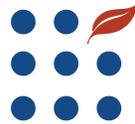




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Livestock, Dairy, and Poultry Outlook

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Meat Production To Decline in 2003

Contents

[Poultry](#)
[Hogs/Pork](#)
[Cattle/Beef](#)
[Sheep](#)
[Special Article](#)
[Contacts and Links](#)

Tables at a Glance

[Red Meat and Poultry](#)
[Economic Indicators](#)
[Dairy](#)
[Detailed Tables](#)

Web Sites

[Cattle](#)
[Hogs](#)
[Poultry and Eggs](#)
[Dairy](#)
[WASDE](#)

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Approved by the
World Agricultural
Outlook Board.

Total meat production in 2003 is expected to drop 1-2 percent from last year, with all species registering declines. With weekly chick placements averaging lower than a year earlier, broiler production forecasts are lower than last month. Total expected production in 2003 is nearly 32.2 billion pounds, marginally lower than in 2002. Broiler prices are expected to average 60-63 cents per pound in 2003, compared with 55.6 cents in 2002.

American and Russian officials have announced the resolution of the remaining disagreements about veterinary standards for broilers. This action opens the way for certification of U.S. plants that can export to Russia. Russia is the largest importer of U.S. broiler products, accounting for almost a third of all U.S. broiler exports. Even with the poultry import quota that is scheduled to begin May 1, Russia is expected to remain by far the largest market for U.S. broiler exports in 2003.

The March *Quarterly Hogs and Pigs* report indicated that producers continued to reduce their breeding herds and year-over-year farrowing intentions. These reductions point to a smaller pig crop and lower hog slaughter in 2003. If dressed weights continue to increase, the decline in pork production in 2003 may be held to less than 1 percent. Hog prices are likely to average \$38-\$40 per hundredweight (cwt) in 2003, compared with \$35 last year, reflecting lower production of pork and competing meats.

With the sharp drop in slaughter weights and tightening supply of market-ready cattle this winter, Choice fed cattle prices returned to the low-\$80s per cwt in mid-April. Prices will remain strong until weights begin to pick up seasonally and, even then, are expected to remain above year-earlier levels. Although fed cattle prices are strong, the feeder cattle market continues to reflect the extended losses suffered by the cattle feeding industry in 2001/02. Rather than selling at a \$10 to \$12 per cwt premium to fed cattle, yearling feeder cattle are selling near to slightly below fed cattle prices.

Poultry Processing Plant Inspections Expected To Resume

American and Russian officials have indicated that the remaining disagreements about veterinary standards have been resolved. This action opens the way for the resumption of Russian inspections of U.S. processing plants. The processing plants need to be certified by Russian officials if they continue to export products to Russia. Russia is the largest market for U.S. broiler products, accounting for almost a third of all broiler exports. Even with the poultry import quota scheduled to begin May 1, Russia is expected to remain by far the largest market for U.S. broiler exports in 2003. With weekly chick placements averaging lower than a year earlier, broiler production forecasts are lower than previously expected. Total expected production in 2003 is nearly 32.2 billion pounds, marginally lower than in 2002. Broiler prices are expected to average 60-63 cents per pound in 2003, compared with 55.6 cents in 2002.

Chick Placements Indicate Lower Broiler Production for Second Quarter

With weekly chick placements through April 5 averaged 2 percent lower over the last 5 weeks than for the same period a year earlier, the forecast for broiler production in the second quarter of 2003 is now 8.15 billion pounds. This is 50 million pounds lower than the previous forecast and down about 1 percent from the previous year. The forecasts for the third and fourth quarters remain at 8.2 and 8.1 billion pounds, making the overall expected production for 2003, nearly 32.2 billion pounds, marginally lower than in 2002.

The most recent *Poultry Slaughter* report contained a revised January 2003 broiler production estimate of 2.774 billion pounds, 26 million pounds higher than the earlier estimate, but still slightly lower than the previous year. The preliminary estimate for February places broiler production at 2.386 billion pounds, down 3 percent from the previous year. The decline was the result of fewer birds slaughtered. The number of birds slaughtered fell 4 percent in February, but was partially offset by a 2-percent gain in the average weight of birds going to slaughter, rising from 5.09

pounds in February 2002 to 5.18 pounds in February 2003.

Even with uncertainties in the export market and the Middle East conflict, prices for a number of broiler products were higher in the first quarter than a year earlier. The 12-city whole broiler price averaged 60.3 cents a pound, 8 percent higher than in 2002. Prices have also risen for breast meat products. Prices for boneless-skinless breasts in the Northeast averaged 139.9 cents per pound during the first quarter, 14 percent higher than the previous year. Prices for rib-on breasts averaged 84.4 cents per pound, up 32 percent from the first quarter of 2002. The increases in breast meat product prices are primarily a reflection of lower broiler production. Except for a small amount exported to Canada, most of these products are sold on the domestic market.

Prices for other broiler products have also moved higher, but most are still below their year-earlier levels. Leg quarter prices averaged 20.3 cents per pound in the first quarter of 2003. This is up significantly from the 18 cents per pound they averaged in the fourth quarter of 2002, but still below the first-quarter 2002 average of 23.8 cents per pound. The same pattern can be seen for wings, thighs and drumsticks, all which have increased in price since the end of 2002, though prices remain below those of a year earlier. With a forecast of lower production through the first three quarters of 2003, domestic broiler prices for whole birds and breast meat products are expected to strengthen further. In addition, given the current outlook for a more stable export market and an assumption of no new trade disruptions due to disease outbreaks, prices for products such as leg quarters and wings that are more heavily export oriented are also expected to gradually strengthen.

Turkey Placements Continue Lower

During 2002, turkey placements were lower in 8 months compared with 2001 levels (and 6 of the last 7), with total placements for the year down 1.5 percent from the previous year. This pattern has continued during the first 2 months of 2003 with placements during January and February totaling

49.2 million birds, down 1.8 percent from the same period in 2002. The lower placements of the second half of 2002 have translated into a 3-percent reduction in turkey meat production during the first two months of 2003. Turkey production in the first quarter of 2003 is expected to be about 2 percent

below a year earlier. Second quarter production will likely decline about 1 percent from 2002. Annual 2003 turkey production is expected to be nearly 5.7 billion pounds, down less than 1 percent from last year.

Lower Inventories, Intentions for Swine

Continued breeding herd reduction and lower year-over-year producer farrowing intentions (reported in the *Quarterly Hogs and Pigs* report released on March 28) point to a smaller pig crop and lower hog slaughter in 2003. If dressed weights continue to average a pound above last year, however, pork production declines are likely to be held to less than 1 percent below a year ago. Hog prices are likely to average \$38-\$40 per hundredweight (cwt) in 2003, compared with \$35 last year, due to lower animal supplies. Retail pork prices are expected to be higher in the second half of 2003, reflecting lower pork and competing meat production.

Commercial hog slaughter in the first quarter of 2003 totaled just over 24.6 million head. Higher slaughter plus heavier dressed weights combined to push commercial pork production more than 2.5 percent ahead of the same period last year. Live equivalent prices of 51-52 percent lean hogs averaged \$35 in the first quarter, 10 percent below the first quarter of 2002. Hog prices rose in March from earlier this year, reflecting seasonal patterns, but wholesale cut prices remain relatively weak as pork supplies remain large.

U.S. packers are expected to slaughter 2 percent fewer hogs in the April-June quarter, as the breeding herd reductions that occurred last summer begin to translate into lower availability of slaughter hogs. With the average dressed weight unchanged from a year ago, pork production in the

second quarter of 2003 should drop by about 2 percent. Hog prices are expected to average \$39-\$41 in the April-June quarter. Retail pork prices are expected to average more than 5 cents above the first quarter, reflecting lower pork supplies.

The *Quarterly Hogs and Pigs* report indicated that the March 1 inventory of U.S. breeding swine fell 4 percent below herd levels of 2002. The December-February pig crop was 2 percent lower than in the same period last year. The lower pig crop implies a 3-percent lower slaughter in the July-September quarter, but declines in production should be held to less than 3 percent below a year ago, if weather and feed costs continue to support weights above last year's levels.

Producers indicated intentions to farrow fewer sows in March-August 2003. If producer intentions are realized, 3 percent fewer breeding animals will farrow during the March-May quarter than in the same period last year, suggesting a lower slaughter in the fourth quarter of this year. Hog slaughter in the October-December quarter is expected to fall about 2 percent below the fourth quarter slaughter of last year. Fourth quarter weights are expected to average a pound above last year, implying pork production 1 percent below last year. Hog prices are expected to be \$36-\$40 per cwt in the fourth quarter. Producers' intentions to farrow 3 percent fewer sows in June-August 2003, than in the same quarter of 2002, indicates less pork production in the first quarter of 2004.

Fed Cattle Weights Plummet in March/April, Prices Rise to Allocate Supplies

Winter added to supply uncertainties in the cattle-feeding sector in late February through early April when a series of storms moved across the country, hitting many of the drier areas of the West and Northern Great Plains in mid-March. Cattle-on-feed inventories started the year down 8 percent from 2002 and down 10 percent from 2001. Cattle marketings were being pulled forward to meet continued strong demand.

Commercial dressed carcass weights in January averaged 763 pounds, only 1 pound below the year-earlier record and 27 pounds above the weather-reduced 2001 level. Weights in February dropped 6 pounds from January, likely due to pulling cattle ahead of normal marketing dates, although the first major snowstorm struck in late February. Slaughter weights plummeted nearly 20 pounds from February to March, with commercial dressed slaughter weights likely dropping to near 737 pounds from 752 pounds last year, but still well above 2001's 718-pound average. Slaughter weights decline seasonally and typically bottom out in April/May.

Weather conditions this spring will largely determine how strong the compensatory gains will be in late April into May as weather conditions improve. Much of the country has received moisture with the exception of the High Plains cattle feeding area; a turn toward wetter conditions and muddy feedlots could slow gains this spring.

Along with the sharp drop in slaughter weights and tightening supplies of market-ready cattle, Choice fed cattle prices returned to the low-\$80s per cwt in mid-April. Choice boxed beef prices rose from near \$126 per cwt in March to the low-\$130's in mid-April, with the Choice/Select spread widening to \$10. Prices will remain strong until weights begin to pick up, but even as prices decline they will remain well above year-earlier levels. Although fed cattle prices are strong, the feeder cattle market continues to reflect the extended losses by the cattle feeding industry in 2001/02 and uncertainty regarding fed cattle price strength this summer. Rather than selling at a \$10 to \$12 per cwt premium to fed cattle, yearling feeder cattle are selling near to slightly below fed cattle prices. Cow prices have strengthened over the last month as beef cow slaughter has begun to moderate. Dairy cow slaughter remains large relative to a year earlier.

Previous issues in the *Livestock, Dairy, and Poultry Outlook* series included an annual summary of the forces shaping the industry and how those forces were expected to affect the current year's outlook. Because timeliness was an issue, in 2003, instead of providing a separate report covering all the commodities later in the year, we are including summaries for the various commodities in the LDP monthly newsletter as information becomes available. In the March issue, we provided summaries for dairy, beef trade, and pork trade. The April issue contains summaries for the domestic beef, domestic pork, sheep, and poultry. Access these annual summaries on the *Livestock, Dairy, and Poultry Outlook* page, <http://www.ers.usda.gov/publications/ldp/>.

2002 Perspective--Drought Resulted in Record Beef Supplies, Lower Prices

Drought conditions expanded in 2002 and marked the fourth consecutive year of dry conditions for many cattle producers. Many producers have had to contend with drought to some extent during 1999-2002. Grazing conditions deteriorated and forage supplies became increasingly dear for many producers. The industry entered 2003 with continued drought conditions through the winter in parts of the country and the eighth year of herd reductions.

Feed Costs Remain Favorable, Forage Supplies Decline

Weather in most of the country was unusually mild in 2002, but below-average precipitation led to worsening drought conditions for much of the country. Timely rains in July and August prevented the drought from becoming more widespread in the Corn Belt. Moisture conditions the Southern Plains improved in 2002 and conditions in the East Coast improved late in the year. However, drought conditions remained well entrenched in the Northern Plains and Western States throughout 2002.

Corn prices remained below year-earlier levels for much of 2002, but prices began to rise as drought conditions reduced yields. Total feed grain production fell by more than 4 percent, the second year of declining production. The farm price of corn in 2001/02 remained under \$2 a bushel, averaging \$1.97, up from \$1.85 in 2000/01. Prices moved above a year earlier in late summer and fall. Although grain prices remained relatively supportive for livestock producers, grazing/forage conditions continued to deteriorate for much of the year.

Grazing conditions were relatively poor in most areas in 2002, although conditions in the Southern Plains were much improved. Similarly, hay production declined 4 percent from 2001 to the smallest harvest since 1996. Hay disappearance in the May/November period was up sharply reflecting the dry spring and summer conditions limiting pasture and extending the hay feeding period in the Northern and Central Great

Plains, Southeast, and much of the West. Hay stocks on December 1 were down 6 percent from a year earlier. Forage conditions improved in the Southeast in early fall and remained good in the Southern Plains with the best fall small grain grazing conditions in several years. Rebuilding grazing conditions and hay stocks will be paramount to slowing the rate of herd reduction in 2003.

Herd Decline Continues

Cattle inventories continued to decline, but the rate of decline has been relatively moderate over the past 2 years. Periodic drought in some areas and continued drought in others has limited the industry's forage resources, forcing cow slaughter to remain relatively high. Consequently, the industry has had difficulty stabilizing, much less beginning to expand. Cattle and calves on January 1, 2003, totaled 96.1 million head, down less than 1 percent from a year earlier, but down over 7 percent from the 1996 cyclical peak of 103.5 million head. 2002 marked the seventh year of herd liquidation in this cycle, which began in 1990 at 95.8 million head. The present high cow slaughter and continued drought in many areas will almost certainly extend even the beginning stages of expansion beyond 2003. Forage supplies remain very tight and water supplies for livestock are uncertain in many regions. Rebuilding the forage base, and for many producers the financial base, even with stronger cattle prices, is likely to be slow.

Feeder Cattle Supplies Tighten, On-Feed Inventories Down

Cattle-on-feed inventories started 2002 down 2 percent from a year earlier and finished the year down over 8 percent from January 1, 2002. Although feedlot placements declined 2 percent, fed cattle marketings rose 1 percent as feeding conditions were extremely favorable for feedlot gains, particularly when compared to the very poor feeding conditions in the first half of 2001. Feeder cattle supplies were bolstered by continued low heifer retention for herd expansion and extremely dry conditions in Canada resulting in poor forage conditions and sharply reduced crop production. Fewer U.S. feeder cattle were exported to Canada

in 2002 due to their reduced feed grain supplies, and more feeder cattle were imported by the United States from Canada. Both factors helped hold up feeder cattle supplies, resulting in continued large feedlot placements. (See Beef and Cattle Trade Summary article, March issue)

Record Dressed Weights and Herd Liquidation Results in Record Production

Although cattle slaughter rose 1 percent in 2002, beef production was record large, up nearly 4 percent from a year earlier. Production was supported by heavier dressed commercial slaughter weights--up 20 pounds from the weather-stressed levels in 2001. Steer slaughter rose over 2 percent, aided by the increase in net imports of feeder cattle, primarily steers. Heifer slaughter was about unchanged from a year earlier, even as cattle inventories continued to decline. Cow slaughter remained large, about unchanged from a year earlier, with beef cow slaughter down 1 percent and dairy cow slaughter up 1 percent.

Veal production rose less than 1 percent. Calf slaughter increased nearly 4 percent. Production was held down by a 5-pound drop in commercial dressed carcass weights, due to the increased proportion of lighter bob veal calves in the mix. Stronger demand for stocker/feeder cattle would normally bid more of these calves out of the veal slaughter market.

Retail Beef Prices Under Pressure of Large Beef and Other Meat Supplies

Cattle and boxed beef prices, while below the record levels of 2001, remained strong. Retail prices for Choice beef averaged \$3.32 per pound, down from \$3.38 in 2001 when poor weather conditions held down production, but still the second highest on record. Beef consumption rose 1.5 pounds to 67.9 pounds per capita (retail weight) in 2002, while total red meat and poultry consumption rose 7 pounds to 221 pounds per capita. Although beef exports increased from the depressed 2001 levels of 2,269 million pounds,

they only rose to 2,447 million pounds, near the levels of 1999 and 2000.

Cattle Prices Decline

All cattle prices were under the pressure of weather uncertainties and large meat supplies in 2002. Fed cattle prices in Nebraska averaged \$67.04 per cwt in 2002, with the largest year-to-year declines occurring in the first half against the near record prices of 2001. Prices strengthened late in the year as feedlot inventories moved below year-earlier levels. Feedlot returns also turned positive in late summer.

Stocker/feeder cattle prices have remained under pressure of poor forage conditions and constraint due to large feedlot losses since late spring 2001. Prices for 750- to 800-pound feeder steers averaged \$80 per cwt in 2002, down over \$8 from a year earlier. Yearling prices averaged about \$13 per cwt over fed cattle prices, down from a \$16 spread in 2001 and about \$17 in 2000.

Utility cow prices averaged near \$39 per cwt, down about \$5 as drought continued to force more cows to slaughter. Drought in Australia and reduced demand for beef in Japan also resulted in continued larger imports of processing beef.

Future Implications

Cattle inventories are expected to continue declining in 2003. If forage conditions begin to improve this spring and summer, inventories may begin to stabilize in 2004. Inventories are not likely to begin to rise before 2005, with production beginning to rise in 2006. With production continuing to decline for the next couple of years cow-calf production should remain profitable as forage conditions improve and increased heifer retention begins. However profitability in the cattle-feeding sector will be under pressure of strong demand for feeder cattle and higher feeder cattle prices. Although beef demand, particularly for higher quality beef, is expected to remain strong, increased production from competing meats will hold down retail beef price gains.

Sheep: 2002 in Review and Perspectives on 2003

Sheep inventory and lamb and mutton production declined further in 2002, despite efforts to rebuild the herd through the Lamb Industry Improvement Program, and the re-institution of the wool payment program. Drought conditions in the major sheep-producing regions contributed to an even greater decline in inventory than in recent years, despite the rebuilding effort.

Production Down and Prices Stable

Commercial lamb and mutton production in 2002 fell to 218 million pounds, a decline of 5 million pounds from 2001. Despite lower production, sheep and lamb slaughtered in 2002 exceeded the previous year's slaughter by 64,200 head. In 2002, there was less of a problem with overweight lambs than in 2001. This was evidenced by the lower average live and dressed weights in 2002. On average, live slaughter animals were more than 7 pounds lighter while dressed animals were nearly 2 pounds lighter than in 2001.

Despite low production throughout 2002, prices were steady. Choice slaughter lamb prices at San Angelo averaged \$72.31 per cwt, up 27 cents per cwt from the previous year. Prices ranged from \$64 per cwt to about \$87 per cwt and the price variability was less than the previous year. The lowest prices were seen in the first half of 2002. As supplies tightened in the third and fourth quarters, prices increased considerably. The West Coast dock strike in late September and early October may have contributed to the price increase in the second half of the year, as lamb and mutton imports from Australia and New Zealand were below normal during this period.

Lamb and Mutton Trade Gap Continues To Widen

The lamb and mutton trade gap continued to widen with net imports totaling 155 million pounds in 2002. Lamb and mutton imports were 162 million pounds, up 11 percent from the previous year and double from 1997. U.S. lamb and mutton imports have surged for the last several years, largely to

offset decreased lamb and mutton production. Australia and New Zealand supply 99 percent of all imported lamb and mutton to the United States. Imports of lamb and mutton from Australia and New Zealand increased by 0.5 percent and 23 percent over 2001. Australia experienced drought conditions, which resulted in flock liquidation and hindered their production of heavy prime lamb geared for the U.S. market.

On the other hand, U.S. exports of lamb and mutton in 2002 were 7.1 million pounds, up 7.4 percent over the previous year. Persistent drought conditions in the Western States resulted in higher than normal selloff and slaughter of breeding ewes, especially in the summer and early fall of 2002, which meant increased mutton exports. Mexico was the main recipient of U.S. exports of lamb and mutton.

Live Sheep Trade Gap Narrows

The United States remained a net exporter of live sheep in 2002, though the live trade gap is narrowing. Net exports decreased by 32,848 head or 11 percent to 266,543 head, a decline for 5 straight years. Interestingly, over those 5 years, both live sheep exports and imports have increased, but the rate of live import increase far outweighs the rate of live sheep export increase. In 2002, live sheep exports increased by 21,272 head, or about 6 percent, while live imports increased by 54,120 head or about 64 percent. Imports come primarily from Canada and are mainly slaughter lambs while exports go mainly to Mexico and are culled ewes. Most of the lambs from Canada go to U.S. slaughter facilities to utilize excess capacity. Mexico is an attractive market for U.S. culled ewes, which are a source of cheap protein.

Programs for Sheep Producers

The sheep industry has been involved in a number of improvement efforts. Among them is a 3-year, \$100 million, Lamb Industry Assistance Package, instituted by USDA in January 2000 to help the industry rebuild herds so as to better compete in the global economy. The package included four major elements: direct payments to producers; animal health; marketing and promotion; and government

purchase of lamb meat. The assistance package was designed to create a sheltered period during which the domestic lamb industry could make positive adjustments to import competition.

As part of the Lamb Meat Adjustment Payments, producers were provided with a ewe lamb incentive payment. The incentive payments were to help ewe lamb producers who were suffering financial losses from the poor market conditions. Eligibility required that producers purchase or retain new lambs to expand their herd from August 1, 2001, to July 31, 2003.

The Agricultural Marketing Service issued a final rule, effective April 12, 2002, on establishing a national industry Lamb Promotion, Research, and Information Order, under the commodity Promotion, Research, and Information Act of 1996. The Order provides for the industry-funded lamb promotion, research, and information program. The program will provide for an industry board to carry out promotion, research and information programs, designed to increase the demand for lamb and lamb products. Under the program, lamb producers, seed-stock producers, feeders, and exporters will pay an assessment of one-half cent per pound when live lambs are sold. The first handlers, primarily packers, will pay an additional 30 cents per head of lamb purchased for slaughter.

Also, with the signing of the new Farm Security and Rural Investment Act of 2002 on May 3, 2002, a wool and mohair program was re-instituted. The new program provides nonrecourse market assistance loans for the 2002 through 2007 crop years for wool and mohair. The loan rates are

\$1.00 per pound for graded wool and \$0.40 per pound for non-graded wool in the form of unshorn pelts. This provides an opportunity for producers to procure loans at reasonable rates using the wool they produce as collateral.

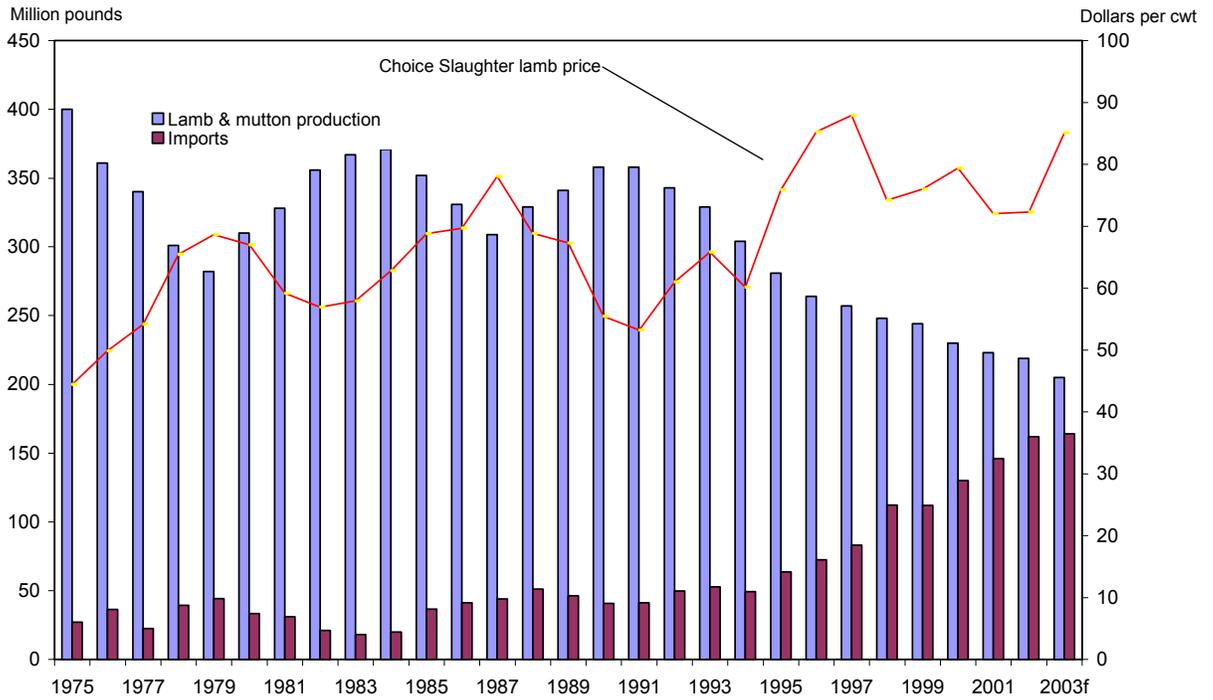
Outlook for 2003

The U.S. sheep industry is forecast to continue its long-term trend of declining lamb and mutton production, with an expected drop of nearly 8 percent in 2003. Fairly stable U.S. lamb demand, coupled with low supply from Australia, the largest supplier to the U.S. market, will continue to support lamb prices. Lamb prices in 2003 are expected to average \$83-\$85 per cwt, compared with \$72 last year.

After declining by 5 percent from the previous year to an estimated 6.35 million head in January 1, 2003, sheep numbers are projected to continue to decline throughout 2003. The drought conditions of 2002 will continue to delay flock rebuilding efforts.

Imports are expected to increase by nearly 2 percent. The slowdown in the rate of increase over the past 2 years (12.5 percent in 2001 and 11.2 percent in 2002) is largely due to the drought conditions in Australia throughout much of 2002. This resulted in stock liquidation in Australia and the inability to produce extra-heavy lambs for the U.S. market. As a result, even with improved weather conditions in 2003, it will be difficult for Australia to rebuild its stock in time to significantly increase its depressed supply. Australia supplies nearly 60 percent of the lamb and mutton imported into the U.S.

Production, imports, and Choice slaughter lamb prices, 1975-2003



Monthly Lamb and Mutton, 2001 and 2002

	Mean		Minimum		Maximum		Coefficient of Variation	
	2001	2002	2001	2002	2001	2002	2001	2002
Prices								
Prices received by farmers for lamb (\$/cwt)	67.56	73.34	51.4	64.4	84.3	87.2	18.29	10.05
Slaughter lambs, Choice price, San Angelo (\$/cwt)	72.04	72.31	54.47	64	87	86.88	16.85	9.85
Production								
Commercial sheep and lamb slaughter (1000 head)	269	274	233	231	329	324	10.15	8.26
Commercial lamb and mutton production (million pounds)	18.58	18.16	16	15.1	23	22.2	10.64	9.74
Avg. dressed wt. of sheep and lambs slaughtered (pounds)	70.33	67.58	68	64	72	70	1.77	3.28
Imports								
Lamb imports from Australia (million pounds)	5.648	5.675	3.771	3.941	8.252	9.598	22.98	24.39
Lamb imports from New Zealand (million pounds)	3.298	4.042	1.801	3.078	5.023	5.011	29.53	15.78
Total lamb imports (million pounds)	9.014	9.751	5.606	7.065	12.146	14.668	22.61	19.26
Exports								
Total lamb and mutton exports (1000 pounds)	543.33	591.75	226	269	893	998	33.96	35.21

Implications of Russia's New Poultry Import Quotas

The Commission for Protective Trade Measures in the Russian Ministry of Economic Development and Trade (MEDT) has recommended that a number of restrictive measures be imposed on meat imports starting in April 2003 and lasting for 3 years. Included in these measures was a proposal to impose an absolute quota on poultry meat imports. Beef and pork tariff-rate quotas (TRQs) took effect on April 1. Reportedly, the poultry quotas are due to take effect on May 1, but the date has been quite fluid. The original date for implementation of the poultry quota was February 15, and it was then delayed to April 1.

Russia is one of the world's largest poultry meat importers, partly because falling incomes after reforms made in the 1990s led consumers to increasingly substitute lower priced poultry for beef and pork. In 2002, the retail supermarket price of frozen poultry in Moscow was \$2.74/kg, about half the price of beef or pork.

Although the financial crisis of 1998 caused a temporary interruption in the flow of poultry exports to Russia, since 1997 Russia has been one of the most important destinations for U.S. poultry meat exports, particularly leg quarters. Roughly 80 percent of Russian poultry imports came from the United States in 2001, totalling a record 1.1 million metric tons (mt), and valued at \$666 million. Exports to Russia generated 32 percent of total U.S. value of poultry meat exports in 2001.

Because Russia is one of the largest destinations for U.S. poultry products, the quota could significantly affect U.S. poultry exports and prices.

The New Policy Details

The import restrictions impose a 1.05 million mt annual import quota on poultry meat, and TRQs on beef and pork of 420,000 and 450,000 mt. Above-quota tariff rates rise from 15 to 60 percent for beef, and to 80 percent for pork. The restriction on poultry is a strict quantity quota.

The quotas would be set at roughly two thirds of Russia's 2002 meat imports:

Proposed quotas and 2002 total imports

	Beef (1,000 mt)	Pork	Poultry
Proposed quota:	420	450	1,050
2002 Imports	730	800	1,515
Quota as % of 2002 imports	58%	56%	69%

Source: Interfax and USDA

The restrictive poultry quota will be in place for 3 years from the date of implementation. For the remainder of 2003, the annual 1.05-million-mt quota is prorated to 744,000 mt. The poultry quota was proportioned among traditional exporters according to their share of total poultry exports to Russia from 1999 to 2001. According to this formula, the United States was awarded about 74 percent of the quota, while the EU and Brazil received approximately 19 and 4 percent.

**Size of import quota for poultry meat
Quota levels (1,000 mt)**

	From April 29, 2003, to December 31, 2003	From January 1, 2004, to December 31, 2004	From January 1, 2005, to December 31, 2005	From January 1, 2006, to April 29, 2006
Poultry Meat	744	1050	1050	306

Source: Interfax

Distribution of import quota for poultry meat among exporting countries in 2003

Country (union of countries)	Poultry meat (1,000 mt)	Size of 2003 import quota	Quota Shares (%)
United States	553.5		74%
European Union	139.9		19%
Brazil	33.3		4%
China	3.1		0.4%
Other	14.2		1.9%

Source: Interfax

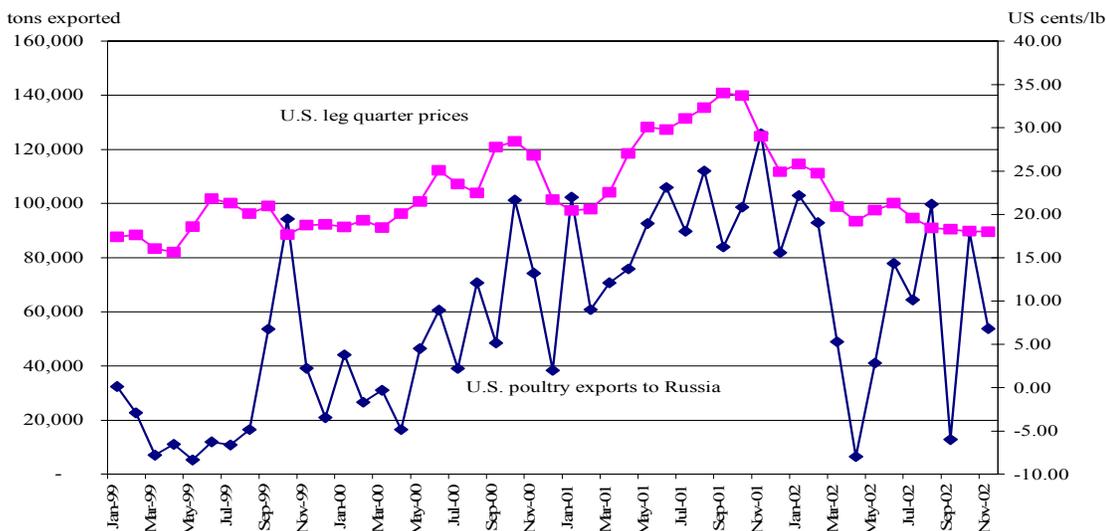
Effects of Quota on U.S. Poultry Market

Some understanding of the potential implications of a Russian quota on the U.S. poultry industry can be gleaned from the poultry market’s response to the ban Russia imposed on imports of poultry from the United States in 2002. Russia banned imports of poultry from the United States in March 2002, claiming that U.S. poultry products contain substances (mostly antibiotics) that are forbidden by Russian veterinary requirements. The ban was ostensibly lifted in April, but licenses for imports of “new sales” were not granted until September 15, when negotiations on the veterinary requirements necessary for import were concluded. Part of the negotiated agreement was that Russian veterinary experts would visit U.S. poultry plants and certify them for export to Russia. Reportedly, only 86 plants were inspected in the November 2002 round of inspections, and of these only 15 were added to the list of plants allowed to export to Russia. Because of the ban, the United States

exported only 721,000 mt of poultry meat to Russia in 2002, versus 1.1 million mt in 2001.

Prices of U.S. leg quarters have been strongly tied to export sales to Russia. In recent years (from 1999 to the present), for every 10-percent change in Russian poultry imports, domestic leg quarter prices changed in the same direction by approximately 1.5 percent. Furthermore, the response of prices to exports to Russia accounts for 35 percent of the variation in prices of domestic leg quarters. The ban in March 2002 significantly reduced sales to Russia and leg quarter prices fell accordingly (see chart). Quotas restricting the volume of U.S. exports to 553,500 mt for May-December 2003, and about 780,000 mt in 2004 and 2005 (assuming the United States is awarded the same proportion of the quota as in 2003) could continue to put downward pressure on U.S. leg quarter prices, which have not yet fully recovered from the effects of the 2002 ban.

Domestic leg quarter prices follow exports to Russia



Longer Term Effects Less Certain

The future course of poultry exports to Russia will depend on how the quotas affect the Russian domestic market. There are two main effects that the quotas will have, a near-term price effect and a longer-term supply response effect.

In the near term, the quotas will restrict the total domestic supply on the market in Russia and prices will rise. ERS analysis indicates that a quota that restricts the supply of poultry meat on Russian markets would raise the price of poultry meat in Russia by 30 percent. However, supply shortages could be tempered by a number of factors. Ukraine, which has been a significant beef supplier to Russia in the past, will not be subject to the higher above-quota tariffs for beef and pork because it is a member of the Commonwealth of Independent States, which is exempt from the TRQs and poultry quota. Consequently, price growth for poultry could be tempered as Russian consumers switch to beef imported from Ukraine. However, in price terms beef from Ukraine is a poor substitute for U.S. poultry. In 2002, the price of beef imported from Ukraine was \$1.44/kg, while the price of poultry from the United States was \$0.56/kg.

Over the longer term, Russian poultry production will likely be stimulated in response to the price increase. The degree of supply response will determine to what extent domestic prices will change. Predicting the supply response of the poultry sector in Russia is problematic. The technology for efficient poultry production is easily transferable, and the production cycle is much shorter than for other livestock products. The short production cycle makes short-term credit financing easier to secure, which is important in developing and transition economies where credit markets function poorly. Despite these advantages, poultry production in Russia has been surprisingly unresponsive to the favorable market conditions caused by the market reforms implemented in the early 1990s.

What is different now that might allow expansion in the Russian poultry sector? In the early 1990s,

Russia's overall economy and the agricultural sector in particular were in steep decline. Investment, particularly in livestock production, was non-existent. The poultry sector was largely geared toward egg production, so that domestic poultry supplies were composed mostly of spent hens. To reorient the poultry sector toward broiler production, the poultry sector needed investment. The necessary investment is now possible, since Russia's economy has posted solid income growth for three straight years, the first time this has happened since reforms began in 1992.

While investors remain cautious because they recall that the optimism accompanying the GDP growth of 1997 was immediately followed by the financial crisis of 1998, some recent investment has gone into the poultry sector as a result of vertical integration. New large agro-food enterprises are developing in Russia, funded by capital from other highly profitable sectors, like oil and aluminum. These enterprises (called "agri-holdings") are vertically integrated, meaning the investors buy assets throughout the production chain, from broiler production through wholesaling to the final retail outlets. Since the agri-holdings are probably taking advantage of unusually profitable opportunities restricted to areas near large urban centers like Moscow and St. Petersburg, it is unlikely that the aggregate contribution to investment in the agricultural sector will be large. However, one of these profitable opportunities is in domestic poultry production, so the contribution of agri-holdings in the poultry sector may be significant. The 13-percent and 16-percent growth in domestic broiler production in 2001 and 2002, respectively, following a decade of decline in the 1990s, indicates that domestic supply could respond favorably to trade intervention.

As long as the quotas remain in place, the Russian livestock sector should be able to attract further investment and continue the expansion enjoyed in 2002. Russian policymakers who feel domestic meat consumption is too dependent on imports hope that when the restrictive measures are removed in 3 years, the Russian poultry sector will command a significantly greater presence in the overall Russian poultry market.

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Related Article

The following are links to recent articles (in Adobe Acrobat format).

Economic and Structural Relationships in U.S. Hog Production

<http://www.ers.usda.gov/publications/aer818/> The hog industry is becoming increasingly concentrated among fewer and larger farms, and becoming more economically efficient. Of paramount concern are increasing market control and power concentrated among packers and large hog operations, and the manure management problem posed by an increasing concentration of hog manure on fewer operations. Addressing these concerns through regulations would likely increase costs to consumers, and could result in significant changes in the location of hog production facilities, with ripple effects in local economies. [William D. McBride](#), (202) 694-5577 and [Nigel Key](#), (202) 694-5567).

Data

Retail Price Reporting for Meat

<http://www.ers.usda.gov/Data/Meatscanner/> A new ERS database contains monthly average retail prices for selected cuts of red meat and poultry, based on electronic supermarket scanner data. While not based on a random sample, the raw data underlying the database are from supermarkets across the United States that account for approximately 20 percent of U.S. supermarket sales. [Leland Southard](#), (202) 694-5187.

Web Sites

Cattle, <http://www.ers.usda.gov/briefing/cattle/>

Hogs, <http://www.ers.usda.gov/briefing/hogs/>

Poultry and Eggs, <http://www.ers.usda.gov/briefing/poultry/>

Dairy, <http://www.ers.usda.gov/briefing/dairy/>

WASDE, <http://www.usda.gov/oce/waob/wasde/latest.pdf>

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Red meat and poultry forecasts

	2001		2002					2003				
	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual
Production, million lb												
Beef	6,700	26,107	6,377	6,833	7,097	6,783	27,090	6,285	6,900	6,775	6,175	26,135
Pork	5,239	19,138	4,780	4,797	4,832	5,255	19,664	4,900	4,700	4,710	5,190	19,500
Lamb and mutton	59	223	58	54	50	56	218	49	53	51	53	206
Broilers	7,863	31,266	7,819	8,234	8,251	7,936	32,240	7,725	8,150	8,200	8,100	32,175
Turkeys	1,454	5,562	1,378	1,441	1,412	1,482	5,713	1,350	1,425	1,425	1,475	5,675
Total red meat & poultry	21,492	83,006	20,589	21,543	21,837	21,700	85,669	20,484	21,403	21,335	21,164	84,386
Table eggs, mil. doz.	1,563	6,074	1,506	1,518	1,551	1,573	6,148	1,510	1,520	1,555	1,580	6,165
Per capita consumption, retail lb 1/												
Beef	16.3	66.2	16.2	17.6	17.4	16.7	67.9	15.8	17.8	17.2	14.8	65.5
Pork	13.5	50.2	12.4	12.7	12.8	13.8	51.7	12.6	12.3	12.4	13.4	50.6
Lamb and mutton	0.3	1.1	0.3	0.3	0.3	0.3	1.2	0.3	0.3	0.3	0.3	1.1
Broilers	18.8	76.6	19.3	20.9	20.7	20.0	80.8	19.3	20.1	20.1	19.7	79.3
Turkeys	5.6	17.5	3.5	3.9	4.4	5.9	17.8	3.7	3.9	4.3	5.8	17.6
Total red meat & poultry	54.9	213.3	52.3	55.8	56.1	57.2	221.4	52.2	54.8	54.7	54.4	216.1
Eggs, number	64.5	252.6	62.6	62.9	64.3	64.8	254.6	62.2	62.3	63.8	64.7	253.1
Market prices												
Choice steers, Neb., \$/cwt	65.13	72.71	70.19	65.58	63.29	69.10	67.04	77.82	73-75	72-78	74-80	74-78
Feeder steers, Ok City, \$/cwt	85.37	88.20	81.24	76.96	78.87	83.08	80.04	78.38	82-86	85-91	88-94	83-87
Boning utility cows, S. Falls, \$/cwt	39.23	44.39	41.56	42.28	37.69	35.69	39.23	40.32	44-46	44-48	43-47	43-45
Choice slaughter lambs, San Angelo, \$/cwt	62.76	72.04	66.62	66.00	74.60	83.00	72.31	88.50	84-86	80-86	79-85	83-87
Barrows & gilts, N. base, i.e. \$/cwt	37.30	45.81	39.43	35.03	33.86	31.34	34.92	35.38	39-41	40-42	36-40	38-40
Broilers, 12 City, cents/lb	58.50	59.10	56.00	56.10	56.40	53.70	55.60	60.30	61-63	61-65	60-64	60-63
Turkeys, Eastern, cents/lb	71.40	66.30	60.00	62.90	66.70	68.20	64.50	61.10	63-65	66-70	71-77	65-68
Eggs, New York, cents/doz.	68.20	67.20	69.10	58.40	65.30	75.40	67.10	77.20	67-69	68-72	77-83	72-76
U.S. trade, million lb												
Beef & veal exports	610	2,269	572	601	662	612	2,447	600	645	640	615	2,500
Beef & veal imports	689	3,164	737	934	839	708	3,218	790	910	840	725	3,265
Lamb and mutton imports	36	146	48	44	32	38	162	41	46	36	42	165
Pork exports	403	1,560	382	416	401	415	1,614	405	425	400	430	1,660
Pork imports	263	951	235	262	275	299	1,071	250	270	275	285	1,080
Broiler exports	1,402	5,555	1,204	1,119	1,257	1,219	4,800	1,250	1,250	1,300	1,325	5,125
Turkey exports	123	487	129	107	100	103	439	115	110	115	130	470

1/ Per capita meat and egg consumption data are revised, incorporating a new population series from the Commerce Department's Bureau of Economic Analysis based on the 2000 Census.

ECONOMIC INDICATOR FORECASTS ^{1/}

	2001		2002					2003				
	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual
GDP, chain wtd (bil. 1996 dol.)	9,248	9,215	9,363	9,388	9,465	9,503	9,436	9,554	9,619	9,701	9,786	9,672
CPI-U, annual rate (pct.)	-0.4	1.9	1.4	3.4	1.9	2.4	2.3	2.5	2.1	2.0	2.2	2.2
Unemployment (pct.)	5.6	4.8	5.6	5.9	5.7	5.9	5.8	6.0	6.0	5.9	5.7	5.9
Interest (pct.)												
3-month Treasury bill	1.9	3.4	1.7	1.7	1.6	1.3	1.6	1.2	1.3	1.5	1.8	1.4
10-year Treasury bond yield	4.8	5.0	5.1	5.1	4.3	4.0	4.6	4.0	4.2	4.4	4.6	4.3

1/ Source: Survey of Professional Forecasters, Philadelphia Federal Reserve Bank, February 2003.

DAIRY FORECASTS

	2001		2002					2003				
	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual
Milk cows (thous.)	9,106	9,114	9,112	9,149	9,153	9,148	9,141	9,155	9,130	9,090	9,060	9,110
Milk per cow (pounds)	4,497	18,158	4,653	4,811	4,566	4,543	18,573	4,695	4,865	4,625	4,660	18,845
Milk production (bil. pounds)	40.9	165.5	42.4	44.0	41.8	41.6	169.8	43.0	44.4	42.0	42.2	171.7
Commercial use (bil. pounds)												
Milkfat basis	43.8	169.6	40.7	42.1	43.8	43.8	170.5	41.1	43.5	44.0	44.9	173.5
Skim solids basis	41.1	163.8	39.3	40.6	42.3	41.2	163.4	39.7	41.7	42.9	42.4	166.7
Net removals (bil. pounds)												
Milkfat basis	0.0	0.1	0.1	0.1	0.1	0.1	0.3	0.3	1.0	0.2	0.1	1.7
Skim solids basis	1.3	5.8	2.7	3.5	2.1	1.5	9.8	3.1	3.0	1.2	1.2	8.5
Prices (dol./cwt)												
All milk ^{1/}	14.50	14.97	13.07	12.10	11.37	11.93	12.12	11.37	10.45- 10.85	10.65- 11.35	11.45- 12.45	11.00- 11.50
Class III	12.57	13.10	11.38	10.59	9.59	10.10	10.42	9.52	9.15- 9.55	9.45- 10.15	9.95- 10.95	9.55- 10.05
Class IV	12.18	13.76	11.63	10.73	10.36	10.52	10.81	9.89	9.50- 10.00	9.65- 10.45	9.80- 10.90	9.70- 10.30

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

PRODUCTION INDICATORS

	Mar. '2002	2003		
		Jan.	Feb. 1,000 Head	Mar. /*
Cattle:				
On feed - US, 1,000+ Hd.	11,518	10,593	10,660	10,526
Net placements	1,884	1,884	1,581	1,980
Marketings	1,825	1,959	1,715	1,803
Broilers:				
Eggs in incubators (000) /1	649,723	623,171	629,525	630,187
Chicks hatched (000) /2	790,342	759,773	694,590	778,500
Hatching egg layers /1	56,917	55,922	56,314	57,358
Pullets placed (000)	6,775	6,269	6,659	6,675
Hvy-type hen slaughter /2	5,476	6,138	5,235	5,425
Turkeys:				
Eggs in incubators (000) /1	32,596	30,804	30,695	31,271
Poults placed (000)	25,746	25,389	23,833	26,000
Eggs:				
Table egg prod. (mil. doz.) /2	526.0	520.5	469.3	530.0
Table egg layers, (000) /1	277,923	279,115	279,044	278,285
Table eggs/100 layers /1	73.0	72.0	72.3	72.0
Chicks hatched (000) /2	36,717	33,499	29,988	36,350
Lt.-type hen slaughter /2	8,378	8,224	6,773	8,210

ESTIMATED RETURNS

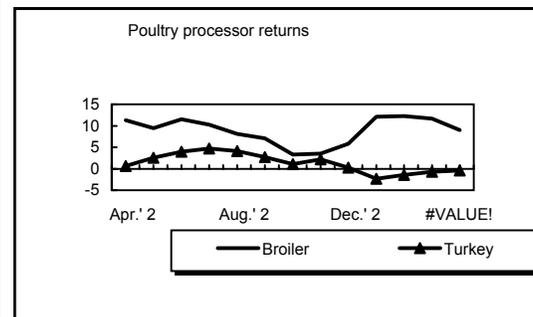
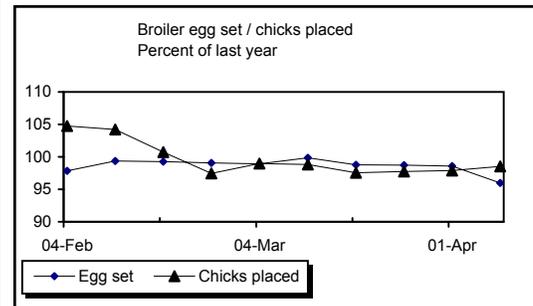
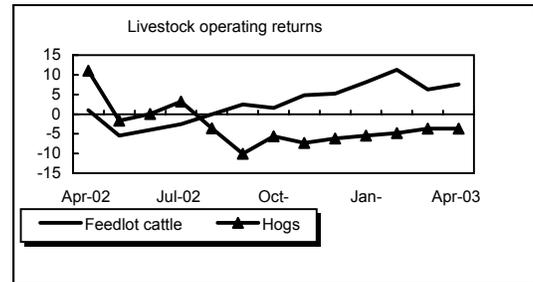
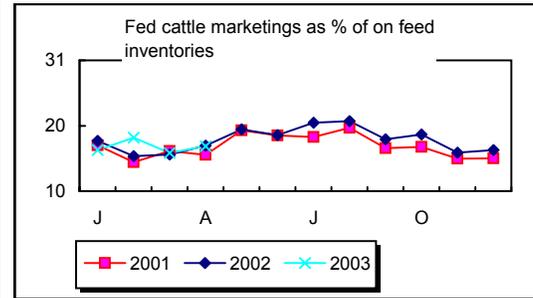
	Apr. '2002	2003		
		Feb.	Mar. Cents/lb	Apr. /*
Great Plains cattle feedlot				
Breakeven price /3	71.94	69.12	71.07	71.75
Selling price	68.15	80.39	77.34	79.35
Net margin	-3.79	11.27	6.27	7.60
N. Central hog farrow to finish				
Breakeven price /3	36.89	40.46	39.44	39.15
Selling price	33.01	35.64	35.75	35.50
Net margin	-3.88	-4.82	-3.69	-3.65
Broiler				
Wholesale cost	46.73	48.21	48.34	48.72
Wholesale price	53.47	60.49	60.02	57.75
Net margin	6.74	12.28	11.68	9.03
Turkey				
Wholesale cost	58.24	60.68	60.41	60.63
Wholesale price	56.70	59.21	59.72	60.25
Net margin	-1.54	-1.47	-0.69	-0.38
Egg				
Wholesale cost	63.30	65.80	66.30	66.24
Wholesale price	60.38	74.25	80.00	79.25
Net margin	-2.92	8.45	13.70	13.01

/1 First of month.

/2 Last month estimated.

/3 Does not include capital replacement cost.

/* estimate.



MEAT STATISTICS

	Jan. -	Jan. -	2002				/*
	Apr. 2002	Apr. 2003	Dec.	Jan.	Feb.	Mar.	
Commercial production	<i>Million pounds</i>						
Beef	8,572	8,452	2,107	2,292	1,944	2,047	2,169
Veal	62	67	18	18	16	17	17
Pork	6,452	6,551	1,715	1,749	1,521	1,619	1,662
Lamb	77	68	19	16	15	18	19
Total red meat	15,163	15,138	3,859	4,075	3,496	3,701	3,867
Broilers	10,570	10,449	2,527	2,775	2,386	2,565	2,723
Other chicken	179	163	42	45	38	39	40
Turkeys	1,869	1,882	463	480	425	467	510
Total poultry	12,619	12,493	3,033	3,300	2,850	3,071	3,273
Total meat & poultry	27,782	27,632	6,891	7,375	6,345	6,772	7,140

	Jan. -	Jan. -	2002				/*
	Apr. 2002	Apr. 2003	Dec.	Jan.	Feb.	Mar.	
Commercial slaughter/**	<i>Thousand head</i>						
Cattle	11,359	11,324	2,772	3,007	2,570	2,770	2,977
Steers	5,514	5,477	1,317	1,411	1,219	1,329	1,518
Heifers	3,801	3,623	906	987	849	888	899
Beef cows	972	1,015	267	284	229	249	253
Dairy cows	873	1,009	239	273	228	255	253
Bulls and stags	200	200	43	52	45	49	54
Calves	320	346	98	94	83	85	84
Sheep	1,119	1,009	279	239	224	264	282
Hogs	32,574	32,970	8,657	8,788	7,680	8,152	8,350
Barrows & gilts	31,476	31,845	8,372	8,498	7,431	7,863	8,053
Sows	1,004	1,037	264	268	230	267	272
Broilers	2,815,179	2,752,525	662,504	725,193	626,732	678,500	722,100
Turkeys	86,493	87,526	21,556	21,661	19,865	21,900	24,100

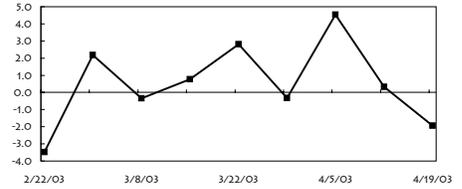
	Apr. 2002	2002				/*
		Dec.	Jan.	Feb.	Mar.	
F.I. dressed weight	<i>Pounds</i>					
Cattle	750	768	769	764	745	737
Calves	199	188	191	195	195	204
Sheep	70	68	68	68	70	69
Hogs	200	199	200	199	200	200

		2002				/*
		Dec.	Jan.	Feb.	Mar.	
Beginning cold storage stocks	<i>Million pounds</i>					
Beef	410.5	512.6	524.6	482.7	442.1	401.1
Pork	531.5	463.9	468.5	512.9	519.7	524.4
Bellies	60.7	18.1	28.3	35.4	38.3	42.5
Hams	73.0	87.7	59.6	79.5	89.2	86.0
Total chicken	808.6	800.4	768.1	723.2	675.4	646.4
Turkey	457.6	334.3	333.0	423.1	468.9	532.5
Frozen eggs	11.7	11.2	13.5	15.3	17.1	17.1

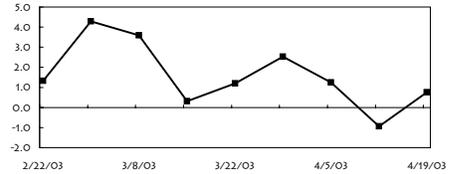
/* Estimates with exception of Cold Storage.

** Slaughter classes are estimated.

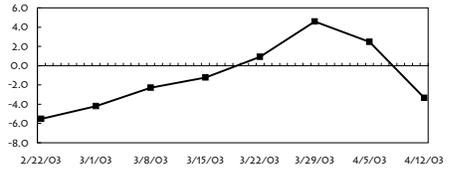
WEEKLY CATTLE SLAUGHTER
PERCENT CHANGE FROM LAST YEAR



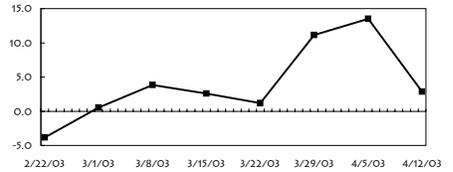
WEEKLY HOG SLAUGHTER
PERCENT CHANGE FROM LAST YEAR



WEEKLY BROILER SLAUGHTER
PERCENT CHANGE FROM LAST YEAR

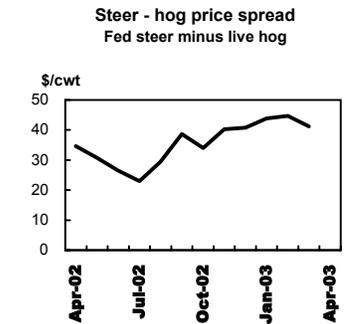
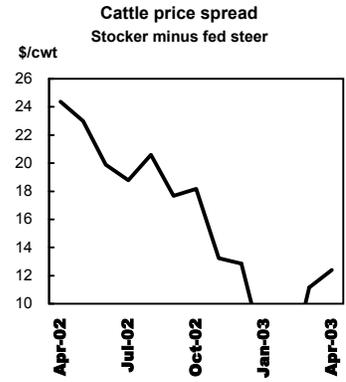


WEEKLY TURKEY SLAUGHTER
PERCENT CHANGE FROM LAST YEAR



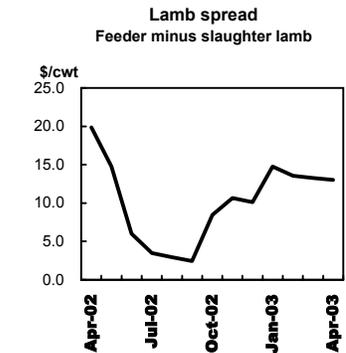
LIVESTOCK PRICES

	2002		2003				/*
	Apr.	Dec.	Jan.	Feb.	Mar.	Apr.	
Cattle prices							
\$/cwt							
Steers, Choice, 11-13 cwt							
Texas Panhandle	67.63	73.11	78.24	80.39	77.34	79.35	
Nebraska Direct	67.79	72.24	77.18	78.77	77.52	79.75	
Cows - Sioux Falls							
Utility breaking	44.00	37.17	40.45	42.56	43.00	46.25	
Utility boning	42.88	35.83	39.20	40.25	42.13	45.50	
Feeder Cattle - Oklahoma City							
Steers: Med. #1							
500-550 lb	97.96	96.09	97.26	97.83	97.94	98.85	
600-650 lb	92.00	85.97	84.70	84.74	88.49	91.75	
750-800 lb	77.33	85.22	80.97	78.16	76.32	79.00	
Heifers: Med. #1							
450-500 lb	90.50	85.93	86.47	89.77	93.12	92.10	
700-750 lb	73.36	81.91	78.92	75.18	74.06	75.50	
Hog prices							
Barrows and gilts							
National base 51-52% lean (live equivalent = carcass x .74)	33.01	32.35	34.39	35.64	36.11	35.50	
Sows							
Iowa-S. Minn. #1-2, 300-400 lb	24.39	22.28	21.80	23.27	24.07	25.15	
Sheep & lamb prices							
San Angelo, TX							
Slaughter lambs, Choice	65.15	86.88	89.25	90.25	96.25	88.50	
Ewes, Good	40.10	45.31	47.38	48.50	48.69	37.20	
Feeder lambs, Choice	85.00	97.00	104.00	103.81	109.50	101.50	



GRAIN AND FEED PRICES

	2002		2003				/*
	Apr.	Dec.	Jan.	Feb.	Mar.	Apr.	
\$/bu							
Corn, #2 Yellow, Cen. Ill	1.89	2.32	2.29	2.33	2.31	2.35	
Wheat, HRW Ord., K.C.	3.17	4.36	4.01	4.03	3.75	3.73	
\$/ton							
SBM, 48% Solvent, Decatur	161.57	163.59	167.40	176.76	175.40	182.25	
Alfalfa Hay, U.S. Avg.	103.00	100.00	97.60	96.40	96.20	N/A	
Grass Hay, U.S. Avg.	79.50	74.70	79.60	79.40	82.30	N/A	



/* Estimates

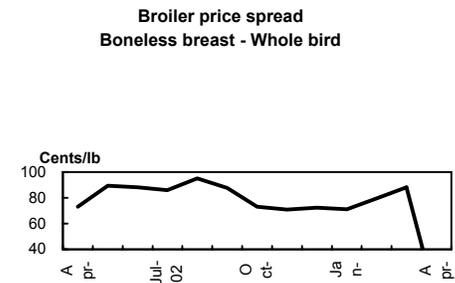
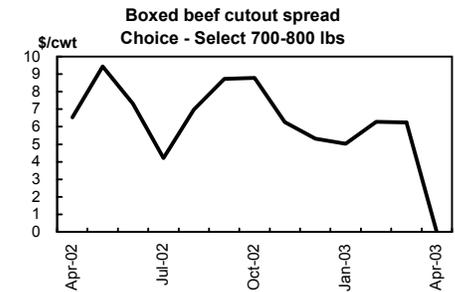
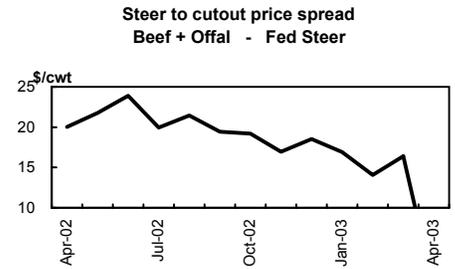
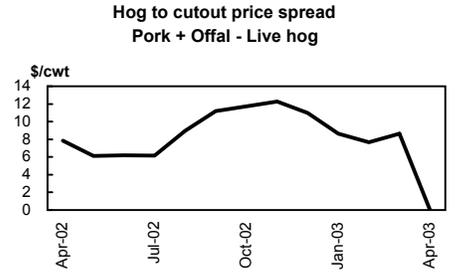
WHOLESALE PRICES

	2002		2003				/*
	Apr.	Dec.	Jan.	Feb.	Mar.	Apr.	
Beef, Central U.S.							
Boxed beef cutout	\$/cwt						
Choice 1-3 550-700 lb	116.61	122.45	128.59	128.77	126.35	130.70	
Choice 1-3 700-850 lb	116.31	121.36	127.94	127.69	126.02	130.75	
Select 1-3 700-850 lb	109.77	116.04	122.92	121.41	119.78	121.45	
Canner-Cutter Cows	N/A	N/A	N/A	N/A	N/A	N/A	
Bnls. beef, 90% fresh	117.46	101.50	112.54	110.89	110.82	103.75	
Importd bnls. beef 90% frz.	112.47	101.79	100.93	98.43	97.82	93.75	
Hide & offal value	7.26	7.81	7.86	8.01	8.10	8.15	
Veal carcass, 220-280 lb	N/A	N/A	N/A	N/A	N/A	N/A	
Pork, Central U.S.							
Pork cutout composite	50.55	52.51	52.89	53.50	55.08	53.55	
Loins, 14-19 lb Bl 1/4" trim	94.13	93.03	91.83	95.75	92.43	92.00	
Bellies, 12-14 lb skin on trmd.	63.48	78.92	78.02	79.54	85.80	85.00	
Hams, 20-23 lb Bl trmd. TS1	35.01	45.38	40.82	40.70	44.15	38.35	
Trimnings, 72% fresh	31.30	25.21	32.78	32.11	32.03	36.35	
Lamb, East Coast							
55 lb Down, Choice	N/A	N/A	N/A	N/A	N/A	N/A	
55-65 lb, Choice	143.46	164.62	164.62	174.05	192.04	194.00	
cents/lb							
Broilers							
12 City Avg.	53.47	54.74	60.46	60.49	60.02	57.75	
Georgia dock	60.79	60.60	61.26	61.91	62.61	62.50	
<i>Northeast</i>							
Breast, boneless	126.61	127.08	131.64	139.98	148.20	148.10	
Breast, Ribs on	67.76	66.77	78.16	88.80	86.11	84.25	
Legs, whole	35.42	29.94	30.83	30.54	33.04	32.30	
Leg quarters	19.21	17.99	18.90	21.09	20.96	21.10	
Turkeys							
<i>Eastern region</i>							
Toms, 16-24 lb	54.60	60.69	58.36	58.63	58.45	59.00	
Hens, 8-16 lb	59.52	66.96	61.04	61.13	61.24	61.50	
Breast, 4-8 lb	95.60	97.00	95.15	94.25	92.02	89.50	
Drumsticks	23.69	19.49	17.99	18.31	22.84	20.30	
Wings, full cut	23.15	21.03	18.57	16.09	16.62	15.50	
Eggs, grd A, lg, doz							
12 City Metro	60.38	80.06	67.85	65.92	70.81	72.80	
New York	55.77	77.14	77.43	74.05	80.00	79.25	

/* Estimates.

Source: Agricultural Marketing Service.

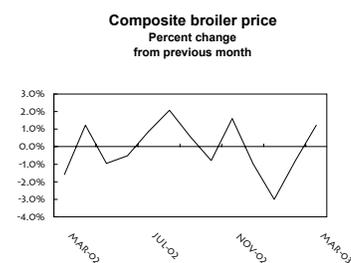
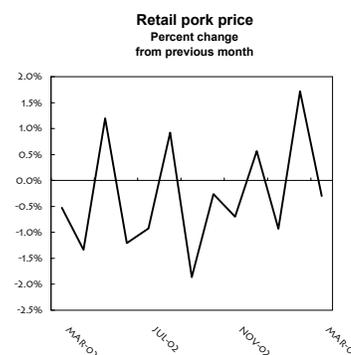
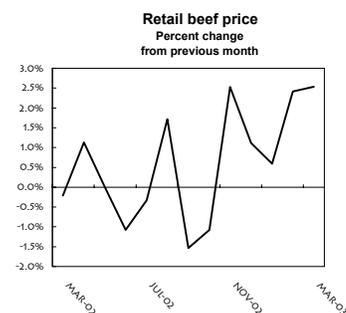
Livestock, Dairy and Poultry Situation and Outlook



RETAIL PRICES & SPREADS

	OCT-2002	NOV-2002	DEC-2002	JAN-2003	FEB-2003	MAR-2003
RETAIL PRICES						
	<i>CENTS/LB</i>					
BEEF - CHOICE	325.8	334.0	337.8	339.7	348.0	356.8
BEEF - ALL FRESH	306.5	305.6	307.4	308.6	315.7	319.2
GROUND BEEF	172.1	172.1	169.3	172.2	177.8	185.8
ROUND ROAST	304.7	317.1	319.8	336.2	325.9	327.3
T-BONE STEAK	NA	NA	NA	NA	NA	NA
PORK	261.0	259.1	260.6	258.2	262.6	261.8
BACON	324.0	321.1	324.2	319.5	328.1	321.6
CHOPS	327.2	317.6	332.3	322.8	330.2	328.7
SAUSAGE	0.0	0.0	0.0	NA	NA	NA
BROILERS - COMPOSITE	163.2	165.9	164.2	159.3	158.0	159.9
WHOLE, FRESH	102.7	104.4	104.8	100.4	103.1	104.9
BREAST - BONE IN	225.9	235.9	232.7	226.0	223.6	224.7
LEG - BONE IN	131.3	128.5	127.5	123.8	122.3	124.9
TURKEY; WHOLE FROZEN	111.7	103.8	98.8	106.6	105.8	105.5
EGGS, GR A, LG, DOZ	103.9	108.0	117.6	117.5	118.9	120.9
PRICE INDEXES						
	<i>1982-84 100</i>					
CPI - ALL	181.3	181.3	180.9	181.7	183.1	0.0
ALL FOOD	176.5	176.8	177.3	177.5	178.3	0.0
ALL MEAT	159.5	159.7	160.3	159.5	162.3	163.6
BEEF & VEAL	159.7	160.3	161.1	161.3	166.6	168.6
PORK	159.9	159.1	159.2	159.8	161.8	160.6
POULTRY	166.6	168.1	166.6	165.4	167.2	167.6
PRICE SPREADS						
	<i>CENTS / RETAIL LB</i>					
BEEF						
FARM TO WHOLESALE	35.7	31.8	34.5	32.1	27.9	30.7
WHOLESALE TO RETAIL	150.6	151.9	146.7	139.4	147.1	159.7
FARMERS SHARE (%)	43	45	46	50	50	47
PORK						
FARM TO WHOLESALE	42.1	43.6	41.8	41.1	38.3	38.3
WHOLESALE TO RETAIL	162.8	162.6	161.6	156.2	161.2	159.7
FARMERS SHARE (%)	21	20	22	24	24	24
POULTRY AND EGGS						
WHOLESALE TO RETAIL						
BROILERS	112.6	113.5	113.5	103.7	97.3	99.3
RETAIL TO CONSUMER						
TURKEY	40.2	29.8	24.6	38.4	37.6	36.8
EGGS CENTS/DOZ	38.7	23.3	38.5	39.0	45.7	41.9

SOURCES: ECONOMIC RESEARCH SERVICE, USDA AND BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR.



Cumulative U.S. livestock & meat trade

	2001	2002	Jan. - Feb-2002	Jan. - Feb-2003		2001	2002	Jan. - Feb-2002	Jan. - Feb-2003
Beef & veal imports					Pork imports				
	<i>Carcass wt., 1,000 lb</i>					<i>Carcass wt., 1,000 lb</i>			
Australia	1,151,858	1,136,804	180,979	191,781	Canada	766,043	880,205	129,234	153,532
New Zealand	637,372	604,046	79,746	102,866	Denmark	120,106	123,013	17,088	22,983
Canada	987,073	1,090,909	163,132	176,903	Poland	23,976	24,420	2,915	4,086
Brazil	163,556	200,785	23,470	27,463	Netherlands	8,433	6,730	1,146	1,130
Argentina	99,708	85,349	12,331	13,338	Hungary	6,814	4,806	682	998
Central America	70,103	68,208	13,123	16,256	Other	25,372	31,809	3,911	4,783
Uruguay	41,109	14,095	1,320	3,173	Total	950,745	1,070,983	154,978	187,512
Mexico	12,166	16,707	2,688	2,276					
Other	411	756	18	70					
Total	3,163,356	3,217,658	476,806	534,124					
Beef & veal exports					Pork exports				
Japan	1,004,062	770,919	119,544	144,338	Japan	742,222	776,168	128,689	135,037
Canada	233,291	240,543	42,315	41,607	Canada	186,234	189,601	32,782	26,427
Mexico	531,972	629,041	90,120	81,746	Mexico	318,480	313,832	57,743	45,302
South Korea	345,518	597,259	103,938	88,492	Russia	82,327	41,397	7,427	4,410
Caribbean	22,337	22,980	3,337	3,252	South Korea	38,685	70,836	6,698	16,486
Russia	7,400	17,388	873	1,570	Hong Kong	27,612	28,467	4,883	5,051
Other	124,703	169,190	26,649	26,848	Caribbean	23,503	20,343	2,526	2,438
Total	2,269,283	2,447,320	386,776	387,853	Other	140,397	173,426	16,705	32,446
					Total	1,559,459	1,614,069	257,453	267,597
Cattle imports					Hog imports				
	<i>Head</i>					<i>Head</i>			
Mexico	1,130,168	816,460	243,665	190,049	Canada	5,337,688	5,740,673	996,433	994,619
Canada	1,306,185	1,686,508	257,231	223,791	Under 110 lb	3,163,962	3,758,482	625,157	705,978
Over 700 lb	1,143,181	1,259,534	203,805	191,888	Total	5,337,688	5,741,275	996,433	994,619
440-700 lb	45,679	221,782	32,671	6,916					
Total	2,436,715	2,502,973	500,896	413,840	Hog exports				
					Total	64,049	206,196	33,717	26,976
Cattle exports					Broiler exports				
Mexico	143,769	104,573	23,130	7,852		<i>Ready to cook, 1,000 lb</i>			
Canada	297,622	134,215	28,164	16,951	Japan	234,974	120,682	13,008	14,393
Total	448,443	242,943	51,467	25,213	Mexico	380,727	324,523	73,037	46,268
					Hong Kong	744,961	607,500	100,954	88,979
Lamb imports									
	<i>Carcass wt., 1,000 lb</i>				Singapore	49,165	37,475	6,554	5,544
Australia	67,785	68,098	10,811	9,603	Canada	177,057	191,310	25,370	28,244
New Zealand	39,576	48,508	6,569	7,569	Russia	2,303,921	1,521,102	418,394	265,416
Total	108,215	117,014	17,394	17,172	Latvia	97,703	78,437	10,313	8,019
					Other	1,566,777	1,918,510	214,567	356,396
Mutton imports					Total	5,555,285	4,799,540	862,198	813,259
Total	37,511	43,442	9,019	5,429					
Lamb and mutton exports					Turkey exports				
Total	6,511	7,101	877	1,287	Mexico	219,941	186,286	37,879	28,779
					Canada	11,311	14,445	1,713	2,106
Customs Service (beef/veal)					South Korea	16,852	12,990	2,305	1,882
	<i>Product wt., metric tons</i>				Russia	80,719	29,026	11,749	1,779
YTD imports under WTO:	04/17/02	04/15/03	% of quota		Hong Kong	36,034	70,199	10,880	8,929
Canada	106,945	107,854	NA		Other	122,142	125,756	14,413	21,672
Mexico	1,171	943	NA		Total	486,999	438,702	78,940	65,147
TRQ countries	141,465	152,720	22						
Australia	90,270	87,623	23		Shell egg exports				
New Zealand	43,491	55,755	26			<i>1,000 doz.</i>			
Argentina	-	-	-		Canada	32,279	30,506	2,342	2,448
Uruguay	-	-	-		Japan	3,026	2,256	183	104
Japan	-	-	-		Other	55,750	55,937	10,020	10,648
Other	7,704	9,342	14		Total	91,055	88,699	12,544	13,200
Total	249,580	261,517	NA						

Sources: Economic Research Service, USDA and Census Bureau, U.S. Department of Commerce.

Monthly U.S. livestock and meat trade **

	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03
Beef & veal imports	Carcass wt., 1,000 lb												
Australia	37,333	83,663	122,773	122,777	97,827	128,045	92,338	82,637	69,385	96,785	59,596	151,202	40,579
New Zealand	38,780	49,112	69,641	73,965	82,766	70,219	39,799	26,943	24,537	26,136	61,182	42,350	60,516
Canada	78,721	90,095	85,314	92,671	108,664	96,857	100,784	89,745	95,414	87,608	80,625	91,888	85,015
Brazil	11,756	18,146	17,060	13,041	13,521	23,312	19,340	21,233	12,581	22,494	16,587	14,443	13,019
Argentina	5,723	7,234	4,059	4,340	4,613	7,757	8,663	8,110	10,107	7,443	10,694	8,737	4,601
Central America	7,835	7,565	4,862	6,030	2,301	2,043	5,933	6,547	6,038	6,381	7,386	5,835	10,422
Uruguay	929	2,243	645	808	1,274	2,031	1,434	1,272	611	857	1,600	2,249	924
Mexico	1,249	1,650	1,717	1,844	1,649	1,351	1,086	1,143	1,131	1,197	1,251	1,318	957
Other	10	393	73	10	4	4	7	5	228	8	6	3	67
Total	182,337	260,100	306,144	315,485	312,619	331,619	269,384	237,634	220,030	248,909	238,927	318,024	216,100
Beef & veal exports													
Japan	59,087	61,878	56,235	68,128	62,766	72,093	76,571	63,411	42,168	80,441	67,684	71,018	73,320
Canada	18,424	18,602	16,073	22,489	18,272	18,490	17,721	18,614	22,533	22,307	23,127	21,495	20,112
Mexico	36,337	41,963	51,641	59,019	55,152	61,058	52,934	61,149	56,393	39,496	60,117	45,621	36,125
Korea, Rep.	47,237	47,895	40,342	48,543	49,983	53,354	55,020	55,756	29,276	59,929	53,222	42,420	46,072
Caribbean	1,740	1,874	2,091	1,777	1,522	1,947	2,372	1,877	2,040	1,463	2,679	1,662	1,590
Russia	824	505	3,405	2,488	2,071	1,778	635	3,590	626	525	893	1,101	469
Other	14,835	12,604	13,203	12,040	14,214	13,605	12,509	17,296	9,636	19,416	18,018	12,919	13,929
Total	178,484	185,321	182,991	214,483	203,981	222,325	217,763	221,693	162,671	223,577	225,741	196,235	191,618
Cattle imports	Head												
Mexico	136,294	149,366	27,618	20,163	7,405	8,114	6,353	8,203	57,455	146,806	141,312	97,772	92,277
Canada	143,186	135,292	134,719	105,738	102,429	113,327	153,735	184,396	196,656	183,783	119,202	118,113	105,678
Over 700 lb	113,232	108,380	113,526	85,140	85,342	97,921	121,580	120,620	111,893	120,059	91,268	99,543	92,345
440-700 lb	19,114	15,097	6,688	4,215	2,709	2,796	8,961	32,754	57,140	45,459	13,292	4,597	2,319
Total	279,480	284,663	162,337	125,901	109,834	121,441	160,088	192,599	254,111	330,589	260,514	215,885	197,955
Cattle exports													
Mexico	14,081	8,315	9,818	9,710	6,538	10,354	8,199	6,728	7,889	7,120	6,772	5,728	2,124
Canada	13,173	13,549	9,281	16,327	9,975	9,716	8,242	6,304	7,867	11,368	13,422	8,534	8,417
Total	27,417	21,934	19,404	26,119	16,617	20,209	16,585	13,136	16,135	18,672	22,665	14,325	10,888
Lamb imports	Carcass wt., 1,000 lb												
Australia	4,789	9,598	5,914	5,681	5,959	5,768	5,536	3,941	3,948	4,996	5,946	5,697	3,906
New Zealand	3,491	5,011	4,315	4,827	4,443	4,298	3,980	3,082	3,240	4,433	4,310	3,748	3,821
Total	8,294	14,668	10,252	10,568	10,440	10,110	9,534	7,065	7,225	9,441	10,317	9,445	7,727
Mutton imports													
Total	4,463	7,379	6,192	4,142	2,143	1,213	1,713	2,034	2,575	3,010	4,021	3,532	1,897
Lamb and mutton exports													
Total	608	432	572	506	911	310	774	543	613	565	998	674	613

Monthly U.S. livestock and meat trade, continued

	Feb-2002	Mar-2002	Apr-2002	May-2002	Jun-2002	Jul-2002	Aug-2002	Sep-2002	Oct-2002	Nov-2002	Dec-2002	Jan-2003	Feb-2003
Pork imports	Carcass wt., 1,000 lb												
Canada	65,470	64,144	70,019	68,812	70,598	78,051	79,245	74,185	83,764	82,838	79,316	76,896	76,637
Denmark	9,705	10,723	13,924	12,284	9,622	10,517	8,272	7,202	8,472	11,493	13,416	9,226	13,758
Poland	1,586	1,883	2,226	1,338	1,774	2,236	1,326	2,889	2,673	2,224	2,935	2,012	2,074
Netherlands	491	625	354	698	644	668	268	803	488	436	599	415	715
Hungary	343	204	191	302	159	863	464	272	471	468	729	533	464
Other	2,089	2,517	2,540	3,270	2,769	3,026	2,627	2,388	3,193	2,707	2,861	2,685	2,098
Total	79,685	80,096	89,253	86,704	85,567	95,361	92,201	87,738	99,062	100,167	99,855	91,766	95,746
Pork exports													
Japan	61,671	64,154	66,542	78,288	76,324	68,575	58,418	58,486	45,910	64,570	66,213	67,422	67,615
Canada	17,558	19,069	15,576	18,296	15,128	14,237	13,884	15,676	13,733	16,480	14,740	12,882	13,545
Mexico	23,403	23,232	27,300	23,542	25,210	28,561	27,863	19,759	26,280	25,392	28,951	24,395	20,907
Russia	3,571	1,276	2,623	4,725	4,721	5,419	1,815	2,112	4,354	4,348	2,576	2,043	2,367
Korea, Rep.	3,882	4,470	4,442	6,379	3,862	5,416	7,081	6,630	7,003	11,380	7,475	8,793	7,693
Hong Kong	3,331	1,535	878	2,131	3,064	1,467	1,247	2,371	2,350	4,350	4,193	1,910	3,140
Caribbean	1,653	1,420	1,052	1,402	1,482	1,087	3,985	1,733	2,204	1,709	1,743	1,425	1,012
Other	8,870	9,055	9,889	11,133	11,733	16,103	22,204	17,257	19,249	21,280	18,818	15,409	17,038
Total	123,938	124,211	128,303	145,897	141,522	140,866	136,497	124,022	121,082	149,508	144,708	134,279	133,318
Hog imports	Head												
Canada	434,424	455,427	480,017	528,892	436,534	456,561	436,777	426,769	557,096	471,523	494,644	545,267	449,352
Under 110 lb	276,429	276,971	307,923	353,273	283,639	301,093	294,458	269,923	392,866	322,166	331,013	377,133	328,845
Total	434,424	455,427	480,017	528,892	436,534	456,561	436,777	426,769	557,096	472,125	494,644	545,267	449,352
Hog exports													
Total	12,657	8,095	21,392	15,339	19,241	16,509	20,285	19,654	12,040	16,549	23,375	15,663	11,313
Broiler exports	Ready to cook, 1,000 lb												
	***Has been revised to exclude paws												
Japan	3,322	8,659	8,958	7,527	10,616	13,607	12,842	9,625	11,216	15,811	8,814	8,219	6,174
Mexico	36,991	35,429	34,395	26,903	20,404	19,888	18,923	23,508	24,844	24,613	22,579	24,329	21,939
Hong Kong	67,727	65,421	70,552	75,442	39,518	46,658	58,351	49,213	30,044	37,706	33,642	44,266	44,714
Singapore	3,847	3,486	2,957	1,908	1,791	1,188	4,513	2,597	3,988	4,172	4,322	2,975	2,569
Canada	12,818	12,562	13,869	15,182	17,289	18,465	19,593	20,151	17,889	17,805	13,134	15,004	13,240
Russia	193,556	104,602	14,399	59,810	168,493	140,948	215,864	27,754	196,192	118,290	56,356	112,468	152,948
Latvia	1,134	475	1,310	16,199	571	9,145	156	-	17,552	21,933	782	3,880	4,139
Other	112,548	110,975	128,808	224,678	157,645	166,347	205,151	172,641	166,307	197,123	174,267	207,200	149,195
Total	431,942	341,608	275,248	427,648	416,325	416,248	535,393	305,489	468,033	437,454	313,896	418,340	394,919
Turkey exports													
Mexico	20,854	27,987	17,240	17,656	8,317	8,766	9,769	15,181	16,288	13,783	13,421	13,361	15,419
Canada	816	680	813	1,034	1,187	947	1,241	1,252	1,507	1,576	2,496	895	1,211
S. Korea	1,175	714	1,215	1,471	1,694	746	1,556	792	897	910	690	844	1,038
Russia	8,275	5,888	-	515	3,189	1,024	4,115	609	1,113	517	308	161	1,617
Hong Kong	6,337	6,907	6,464	8,566	4,850	4,015	6,337	6,682	4,808	4,561	6,129	3,505	5,425
Other	8,266	7,605	9,326	12,812	10,713	10,729	14,013	12,035	11,668	14,274	8,166	10,773	10,900
Total	45,723	49,781	35,058	42,054	29,950	26,226	37,032	36,551	36,280	35,621	31,210	29,538	35,609
Shell egg exports	1,000 doz.												
Canada	1,176	1,648	2,903	2,863	2,838	2,075	2,492	3,286	3,346	2,826	3,886	1,205	1,243
Japan	64	1	-	2	14	320	373	358	354	567	84	104	-
Other	5,539	4,165	4,643	4,675	3,949	5,274	5,248	4,378	3,883	4,732	4,970	5,168	5,480
Total	6,779	5,815	7,546	7,540	6,801	7,669	8,114	8,023	7,583	8,125	8,940	6,477	6,723

Sources: Economic Research Service, USDA and Census Bureau, U.S. Department of Commerce.

For further information: Dale Leuck (202) 694-5186 or Mildred Haley (202) 694-5176.

U.S. dairy situation at a glance 1/

	Unit	2000	2001	2002	Jan-02	Feb-02	Mar-02	Apr-02
Milk production:								
Production (20 States)	Mil. lb.	144,535	142,979	146,590	12,327	11,401	12,810	12,575
Milk cows (20 States)	Thou.	7,799	7,745	7,773	7,749	7,744	7,745	7,758
Milk per cow (20 States)	Lb.	18,534	18,459	18,858	1,591	1,472	1,654	1,621
Production (U.S. est.)	Mil. lb.	167,559	165,497	169,758	14,309	13,229	14,859	14,585
Milk prices:								
All milk	Dol./cwt	12.40	15.05	12.12	13.40	13.10	12.70	12.50
Milk eligible for fluid use	Dol./cwt	12.44	15.09	12.15	13.40	13.10	12.70	12.60
Manufacturing grade milk	Dol./cwt	10.52	13.44	10.87	12.40	12.00	11.30	11.30
Class III (cheese milk) 3.5% fat	Dol./cwt	9.74	13.10	10.42	11.87	11.63	10.65	10.85
Class IV (butter-powder milk) 3.5% fat	Dol./cwt	11.83	13.76	10.81	11.93	11.54	11.42	11.09
Slaughter cow price, South St. Paul	Dol./cwt	40.08	44.78	40.09	39.34	41.75	44.63	42.56
Chicago Mercantile Exchange prices:								
Butter	Dol./lb.	1.1768	1.6630	1.1059	1.3454	1.2427	1.2473	1.1712
American cheese, 40-pound blocks	Dol./lb.	1.1316	1.4387	1.1822	1.3242	1.2076	1.2130	1.2448
American cheese, barrels	Dol./lb.	1.1084	1.4052	1.1438	1.2970	1.1797	1.1809	1.2177
Wholesale price:								
Nonfat dry milk, Central States	Dol./lb.	1.0160	1.0083	0.9308	0.9396	0.9357	0.9218	0.9061
Retail prices:								
Consumer Price Index	1982-84=100	172.1	177.1	179.9	177.1	177.8	178.8	179.8
All food	1982-84=100	167.8	173.1	176.2	175.8	175.9	176.1	176.2
Dairy products	1982-84=100	160.7	167.1	168.1	169.9	170.1	169.4	168.7
Fluid milk	Dec 1997=100	107.8	112.7	110.6	112.2	112.2	111.6	111.6
Other dairy products	Dec 1997=100	109.4	112.5	114.5	114.8	115.5	114.3	113.3
Dairy product output:								
Butter	Mil. lb.	1,256.0	1,236.8	1,359.4	140.7	125.4	129.0	132.4
American cheese	Mil. lb.	3,641.6	3,519.2	3,670.1	315.2	287.4	318.2	316.8
Other-than-American cheese	Mil. lb.	4,616.4	4,609.9	4,775.7	390.1	367.6	409.3	390.2
Frozen products 2/	Mil. gal.	1,304.9	1,325.4	1,304.4	95.9	100.1	113.1	121.4
All products (m.e.-fat)	Mil. lb.	104,844	103,357	108,065	9,310	8,650	9,436	9,562
Nonfat dry milk	Mil. lb.	1,451.8	1,413.8	1,511.9	118.9	125.8	147.8	158.3
Beginning stocks:								
Commercial butter	Mil. lb.	24.9	24.0	55.5	55.5	98.9	128.9	143.8
Commercial American cheese	Mil. lb.	458.0	521.1	448.3	448.3	458.9	490.4	497.6
Other cheese	Mil. lb.	163.3	185.2	210.9	210.9	233.9	229.2	233.4
Manufacturers' nonfat dry milk	Mil. lb.	150.9	146.3	124.5	124.5	120.0	142.5	157.8
All commercial (m.e.-fat)	Mil. lb.	6,143	6,839	7,041	7,041	8,262	9,183	9,605
All commercial (m.e.-skim)	Mil. lb.	8,047	8,801	8,085	8,085	8,377	8,915	9,203
All Government (m.e.-fat)	Mil. lb.	44	139	218	218	216	245	257
All Government (m.e.-skim)	Mil. lb.	1,566	6,028	9,070	9,070	9,122	9,623	10,174
Commercial disappearance:								
Butter	Mil. lb.	1,280.4	1,280.4	1,292.5	99.5	99.5	118.0	84.2
American cheese	Mil. lb.	3,595.3	3,656.6	3,693.1	308.3	257.5	314.8	303.9
Other-than-American cheese	Mil. lb.	4,959.7	4,952.3	5,138.0	387.7	400.9	437.9	406.0
Nonfat dry milk	Mil. lb.	771.0	946.4	721.0	56.7	22.8	47.0	57.6
All products:								
m.e.-fat	Mil. lb.	169,133	169,604	170,458	13,372	12,551	14,735	13,449
Milkfat	Mil. lb.	6,224	6,223	6,275	505	472	550	495
Skim solids	Mil. lb.	13,959	14,179	14,140	1,178	1,038	1,206	1,159
USDA net removals:								
Butter	Mil. lb.	8.9	0.0	0.0	0.0	0.0	0.0	0.0
Cheese	Mil. lb.	28.0	3.9	16.1	0.7	0.7	0.0	0.0
Nonfat dry milk	Mil. lb.	692.6	495.9	828.0	66.7	81.6	85.7	98.2
All products (m.e.-fat)	Mil. lb.	841	145	330	21	24	19	22
All products (m.e.-skim)	Mil. lb.	8,613	5,810	9,797	784	957	997	1,143
Imports:								
All products (m.e.-fat)	Mil. lb.	4,445	5,716	5,103	409	361	421	386
All products (m.e.-skim)	Mil. lb.	4,389	4,686	5,103	282	339	397	397
International market prices:								
Butter	\$/metric ton	1,367	1,391	1,159	1,175	1,163	1,138	1,088
Nonfat dry milk	\$/metric ton	1,896	2,019	1,303	1,564	1,500	1,200	1,200

1/ Some data series different than formerly published due to changes in availability.

2/ Hard ice cream, ice milk, and sherbet.

m.e.-fat (skim) = Milk equivalent, fat (skim solids) basis

NA=Not available

U.S. dairy situation at a glance (continued)

May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03
13,039	12,348	12,281	12,223	11,648	11,991	11,657	12,290	12,548	11,588	12,996
7,769	7,782	7,781	7,785	7,781	7,789	7,792	7,801	7,807	7,810	7,812
1,678	1,587	1,578	1,570	1,497	1,539	1,496	1,575	1,607	1,484	1,664
15,118	14,312	14,202	14,130	13,459	13,870	13,479	14,206	14,522	13,406	15,030
12.20	11.60	11.20	11.30	11.60	12.10	11.80	11.90	11.70	11.40	11.00
12.20	11.70	11.20	11.40	11.60	12.10	11.90	11.90	11.80	11.40	11.00
11.10	10.30	9.50	9.80	10.30	11.20	10.60	10.60	10.50	10.30	9.90
10.82	10.09	9.33	9.54	9.92	10.72	9.84	9.74	9.78	9.66	9.11
10.57	10.52	10.45	10.41	10.22	10.50	10.58	10.49	10.07	9.81	9.79
43.05	41.13	39.55	39.06	38.59	37.68	36.63	37.16	38.63	40.22	42.31
1.0590	1.0427	1.0302	0.9752	0.9635	1.0315	1.0425	1.1198	1.0815	1.0405	1.0915
1.2009	1.1299	1.0889	1.1575	1.2041	1.1950	1.0891	1.1311	1.0929	1.0920	1.0817
1.1688	1.1051	1.0680	1.1252	1.1100	1.0970	1.0705	1.1055	1.1507	1.0430	1.0469
0.9174	0.9213	0.9275	0.9323	0.9468	0.9563	0.9578	0.9075	0.8562	0.8347	0.8375
179.8	179.9	180.1	180.7	181.0	181.3	181.3	180.9	181.7	183.1	184.2
175.8	175.8	176.0	176.0	176.4	176.5	176.8	177.3	177.5	178.3	178.6
169.0	168.0	167.6	167.2	166.3	166.5	167.1	167.3	166.4	167.2	167.1
111.1	110.9	110.1	109.6	109.1	109.4	109.6	109.9	109.9	109.0	108.5
114.2	115.5	115.8	114.9	114.4	113.1	113.7	114.9	112.9	114.0	114.6
126.5	96.9	94.0	88.5	92.3	102.1	104.2	127.5	141.4	128.5	NA
326.2	310.3	301.2	305.8	285.7	295.4	291.8	316.0	319.5	284.9	NA
407.0	387.2	379.6	394.3	386.2	422.2	421.1	420.9	398.2	369.8	NA
121.3	126.4	127.4	119.9	105.8	103.6	84.1	85.4	96.7	100.5	NA
9,780	9,023	8,966	8,837	8,427	8,700	8,350	9,024	9,422	8,734	NA
158.1	147.6	123.7	114.4	93.8	99.7	96.1	127.7	133.8	132.6	NA
194.6	224.6	241.0	243.3	227.0	207.2	162.8	134.6	157.3	202.3	237.5
513.0	535.4	547.9	572.8	565.0	512.0	500.5	473.6	493.1	511.9	537.9
252.1	252.9	248.9	260.2	236.1	241.0	219.0	223.0	236.8	247.3	230.2
160.8	165.8	173.7	137.8	109.5	84.7	79.4	87.1	101.1	111.6	123.0
11,004	11,888	12,360	12,742	12,150	11,243	9,958	9,113	9,891	11,124	12,014
9,594	9,900	10,106	10,072	9,444	8,660	8,216	8,062	8,556	8,971	9,204
287	304	319	308	335	333	343	314	268	299	308
10,895	11,572	12,402	13,011	14,187	14,259	14,010	13,439	12,212	12,124	12,527
98.5	83.6	94.7	107.5	113.9	148.5	134.9	109.7	98.5	93.7	NA
309.9	314.1	289.6	318.7	345.5	313.9	321.9	295.0	304.1	265.8	NA
439.8	418.1	402.9	448.7	413.7	478.4	457.1	446.8	410.0	413.4	NA
41.1	54.4	78.4	96.6	80.1	85.7	51.5	49.1	46.6	32.7	NA
14,518	14,177	14,195	14,973	14,651	15,457	14,639	13,741	13,487	12,691	NA
526	506	501	533	530	575	555	527	510	477	NA
1,201	1,160	1,168	1,234	1,209	1,253	1,184	1,149	1,177	1,075	NA
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	2.2	4.3
0.0	0.0	0.7	5.9	1.1	0.8	1.6	4.6	1.8	2.5	10.1
114.7	86.9	84.7	47.8	39.8	20.2	37.2	64.6	77.9	88.1	92.4
25	19	25	65	19	11	23	56	46	91	208
1,335	1,012	992	615	474	242	449	797	924	1,051	1,176
412	457	504	420	405	417	439	473	344	355	NA
456	460	547	439	440	441	461	442	323	360	NA
1,050	1,050	1,090	1,113	1,225	1,275	1,263	1,281	1,280	1,206	1,274
1,250	1,200	1,200	1,150	1,200	1,220	1,350	1,606	1,705	1,688	1,670

U. S. milk production and related data

Year and quarter	Milk cows	Milk per cow	Milk production	Corn-soybean meal mix 1/	Replacement cow price 2/
	thousands	pounds	mil. pounds	dol. per cwt	dollars
1998					
JAN-MAR	9,175	4,269	39,167	5.44	1,070
APR-JUN	9,167	4,447	40,767	4.90	1,110
JUL-SEP	9,145	4,211	38,513	4.29	1,120
OCT-DEC	9,128	4,262	38,901	4.13	1,180
Avg. or total	9,154	17,189	157,348	4.69	1,120
1999					
JAN-MAR	9,128	4,436	40,489	4.23	1,250
APR-JUN	9,155	4,590	42,021	4.15	1,240
JUL-SEP	9,171	4,336	39,766	3.84	1,280
OCT-DEC	9,171	4,410	40,440	3.93	1,380
Avg. or total	9,156	17,772	162,716	4.04	1,280
2000					
JAN-MAR	9,186	4,640	42,622	4.41	1,330
APR-JUN	9,212	4,688	43,185	4.59	1,340
JUL-SEP	9,221	4,458	41,108	3.81	1,350
OCT-DEC	9,203	4,416	40,644	4.36	1,350
Avg. or total	9,206	18,202	167,559	4.29	1,340
2001					
JAN-MAR	9,141	4,514	41,266	4.41	1,320
APR-JUN	9,112	4,688	42,720	4.15	1,390
JUL-SEP	9,096	4,459	40,563	4.40	1,590
OCT-DEC	9,106	4,497	40,948	4.23	1,700
Avg. or total	9,114	18,158	165,497	4.30	1,535
2002					
JAN-MAR	9,112	4,653	42,397	4.27	1,610
APR-JUN	9,149	4,811	44,015	4.33	1,710
JUL-SEP	9,153	4,566	41,791	5.09	1,670
OCT-DEC	9,148	4,543	41,555	4.89	1,420
Avg. or total	9,141	18,573	169,758	4.64	1,575
2003					
JAN-MAR	9,155	4,692	42,958	4.95	1,370

1/ Value of farm corn and 48 percent soybean meal, Decatur, needed to produce 16-percent protein concentrate feed.

2/ During the first month of the quarter.

Nonfat dry milk: Government removals and stocks, 1990-2003 (cont.)

	January	February	March	April	May	June	July	August	September	October	November	December	Year
	thousand pounds												
Net removals 3/													
1990	2,936	-662	0	0	0	0	0	0	15,885	22,650	34,150	42,839	117,798
1991	55,403	44,241	42,793	48,379	28,842	9,414	-491	2,661	3,525	8,907	11,448	14,422	269,544
1992	4,591	2,632	3,082	5,834	17,269	1,909	14,826	16,673	4,538	26,451	6,828	32,088	136,721
1993	35,529	35,016	39,760	16,770	25,049	18,413	22,718	20,759	14,123	11,479	44,068	20,659	304,343
1994	14,859	21,848	14,281	37,714	18,280	27,120	29,016	25,780	20,468	25,522	29,661	25,486	290,035
1995	29,538	45,836	46,584	45,285	44,767	22,871	24,121	26,120	17,981	25,989	7,604	7,092	343,788
1996	2,456	4,011	7,911	8,217	3,568	7,123	4,972	4,017	1,154	3,048	5,013	5,748	57,238
1997	9,174	14,353	17,347	19,991	21,676	32,710	23,163	35,102	34,722	24,901	33,316	31,538	297,993
1998	37,514	31,676	24,739	28,115	36,830	29,149	40,163	29,385	19,494	15,778	9,165	24,387	326,395
1999	23,369	35,880	37,307	48,875	53,847	69,709	55,048	36,305	39,372	33,429	38,657	68,781	540,579
2000	60,317	63,512	76,544	75,044	81,843	61,907	42,055	50,538	40,124	50,364	45,511	44,812	692,571
2001	70,572	50,917	66,881	48,535	51,211	34,797	39,229	14,867	7,511	16,184	50,720	44,433	495,857
2002	66,731	81,616	85,678	98,158	114,664	86,946	84,650	47,808	39,778	20,162	37,231	64,621	828,043
2003	77,862	88,141	92,408										
Government stocks 4/													
1990	111	1,794	2,648	410	428	655	887	935	5,979	14,131	28,750	47,356	47,356
1991	82,333	111,615	166,884	202,626	254,400	275,320	279,892	268,776	253,902	238,090	188,983	153,788	153,788
1992	129,238	88,555	65,125	72,468	61,214	51,153	36,196	24,573	16,390	8,866	7,691	3,808	3,808
1993	2,098	1,051	1,323	1,186	452	332	194	940	5,097	9,322	11,130	9,695	9,695
1994	7,436	4,852	3,245	2,802	544	4,471	14,148	32,212	37,718	39,343	32,250	27,733	27,733
1995	26,103	27,960	27,924	27,412	25,857	22,243	21,497	19,454	19,115	20,391	15,620	14,378	14,378
1996	13,890	10,202	9,611	10,172	1,433	1,453	414	440	379	329	354	304	304
1997	290	188	251	211	176	93	3,258	5,494	7,977	14,348	21,490	21,538	21,538
1998	23,982	25,923	36,153	48,036	54,788	68,881	91,027	107,514	112,455	108,895	97,234	95,227	95,227
1999	92,542	82,302	83,641	85,653	88,116	114,498	140,616	170,713	146,761	133,112	138,070	133,620	133,620
2000	149,699	186,086	227,429	260,418	309,369	365,954	406,228	454,512	481,211	492,863	520,616	515,834	515,834
2001	562,927	588,585	667,622	731,338	747,304	779,234	803,064	820,609	815,070	784,978	758,990	775,700	775,700
2002	780,104	823,230	870,629	932,616	990,696	1,061,611	1,115,973	1,217,549	1,222,878	1,199,954	1,150,980	1,046,769	1,046,769
2003	1,035,733	1,071,060	1,110,713										

1/ Purchases will be negative if contract cancellations exceed new purchase contracts.

2/ Exports subsidized under the Dairy Export Incentive Program. Assumed removed from commercial supplies 1 month before shipment.

3/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.

4/ End of period.

Butter: Government removals and stocks, 1990-2003 (cont.) 1/

	January	February	March	April	May	June	July	August	September	October	November	December	Year
	thousand pounds												
Net removals 4/													
1990	71,784	59,898	45,012	46,915	48,916	30,948	22,462	15,555	5,607	12,425	10,845	30,548	400,915
1991	77,455	68,601	52,046	70,437	62,801	27,748	15,829	1,753	1,453	5,724	25,212	33,805	442,864
1992	96,307	63,508	57,970	46,592	55,008	26,540	16,732	17,189	8,848	14,085	12,438	24,306	439,523
1993	72,330	65,466	49,985	31,643	50,398	30,429	10,195	-5,922	-24,349	-2,655	-10,248	20,568	287,840
1994	49,466	45,221	11,403	15,514	46,679	19,676	3,153	-16,032	-3,194	947	10,906	20,610	204,349
1995	23,997	3,252	12,611	11,576	11,676	6,205	3,720	1,863	1,922	788	176	0	77,786
1996	0	0	0	0	0	0	0	0	0	0	0	70	70
1997	740	827	872	1,910	3,116	4,517	4,726	3,639	3,877	3,516	5,223	5,419	38,382
1998	3,311	1,526	745	403	326	0	0	0	0	0	0	0	6,311
1999	0	0	435	435	0	0	0	0	517	517	798	993	3,695
2000	2,007	2,640	1,642	872	798	657	242	0	0	0	0	0	8,858
2001	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	550	2,194	4,340										
Government stocks 5/													
1990	234,285	251,820	286,502	311,520	349,979	378,335	381,462	385,247	375,122	374,131	365,207	372,736	372,736
1991	402,257	449,573	492,602	549,362	577,186	594,035	589,381	580,689	553,826	534,627	520,495	510,546	510,546
1992	539,035	613,290	643,372	670,804	698,006	735,210	735,457	686,058	589,608	514,594	463,231	429,664	429,664
1993	472,955	487,045	521,785	568,950	576,730	606,763	539,979	492,196	408,978	327,885	267,624	229,206	229,206
1994	235,281	233,957	242,684	247,132	263,578	264,061	233,975	190,122	149,029	115,905	75,581	67,946	67,946
1995	66,213	63,732	52,784	46,711	38,507	33,076	21,375	16,118	8,075	5,228	4,344	2,797	2,797
1996	3,406	3,512	1,308	2,524	995	804	793	843	546	277	227	294	294
1997	161	347	364	466	1,259	644	661	563	499	392	364	306	306
1998	160	127	256	398	308	300	285	216	169	8	8	4	4
1999	247	281	181	67	257	257	334	258	214	391	313	223	223
2000	288	383	347	229	489	420	391	388	375	330	188	142	142
2001	338	279	717	623	653	829	815	1,065	331	344	341	436	436
2002	260	1,200	1,323	2,063	2,258	2,026	1,991	2,449	1,873	1,844	1,021	555	555
2003	349	747	755										

1/ Includes butter equivalent of butteroil where applicable.

2/ Purchases will be negative if contract cancellations exceed new purchase contracts.

3/ Exports subsidized under the Dairy Export Incentive Program. Assumed removed from commercial supplies 1 month before shipment.

4/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.

5/ End of period.

Cheese: Government removals and stocks, 1990-2003 (cont.) 1/

	January	February	March	April	May	June	July	August	September	October	November	December	Year
	thousand pounds												
Net removals 4/													
1990	0	0	0	0	0	0	0	0	0	0	4,512	16,968	21,480
1991	15,476	18,029	13,035	15,095	8,180	7,135	-543	0	-700	0	450	735	76,892
1992	6,984	774	734	2,205	0	0	0	661	225	148	2,436	231	14,398
1993	1,197	2,705	1,728	-335	734	454	412	410	386	185	220	183	8,279
1994	141	181	101	101	110	212	181	203	1,721	1,808	1,858	293	6,910
1995	396	351	597	580	443	395	417	621	626	655	660	313	6,054
1996	239	211	444	443	446	521	512	441	280	333	369	355	4,594
1997	529	1,036	540	529	1,342	2,181	1,586	634	439	1,150	812	533	11,311
1998	651	675	627	679	584	570	678	754	699	626	710	910	8,163
1999	727	512	406	348	289	134	179	520	436	416	249	351	4,567
2000	361	693	1,808	2,231	4,553	1,855	2,052	1,486	872	1,176	6,698	4,242	28,027
2001	1,630	1,232	-40	0	0	0	704	707	78	-1,868	707	707	3,857
2002	707	707	0	0	0	0	684	5,891	1,112	758	1,628	4,566	16,053
2003	1,829	2,544	10,084										
Government stocks 5/													
1990	5,441	4,924	4,299	2,638	2,603	2,546	3,587	4,567	3,695	1,616	2,581	8,219	8,219
1991	14,603	19,290	26,251	33,915	35,789	34,337	35,410	31,600	29,497	27,234	25,748	23,107	23,107
1992	21,261	20,052	21,660	21,260	20,041	18,150	15,373	13,682	8,963	6,511	12,685	16,528	16,528
1993	12,810	11,807	15,349	15,439	9,223	9,034	5,863	4,589	3,105	2,601	2,347	2,155	2,155
1994	1,678	1,661	1,413	1,186	796	645	666	849	1,262	1,281	884	912	912
1995	848	854	811	608	518	254	502	412	362	288	533	392	392
1996	144	218	187	213	234	206	275	460	446	429	375	271	271
1997	359	494	760	887	846	659	1,602	1,837	535	341	532	470	470
1998	476	618	481	756	630	473	1,051	1,044	967	844	498	552	552
1999	517	312	156	539	406	679	472	611	529	602	684	954	954
2000	673	737	622	1,987	2,173	3,346	3,926	2,695	1,897	1,448	1,594	2,280	2,280
2001	5,232	7,718	8,943	8,556	8,055	8,064	8,102	8,019	6,396	4,050	3,341	4,027	4,027
2002	4,123	4,037	3,901	3,910	3,932	4,462	1,985	1,371	2,329	4,104	4,016	2,687	2,687
2003	6,710	5,866	9,934										

1/ Includes process.

2/ Purchases will be negative if contract cancellations exceed new purchase contracts.

3/ Exports subsidized under the Dairy Export Incentive Program. Assumed removed from commercial supplies 1 month before shipment.

4/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.

5/ End of period.

Milk equivalent (milkfat basis): Government removals and stocks, 1990-2003

	January	February	March	April	May	June	July	August	September	October	November	December	Year
	million pounds												
Net removals 1/													
1990	1,491	1,245	937	975	1,014	643	469	324	119	250	274	803	8,544
1991	1,844	1,672	1,264	1,686	1,451	674	340	39	26	127	557	747	10,427
1992	2,165	1,392	1,272	1,052	1,232	606	402	393	197	322	341	557	9,931
1993	1,603	1,513	1,133	704	1,131	699	253	-108	-511	-45	-190	467	6,649
1994	1,098	999	262	361	1,039	455	96	-318	-23	67	281	486	4,803
1995	590	126	330	296	293	160	104	77	64	38	20	7	2,105
1996	4	5	11	12	10	7	8	7	4	4	5	10	87
1997	27	37	33	53	89	130	126	101	103	102	142	147	1,090
1998	108	62	40	26	24	13	16	14	15	14	14	21	367
1999	21	23	32	31	21	23	20	20	30	27	40	55	343
2000	88	99	86	78	107	78	55	46	38	34	84	49	842
2001	31	23	14	11	11	8	15	10	2	-14	18	16	145
2002	21	24	19	22	25	19	25	65	19	11	23	56	330
2003	46	91	208										
Government stocks 2/													
1990	5,162	5,541	6,291	6,820	7,658	8,275	8,352	8,443	8,215	8,176	7,993	8,213	8,213
1991	8,924	10,005	11,020	12,336	12,971	13,330	13,240	13,014	12,405	11,963	11,629	11,379	11,379
1992	11,978	13,578	14,240	14,836	15,415	16,208	16,187	15,092	12,945	11,286	10,223	9,526	9,526
1993	10,434	10,731	11,521	12,550	12,660	13,314	11,828	10,775	8,947	7,175	5,860	5,020	5,020
1994	5,148	5,118	5,305	5,401	5,757	5,766	5,113	4,162	3,271	2,549	1,664	1,497	1,497
1995	1,458	1,405	1,166	1,031	851	729	477	361	184	122	105	69	69
1996	80	82	34	60	25	21	21	24	17	11	9	10	10
1997	8	13	17	20	37	21	31	32	19	16	19	18	18
1998	15	16	20	28	26	27	38	40	40	34	28	28	28
1999	32	28	25	27	31	39	44	50	43	44	44	44	44
2000	47	57	64	82	100	121	135	134	133	130	134	139	139
2001	181	208	246	255	254	265	270	279	247	219	206	218	218
2002	216	245	257	287	304	319	308	335	333	343	314	268	268
2003	299	308	354										

1/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.

Includes DEIP exports of dry whole milk.

2/ End of period. Includes evaporated milk.

Milk equivalent (skim solids basis): Government removals and stocks, 1990-2003

	January	February	March	April	May	June	July	August	September	October	November	December	Year
	million pounds												
Net removals 1/													
1990	52	7	12	11	10	8	8	5	189	270	449	675	1,696
1991	807	702	633	721	424	185	-9	31	34	104	141	179	3,952
1992	134	46	51	112	241	56	214	210	56	321	161	400	2,002
1993	443	479	507	211	328	254	295	259	180	145	538	259	3,898
1994	198	270	180	457	238	341	362	328	286	343	388	335	3,726
1995	416	585	592	567	556	289	301	324	230	354	70	89	4,373
1996	32	51	102	107	52	89	65	53	18	40	63	75	747
1997	117	185	213	240	271	408	289	425	417	312	412	392	3,681
1998	468	393	309	339	438	346	475	350	239	195	120	301	3,973
1999	290	435	451	581	637	820	649	436	470	399	466	821	6,455
2000	738	771	929	920	1,032	777	534	627	500	612	610	564	8,614
2001	838	605	778	565	596	405	464	180	88	170	597	524	5,810
2002	784	957	997	1,143	1,335	1,012	992	615	474	242	449	797	9,797
2003	924	1,051	1,176										
Government stocks 2/													
1990	85	103	111	72	77	82	94	104	153	227	406	679	679
1991	1,153	1,546	2,264	2,762	3,387	3,618	3,682	3,515	3,317	3,108	2,519	2,081	2,081
1992	1,781	1,304	1,046	1,131	993	863	664	506	354	235	276	265	265
1993	211	190	231	234	163	163	122	113	137	174	185	161	161
1994	132	102	81	75	47	91	201	408	471	486	394	341	341
1995	321	343	341	332	312	266	260	234	228	242	189	172	172
1996	165	122	115	121	20	20	9	11	10	9	9	7	7
1997	8	8	12	13	12	8	55	84	99	171	257	258	258
1998	286	310	427	568	646	808	1,072	1,264	1,321	1,278	1,138	1,115	1,115
1999	1,084	962	977	1,004	1,032	1,341	1,643	1,995	1,715	1,556	1,615	1,566	1,566
2000	1,750	2,174	2,654	3,052	3,624	4,294	4,768	5,318	5,621	5,752	6,077	6,028	6,028
2001	6,606	6,929	7,861	8,599	8,779	9,151	9,429	9,632	9,552	9,178	8,869	9,070	9,070
2002	9,122	9,623	10,174	10,895	11,572	12,402	13,011	14,187	14,259	14,010	13,439	12,212	12,212
2003	12,124	12,527	13,029										

1/ Net removals equal price support purchases plus DEIP removals minus unrestricted sales.

Includes DEIP exports of dry whole milk.

2/ End of period. Includes evaporated milk.

Poultry and egg costs and returns

Date	DECATUR	CHICAGO	COST PER POUND		COST PER POUND		12-CITY	NET RETURNS
	SOYBEAN	No. 2	LIVEWEIGHT BASIS		R.T.C. BASIS		PRICE	BEFORE
	MEAL	CORN	Feed	Total	Production	Total		INTEREST & OVERHEAD
	\$ / ton	\$ / bushel	-----		-----			
					cents/lb			
BROILERS								
Jan-2002	156.60	2.06	14.64	24.99	32.88	46.98	56.86	9.88
Feb-2002	153.10	2.06	14.45	24.80	32.63	46.73	55.91	9.18
Mar-2002	160.50	2.05	14.54	24.89	32.75	46.85	55.17	8.32
Apr-2002	161.60	2.03	14.45	24.80	32.63	46.73	53.47	6.74
May-2002	164.30	2.08	14.62	24.97	32.85	46.95	56.42	9.47
June-2002	170.30	2.15	14.60	24.95	32.82	46.92	58.44	11.52
July-2002	187.50	2.33	14.79	25.14	33.08	47.18	57.47	10.29
Aug-2002	186.25	2.63	15.11	25.46	33.51	47.61	55.72	8.11
Sept-2002	185.50	2.70	16.00	26.35	34.67	48.77	55.88	7.11
Oct-2002	168.20	2.58	16.69	27.04	35.58	49.68	52.97	3.29
Nov-2002	163.20	2.47	16.84	27.19	35.78	49.88	53.42	3.54
Dec-2002	163.60	2.41	16.10	26.45	34.81	48.91	54.74	5.83
Jan-2003	167.40	2.41	15.71	26.06	34.28	48.38	60.46	12.08
Feb-2003	176.80	2.43	15.57	25.92	34.11	48.21	60.49	12.28
Mar-2003	175.40	2.43	15.67	26.02	34.24	48.34	60.02	11.68
3-REGION WHOLESALE PRICE								
TURKEYS								
Jan-2002	156.60	2.06	19.96	33.66	42.08	58.38	59.00	0.63
Feb-2002	153.10	2.06	20.07	33.77	42.21	58.51	58.20	-0.32
Mar-2002	160.50	2.05	19.70	33.40	41.75	58.05	56.89	-1.17
Apr-2002	161.60	2.03	19.86	33.56	41.94	58.24	56.70	-1.54
May-2002	164.30	2.08	19.69	33.39	41.74	58.04	60.61	2.57
June-2002	170.30	2.15	20.00	33.70	42.13	58.43	62.43	4.00
July-2002	187.50	2.33	19.98	33.68	42.09	58.39	63.13	4.74
Aug-2002	186.25	2.63	20.30	34.00	42.50	58.80	62.88	4.08
Sept-2002	185.50	2.70	20.87	34.57	43.21	59.51	62.24	2.73
Oct-2002	168.20	2.58	22.41	36.11	45.13	61.43	62.51	1.08
Nov-2002	163.20	2.47	23.54	37.24	46.55	62.85	65.03	2.18
Dec-2002	163.60	2.41	23.79	37.49	46.86	63.16	63.40	0.24
Jan-2003	167.40	2.41	22.48	36.18	45.23	61.53	59.23	-2.30
Feb-2003	176.80	2.43	21.80	35.50	44.38	60.68	59.21	-1.47
Mar-2003	175.40	2.43	21.58	35.28	44.11	60.41	59.72	-0.68
WHOLESALE								
EGGS								
			FEED	TOTAL	TOTAL	12-METRO		
			COST	Production	COST	PRICE		
Jan-2002	156.60	2.06	24.35	42.55	63.05	72.31		9.26
Feb-2002	153.10	2.06	24.51	42.71	63.21	63.17		-0.03
Mar-2002	160.50	2.05	24.37	42.57	63.07	79.57		16.50
Apr-2002	161.60	2.03	24.60	42.80	63.30	60.38		-2.93
May-2002	164.30	2.08	24.52	42.72	63.22	55.79		-7.44
June-2002	170.30	2.15	24.94	43.14	63.64	68.79		5.15
July-2002	187.50	2.33	25.61	43.81	64.31	63.80		-0.52
Aug-2002	186.25	2.63	27.42	45.62	66.12	70.05		3.93
Sept-2002	185.50	2.70	29.21	47.41	67.91	65.11		-2.81
Oct-2002	168.20	2.58	29.61	47.81	68.31	66.18		-2.13
Nov-2002	163.20	2.47	28.17	46.37	66.87	85.75		18.87
Dec-2002	163.60	2.41	27.30	45.50	66.00	80.06		14.06
Jan-2003	167.40	2.41	26.94	45.14	65.64	79.50		13.86
Feb-2003	176.80	2.43	27.10	45.30	65.80	74.25		8.45
Mar-2003	175.40	2.43	27.60	45.80	66.30	80.00		13.70

NOTE - These statistical series were developed to estimate the net returns for a specific basic product (whole broilers and turkeys, and large cartoned eggs). They are not intended as estimates of the net returns for all products produced by the broiler, turkey, or egg industries or by individual firms.