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# Livestock, Dairy, and Poultry Outlook

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## Smaller Dairy Herd Expected in 2013

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Tables will be released  
on Dec 26, 2012

The next newsletter  
release is Jan 17, 2013

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Approved by the  
World Agricultural  
Outlook Board.

**Beef/Cattle:** While below year-earlier levels, federally inspected and commercial cow slaughter continue to constitute a high proportion of the January 1, 2012 cow inventory. Beef cow slaughter is at levels below year-earlier levels that more than offset the increased year-over-year dairy slaughter. Feeder and fed cattle prices are slipping, a result of deteriorating wheat pasture and negative profit margins for cattle feeders and packers.

**Pork/Hogs:** October pork exports were 2.2 percent above October 2011, with strong shipments to Mexico, Canada, and Russia more than offsetting persistent weakness in Japanese sales and lower shipments to China-Hong Kong. For the first 10 months of 2012, U.S. pork exports were more than 7 percent higher than in the same period of 2011.

**Poultry:** Broiler meat production in fourth-quarter 2012 is expected at 9.1 billion pounds, 2.7 percent higher than the previous year. This higher production is expected to raise ending stocks for 2012. Turkey production is expected at 1.55 billion pounds in fourth-quarter 2012, due to higher bird numbers. Higher production has increased stocks of whole turkeys, which is expected to place downward pressure on prices. Shell egg production continued higher in October, while table egg production was lower.

**Poultry Trade:** October broiler shipments fell short of last year's volume, while turkey shipments are on the rise. Broiler exports totaled 648.7 million pounds, a 6-percent drop, and turkey exports totaled 77.6 million pounds, an increase of 31 percent from a year ago.

**Dairy:** Milk production forecasts for 2012 and 2013 are unchanged from November. A contraction in herd size is expected to continue in 2013, but the pace of contraction was moderated slightly. Current year export demand for powders remains strong, but export demand for butterfat is weaker. Export forecasts for 2013, on both a fats and skims-solids basis, were raised slightly from November.

### *Dairy Cow Slaughter Higher Year-Over-Year*

Increasing cow slaughter in the fall is a seasonal pattern, but drought has led to beef cow slaughter above that expected with normal weather patterns. Unfavorable milk prices in the face of high feed costs have led to much higher dairy cow slaughter than in 2011. Although total cow slaughter has been down overall from corresponding periods in 2011, weekly dairy cow slaughter has been significantly higher. Federally inspected beef cow slaughter has also increased seasonally, but remains below year-earlier levels for the corresponding weeks, at a rate that more than offsets the year-over-year increased dairy cow slaughter rate.

Commercial cow slaughter in fourth-quarter 2011 was the highest since 1996. Since 1996, January 1 cow inventories have been higher year-over-year in only 2 years (2005 and 2006). Fourth-quarter 2012 cow slaughter to date is about even with fourth-quarter slaughter in 2011. Cow prices have declined about \$10 per hundred pounds (cwt) from their May 2012 record levels, but remain \$10-\$12 higher than for the same periods in 2011. Demand for ground beef products and the fact that cow inventories are the lowest in decades will likely continue to support cow and bull prices through the remainder of 2012, 2013, and into 2014 or 2015.

As with cow slaughter, where the first three quarters were year-over-year lower, commercial heifer slaughter was down about half a million head through the first three quarters of 2012. This fact, combined with the NASS preliminary estimate of a 2012 calf crop well below the 2011 crop, implies a significant reduction in heifers available for retention as replacements during 2013. While a lower year-over-year cow inventory on January 1, 2013 is likely, the significantly reduced pool of heifers available for replacements has implications for January 1 cow inventories for the next several years. In addition, increased heifer retention for breeding will reduce the supply of feeder heifers available for placement on feed, resulting in fewer cattle on feed and marketed from feedlots. Reduced fed-cattle inventories should be supportive of fed cattle prices over the next few years.

### *Wheat Pasture and Negative Margins Pressure Cattle Prices*

Much of the wheat pasture in the Southern Plains is deteriorating as the drought continues. As a result, feeder cattle prices have slipped somewhat recently and are well below their February-March 2012 highs. Lightweight calf prices remain slightly above year-earlier prices, while heavier-weight feeder cattle prices are lower by about the same dollar amounts. Pressure on prices is mounting as the wheat pasture deteriorates in the Southern Plains and as cattle feeders continue to register negative profit margins due to high feed grain prices, which are not expected to decline until late in 2013 when new-crop corn is harvested.

Cattle feeders are caught between high feeder cattle and feed prices and packers whose profit margins have been mostly negative since mid-2011. The Cattle Buyers' Weekly observed that during 2012, at least one feedlot closed, some pen space was reportedly reallocated to growing space, and one-time feeding capacity declined in 2012 by almost as much as it had increased in 2011.

### ***Heavier Weights Offset Reduced Slaughter***

Beef production is projected to be higher year-over-year for the fourth quarter of 2012, largely due to heavier dressed weights and despite lower projected year-over-year quarterly cattle slaughter. While continuing above year-earlier levels, wholesale prices have slipped in recent weeks. This slippage—largely a seasonal phenomenon—will likely cause packers to attempt to pressure fed cattle prices downward. The average Retail Choice beef price, at \$5.15 per pound, was well above October's price, setting a new record, and the All-Fresh beef price also set a new record at \$4.81 per pound.

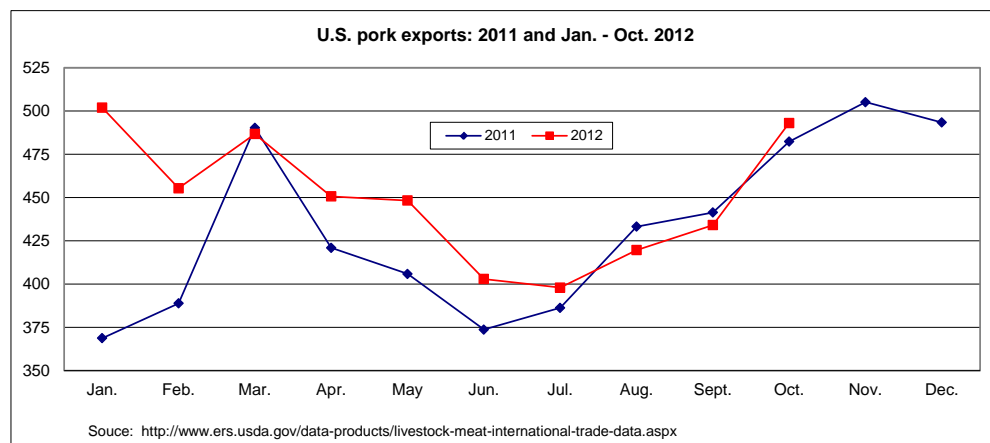
## Pork/Hogs

### *Fourth-Quarter Pork Exports Begin on a Solid Note*

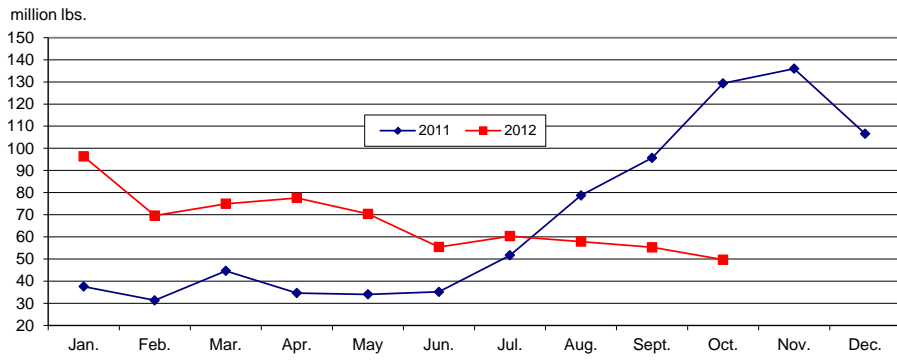
October pork exports were almost 493 million pounds, 2.2 percent above October 2011. For the first 10 months of the year, U.S. pork exports totaled almost 4.5 billion pounds, more than 7 percent higher than the same period of 2011. The figure below graphs January- October U.S. pork exports for this year and 2011.

Strong year-over-year gains through July 2012 were largely due to shipments to China-Hong Kong. In October, year-over year lower shipments to Japan (-1.1 percent in October, and -5.2 percent for January- October) and China-Hong Kong (-61.6 percent in October, and +16.5 percent for January-October) were more than offset by strong exports to NAFTA partners Mexico (+32.8 percent in October, and +15.6 percent for January-October) and Canada (+20.3 percent in October and +17.4 percent for January-October), and Russia (+75 percent in October, and +45 percent for January-October).

U.S. pork imports in October were almost 4 percent below a year earlier, due mostly to lower imports from Denmark. Imports of live swine from Canada were fractionally higher in October (+0.56 percent). Imports of feeder pigs (23-50 kgs) were 36 percent higher than a year ago, likely due to strong prices for finishing animals in the United States. Strong imports of feeder pigs offset year-over year lower imports of all other categories of imported live swine.



U.S. pork exports to China + Hong Kong:  
2011 and Jan. - Oct. 2012



Source: <http://www.ers.usda.gov/data-products/livestock-meat-international-trade-data.aspx>

### *Broiler Meat Production in October Up 8 Percent*

Year-over-year changes in broiler meat production have varied widely in the last 2 months, chiefly due to changes in the number of slaughter days compared with the previous year. Broiler meat production was 3.3 billion pounds in October, up 8 percent from the previous year, mostly because the month had 2 additional slaughter days compared with October 2011. In contrast, production in September 2012 was down 8 percent due to its having 2 fewer slaughter days than in the previous year. Examining broiler meat production over a slightly longer time frame shows that production has been very similar to the previous year. Broiler meat production from August to October 2012 was only 0.3 percent less than in the same period in 2011.

In October 2012, the number of broilers slaughtered was up 6.3 percent to 746 million birds, while the average liveweight per bird was 5.95 pounds, an increase of 1.1 percent from the previous year. Broiler meat production for fourth-quarter 2012 is forecast at 9.05 billion pounds, an increase of 50 million pounds from the previous estimate and 2.7 percent higher than the previous year. The fourth-quarter 2012 increase is expected to come from a greater number of broilers slaughtered and slightly higher average liveweights in the quarter.

The high corn prices forecast for the remainder of 2012 and into 2013, even with relatively strong prices for a number of broiler products (mostly whole birds, breast meat, and wings), are expected to lead broiler integrators to scale back production in 2013. The number of chicks being placed for growout continues slightly lower than in the previous year. Over the last 5 weeks, (November 10 to December 8), chick placements have averaged 155 million, down 0.9 percent from the same period in 2011. Chick placements are expected to remain below year-earlier levels into the first half of 2013 and then to gradually exceed year-earlier levels in the second half of 2013. The timing and speed of this change will largely depend on corn and soybean supplies.

In October 2012, 727 million broiler chicks were hatched, up 2 percent from the previous year. Over the first 9 months of 2012, the monthly number of broiler chicks hatched had all been lower when compared with the same month the previous year. The October gain in chicks hatched may not continue, as the number of broiler eggs in incubators as of the first of November was 569 million, down just under 1 percent from the same time in 2011. In 2012, the number of eggs in incubators was lower in 9 of the first 11 months compared with the same months a year earlier.

Broiler stocks at the end of October totaled 626 million pounds, down 6 percent from the previous year. Stocks for most broiler products were well below their year-earlier levels, with the exception of legs and wings. Whole bird stocks were down considerably from the previous year (by 27 percent), placing upward pressure on prices. Stocks of breast meat, thighs, and thigh meat were also down sharply. The declines for most broiler product stocks were partially offset by strong gains in two areas: stocks of legs totaled 12.8 million pounds, up 32 percent from the previous year and stocks of wings were 37 percent higher than a year earlier at 70 million pounds.

Cold storage holdings of broiler products at the end of third-quarter 2012 were revised downward slightly to almost 623 million pounds, a decrease of 2.6 percent from the end of September 2011. With broiler meat production expected to be higher in fourth-quarter 2012 and broiler exports expected to decline somewhat, the estimate for fourth-quarter ending stocks was increased by 25 million pounds to 625 million pounds. This would be 35 million pounds higher than the previous year (up 6 percent).

Prices for most broiler products were higher in November than in the previous year. One exception was leg quarters, which averaged 51 cents per pound, down 1 percent from November 2011. Leg quarter prices were generally steady through much of the first 10 months of 2012. Whole bird prices were supported by much lower stock levels, averaging \$0.99 per pound in November, up 24 percent from the previous year. Lower stocks for other broiler products also helped to move their prices higher. Prices for boneless/skinless breast meat and breasts with ribs were up 7 and 21 percent, respectively. Although cold storage holdings of wings were up 37 percent at the beginning of November, prices have remained very strong. In November, wing prices averaged \$1.88 per pound, 47 percent above the previous year and 44 percent more than boneless/skinless breast meat. Despite higher year-over-year production expected in fourth-quarter 2012 and higher cold storage holdings for the end of 2012, broiler prices are expected to be relatively stable during the end of 2012 and into 2013.

### ***October Turkey Production Jumps 11 Percent***

Turkey meat production in October totaled 580 million pounds, 11 percent higher than a year earlier. Again, much of the year-over-year gain was due to the 2 more slaughter days in October 2012. This more than offset the reverse situation in September (2 fewer slaughter days), where turkey meat production fell by 4 percent compared with a year earlier. Over the last 3 months, turkey production has totaled 1.56 billion pounds, 4.3 percent higher than in the same period in 2011. In October, much of the increase in turkey production was due to a higher number of birds slaughtered, up 7.3 percent, but a 2.4 percent gain in the average liveweight of birds at slaughter to 29 pounds also played a role.

Cold storage holdings of turkeys and turkey parts totaled 454 million pounds at the end of October. This 68-million-pound reduction from the previous month was driven by many whole turkeys being taken out of storage in preparation for the Thanksgiving holiday. Between the end of September and the end of October, stocks of whole turkeys fell by 47 million pounds and stocks of turkey products fell by 21 million pounds. Even with the decline in whole turkey stocks, the stocks were still 25 percent higher than at the same time a year earlier. In contrast, the stocks of turkey products (196 million pounds) were down 2 percent from a year earlier. This increase in cold storage holding for whole turkeys is a significant change from earlier in the year and is expected to place downward pressure on prices for the rest of fourth-quarter 2012 and into 2013.

During the first 9 months of 2012, the national price for whole hens was higher than the previous year. However, with higher production, stocks of whole birds have expanded compared with year-earlier levels, pressuring prices downward. Prices in November averaged \$1.09 per pound, down 4 percent from a year earlier, and are expected to decline seasonally in December and remain well below a year earlier.



The wholesale price in fourth-quarter 2012 is forecast at \$1.05 -\$1.08 per pound, a decrease from the \$1.12 per pound in fourth-quarter 2011. Higher stocks are expected to pressure prices throughout the first half of 2013.

Over the first 10 months of 2012, turkey poults placed for growout totaled 239 million, an increase of 3.1 percent from the same period in 2011. Over the last 3 months, the percentage change from the previous year has varied considerably, with the number of poults hatched in August and September down (2 and 7 percent). However, in October the number of poults placed totaled 22.7 million, a gain of 6 percent from the previous year. Given higher stocks and lower prices for whole birds, turkey producers are expected to lower production in 2013.

### ***Table Egg Production Higher in October***

The table egg laying flock in October was estimated at 288 million hens, 2.2 percent above the previous year. The number of hens in the table egg flock on a year-over-year basis was higher throughout the first 10 months of 2012. With higher hen numbers, the number of table eggs produced has increased. In October, table egg production was 574 million dozen, an increase of 2.2 percent from 2011. Table egg production on a year-over-year basis has been higher in every month so far in 2012. Overall table egg production in the first 10 months of 2012 was 5.5 billion dozen, an increase of 1.3 percent from the same period in the previous year. The table egg flock and table egg production are expected to be at higher levels than the previous year through the remainder of 2012. At the beginning of November, the number of birds in the table egg flock was 291 million, up 2.5 percent from last year, and table egg production is expected to total 1.72 billion dozen in the fourth quarter of 2012, up 2 percent from the previous year.

Even with larger table egg production, wholesale prices for eggs have continued to be strong. The fourth-quarter 2012 wholesale price for one dozen Grade A eggs in the New York market is expected to average \$1.30 to \$1.33, roughly the same as in the previous year. At the beginning of December, wholesale prices for Grade A large eggs in the New York market were approximately \$1.38 per dozen.

Hatching egg production was lower than the previous year throughout the first 10 months of 2012. With lower broiler production, the decline in hatching egg production has largely been due to significantly lower production of meat-type hatching eggs in every month compared with the previous year. Over the first 10 months of 2012, production of meat-type hatching eggs was 4 percent lower than the previous year, while the production of egg-type hatching eggs was 1 percent higher. Decreased production of meat-type eggs is expected to continue into the first half of 2013 until broiler integrators begin to expand production.

### ***Total Egg Exports Much Higher in October***

Exports of eggs and egg products in October totaled the equivalent of 33.4 million dozen, up almost 49 percent from a year earlier. Much of the gain was the result of higher exports of shell eggs. Shipments of shell eggs totaled 18.1 million dozen, up 58 percent from a year earlier. The gains were concentrated in the major markets of Hong Kong, Canada, and Mexico. Shipments to Mexico were more than double those of the previous year, but well below those in September, which implies that

the Mexican egg industry is beginning to recover from its earlier disease problem and production is increasing.

In October, exports of egg products totaled the equivalent of 15.2 million dozen eggs, 40 percent higher than in October 2011. Much of the increase is due to larger exports to Canada, which rose by 248 percent to 4.1 million dozen. These gains in shell eggs and egg product exports came despite strong egg prices in the U.S. market.

### ***Broiler Shipments Dropped in October***

October broiler shipments totaled 648.7 million pounds, a 6-percent decline from the same period in 2011. The main reason for October's reduction in broiler shipments was low broiler exports to Hong Kong and Angola. In October 2011, Hong Kong imported 40.5 million pounds (or 268 percent) more broiler meat than it did in October 2012. Shipments to Hong Kong remained below 33 million pounds after October 2011, falling as low as 13.7 million pounds in July 2012. The U.S. lost most of its Hong Kong market shares to Brazil, in part as a result of competitive export prices. United States broiler shipments were also down 29.5 percent to Angola from a year ago.

Broiler shipments to Mexico reached an all-time-high of 114.7 million pounds. Compared with October 2011, shipments to Mexico were up 41.6 percent in October 2012. Substantial increases in broiler shipments were also seen in smaller markets such as Kazakhstan and the Philippines. Overall, however, the increases in broiler exports were not enough to offset October's decline in total broiler shipments.

### ***Turkey Shipments Up in October***

Turkey shipments totaled 77.6 million pounds in October 2012, up 31 percent from a year ago. October's total turkey shipments constitute the second largest monthly number recorded, behind the levels of August 2012. The chief reason for the increase in turkey shipments was the strong demand from major and minor turkey markets. Shipments to two of the U.S. major markets, Mexico and China, rose 18 percent and 109 percent, respectively, in October 2012 from a year ago. Turkey shipments to the Philippines were up 1.6 million pounds from October 2011, an 86-percent increase. Canada's imports of U.S. turkey meat also rose 44 percent in October 2012. Minor markets such as Russia, Taiwan, Panama, South Africa, Guatemala, Gabon, and Singapore were also contributors to the U.S. increase in total shipments.

### *December Dairy Outlook Changed Little from November, Milk Prices Are Forecast Up Slightly*

The 2012/13 forecast corn supply and use was unchanged this month from November based on the most recent World Agricultural Supply and Demand Estimates (WASDE) report the corn season-average price is forecast at \$6.80-\$8.00 a bushel, a price reduction based on lower year-to-date reported prices. The relatively early corn harvest this year increased marketings and pressured prices downward. Similarly, soybean production was unchanged in this month's WASDE. However, crush was raised and soybean meal domestic disappearance was lowered slightly, in line with expected livestock product production forecasts. Consequently, soybean meal prices were lowered this month to \$440-\$470 per ton. Corn and soybean meal prices will still be higher in 2013 than in 2012 despite the small downward price revisions. According to the November Agricultural Prices report, the preliminary November alfalfa price this year remains above the 2011 price. Although feed prices will likely be lower later in 2013 than those in 2012, dairy producers will face relatively high feed prices in 2013 compared with other recent years.

The projected 2012 U.S. dairy herd size is unchanged from last month at 9,225 thousand cows. Cow numbers were raised, boosting the 2013 average herd size in December's forecast to 9,130 thousand cows. Current-year yield per cow was unchanged this month at 21,640 pounds. Milk per cow is forecast at 21,880 pounds next year, also unchanged from November. Milk production is projected at 199.7 billion pounds in 2012, unchanged from last month's projection. Milk production for 2013 remains forecast at 199.7 billion pounds, unchanged from the November forecast.

Fats basis imports are forecast at 3.9 billion pounds for 2012, based largely on higher butterfat imports. Skims-solids basis imports are projected at 5.8 billion pounds, unchanged from last month. Current-year fats basis exports were reduced in December to 8.9 billion pounds. The pace of butterfat exports has slowed as U.S. prices are less competitive with world prices. Skims-solids exports are projected at 33.8 billion pounds for 2012. For 2013, milk equivalent imports on both a fats and skims-solids basis were unchanged this month from November at 3.8 and 5.4 billion pounds, respectively. Commercial exports on a fats basis were raised to 8.9 billion pounds and to 33.2 billion pounds on a skims-solids basis. The increases are based on improved global demand for both cheese and whey products.

Commercial ending stocks for 2012 on a fats basis were lowered in December based on lower expected butter stocks. Current year stocks on a skims-solids basis were raised based on higher than expected October stocks of nonfat dry milk (NDM). Fats basis commercial ending stocks for 2013 were lowered slightly in December, reflecting lower butter beginning stocks. Commercial ending stocks in 2013 on a skims-solids basis were lowered from November.

Cheese and butter price forecasts for 2012 were reduced from November estimates, but NDM and whey were raised. The 2012 cheese price was lowered this month to \$1.700-\$1.710 per pound but was raised to \$1.750-\$1.830 per pound for 2013. The

stronger 2013 prices are based on improved cheese demand in both domestic and foreign markets. Butter price forecasts were lowered to \$1.585-\$1.615 per pound and to \$1.595-\$1.705 per pound for 2012 and 2013, respectively. Butter demand has been weak and stocks ample. Butter prices will likely improve in 2013 compared with current year prices. NDM prices are forecast at \$1.320-\$1.340 per pound in 2012 and \$1.440-\$1.500 per pound in 2013, both upward revisions from November. Whey prices are projected at 59.0-60.0 cents per pound this year, a boost from November, and raised to 60.0-63.0 per pound from last month for 2013. Strong demand both internationally and domestically for dry products is expected to support the higher prices.

The Class III price forecast was lowered this month from November to \$17.40-\$17.50 per cwt and raised for 2013 to \$18.00-\$18.80 per cwt based on higher whey prices. The Class IV price for 2012 was unchanged from last month at \$15.95-\$16.15 per cwt as lower butter prices were largely offset by higher NDM prices. The Class IV price was raised in 2013 from last month to \$17.00-\$17.90 per cwt. The slightly better Class IV price outlook is due to higher forecast NDM prices next year. The all milk price is unchanged from November at \$18.50-\$18.60 per cwt. For 2013, the all milk price is unchanged but the range is narrowed 5 cents on each end to \$19.15-\$19.95 per cwt.



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### Data Products

Meat Price Spreads, <http://www.ers.usda.gov/data-products/meat-price-spreads.aspx>, 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-products/livestock-meat-domestic-data.aspx>, 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

Livestock, Dairy, and Poultry Outlook, <http://www.ers.usda.gov/publications/ldpm-livestock,-dairy,-and-poultry-outlook.aspx>  
Animal Production and Marketing Issues, <http://www.ers.usda.gov/topics/animal-products/animal-production-marketing-issues.aspx>  
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WASDE, <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>

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U.S. red meat and poultry forecasts

	2010					2011					2012					2013				
	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	6,248	6,546	6,768	6,741	26,305	6,410	6,559	6,736	6,490	26,195	6,283	6,475	6,584	<b>6,530</b>	<b>25,872</b>	<b>6,105</b>	<b>6,270</b>	<b>6,240</b>	<b>24,585</b>	
Pork	5,607	5,302	5,401	6,126	22,437	5,719	5,370	5,484	6,186	22,758	5,858	5,519	5,631	<b>6,170</b>	<b>23,178</b>	<b>5,710</b>	<b>5,400</b>	<b>5,545</b>	<b>22,775</b>	
Lamb and mutton	43	40	39	42	164	36	40	36	37	149	39	39	39	<b>39</b>	<b>156</b>	<b>38</b>	<b>38</b>	<b>37</b>	<b>151</b>	
Broilers	8,733	9,198	9,496	9,484	36,910	9,290	9,509	9,542	8,860	37,201	9,090	9,377	9,372	<b>9,100</b>	<b>36,939</b>	<b>9,000</b>	<b>9,035</b>	<b>9,135</b>	<b>36,445</b>	
Turkeys	1,340	1,383	1,415	1,506	5,644	1,402	1,471	1,423	1,495	5,791	1,446	1,505	1,480	<b>1,550</b>	<b>5,981</b>	<b>1,390</b>	<b>1,450</b>	<b>1,410</b>	<b>5,790</b>	
Total red meat & poultry	22,122	22,626	23,291	24,058	92,097	23,011	23,113	23,396	23,225	92,745	22,868	23,083	23,272	<b>23,543</b>	<b>92,766</b>	<b>22,390</b>	<b>22,357</b>	<b>22,531</b>	<b>90,377</b>	
Table eggs, mil. doz.	1,610	1,626	1,645	1,666	6,547	1,624	1,634	1,646	1,686	6,590	1,653	1,642	1,668	<b>1,715</b>	<b>6,678</b>	<b>1,650</b>	<b>1,660</b>	<b>1,645</b>	<b>6,630</b>	
<b>Per capita disappearance, retail lb 2/</b>																				
Beef	14.6	15.1	15.3	14.6	59.6	14.1	14.6	14.7	14.0	57.3	14.0	14.7	14.5	<b>14.3</b>	<b>57.5</b>	<b>13.7</b>	<b>14.0</b>	<b>13.8</b>	<b>54.9</b>	
Pork	11.8	11.4	11.7	12.8	47.8	11.4	11.1	11.0	12.2	45.7	11.1	10.9	11.2	<b>12.2</b>	<b>45.5</b>	<b>11.1</b>	<b>10.8</b>	<b>11.1</b>	<b>44.5</b>	
Lamb and mutton	0.2	0.2	0.2	0.2	0.9	0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.2	<b>0.2</b>	<b>0.8</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.9</b>	
Broilers	20.1	20.5	21.4	20.4	82.4	21.5	21.5	20.8	19.1	82.9	20.1	20.4	20.3	<b>19.7</b>	<b>80.4</b>	<b>19.8</b>	<b>19.6</b>	<b>19.6</b>	<b>79.1</b>	
Turkeys	3.5	3.6	4.1	5.2	16.4	3.5	3.5	4.0	5.0	16.1	3.5	3.6	4.1	<b>5.1</b>	<b>16.3</b>	<b>3.5</b>	<b>3.6</b>	<b>4.1</b>	<b>16.0</b>	
Total red meat & poultry	50.7	51.2	53.3	53.7	208.9	51.3	51.3	51.0	51.0	204.6	49.3	50.3	50.6	<b>51.9</b>	<b>202.2</b>	<b>48.8</b>	<b>48.5</b>	<b>48.8</b>	<b>197.1</b>	
Eggs, number	61.5	61.4	62.2	62.8	247.9	61.1	61.3	62.2	63.1	247.6	62.1	60.8	61.8	<b>63.2</b>	<b>248.0</b>	<b>61.5</b>	<b>61.6</b>	<b>61.1</b>	<b>248.1</b>	
<b>Market prices</b>																				
Choice steers, 5-area Direct, \$/cwt	89.44	96.33	95.47	100.28	95.38	110.07	112.79	114.05	121.99	114.73	125.29	121.91	119.69	<b>124-127</b>	<b>122.85</b>	<b>123-129</b>	<b>123-133</b>	<b>125-135</b>	<b>124-134</b>	
Feeder steers, Ok City, \$/cwt	98.73	112.65	112.29	113.55	109.31	127.20	131.09	134.74	141.93	133.74	152.81	150.05	139.31	<b>141-144</b>	<b>146.17</b>	<b>140-146</b>	<b>139-149</b>	<b>144-154</b>	<b>143-153</b>	
Cutter Cows, National L.E., \$/cwt	51.79	58.79	58.90	54.93	56.10	68.66	74.88	66.11	63.54	68.30	76.57	83.51	76.94	<b>73-74</b>	<b>77.63</b>	<b>75-79</b>	<b>78-84</b>	<b>78-84</b>	<b>78-82</b>	
Choice slaughter lambs, San Angelo, \$/cwt	103.87	106.17	115.57	141.62	116.81	174.66	157.99	161.13	148.61	160.60	145.33	127.08	89.28	<b>91-94</b>	<b>113.55</b>	<b>102-108</b>	<b>95-105</b>	<b>95-105</b>	<b>97-107</b>	
Barrows & gilts, N. base, l.e. \$/cwt	50.41	59.80	60.13	50.11	55.06	59.94	68.80	71.06	64.66	66.11	61.68	61.79	61.43	<b>59-60</b>	<b>61.10</b>	<b>61-65</b>	<b>66-72</b>	<b>66-72</b>	<b>63-67</b>	
Broilers, 12 City, cents/lb	82.20	85.00	84.50	80.00	82.90	77.90	82.60	78.80	76.80	79.00	87.20	85.9	82.7	<b>91-92</b>	<b>86.8</b>	<b>90-94</b>	<b>88-96</b>	<b>87-95</b>	<b>88-94</b>	
Turkeys, Eastern, cents/lb	75.60	84.40	97.90	103.70	90.40	90.20	99.90	106.40	111.60	102.00	100.70	106.9	108.5	<b>105-108</b>	<b>105.7</b>	<b>96-100</b>	<b>100-108</b>	<b>104-112</b>	<b>101-109</b>	
Eggs, New York, cents/doz.	126.00	82.80	93.10	123.20	106.30	105.80	106.60	117.70	131.20	115.30	108.70	99.7	131.9	<b>130-133</b>	<b>118.0</b>	<b>120-126</b>	<b>106-114</b>	<b>104-112</b>	<b>113-121</b>	
<b>U.S. trade, million lb</b>																				
Beef & veal exports	478	585	590	646	2,299	633	702	766	683	2,785	558	625	651	<b>635</b>	<b>2,469</b>	<b>595</b>	<b>650</b>	<b>630</b>	<b>2,450</b>	
Beef & veal imports	573	690	598	436	2,297	461	593	548	454	2,057	582	669	516	<b>475</b>	<b>2,242</b>	<b>640</b>	<b>695</b>	<b>670</b>	<b>2,620</b>	
Lamb and mutton imports	47	46	31	42	166	49	48	31	34	162	37	38	38	<b>41</b>	<b>154</b>	<b>45</b>	<b>40</b>	<b>35</b>	<b>165</b>	
Pork exports	1,046	1,081	951	1,146	4,224	1,248	1,200	1,261	1,481	5,189	1,444	1,302	1,252	<b>1,450</b>	<b>5,448</b>	<b>1,400</b>	<b>1,325</b>	<b>1,260</b>	<b>5,445</b>	
Pork imports	199	204	237	219	859	201	195	194	213	803	207	191	198	<b>210</b>	<b>806</b>	<b>205</b>	<b>195</b>	<b>200</b>	<b>800</b>	
Broiler exports	1,469	1,699	1,643	1,954	6,765	1,527	1,588	1,978	1,879	6,971	1,737	1,791	1,867	<b>1,800</b>	<b>7,195</b>	<b>1,725</b>	<b>1,700</b>	<b>1,825</b>	<b>7,050</b>	
Turkey exports	114	136	158	174	582	159	171	173	199	703	181	185	216	<b>195</b>	<b>777</b>	<b>170</b>	<b>170</b>	<b>175</b>	<b>690</b>	
Live swine imports (thousand head)	1,446	1,408	1,479	1,416	5,749	1,452	1,429	1,407	1,508	5,795	1,441	1,444	1,387	<b>1,445</b>	<b>5,717</b>	<b>1,375</b>	<b>1,350</b>	<b>1,350</b>	<b>5,530</b>	

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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12/11/2010



## Dairy Forecasts

	2011			2012					2013			
	III	IV	Annual	I	II	III	IV	Annual	I	II	III	Annual
Milk cows (thous.)	9,200	9,216	9,194	9,254	9,257	9,215	9,175	9,225	9,145	9,135	9,125	9,130
Milk per cow (pounds)	5,292	5,279	21,346	5,513	5,562	5,285	5,280	21,640	5,430	5,610	5,425	21,880
<b>Milk production (bil. pounds)</b>	48.7	48.7	196.2	51.0	51.5	48.7	48.4	199.7	49.7	51.2	49.5	199.7
Farm use	0.2	0.2	1.0	0.2	0.2	0.2	0.2	1.0	0.2	0.2	0.2	1.0
Milk marketings	48.4	48.4	195.3	50.8	51.2	48.5	48.2	198.7	49.4	51.0	49.3	198.8
<b>Milkfat (bil. pounds milk equiv.)</b>												
Milk marketings	48.4	48.4	195.3	50.8	51.2	48.5	48.2	198.7	49.4	51.0	49.3	198.8
Beginning commercial stocks	13.2	12.3	10.8	10.9	13.3	14.3	12.8	10.9	10.8	12.6	14.6	10.8
Imports	0.8	1.2	3.5	0.9	0.9	1.0	1.2	3.9	0.9	0.9	0.9	3.8
Total supply	62.4	62.0	209.6	62.5	65.4	63.8	62.2	213.5	61.1	64.5	64.8	213.4
Commercial exports	2.2	2.1	9.4	2.2	2.8	2.0	1.9	8.9	2.1	2.3	2.4	8.9
Ending commercial stocks	12.3	10.9	10.9	13.3	14.3	12.8	10.8	10.8	12.6	14.6	13.3	10.7
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	47.9	49.0	189.2	47.1	48.3	48.9	49.5	193.8	46.4	47.7	49.1	193.8
<b>Skim solids (bil. pounds milk equiv.)</b>												
Milk marketings	48.4	48.4	195.3	50.8	51.2	48.5	48.2	198.7	49.4	51.0	49.3	198.8
Beginning commercial stocks	12.7	12.2	12.2	11.8	12.5	12.2	11.3	11.8	11.1	11.6	12.2	11.1
Imports	1.3	1.4	5.3	1.4	1.4	1.5	1.5	5.8	1.4	1.3	1.3	5.4
Total supply	62.4	62.0	212.7	64.0	65.2	62.1	61.0	216.3	61.9	63.9	62.8	215.2
Commercial exports	8.3	8.2	32.5	8.3	9.0	8.4	8.1	33.8	8.1	8.4	8.4	33.2
Ending commercial stocks	12.2	11.8	11.8	12.5	12.2	11.3	11.1	11.1	11.6	12.2	11.2	11.2
Net removals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial use	41.9	42.0	168.3	43.2	44.0	42.4	41.9	171.4	42.1	43.4	43.2	170.9
<b>Milk prices (dol./cwt) 1/</b>												
All milk	21.67	20.07	20.14	17.97	16.40	18.20	21.45	18.50	19.40	19.15	18.85	19.15
							-21.65	-18.60	-19.90	-19.95	-19.85	-19.95
Class III	20.71	18.62	18.37	16.28	15.53	17.80	20.05	17.40	17.95	18.20	17.95	18.00
							-20.25	-17.50	-18.45	-19.00	-18.95	-18.80
Class IV	20.00	17.72	19.04	15.94	13.86	15.87	18.25	15.95	17.45	17.15	16.65	17.00
							-18.55	-16.15	-18.05	-18.05	-17.75	-17.90
<b>Product prices (dol./pound) 2/</b>												
Cheddar cheese	2.041	1.799	1.825	1.559	1.547	1.773	1.940	1.700	1.740	1.770	1.750	1.750
							-1.960	-1.710	-1.790	-1.850	-1.850	-1.830
Dry whey	0.570	0.636	0.533	0.646	0.544	0.541	0.630	0.590	0.615	0.605	0.595	0.600
							-0.650	-0.600	-0.645	-0.635	-0.625	-0.630
Butter	2.030	1.728	1.950	1.499	1.409	1.684	1.785	1.585	1.620	1.625	1.565	1.595
							-1.825	-1.615	-1.700	-1.735	-1.695	-1.705
Nonfat dry milk	1.578	1.461	1.506	1.368	1.170	1.269	1.495	1.320	1.480	1.440	1.415	1.440
							-1.515	-1.340	-1.520	-1.500	-1.485	-1.500

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/dyfmoms/mib/fedordprc\\_dscrp.htm](http://www.ams.usda.gov/dyfmoms/mib/fedordprc_dscrp.htm)

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