/cwt) 2/</b>											
All milk	17.73	17.12	15.70	14.77	16.83	16.80	16.00	16.65	15.95	16.35	16.30
						-17.10	-16.10	-17.25	-16.85	-17.35	-17.20
Class III	15.07	15.80	13.75	13.20	16.18	15.70	14.78	15.30	15.25	15.45	15.30
						-16.00	-14.80	-15.90	-16.15	-16.45	-16.20
Class IV	16.28	14.35	13.18	13.18	14.58	13.50	13.55	13.65	13.65	13.60	13.55
						-13.90	-13.75	-14.35	-14.65	-14.70	-14.55
<b>Product prices (dollars/pound) 2/</b>											
Cheddar cheese	1.634	1.645	1.517	1.454	1.735	1.665	1.590	1.620	1.605	1.620	1.610
						-1.695	-1.600	-1.680	-1.695	-1.720	-1.700
Dry whey	0.233	0.380	0.243	0.252	0.290	0.335	0.280	0.345	0.355	0.365	0.360
						-0.355	-0.290	-0.375	-0.385	-0.395	-0.390
Butter	2.648	2.067	2.067	2.080	2.205	1.825	2.035	1.785	1.820	1.835	1.810
						-1.885	-2.065	-1.875	-1.940	-1.965	-1.930
Nonfat dry milk	0.841	0.902	0.766	0.760	0.860	0.915	0.820	0.955	0.935	0.925	0.930
						-0.945	-0.840	-1.005	-1.005	-0.995	-1.000

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 U.S. Dept. of Agriculture, *National Dairy Products Sales Report*.

Sources: U.S. Dept. of Agriculture: National Agricultural Statistics Service, Agricultural Marketing Service, Foreign Agricultural Service, and World Agricultural Outlook Board.

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