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# Livestock, Dairy, and Poultry Outlook

Rachel J. Johnson  
[rjohnson@ers.usda.gov](mailto:rjohnson@ers.usda.gov)

## Growth in Pork Exports Continues

### Contents

[Beef/Cattle](#)  
[Beef/Cattle Trade](#)  
[Pork/Hogs](#)  
[Poultry](#)  
[Poultry Trade](#)  
[Sheep/Lamb](#)  
[Dairy](#)  
[Contacts and Link](#)

### Tables

[Red Meat and Poultry](#)  
[Dairy Forecast](#)

### Web Sites

[Animal Production and Marketing Issues](#)  
[Cattle](#)  
[Dairy](#)  
[Hogs](#)  
[Poultry and Eggs](#)  
[WASDE](#)

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Tables will be released  
on June 26, 2012

The next newsletter  
release is July 17, 2012

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Approved by the  
World Agricultural  
Outlook Board.

**Beef/Cattle:** Producers are beginning to market calves and beef cows at increasing levels as pasture and range conditions begin to deteriorate. Projected cattle feeding margins are increasingly negative at current price levels. Packer margins are currently positive, but declining byproduct values are adversely affecting them.

**Beef/Cattle Trade:** U.S. beef exports through April were 11 percent below year-earlier levels; beef imports were 22 percent higher through the same period.

**Pork/Hogs:** Slight reductions in second-quarter slaughter are expected to be more than offset by year-over-year higher estimated average dressed weights. Second-quarter hog prices are expected to be almost 14 percent below a year ago. For 2012, hog prices are expected to lag last year by almost 9 percent. April pork exports—at 451 million pounds—were 7 percent larger than a year ago

**Poultry:** Broiler meat production in April 2012 was 2.99 billion pounds, an increase of 0.7 percent from the previous year. The broiler meat production estimates for both the second and third quarters of 2012 were revised upward to 9.3 billion pounds. The forecasts for the second, third, and fourth quarters of 2012 ending stocks were all increased by 25 million pounds. The estimate for turkey meat production in second-quarter 2012 was increased by 25 million pounds to 1.53 billion, 4 percent higher than the previous year.

**Poultry Trade:** April 2012 broiler and turkey shipments were up from a year ago. Broiler shipments totaled 598 million pounds, an increase of 20 percent from April 2011 shipments. Turkey shipments totaled 64 million pounds, a 22-percent increase from last year.

**Sheep/Lamb:** Prices have declined throughout the early spring, with declines expected to continue well into the summer months. Lower prices are due to both softer demand and an increase in the number of overfinished slaughter animals.

**Dairy:** Milk production continues a slow rise, and herd reduction may be more modest than earlier forecast; milk per cow continues to rise. Producer margins could improve as feed costs fall. Milk and product prices remain steady as continued exports offset production gains.

### *Cattle and Beef Prices May Have Reached a Temporary Peak*

Dry conditions are spreading to the North and West and expanding in the Southeastern United States, causing consternation among crop and livestock producers as far north as the Corn Belt and increasing the flow of lighter cattle off pastures. Drought-induced feeder cattle exports from Mexico are entering the United States at a higher rate than they were at this point in 2011. Although well below 2011 levels year-over-year, weekly estimates of federally inspected other (beef) cow slaughter have also increased from mid-April lows.

While yearling and fed cattle markets have been steady-to-higher in recent weeks despite negative cash margins for cattle feeders, prices/markets for lighter and younger calves are becoming unsteady at best, reflecting the rapidly deteriorating summer pasture conditions. Cow prices have also begun to slip somewhat as post-calving-season culling gets under way and pasture and hay conditions deteriorate.

Projected cattle feeding costs through August 2012 range from the low \$130s per cwt to the low \$140s. At current fed cattle prices, these costs indicate margins that are well into negative territory, with projected losses of over \$200 per head (High Plains Cattle Feeding <http://www.ers.usda.gov/publications/ldp/LDPTables.htm>).

Wholesale Choice beef cutout values have again increased, approaching previous record levels of almost \$200 per cwt. However, prices for 50-percent lean beef are again approaching the low levels reached just after the publicity concerning Lean Finely Textured Beef, and AMS-reported weekly 5-day moving average byproduct values have slipped by more than 5 percent since early May. Processing beef prices also may have reached a temporary peak and could decline over the next quarter, although the longer term outlook for all beef remains positive due to declining inventories and prospects for lower feed grain prices this fall.

### *Lower Beef Exports and Higher Imports Thus Far in 2012*

U.S. beef exports through April were 11 percent below year-earlier levels as quantities shipped to most U.S. trading partners have declined. Exports to Japan, Canada, and Mexico through April were 7, 6, and 9 percent lower year-over-year. Exports to South Korea and Hong Kong were 32 and 18 percent lower year-over-year. A tighter U.S. beef supply and a relatively stronger U.S. dollar than in most of 2011 have largely been behind the export reductions to date. Export levels to Egypt and Vietnam, however, were 19 and 40 percent higher through the same period. U.S. beef exports for 2012 are forecast at 2.6 billion pounds and are expected to be 1 percent higher in 2013.

U.S. beef imports through April 2012 were 22 percent higher than year-earlier levels. Year-over-year imports from Australia through April were 74 percent higher, while imports from New Zealand and Canada have demonstrated only moderate growth of 3 and 9 percent. Although much smaller quantities of beef are imported from Mexico and Uruguay, the percentage growth year-over-year from these two countries is 37 and 43 percent, respectively. U.S. beef imports for 2012 are forecast at 2.4 billion pounds and are expected to be 7 percent higher in 2013 at 2.6 billion pounds.

## Pork/Hogs

### *Higher Average Dressed Weights Offset Slight Slaughter Reduction in Second Quarter*

USDA lowered second-quarter commercial production slightly, based on lower than expected weekly kill numbers. Small reductions in weekly slaughter could be a packer response to recent weak margins but could also reflect tighter hog supplies. However, higher estimated dressed weights largely offset lower slaughter numbers. The upcoming Hogs and Pigs Report, to be released June 29<sup>th</sup>, will provide further information on hog supplies. Second-quarter 2012 commercial pork production is expected to be 5.5 billion pounds, 3.3 percent ahead of the same period last year. For 2012, the U.S. pork sector is expected to slaughter almost 2 percent more hogs, at higher dressed weights than last year. Both of these factors contribute to a 2012 commercial pork production forecast of 23.4 billion pounds, almost 2.7 percent above production in 2011. Second-quarter average prices for live equivalent 51-52 percent lean hogs are expected to be \$59-\$60, almost 14 percent below the same time last year. For 2012, the expected average hog price is \$59-\$61 per cwt, almost 9 percent below 2011.

### *Pork Exports Solid in April*

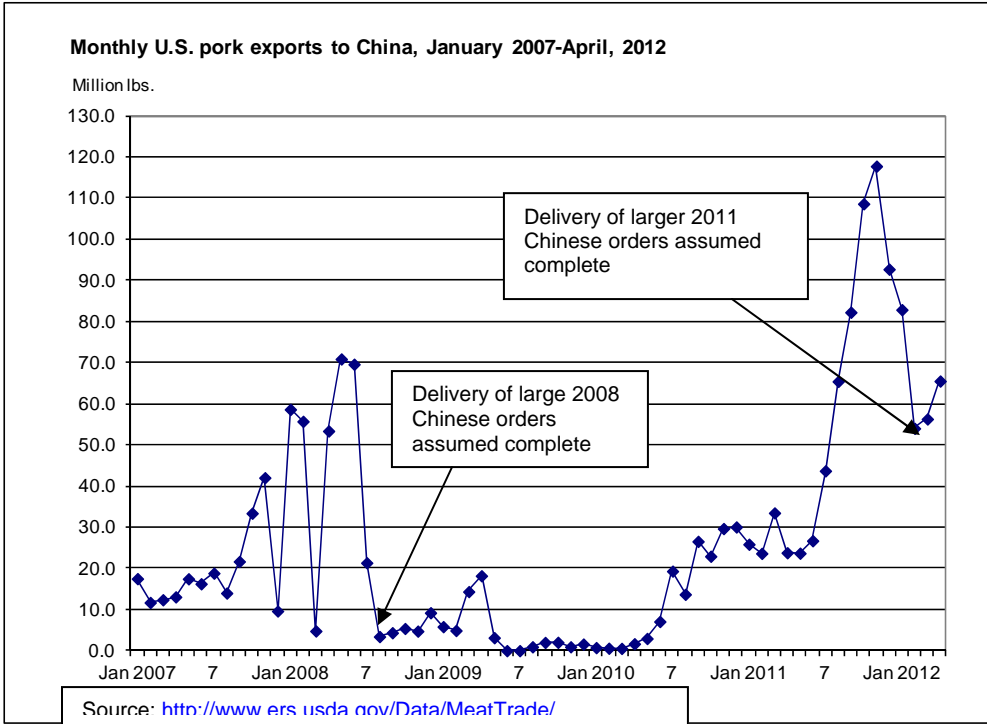
U.S. pork exports in April were 451 million pounds, almost 7 percent higher than a year ago. The 10 largest destination countries in for U.S. pork are listed below.

**Ten largest destination countries for April U.S. pork exports: 2012, 2011, and year-to-date.**

Country	April 2012	April 2011	Percent chg. year-over-year	Jan.-Apr. 2012	Jan.-Apr. 2011	Percent chg. Year-over-year
	million lbs.	million lbs.		million lbs.	million lbs.	
World	451	421	6.9	1,894	1,669	13.5
1 Japan	120	127	-6.2	495	491	0.9
2 Mexico	88	66	31.8	397	336	18.3
3 China	66	24	175.5	259	107	142.3
4 Canada	39	43	-7.9	175	149	17.6
5 S. Korea	37	61	-39.5	185	234	-21.1
6 Russia	32	22	41.6	77	52	46.7
7 Australia	14	19	-29.2	72	74	-3.4
8 Hong Kong	12	11	11.9	60	41	44.7
9 Philippines	8	9	-7.5	28	38	-26.3
10 Honduras	5	4	20.8	20	22	-8.9

Source: <http://www.ers.usda.gov/Data/MeatTrade/>

Continued strong Mexican demand for U.S. pork likely reflects the tight Mexican feed grains balance sheet. In the case of Russia, continued trade disputes with Brazil are likely a factor driving Russian demand for U.S. pork. Chinese imports of U.S. pork products in April were almost three times higher than a year ago. Assuming that Chinese orders for U.S. pork placed in fall 2011 were shipped by the end of first-quarter 2012, it appears that China is maintaining a more pronounced profile in the U.S. pork market than in the past several years. After the first half of 2008, when China had taken delivery of a large set of purchases, its demand for U.S. pork fell dramatically and persisted at very low levels until mid-2010. Given the volume of recent purchases however, Chinese imports of U.S. pork appear to have stabilized at a much higher level than in the past.



### *Broiler Meat Production Up in April*

Total broiler meat production in April 2012 was 2.99 billion pounds, an increase of 0.7 percent from the previous year. Broiler meat production has been mixed in 2012, with higher production in February and April and lower production in January and March. Processors reported slaughtering 683 million broilers in April, a decrease of 0.5 percent from the previous year. Offsetting this decrease in the number of birds slaughtered was an increase in the average broiler liveweight at slaughter to 5.84 pounds, 1.4 percent higher than the previous year. The average meat yield per bird was 4.38 pounds, up 1.2 percent from a year earlier.

The broiler meat production estimates for both the second and third quarters of 2012 were revised upward as the decline in eggs set diminishes and weights continue to increase. The estimate for the second quarter was increased by 200 million pounds to 9.3 billion, and the third-quarter estimate was increased by 100 million pounds, also to 9.3 billion. With these changes and a small adjustment to the first-quarter production, the estimate for 2012 was increased to 36.89 billion pounds, down slightly (0.8 percent) from 2011. The increases in broiler meat production in the second and third quarters are expected to come from a combination of a higher number of birds slaughtered than originally expected and higher average weights.

The number of broiler chicks being placed for growout continues to be lower than the previous year. Over the last 5 weeks (May 5 to June 2, 2011), the average number of chicks placed per week was 166 million, down 3.6 percent from the same period in 2011. This level of chick placements, along with a slightly higher numbers of eggs placed in incubators—although still down 3.0 percent compared with a year earlier—is expected to result in slightly higher broiler meat production in third-quarter 2012 than originally forecast.

Broiler stocks at the end of April totaled 577 million pounds, down 18 percent from the previous year but 30 million pounds above March. Ending stocks for first-quarter 2011 were revised lower by about 2 million pounds to 547 million pounds, 17 percent below a year earlier. Lower broiler meat production in the second half of 2011 and through the first quarter of 2012, along with strong exports, resulted in falling stock levels. Broiler stock levels are expected to increase somewhat in the coming months to accommodate increases in production estimates. The forecasts for the second-, third-, and fourth-quarter 2012 ending stocks were all increased by 25 million pounds. Even with these increases, ending stocks are expected to be below the previous year until fourth-quarter 2012.

At the end of April, broiler stocks were down in all the categories reported in the Cold Storage report. Stocks of whole birds were reported at 15.1 million pounds, down 28 percent from the previous year, and the amount of breast meat in cold storage was down 18 percent from the previous year. The largest percentage change was for wings, down 47 percent from a year earlier. Stocks of thigh meat, however, were only slightly lower than at the end of April 2011.

With lower production and stock levels in the second half of 2011 carrying over into 2012, wholesale prices for most broiler products rose. However, prices for

many products peaked a week or 2 before Memorial Day and have declined since then. During May, prices for broiler products were higher than the previous year, but the difference was smaller than at the start of 2012. The May price for boneless/skinless breast meat in the Northeast market, \$1.45 per pound, was 11 percent higher than the previous year, but this year-over-year difference is lower than the January price difference of 16 percent. Prices for leg quarters averaged \$0.53 per pound in May, 7 percent above a year earlier but strongly lower than the January year-over-year difference of 49 percent. One of the few products not following this pattern is broiler wings. In January 2012, wholesale prices for broiler wings were 69 percent higher than the previous year. However, wing prices have not followed their normal seasonal pattern of peaking in early February and then declining. By May, wing prices had only fallen by 7 cents per pound from their January peak and were 120 percent higher than in May 2011. With the upward revisions in production and stocks, most broiler prices are expected to be under some downward price pressure in the coming months.

### ***Turkey Production Higher in April***

Turkey meat production in April was 478 million pounds, up 4.9 percent from a year earlier. Production was boosted by an increase in the number of birds slaughtered, and as with broilers, there was also an increase in average bird weights. In April, the number of birds slaughtered was 19.8 million, 3.8 percent higher than a year earlier, with the average liveweight at slaughter up slightly (0.7 percent) to 30.18 pounds. Turkey meat production for second-quarter 2012 is expected to total just over 1.5 billion pounds, up 4 almost percent from the previous year, and is expected to remain above the previous year through the end of 2012.

Turkey hatchery data show that the number of poult placed for growout has been higher over the first 4 months of 2012, totaling 95.3 million, 4 percent higher than in the same period in 2011. In April, the growth in poult placements was not as strong: 23.8 million, only 2 percent higher than a year earlier. Given these increases, the second-quarter estimate for turkey meat production was raised by 25 million pounds to 1.53 billion, almost 4 percent higher than the previous year. The estimate for all of 2012 is just over 6 billion pounds, also an increase of almost 4-percent from 2011.

With higher turkey meat production in first-quarter 2012, cold storage holdings of turkey expanded to 375 million pounds, 15 percent higher than the previous year. This pattern has continued in April, with turkey stocks at the end of the month totaling 439 million pounds, up 20 percent from April 2011. Stocks of whole birds accounted for just under 50 percent of the total, 207 million pounds, and were up 14 percent from a year earlier. The remaining 232 million pounds were turkey parts, which were 27 percent higher than the previous year. With turkey production expected to be above the previous year through fourth-quarter 2012, turkey ending-stocks estimates were increased for the second quarter by 25 million pounds to 575 million pounds and for the fourth quarter by 25 million pounds to 250 million pounds.

With higher production and stocks, prices for turkey parts have been under some downward pressure. In May, prices for most turkey parts were down from the previous year, and many had declined considerably from the beginning of the year.



While prices for turkey parts have been declining, prices for whole birds continue to be higher than the previous year. May prices for frozen whole hens averaged \$1.08 per pound, 8 percent higher than a year earlier. Prices for frozen whole hens are expected to remain above earlier levels through the end of 2012.

In May, the weekly average wholesale price for turkey breasts was approximately \$1.30 per pound, about even with prices a year earlier. However, weekly drumstick prices in May 2012 were around \$0.68 per pound compared with \$0.81 per pound a year earlier, a decrease of 16 percent. Prices on a year-over-year basis were also lower for turkey wings (full cut) and boneless/skinless breast meat, down approximately 34 and 28 percent.

### ***Egg Production Slightly Higher in April 2012***

During January to April 2012, the number of hens in the U.S. table egg flock averaged slightly higher than during the same period in 2011. In April, the flock was estimated at 284 million birds, up less than 1 percent from the previous year. This small increase in flock size was mostly offset by a small decrease in the rate of lay for table egg birds in April, resulting in an increase in the number of table eggs produced in April of only 0.1 percent (545 million dozen).

The shell egg production estimates for the second and fourth quarters were adjusted slightly. The estimate for second-quarter 2012 was decreased by 10 million dozen to 1.64 billion dozen, a total only slightly higher than in second-quarter 2011. The estimate for fourth-quarter 2012 was increased by 10 million dozen to 1.7 billion, again only a small change from the previous year. These changes leave total 2012 production at 6.64 billion dozen, less than 1 percent higher than in 2011.

Over the first 4 months of 2012, production of hatching eggs totaled 344 million dozen, down 3 percent as a result of lower broiler production. Production of broiler-type eggs was down 4 percent but was partially offset by an increase of 5 percent in the production of egg-type hatching eggs. Total hatching egg production for 2012 is expected to be 1.05 billion dozen, down 2 percent from 2011.

The seasonal decline in shell egg prices following the Easter holiday has not been as large this year as in past years. Prices in the New York market averaged \$1.02 per dozen in April since Easter was early in the month. While weekly prices declined during May, the monthly average was around \$0.92 per dozen, down about 4 cents from the previous year. In early June, weekly prices had risen to about \$1.05 per dozen. The expected price for second-quarter 2012 is \$0.98-\$0.99 per dozen. Wholesale egg prices are expected to increase slightly in the third quarter but then to strengthen seasonally to average \$1.10-\$1.20 in fourth-quarter 2012.

### ***Egg and Egg Product Exports Fall in April***

With relatively strong domestic prices, egg exports continued lower in April, totaling 24.3 million dozen, down 1.7 percent from the previous year. Over the first 4 months of 2012, egg exports totaled 87.3 million dozen, down 5 percent from the same period in 2011. Exports in April to the four largest markets (Canada, Hong Kong, Japan, and Mexico) were mixed. In April, exports to Canada and Hong Kong were up considerably (10 and 24 percent), while exports to Japan were down

59 percent and shipments to Mexico fell 4 percent. Exports of shell eggs, both for hatching and consumption, totaled 10.2 million dozen, 9 percent lower than a year earlier. Exports of egg products totaled the equivalent of 14.1 million dozen, an increase of 4 percent from April 2011.

After reaching 63 million dozen in the first quarter, total exports of eggs and egg products are forecast at 65 million dozen in second-quarter 2012. The estimate for 2012 is 263 million dozen, down 5 percent from the previous year.

## Poultry Trade

### *Broiler Shipments Up in April*

The second quarter of 2012 started off with big broiler shipments in April, totaling 598 million pounds, 20 percent larger than last April. There were sizable differences in shipments to most of the U.S. major broiler markets compared with a year ago. Shipments to Mexico, the largest U.S. broiler market, were up almost 21 million pounds in April from a year earlier, while exports to Russia, the second largest U.S. market, increased 140 percent from a year ago. Shipments to other broiler markets such as Canada, Cuba, and Taiwan, also rose considerably over the same period: Canada by 42 percent, Cuba by 82 percent, and Taiwan by 81 percent. The key reason for this surge in broiler shipments is a strong international demand for U.S. broiler meat in spite of relatively high leg-quarter prices. Leg-quarter prices averaged 53.2 cents per pound in April compared with 46.8 cents per pound last year.

### *Turkey Shipments Continue Strong in April*

Turkey shipments in April 2012 increased 22 percent from a year earlier. A total of 64 million pounds of turkey meat was shipped abroad. The primary reason for the increase in the turkey shipments is a healthy demand for U.S. turkey meat. Mexico accounted for over 51 percent (33 million pounds) of U.S. total turkey shipments. China, the second largest U.S. turkey market, increased its imports of U.S. turkey meat by 44 percent. Other major turkey destinations, such as Hong Kong and The Philippines, were not strong contributors to the U.S. expansion in turkey shipments. Of these two countries, Hong Kong had the larger increase from last year, 1.57 million pounds, while shipments to Philippines increased by 1.39 million pounds.

## Sheep/Lamb

### *Softer Lamb Demand Results in Lower Prices*

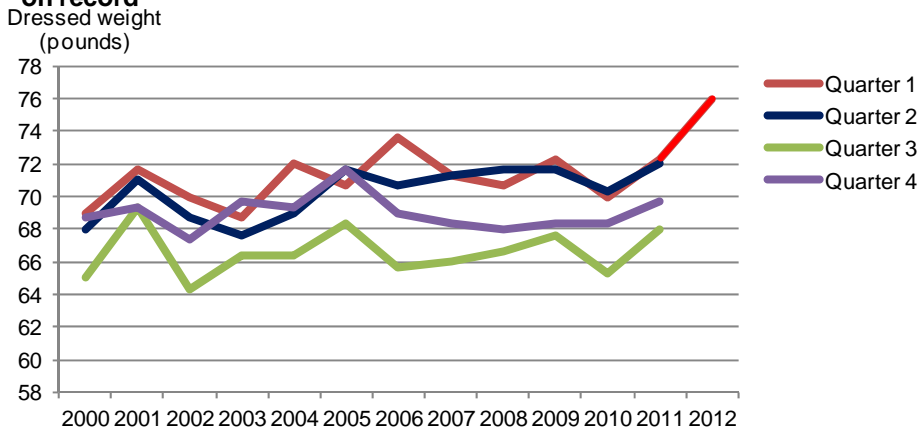
Price declines seen throughout the early spring are expected to continue well into the summer months. The lower prices are due to both softer demand and an increase in the number of overfinished slaughter animals. It is normal for lamb and mutton demand to exhibit a seasonal decline in late spring as the boost due to the Easter and Passover holidays dissipates. This year, the consumption boost from these holidays was not as pronounced as in previous years, resulting in a backlog of market lambs in feedlots. The problem was compounded by the fact that fed lambs utilized food more efficiently during the relatively mild winter, causing them to gain weight at a faster than normal rate. In addition, higher hay prices in late 2011 resulted in some animals being placed on feed earlier than they normally would have been. This resulted in record heavy weights of slaughter lambs, which continue to persist in the industry.

Dressed weights are normally highest in the first quarter each year, and slaughter sheep and lambs averaged 76 pounds in the first quarter of 2012, 2 pounds higher than the record high of 74 pounds in the 2006 first quarter. As of the end of May, the average dressed weights were even higher at 78 pounds, 7 pounds above the 2011 average weight. The higher weights appear to have a negative impact on prices. The Choice slaughter lamb price at San Angelo, Texas for May was \$128.50 per cwt, down \$8.25 from April.

Despite the softer demand, lamb and mutton production is still relatively strong, in part due to the higher than normal average dressed weights of slaughter animals. However, lamb meat held in cold storage in May was up 46 percent year-over-year. First-quarter 2012 commercial production was 39 million pounds, 8 percent above first-quarter 2011. Production declined slightly in April and May, however. Commercial lamb and mutton production in April was 12.9 million pounds, with similar production volumes estimated for May. Second-quarter commercial lamb and mutton production is forecast at 37 million pounds, below the 40 million pounds a year earlier. Despite lower production, the second-quarter 2012 Choice slaughter lamb price is forecast to average \$128-\$130 per cwt, about 18 percent below the same period a year earlier as soft demand pressures the market.

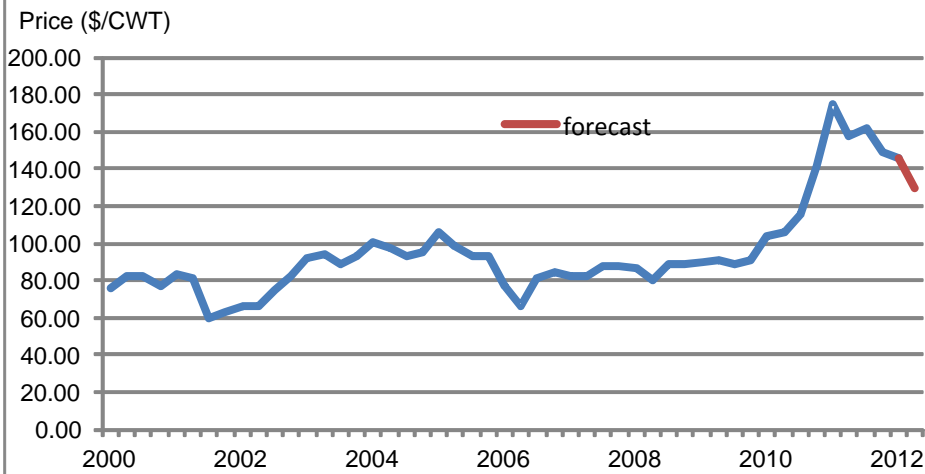
First-quarter 2012 imports of lamb and mutton came in at 37 million pounds, 26 percent below the same period in 2011, possibly reflecting the softer lamb demand. Imports in April were also down, coming in at 13 million pounds, nearly 29 percent below April 2011. Second-quarter imports are forecast at 34 million pounds, again down by nearly 29 percent from the second quarter of 2011. The softer domestic lamb demand, coupled with the strength of the Australian and New Zealand currencies relative to the U.S. dollar, may be contributing to the reduced U.S. imports.

**Lamb and mutton dressed weight in 2012 is the highest on record**



Source: Livestock Slaughter, National Agricultural Statistics Service, USDA, Various Issues, 1995-2012

**Slaughter lamb prices have declined since the 2011 first-quarter highs**



Source: National Agricultural Statistics Service, USDA, Various Issues, 2000-2012

### *Exports Buoy Prices as Herd Liquidation Appears Slowed*

The corn supply and use table is unchanged in June from last month. Projected corn prices also remain unchanged from May at \$4.20 to \$5.00 per bushel for 2012/13. This forecast price is sharply lower than the projected \$5.95 to \$6.25 per bushel price expected for 2011/12. Similarly, soybean meal prices are forecast lower in 2012/13 at \$335 to \$365 per ton, offering some potential relief for dairy producers after the 2011/12 projected \$360 per ton price. Preliminary alfalfa hay prices were posted at \$215 per ton according to the May Agricultural Prices report. This price is above April's reported price and well above the May 2011 reported price. While there are still lingering effects of last year's drought, pasture conditions have improved in parts of the United States, which could lead to lower forage prices for the upcoming season. The improved feed outlook could lead to a higher milk-feed price ratio later in 2012 and into 2013.

For June, the number of milk cows was raised to 9,235 thousand head for the current year and remains unchanged at 9,170 thousand head for 2013. While some dairy herd liquidation is expected, the improved feed outlook may improve producer margins enough to moderate the expected decline in dairy herd size this year. Continued good weather will likely boost milk output to 21,890 pounds per cow, a slight increase from May projections. Milk per cow is forecast at 22,100 in 2013, unchanged from May. The result is a projected 202.2 billion pounds of milk production in 2012, an uptick from last month's projection, and to 202.6 billion pounds of milk forecast in 2013, unchanged from May.

Fat-basis milk equivalent imports remain unchanged for June at 3.3 billion pounds for both 2012 and 2013. On a skim-solids basis, milk equivalent imports were lowered this month to 5.0 billion pounds for this year and to 4.9 billion pounds in 2013. Robust first-quarter imports of casein and milk protein concentrates (MPC) are expected to diminish over the year in a pattern similar to that of last year. For next year, while imports of MPC's and casein will remain significant, they are expected to decline slightly.

Exports on both a fat- and skim-solid basis were increased for both 2012 and 2013. Fat-basis exports were raised to 8.9 billion pounds for this year and to 9.1 billion pounds for 2013. First-quarter cheese exports, especially to Mexico, have exceeded earlier forecasts and are likely to remain resilient for the remainder of 2012. A continued optimistic outlook for cheese exports is the basis for increasing 2013 fat-basis exports. The fundamentals for skim-solids exports are similar. First-quarter skim-solid exports exceeded expectations, largely as a result of strong nonfat dry milk (NDM) exports. The higher export pace is expected to continue for the balance of 2012 and into 2013. Skim-solids exports were raised in June to 32.1 billion pounds for this year and to 32.8 billion pounds in 2013.

Rising milk production, and pressure from weaker international prices will act to moderate several of the product prices. Current-year NDM and whey prices were lowered this month, mostly on weaker demand, especially for whey. NDM prices for 2012 were lowered from May to \$1.210 to \$1.250 per pound, but the 2013 price was unchanged from May at \$1.320 to \$1.390 per pound. Whey prices were lowered to 54.0 to 56.0 cents per pound for the current year and were unchanged for

2013 at 55.5 to 58.5 cents per pound. The 2012 butter price range was narrowed this month from May's estimate to \$1.430 to \$1.500, as higher current quarter prices are expected to be offset by lower prices toward the end of the year. The 2013 price forecast was unchanged from May at \$1.465 to \$1.595 per pound. Cheese prices are forecast at \$1.565 to \$1.605 per pound this year. The lower end of the range was raised as exports continued strong. The cheese price is forecast at \$1.600 to \$1.700 per pound in 2013, unchanged from last month. The Class III milk price was lowered to \$15.75 to \$16.15 per cwt and is forecast unchanged at \$16.20 to \$17.20 per cwt in 2013. The Class IV price was trimmed to \$14.35 to \$14.85 per cwt for 2012 and is unchanged for next year at \$15.40 to \$16.50 per cwt. The change in the Class prices mainly reflects the softness in the dry product prices. The all milk price was lowered to \$16.85 to \$17.25 per cwt this year and is unchanged at \$17.25 to \$18.25 per cwt for next year. Any improvement in producer margins will come mostly from lower feed prices later, with additional support from higher milk prices later in 2013.

## Contacts and Links

### Contact Information

Rachel J. Johnson (coordinator, cattle/beef trade, and veal)	(202) 694-5187	<a href="mailto:rjohnson@ers.usda.gov">rjohnson@ers.usda.gov</a>
Christopher Davis (poultry trade)	(202) 694-5167	<a href="mailto:chrisdavis@ers.usda.gov">chrisdavis@ers.usda.gov</a>
Mildred M. Haley (hogs/pork)	(202) 694-5176	<a href="mailto:mhaley@ers.usda.gov">mhaley@ers.usda.gov</a>
David J. Harvey (poultry, eggs)	(202) 694-5177	<a href="mailto:djharvey@ers.usda.gov">djharvey@ers.usda.gov</a>
David J. Harvey (Aquaculture)	(202) 694-5177	<a href="mailto:djharvey@ers.usda.gov">djharvey@ers.usda.gov</a>
Roger Hoskin (dairy)	(202) 694-5148	<a href="mailto:rhoskin@ers.usda.gov">rhoskin@ers.usda.gov</a>
Keithly Jones (sheep and goats)	(202) 694-5172	<a href="mailto:kjones@ers.usda.gov">kjones@ers.usda.gov</a>
Ken Mathews (cattle)	(202) 694-5183	<a href="mailto:kmathews@ers.usda.gov">kmathews@ers.usda.gov</a>
Laverne Creek(web publishing)	(202) 694-5191	<a href="mailto:lmcreek@ers.usda.gov">lmcreek@ers.usda.gov</a>

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### Data Products

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

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

### Related Websites

Livestock, Dairy, and Poultry Outlook, <http://www.ers.usda.gov/Publications/ldp/>  
Animal Production and Marketing Issues, <http://www.ers.usda.gov/briefing/AnimalProducts/>  
Cattle, <http://www.ers.usda.gov/briefing/cattle/>  
Dairy, <http://www.ers.usda.gov/briefing/dairy/>  
Hogs, <http://www.ers.usda.gov/briefing/hogs/>  
Poultry and Eggs, <http://www.ers.usda.gov/briefing/poultry/>  
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	Annual
<b>Production, million lb</b>																	
Beef	6,248	6,547	6,768	6,741	26,304	6,411	6,559	6,737	6,492	26,199	6,283	<b>6,490</b>	<b>6,425</b>	<b>5,890</b>	<b>25,088</b>	<b>6,010</b>	<b>24,575</b>
Pork	5,607	5,301	5,401	6,126	22,437	5,720	5,371	5,483	6,186	22,759	5,858	<b>5,550</b>	<b>5,645</b>	<b>6,315</b>	<b>23,368</b>	<b>5,925</b>	<b>23,855</b>
Lamb and mutton	43	40	39	42	164	36	40	36	37	149	40	<b>38</b>	<b>36</b>	<b>37</b>	<b>152</b>	<b>39</b>	<b>150</b>
Broilers	8,732	9,198	9,496	9,484	36,911	9,290	9,509	9,542	8,860	37,201	9,090	<b>9,300</b>	<b>9,300</b>	<b>9,200</b>	<b>36,890</b>	<b>9,200</b>	<b>37,500</b>
Turkeys	1,339	1,383	1,415	1,506	5,643	1,402	1,471	1,423	1,495	5,791	1,446	<b>1,525</b>	<b>1,460</b>	<b>1,575</b>	<b>6,006</b>	<b>1,475</b>	<b>6,035</b>
Total red meat & poultry	22,057	22,535	23,194	24,059	92,097	23,013	23,114	23,396	23,227	92,750	22,868	<b>23,067</b>	<b>23,031</b>	<b>23,174</b>	<b>92,140</b>	<b>22,798</b>	<b>92,742</b>
Table eggs, mil. doz.	1,611	1,627	1,645	1,667	6,550	1,624	1,634	1,646	1,686	6,590	1,653	<b>1,640</b>	<b>1,650</b>	<b>1,695</b>	<b>6,638</b>	<b>1,630</b>	<b>6,605</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	<b>41.6</b>	<b>14.1</b>	<b>13.0</b>	<b>55.7</b>	<b>13.5</b>	<b>54.4</b>
Pork	11.8	11.4	11.7	12.8	47.7	11.4	11.1	11.0	12.3	45.7	11.1	<b>11.2</b>	<b>11.4</b>	<b>12.5</b>	<b>46.2</b>	<b>11.6</b>	<b>47.1</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	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.8</b>	<b>0.2</b>	<b>0.8</b>
Broilers	20.1	20.5	21.4	20.3	82.3	21.5	21.5	20.8	19.1	82.9	20.1	<b>20.5</b>	<b>20.1</b>	<b>19.9</b>	<b>80.6</b>	<b>20.4</b>	<b>82.0</b>
Turkeys	3.5	3.6	4.1	5.1	16.4	3.5	3.5	4.0	5.1	16.1	3.5	<b>3.6</b>	<b>4.0</b>	<b>5.4</b>	<b>16.5</b>	<b>3.8</b>	<b>16.6</b>
Total red meat & poultry	50.7	51.2	53.2	53.6	208.7	51.3	51.3	51.0	51.1	204.6	49.3	<b>50.6</b>	<b>50.3</b>	<b>51.4</b>	<b>201.6</b>	<b>49.8</b>	<b>202.8</b>
Eggs, number	61.4	61.3	62.0	62.7	247.3	61.1	61.2	62.1	63.1	247.6	62.2	<b>62.1</b>	<b>61.5</b>	<b>61.6</b>	<b>63.2</b>	<b>60.8</b>	<b>245.0</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	<b>120-123</b>	<b>123-129</b>	<b>125-135</b>	<b>123-128</b>	<b>122-132</b>	<b>124-135</b>
Feeder steers, Ok City, \$/cwt	98.73	112.65	112.29	114	109.31	127.20	131.09	134.74	141.93	133.74	152.81	<b>150-153</b>	<b>153-159</b>	<b>153-163</b>	<b>152-157</b>	<b>155-165</b>	<b>155-166</b>
Cutter Cows, National L.E., \$/cwt	51.79	58.79	58.90	54.93	56.1	68.66	74.88	66.11	63.54	68.3	76.57	<b>82-85</b>	<b>78-82</b>	<b>75-80</b>	<b>79-81</b>	<b>77-81</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	148.93	160.68	145.33	<b>128-130</b>	<b>127-133</b>	<b>130-140</b>	<b>131-136</b>	<b>140-150</b>	<b>137-146</b>
Barrows & gilts, N. base, I.e. \$/cwt	50.41	59.60	60.13	50.11	55.06	59.94	68.80	71.06	64.66	66.11	61.68	<b>59-60</b>	<b>61-65</b>	<b>55-59</b>	<b>59-61</b>	<b>56-60</b>	<b>57-61</b>
Broilers, 12 City, cents/lb	82.2	85	84.5	80	82.9	77.9	82.6	78.8	76.8	79	87.2	<b>86-87</b>	<b>84-88</b>	<b>83-89</b>	<b>85-88</b>	<b>82-88</b>	<b>82-89</b>
Turkeys, Eastern, cents/lb	75.6	84.4	97.9	103.7	90.4	90.2	99.9	106.4	111.6	102	100.7	<b>107-110</b>	<b>109-115</b>	<b>109-119</b>	<b>107-111</b>	<b>95-103</b>	<b>99-108</b>
Eggs, New York, cents/doz.	126	82.8	93.1	123.2	106.3	105.8	106.6	117.7	131.2	115.3	108.7	<b>98-99</b>	<b>98-102</b>	<b>110-120</b>	<b>104-108</b>	<b>106-114</b>	<b>100-108</b>
<b>U.S. trade, million lb</b>																	
Beef & veal exports	478	585	590	646	2,299	633	702	769	684	2,788	558	<b>720</b>	<b>700</b>	<b>645</b>	<b>2,623</b>	<b>645</b>	<b>2,650</b>
Beef & veal imports	573	690	598	436	2,297	461	593	548	454	2,056	582	<b>665</b>	<b>635</b>	<b>555</b>	<b>2,437</b>	<b>640</b>	<b>2,620</b>
Lamb and mutton imports	47	46	31	42	166	50	48	31	33	1,633	37	<b>34</b>	<b>30</b>	<b>46</b>	<b>147</b>	<b>45</b>	<b>165</b>
Pork exports	1,046	1,081	951	1,146	4,224	1,247	1,204	1,261	1,481	5,193	1,444	<b>1,290</b>	<b>1,275</b>	<b>1,375</b>	<b>5,384</b>	<b>1,375</b>	<b>5,450</b>
Pork imports	199	204	237	219	859	201	195	194	213	803	2,007	<b>195</b>	<b>200</b>	<b>210</b>	<b>812</b>	<b>205</b>	<b>810</b>
Broiler exports	1,469	1,699	1,643	1,954	6,765	1,530	1,584	1,998	1,878	6,991	1,737	<b>1,700</b>	<b>1,800</b>	<b>1,800</b>	<b>7,037</b>	<b>1,675</b>	<b>6,975</b>
Turkey exports	114	136	158	174	582	160	171	173	199	703	181	<b>180</b>	<b>180</b>	<b>185</b>	<b>726</b>	<b>180</b>	<b>730</b>
Live swine imports (thousand head)	1,446	1,408	1,479	1,416	5,749	1,452	1,429	1,407	1,508	5,796	1,441	<b>1,410</b>	<b>1,405</b>	<b>1,495</b>	<b>5,751</b>	<b>1,450</b>	<b>5,770</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.

For further information, contact: Richard Stillman, (202) 694-5265, [stillman@ers.usda.gov](mailto:stillman@ers.usda.gov)

## Dairy Forecasts

	2011					2012					2013	
	I	II	III	IV	Annual	I	II	III	IV	Annual	I	Annual
Milk cows (thous.)	9,168	9,191	9,200	9,216	9,194	9,254	9,270	9,235	9,190	9,235	9,170	9,170
Milk per cow (pounds)	5,286	5,489	5,292	5,279	21,346	5,510	5,600	5,400	5,380	21,890	5,490	22,100
<b>Milk production (bil. pounds)</b>	<b>48.5</b>	<b>50.4</b>	<b>48.7</b>	<b>48.7</b>	<b>196.2</b>	<b>51.0</b>	<b>51.9</b>	<b>49.9</b>	<b>49.4</b>	<b>202.2</b>	<b>50.3</b>	<b>202.6</b>
Farm use	0.2	0.2	0.2	0.2	1.0	0.2	0.2	0.2	0.2	1.0	0.2	1.0
Milk marketings	48.2	50.2	48.4	48.4	195.3	50.7	51.7	49.6	49.2	201.2	50.1	201.6
<b>Milkfat (bil. pounds milk equiv.)</b>												
Milk marketings	48.2	50.2	48.4	48.4	195.3	50.7	51.7	49.6	49.2	201.2	50.1	201.6
Beginning commercial stocks	10.8	12.0	13.2	12.3	10.8	10.9	13.3	15.3	13.9	10.9	11.8	11.8
Imports	0.8	0.7	0.8	1.2	3.5	0.9	0.8	0.8	0.9	3.3	0.8	3.3
Total supply	59.8	62.9	62.4	62.0	209.6	62.5	65.7	65.7	64.0	215.5	62.7	216.7
Commercial exports	2.5	2.7	2.2	2.1	9.5	2.2	2.2	2.3	2.2	8.9	2.2	9.1
Ending commercial stocks	12.0	13.2	12.3	10.9	10.9	13.3	15.3	13.9	11.8	11.8	13.3	11.5
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	45.4	47.0	47.9	49.0	189.2	47.1	48.1	49.5	50.1	194.8	47.2	196.1
<b>Skim solids (bil. pounds milk equiv.)</b>												
Milk marketings	48.2	50.2	48.4	48.4	195.3	50.7	51.7	49.6	49.2	201.2	50.1	201.6
Beginning commercial stocks	12.2	11.7	12.7	12.2	12.2	11.8	12.5	13.0	12.2	11.8	12.0	12.0
Imports	1.3	1.2	1.3	1.4	5.3	1.4	1.2	1.2	1.3	5.1	1.3	4.9
Total supply	61.7	63.2	62.5	62.0	212.7	64.0	65.4	63.8	62.7	218.1	63.4	218.5
Commercial exports	8.0	8.0	8.4	8.2	32.7	7.9	8.1	7.9	7.7	32.1	8.3	32.8
Ending commercial stocks	11.7	12.7	12.2	11.8	11.8	12.5	13.0	12.2	12.0	12.0	12.0	12.0
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	42.4	41.9	42.0	168.2	43.1	44.3	43.7	43.0	174.0	43.1	173.8
<b>Milk prices (dol./cwt) 1/</b>												
All milk	18.73	20.10	21.67	20.07	20.14	17.97	16.30	16.20	17.00	16.85	16.50	17.25
							-16.50	-16.70	-17.80	-17.25	-17.50	-18.25
Class III	16.63	17.50	20.71	18.62	18.37	16.28	15.30	15.75	15.70	15.75	15.05	16.20
							-15.50	-16.25	-16.50	-16.15	-16.05	-17.20
Class IV	18.08	20.37	20.00	17.72	19.04	15.94	13.70	13.50	14.30	14.35	14.65	15.40
							-14.00	-14.10	-15.20	-14.85	-15.75	-16.50
<b>Product prices (dol./pound) 2/</b>												
Cheddar cheese	1.708	1.751	2.041	1.799	1.825	1.559	1.525	1.605	1.575	1.565	1.500	1.600
							-1.545	-1.655	-1.655	-1.605	-1.600	-1.700
Dry whey	0.425	0.499	0.570	0.636	0.533	0.646	0.535	0.475	0.505	0.540	0.525	0.555
							-0.555	-0.505	-0.535	-0.560	-0.555	-0.585
Butter	1.990	2.052	2.030	1.728	1.950	1.499	1.385	1.400	1.465	1.430	1.435	1.465
							-1.425	-1.480	-1.575	-1.500	-1.565	-1.595
Nonfat dry milk	1.373	1.611	1.578	1.461	1.506	1.368	1.160	1.130	1.190	1.210	1.245	1.320
							-1.180	-1.170	-1.250	-1.250	-1.315	-1.390

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

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

For further information, contact: Roger Hoskin 202 694 5148, [rhoskin@ers.usda.gov](mailto:rhoskin@ers.usda.gov)

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