Livestock, Dairy and Poultry Situation and Outlook

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In 2000 , the Livestock, Dairy, and Poultry Situation and Outlook Report will be electronically released monthly. The report will be available on the World Wide Web (http://www.econ.ag.gov/Prodsrvs/rept-ldp.htm and click on Livestock, Dairy and Poultry Situation and Outlook Report) in Adobe Acrobat format (PDF files) or from the ERS autofax (202-694-5700) document #11515. The content of each issue may vary. They will be released on January 28, February 29, March 28, April 27, May 25, June 28, July 26, August 29, September 28, October 26, November 28, and December 27. The reports should be available by 4:00 p.m. Eastern Time on day of release.

U.S. livestock producers are benefiting from inventory declines that are reducing production and a booming economy that is fueling demand for meat products. Livestock prices rallied in the last half of 1999 and feed costs remain relatively low, boosting producers' returns. Although poultry producers are benefiting from the low feed costs, rising production is pressuring prices. Broiler production is expected to moderate in 2000. Declining red meat production and moderating poultry production are expected to push total meat production below a year earlier for the first time since 1982.

With the absence of food aid to Russia, red meat exports are expected to decline about 4 percent in 2000, but commercial sales would be about the same as in 1999. The expected decline in beef production and higher U.S. prices will make the United States a more attractive market for other beef exporting countries. Beef imports are expected to increase about 5 percent. After increasing at double digit rates in 1998 and 1999, U.S. pork imports are likely to drop about 3 percent in 2000 as major pork exporters try to regain Asian markets lost during the financial crises. After declining the past 2 years, poultry exports are expected to rise about 3 percent. Dairy production is expected to expand in 2000, causing prices to drop from their relatively high levels of 1998-99.

Large stocks of corn and soybeans are expected to keep feed prices relatively low this year barring any major weather problems in the 2000 growing season. U.S. ending stocks of corn on August 31 are expected to be about 4 percent below 1999 and 31 percent above those of 1998. The average farm price in 1999/2000 is forecasted at $1.70 to $2.10 per bushel, compared with $1.94 in 1998/99 and $2.43 in 1997/98.

Approved by the World Agricultural Outlook Board

Record and near record crops over the past 3 years are boosting projected soybean ending stocks in 1999/2000 up 5 percent over 1998/99 and 83 percent over 1997/98. U.S. soybean meal prices are expected to average $140 to $165 per ton in 1999/2000, compared with $138.50 in 1998/99 and $185.54 in 1997/98.

In 1999, hog prices generally climbed throughout the year from the dismal days in December 1998, when prices averaged about the same as in 1970. Prices averaged $36 per cwt in fourth-quarter 1999, the quarterly high for the year, and $14 over a year earlier. In early January, prices were in the high $30's, approaching the break-even for the first time since late 1997. Responding to the low returns, producers began to reduce their breeding herds in late 1998 and continued to reduce them through 1999. The reductions ensure lower pork production in 2000, higher hog prices, and a boost in producers' returns given expectations for continuing low feed costs.

Producers Continue To Trim Inventory

The December ***Hogs and Pigs*** report confirms the forecast of about 4 percent less pork in 2000. Producers reduced their herds as expected given the losses over the past 2 years. Farrowing intentions reported for December-February were down 3 percent from a year ago and the same as reported in September. Intended farrowings in March-May are down 5 percent from March-May 1999. However, prospects for higher producers' returns have improved since the survey was taken. Actual farrowings during September-November 1999 were 4 percent below a year earlier and in line with September intentions of 5 percent fewer sows farrowing.

Although the number of sows farrowing in June-November was down 4 percent, the increase in pigs per litter was up 2 percent, for only a 3-percent drop in the pig crop. Given the December-May farrowing intentions and a continued 1- to 2-percent rise in pigs per litter, the 2000 pig crop is expected to be down about 3 to 4 percent.

With the smaller pig crops, pork consumption in 2000 will likely decline about 1.5 pounds from 1999. Hog prices are expected to continue to strengthen and average in the high $30's per cwt, compared with the mid-$30's in 1999. In second-half 2000, prices are expected to average near $40 per cwt and with expected continuing low feed costs, producers' returns should rise above break-even. In the past, 3 to 6 months of favorable returns were required before producers expanded their breeding herds. However, financial stress and structural changes over the past 2 years could alter this pattern. After a decision to expand, pork production usually begins to increase about a year later.

Pork Production To Drop

Based on the market hog inventory, pig crops, and farrowing intentions reported in December, pork production in 2000 is expected to total about 18.6 billion pounds, compared with a record 19.3 billion in 1999. The June-August 1999 pig crop implies a first-quarter slaughter of about 24.9 million head, assuming slaughter is 96 percent of the pig crop, as in the past 3 years. Given the heavy dressed weights in early January and upward trend in weight, the average dressed weight is expected rise about a pound. Pork production in the first quarter is expected to be 4.75 billion pounds, down 2 percent from a year ago.

Most of the September-November pig crop will be slaughtered in second-quarter 2000. Second-quarter slaughter is expected to total about 23.7 million head. Last year, the average dressed weight jumped 4 pounds from the previous year. This year the dressed weight is expected to decline about a pound. Lighter dressed weights and lower hog slaughter will reduce second-quarter pork production about 3 percent.

December-February farrowing intentions as of September and December are 3 percent below actual farrowing a year ago. With pigs per litter up slightly, the December-February pig crop is expected to be down 2-3 percent. The smaller pig crop implies a third-quarter slaughter of about 24 million head. The percentage of the pig crop slaughtered is expected to be down slightly from a year ago as the improved producers' returns increase gilt retention. Average dressed weights are expected to increase about 2 pounds after remaining steady over the past 3 years.

December 1 farrowing intentions for March-May are 5 percent below actual farrowings a year earlier, implying the pig crop will drop by a similar magnitude. If these intentions are realized, fourth-quarter slaughter would total about 25 million head, drown 6 percent from a year earlier. However, fourth-quarter slaughter as a percentage of the pig crop has been extremely high at 102 percent in the past 2 years as producers have been liquidating the breeding herd and sending gilts to slaughter. This year the percentage is expected to drop to about 100 percent as the breeding herd is expected to stabilize or begin to increase as more gilts are retained.

Hog Prices To Increase
Hog prices began the first quarter of 2000 in the high $30's per cwt after averaging above previous expectations in December as meat product movement was exceptionally strong. However, prices may come under pressure later in the quarter as total meat production continues to rise and away- from-home demand moderates from the levels of the Christmas shopping season. Pork belly prices have been extremely high, in part reflecting bacon demand from fast food restaurants.

In the second quarter, lower red meat production, moderate output of poultry, and seasonal influences will likely push prices to near $40 per cwt late in the quarter. With beef production declining sharply in second-half 2000, prices are expected to average in the low $40's in the third quarter and then drop seasonally into the high $30's in the fourth quarter. Given the outlook for a continuing strong economy, vacation travel during the summer months should be strong, fueling demand for meals at fast food restaurants. Rising demand at these restaurants should support high belly prices. Also, higher beef prices will make pork products more attractive in retail stores.

Retail Pork Prices To Increase
Retail pork prices (as measured by the BLS price index) are expected to increase 4-6 percent in 2000 after 2 years of decline. Declines in retail prices in the 2 previous years partially reflected lower hog prices. Even with an expected rise in hog prices, farm-to-retail price spreads appear to have reached

a new plateau of over $1.80 per pound. The largest retail price increases will occur in the first half, mirroring the rise in hog prices. Expected strong demand from fast food outlets is expected to put upward price pressure on bacon as restaurants bid bacon away from retail food stores.

Near Record Heifer Slaughter Produces Record Beef Production

Record slaughter weights and another year of poor incentives to hold back heifers for herd expansion led to record beef production in 1999. Near-record heifer slaughter in 1999 and large numbers of heifers already in feedlots on January 1, 2000, almost insure that the U.S. cattle inventory cannot begin to expand before the 2001 calf crop and likely not before 2002. Drought, a factor in 3 of the last 4 years, created poor forage conditions in much of the southern United States again during 1999 through early 2000. Drought in 1995/96 and record grain prices have led to declining cattle inventories since January 1, 1996.

The ***Cattle*** report will be released on January 28, 2000, and will show how much more the inventory has declined from the 1996 cyclical peak of 103.5 million head. The January 1, 1999, inventory was already down to 98.5 million head. Continued favorable feedlot gain costs, and sharply higher fed and feeder cattle prices form the base for the initial stages of heifer retention this year, but likely not until this year's calf crop is weaned this fall. A large proportion of heifers that might have been bred this year have already been earmarked for the slaughter market.

Although cow-calf production was profitable in 1999, producers in drought areas saw much of their potential profits evaporate in higher forage costs. In many areas producers were forced to reduce herd inventories as forage supplies declined. In some areas ponds were extremely low. Moisture levels must improve before cattle inventories can begin to stabilize and benefit from good grain supplies and continued favorable grain prices. Cattle prices are the strongest since 1993, but represent only one factor in the cattle herd expansion equation, along with pasture conditions, and grain prices.

Beef Production a Record

Second largest commercial heifer slaughter and record slaughter weights in 1999 broke the old beef production record set in 1976. The old record was set as the industry entered its the strongest herd liquidation in history from the record cattle inventory of 132 million head in 1975. The near-record 1999 heifer slaughter marked the third consecutive year of extremely large slaughter and was up nearly 4 percent from 1998. This marks only the second time when commercial heifer slaughter exceeded 11 million head in 3 consecutive years. The first time was in 1976-78, when the inventory declined from 132 million head in 1975 to a cyclical low of 110.9 million head in 1979.

Beef production was up nearly 3 percent in 1999, while cattle slaughter rose about 2 percent as commercial dressed slaughter weights continued rising at a record pace. Cattle slaughter was down from the initial liquidation levels of 1995 and 1996. Although heifer slaughter has been extremely large, the industry continues to reduce cow slaughter. Commercial cow slaughter was down nearly 5 percent from 1998 and the lowest since 1991. Beef cow slaughter declined nearly 7 percent, while dairy cow slaughter was down nearly 2 percent.

First-Half Fed Marketing and Beef Production To Remain Large

Beef production will remain large in the first half of the year as cattle on feed inventories remained record high. On January 1, 2000, the number of cattle in feedlots with capacity over 1,000 head (in the 7 monthly reporting States) was up over 8 percent from a year earlier. The number of heifers on feed was up 11 percent, while the number of steers was up only 6 percent. Placement weights continue to reflect a broad mix of lighter weight cattle from disappointing winter grazing programs and heavier yearlings. Many of the cattle that normally would have been placed on feed off winter grazing programs in February through late spring are already in feedlots.

Record Beef and Cattle Prices Likely in Second-Half 2000

Beef production will decline sharply in the second half of the year. The cattle inventory report at the end of January will provide a clearer picture of how tight supplies are likely to become. Supplies are likely to be tightest in the fourth quarter and continue to tighten over the next couple of years. The extent of heifer retention from the already declining inventory will determine how much supplies will fall. Beef cow slaughter will decline even more with only average moisture conditions this spring, and fed cattle supplies will begin to fall during the summer.

Retail prices for Choice beef moved above $3.00 a pound in late 1999 for the first time since 1993, reflecting tight supplies of Choice beef and very strong demand for higher quality beef. For the year, prices averaged $2.88 a pound, up 11 cents from a year earlier, and the highest since 1993. Increased supplies of Choice graded beef through spring will hold down further price gains, but prices are likely to be on a record course in the second half of the year, with the annual price exceeding the 1993 record of $2.95 a pound.

Fed cattle prices averaged $65.66 per cwt in 1999, up $4 from a year earlier. Prices in 2000 are likely to average near $70, with strongest prices occurring in the fourth quarter and escalating even further in 2001. Yearling feeder cattle prices rose nearly $5 per cwt in 1999 and will likely rise near $9 a cwt in 2000 as feeder cattle supplies continue to decline. Cull cow prices are up only modestly from 1998, but sharper increases are expected in 2000, particularly if moisture conditions improve and forage supplies appear promising for 2000/01. If female retention begins this year, Boning Utility cull cow prices are likely to average in the mid- to upper-$40's in the second half of the year.

Beef Exports to Meet Forecasts of 9-10 Percent Increase in 1999, and Decline in 2000

Stronger-than-expected exports to Mexico and Asia roughly compensated for the lower-than-expected aid that finally began to flow to Russia toward the end of 1999. While the aid package was announced in October 1998 and incorporated into export forecasts for early 1999, beef was slow to leave the United States. By mid-year, however, higher-than-expected beef exports to Korea and Mexico had nearly compensated for the slow pace of beef aid shipments to Russia. Exports to Korea and Mexico remained strong during the rest of 1999. Demand also increased in Japan at the end of last year, helped by a 20-percent appreciation in the yen, which more than compensated for the roughly 10-percent increase in U.S. Choice beef prices during the year. Exports are expected to decline 2-3 percent in 2000 because of lower production, higher prices, and more stable currencies, and no beef aid to Russia.

Beef Imports for 1999 Will Surpass Earlier Expectations, and Reach a Record High in 2000

Imports finished the first half of 1999 as expected--about 8.5 percent ahead of first-half 1998--but have exceeded even upwardly revised expectations during the remainder of the year. Imports in the fourth quarter, especially, did not decline as much as expected in response to higher cow slaughter at the end of the year. Imports for calender-1999 are expected to be 9 percent above 1998. The larger imports may partly reflect hedging against expected dramatically higher prices for processing beef in 2000. U.S. processing beef production is expected to mirror a further decline in cow slaughter by mid-2000. By that time, prices for domestic 90-percent lean processing beef will exceed the $1.05 per pound average for July 1999, and if supplies tighten sufficiently, they could approach $1.20, a level not seen since 1993.

A number of other factors have also contributed to higher-than-expected imports. Imports from Canada, which exports a high percentage of its beef, have run 16 percent above 1998 because of high slaughter. While most imports from Canada are processing beef, a significant amount has satisfied the market for steaks and other cuts as well. Imports from Canada are expected to remain strong during the first part of 2000 because Canadian feedlot placements increased significantly last fall. Imports of cooked products from Brazil have run about 50 percent ahead of 1998, in part to satisfy the expanding U.S. market for reheatable, ready-to-eat products. Brazilian products were attractively priced because Brazil's currency only partially recovered from its 40-percent devaluation in January, 1999. Cooked products also continue to be supplied by Argentina and Uruguay, although both supplied mainly more lucrative, uncooked products.

All of these factors are expected to contribute to higher beef imports in 2000. However, expect supplies to become restricted as both Argentina and Uruguay meet their WTO import quotas well before year end. Uruguay finished 1999 at 98 percent of its quota, and Argentina met its quota in December. Imports for 2000 are still forecast at 3.015 billion pounds, or 5 percent higher than the current 1999 forecast.

Live Cattle Exports to Mexico Down in 1999 and Again in 2000

Exports of live cattle to Mexico for the first three quarters of 1999 were 44 percent below the same period in 1998. Higher U.S. cattle prices have reduced the number of slaughter cattle sent to Mexico, while drought and financial problems have reduced the incentive of Mexican cattle farmers to buy U.S. breeding cattle. This situation moderated somewhat last fall after rain induced better forage. While the fall and winter months are generally the busiest for exports of live cattle to Mexico, robustness is not expected to return to this market this year. These factors, and competition for replacement heifers in the United States are expected to reduce live cattle exports to Mexico in 2000, on top of the large reduction in 1999.

Live Cattle Exports to Canada Exceed Earlier Forecasts, but Will Fall Back in 2000

Live cattle exports to Canada will far exceed expectations, earlier this year, of a 30-to-40 percent increase over 1998. Changes to the Northwest cattle project protocol in September 1998 allowed, among other things, for imported cattle to go directly to feedlots or background feeding. Only five

Canadian feedlots had applied to import feeders by the beginning of the 1998/99 season in October. The number of qualified feedlots had jumped to 100 by the close of the season in March 1999, and they were therefore well poised to take full advantage of favorable conditions to search out and contract for U.S. feeders by October 1999. Exports of cattle to Canada are now expected to more than double the 1998 volume. Lower numbers of U.S. feeder cattle are expected to reduce exports of live cattle to Canada in 2000, however,

Overall, the surge in feeder exports to Canada will be large enough to offset the decline in exports of animals to Mexico in 1999, and live cattle exports for 1999 are now expected to be more than 10 percent above the 1998 figure. Exports in 2000 are expected to decline 5-10 percent, however.

Strength in Live Cattle Imports from Mexico Continues To Offset Weakness from Canada
Dry conditions in Mexico, plus strengthening U.S. feeder cattle prices over a year earlier, continue to boost feeder cattle imports into the United States, with a record 211,000 head imported in November. U.S. feeder cattle prices jumped nearly $20 per cwt. in late 1999 compared with 1998. Imports from Canada continue weak because of increased slaughter in that country. Overall, imports are now expected to be down slightly in 1999, and again in 2000, although imports in 2000 will likely be dominated by weather and credit conditions in Mexico.

Broiler Returns and Prices Lower
Broiler returns (before interest and overhead), at the whole-bird level, are not expected to remain in double digits in 2000 as they did in 1999. Slightly higher soybean meal prices and slightly lower corn prices are expected to keep 2000 feed prices nearly unchanged from 1999 while broiler prices are expected to be lower. As a result, production is expected to continue increasing but at a slower rate, near 5 percent. Prices for whole birds are expected to remain weaker than a year ago as production increases remain relatively strong. Prices for most broiler parts in January are 10-20 percent below a year ago, while strength in the export market is keeping leg quarter prices about 5 percent above last year. Competing supplies of red meat will be an important factor in overall meat prices in 2000. Projected declines in beef and pork production should prevent broiler prices from dropping even lower.

In response to attractive 1998 net returns, pullet hatch for potential placement in the hatchery supply flock was above a year ago in 1999. Cumulative potential placements indicate that the hatchery supply flock could be 3-8 percent larger than a year ago through the first half of this year. The broiler-type hatching egg production flock was 1 percent larger than a year ago on December 1, 1999.

Turkey Net Returns Stay Positive
A return to profitability in July 1998, and continued profitability since then, brought higher turkey production in the second half of 1999 and are expected to encourage a 2-percent rise for 2000, the strongest increase since 1996. The number of turkeys raised is expected to increase 1 percent based on producer intentions reported in USDA's recent ***Turkeys*** report. Additional meat production increase will come from heavier average bird weights. Lower stocks of turkey, 20 percent below a year ago, have kept whole bird and parts prices above January 1999. The most strength has been in drumsticks and wings, with prices nearly 50 percent higher than last year.

Egg Production Increases Expected
With continued positive average net returns in 1999, egg production is expected to continue increasing 2-3 percent in 2000. Table egg production is expected to increase about 2 percent with a 4- to 5-percent increase in hatching production raising the total.

Egg production increased nearly 4-percent in 1999, lowering wholesale large egg prices about 10 cents per dozen. Increasing production is expected to continue putting pressure on egg prices, with the 2000 forecast for wholesale prices about 5-6 cents lower. Net returns are expected to be slightly negative in 2000. Negative returns during October probably encouraged a decline of 7 percent in eggs in incubators for December 1, 1999, but the 6-percent increase in chicks hatched during 1999 will carry over into a larger production flock for 2000. The table egg production flock was 3 percent larger than a year ago on December 1.

Poultry Trade Slows
U.S. shipments of broiler products through the first 10 months of 1999 totaled 3.8 billion pounds, down only 3 percent from the same period the previous year. The estimate for fourth quarter shipments is 1.225 billion pounds. If this holds, the yearly total will be 4.631 billion pounds, down less than 1 percent from 1998.

While shipments to Russia through November are down 64 percent, the decline in the Russian market has not been that severe. The drop in direct exports to Russia has been partially offset by much higher exports to Estonia and Latvia. Shipments through November to these two Baltic countries has been close to 1 billion pounds. Most of the broiler products entering these countries are transshipped to Russian markets. The other major factor in the broiler export market has been the strong shipments to the China/Hong Kong and Korean markets. Over the first 11 months of 1999, shipments to Hong Kong and direct shipments to China have totaled 1.2 billion pounds, up 28 percent. As the market for imported poultry has opened in Korea, shipments have expanded very rapidly, rising over 400 percent through November.

The strengthening export markets for broilers have not yet generated higher prices. Through October, broiler exports were down 3 percent from the previous year on a quantity basis, but down 24 percent on a value basis. The relatively low cost of broiler meat has been one of the chief factors in its export growth and overall unit values are very low. The export value of broiler legs to Russia through November averaged only 21 cents a pound in 1999, down from 31 cents the previous year. With domestic production expected to expand again in 2000, little additional strength in broiler export prices is expected.

In 2000, broiler exports are expected to expand, with greater shipments going to a number of Asian markets and to a slowly recovering Russian market. The overall estimate for U.S. exports has been increased 75 million pounds since the December forecast, and the revised figure for 2000 is 4.750 billion pounds, up 2.6 percent from 1999, or about the same as 1998. This expansion is expected to continue driven by the poultry industry's ability to efficiently convert feed to meat, lowering its cost relative to both beef and pork. Additionally, demand in developing countries is expected to expanded driven by rising populations and a growing preference for a western type diet.

Mature chicken exports in October were 34.9 million pounds, down 10 percent from the previous year. Exports over the first 10 months of 1999 totaled 336 million pounds, down 6.5 percent from a year earlier. Although shipments to Asia have grown steadily in 1999, lower exports to Canada, Russia, and Poland have pushed the totals lower. The present estimate for fourth-quarter 1999 is 105 million pounds, which would bring the yearly total to 406 million pounds, down 20 million from the 1998.

Exports are expected to rise slightly in 2000 to 415 million pounds due to an overall increase in shipments to the major Asian markets of Hong Kong and Japan. Increases in Asia will also be helped by a small rebound in shipments to Russia and Poland, markets that almost completely disappeared in 1999.

Exports of whole turkeys and turkey parts have fallen 16 percent during the first 11 months of 1999 compared to the previous year. Average prices have also declined, driving down the value of exports by 21 percent. The estimate for 1999 turkey exports is 361 million pounds, down 85 million pounds, or 20 percent from 1998. Turkey exports have been weak to most of the traditional markets. The only large importing countries where shipments have increased are Korea, Taiwan, and Canada. Exports to Korea have expanded sharply, up 151 percent. Shipments to Taiwan, which fell strongly in 1998, have increased over 1200 percent and are 86 percent above their total for all of 1997. Shipments to Canada, almost entirely turkey parts, have shown strong growth, expanding 40 percent.

The current forecast for U.S. turkey exports in 2000 calls for an increase of 8 percent to 390 million pounds. The increase is based on some growth in the Hong Kong market, which has been stronger over the second half of 1999. Continued strength is also expected in the Korean and Taiwan markets, although growth there is expected to be much smaller than the large jumps of 1999. There is also reason to believe that the Russian market has bottomed out after falling somewhat in 1998 and very heavily in 1999. In all cases, turkey parts will face strong competition from broiler and other chicken products, especially in mixed products such as sausages.

Overall exports of eggs and egg products (on an egg equivalent basis) are estimated at 159 million dozen in 1999, down 60 million dozen or 27 percent from the previous year. At this pace egg exports in 1999 would be the lowest since 1993. In October, exports of eggs and egg products totaled 13.9 million dozen, down more than 5 million dozen from the previous year. While exports have been lower to a number of markets, much of the decrease has come from a 70-percent decline in shipments to Mexico. The drop was concentrated in the egg product market. Higher Mexican egg production increased the number of eggs available to the egg product sector and lower the need for imports. Shipments also declined strongly to Hong Kong, where U.S. producers face strong competition from Chinese egg producers.

Egg exports in 2000 are forecast at 160 million dozen, about even with 1999. After falling sharply in 1999, exports to most of the major markets are expected to level out.

Dairy Prices To Fall in 2000

Soaring milk production and seasonally soft demand for many dairy products will leave early 2000 prices of milk and dairy products low. Cheese prices in mid-January were near the support purchase price, although no sales to the government had been made. Nonfat dry milk prices were solidly resting on the support purchase price and substantial purchases continued. Meanwhile, butter prices stayed below $1 per pound, although they had recovered modestly from a low prices at the start of 2000.

Dairy markets for 2000 may not be as weak as current prices imply. The 1999 race between rapidly growing dairy demand and jumps in milk production appears to continue. Although markets are currently dominated by seasonal weakness and large output, considerable uncertainty remains.

Demand for most dairy products closed out 1999 on a very strong note. Sales of cheese and butter posted large gains, while fluid milk sales rose slightly. For the year, commercial disappearance rose more than 3 percent (milk equivalent, milkfat basis), following 1998's gain of more than 2 percent. Use increased in the face of prices well above those of most of the 1990's, in large part because of growth in the general economy.

Ironically, the major area of weakness in dairy demand has been for separated skim solids, those products that have had stable low prices. Use of nonfat dry milk declined again in 1999, as did apparent direct use of skim milk or other forms of wet solids in foods other than dairy products. These declines limited the increase in total sales on a milk equivalent, skim solids basis to just more than 1 percent, similar to the 1998 rise.

A robust economy is projected to keep dairy demand brisk in 2000, particularly if sales of separated skim solids manage to recover. Good demand and relatively low prices should generate large increases in commercial use.

Autumn milk production was almost 4 percent higher than a year earlier on the strength of slightly higher milk cow numbers and a large gain in milk per cow. The last quarter's increase brought total 1999 milk production 3.4 percent above 1998, the largest rise since 1985. Farmers boosted milk production in response to relatively high milk prices in 3 of the last 4 years, inexpensive concentrate feed, and ample alfalfa supplies.

Expected lower milk prices should start to trim growth in milk production as 2000 progresses. A larger number of weaker producers are expected to exit dairying, after relatively modest losses during 1998-99. However, the current momentum in milk production will not reverse quickly. Expanding producers are not likely to defer or even delay growth already planned, particularly since feed prices will remain fairly low. Output in 2000 is projected to increase more than 2 billion pounds.

Large production increases are likely to hold first-half milk and dairy product prices to relatively low levels, even if they recover slightly from current levels. Prices probably will not rise significantly until it becomes clear that low prices are slowing the production expansion. Seasonal increases in the second half are projected to be moderate, although stronger rises are possible if demand for skim solids recovers significantly. For all of 2000, farm milk prices could average as much as $2 per cwt below 1999's $14.39, or $3 below the 1998 record.

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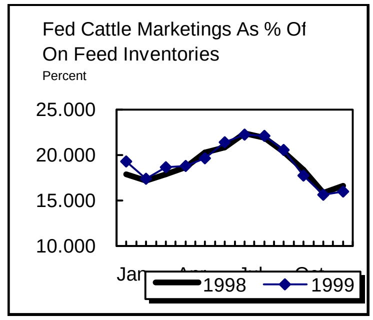
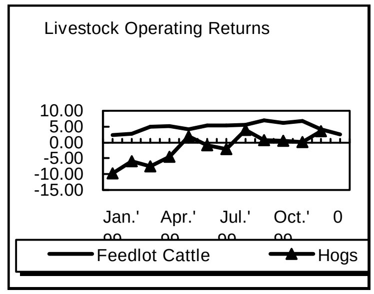
PRODUCTION INDICATORS

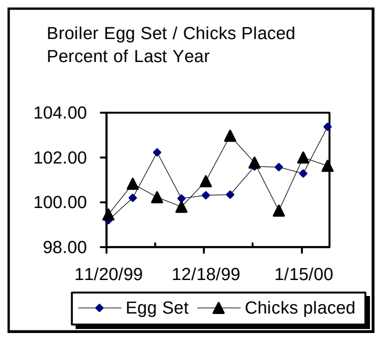
	Dec. '98	1999 Oct.	Nov.	1999 Dec. /*
			1000 Head	
Cattle:				
On feed - 7 States, 1,000+ Hd	9,404	8,783	9,769	10,000
Net placements	1,181	2,546	1,761	1,333
Marketings	1,564	1,560	1,530	1,601
Broilers:				
Eggs in incubators (000) /1	618,483	586,818	573,510	614,258
Chicks hatched (000) /2	740,000	697,787	673,736	745,000
Hatching egg layers /1	55,038	55,283	55,273	55,813
Pullets placed (000)	6,904	7,121	6,984	NA
Hvy-type hen slaughter /2	5,343	6,601	5,204	5,650
Turkeys:				
Eggs in incubators (000) /1	30,824	28,259	27,827	31,045
Poults placed (000)	24,985	22,313	23,500	25,285
Eggs:				
Table egg prod. (mil. doz.) /2	490.0	503.3	496.7	510.0
Table egg layers, (000) /1	263,040	265,367	269,258	270,401
Table eggs/100 layers /1	73.2	72.8	72.8	74.1
Chicks hatched (000) /2	35,000	38,559	33,078	33,000
Lt.-type hen slaughter /2	9,759	7,506	7,556	9,000

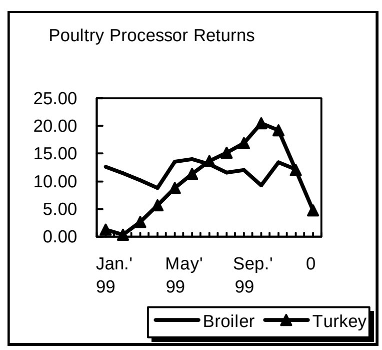




ESTIMATED RETURNS

	Jan. '99	1999 Nov.	Dec.	Jan. /*
			Cents/lb.	
Great Plains cattle feedlot				
Breakeven price /3	59.16	63.59	64.90	66.55
Selling price	61.46	70.28	69.01	69.00
Net margin	2.30	6.69	4.11	2.45
N. Central hog farrow to finish				
Breakeven price /3	36.35	35.18	34.21	34.44
Selling price	26.61	35.34	37.70	38.25
Net margin	-9.74	0.16	3.49	3.81
Broiler				
Wholesale cost	46.75	46.07	46.23	46.27
Wholesale price	59.33	59.52	58.42	58.42
Net margin	12.58	13.45	12.19	12.15
Turkey				
Wholesale cost	56.70	56.26	56.99	57.27
Wholesale price	58.02	75.44	69.00	62.00
Net margin	1.32	19.18	12.01	4.73
Egg				
Wholesale cost	63.41	62.10	62.15	62.30
Wholesale price	84.03	72.34	67.26	67.26
Net margin	20.62	10.24	5.11	4.96





/1 First of month
/2 Last month estimated
/3 Does not include capital replacement cost
/* estimate

MEAT STATISTICS

	Jan. - Jan. 1999	Jan. - Jan. 2000	Sept.	Oct.	Nov.	1999 Dec.	2000 Jan. /*
Commercial production				***Million pounds***			
Beef	2,170	2,194	2,276	2,265	2,146	2,114	2,194
Veal	18	19	20	19	19	21	19
Pork	1,627	1,595	1,618	1,698	1,708	1,704	1,595
Lamb	18	19	19	20	22	24	19
Total red meat	3,833	3,827	3,933	4,002	3,895	3,863	3,827
Broilers	2,425	2,625	2,498	2,475	2,387	2,450	2,625
Other chicken	46	45	45	47	41	45	45
Turkeys	411	440	455	472	490	410	440
Total poultry	2,881	3,110	2,998	2,994	2,917	2,905	3,110
Total meat & poultry	6,714	6,937	6,931	6,996	6,812	6,768	6,937

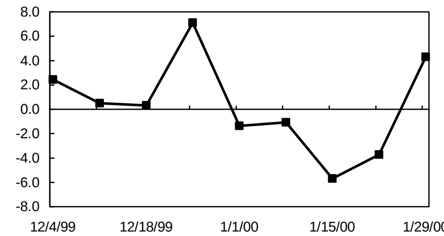
	Jan. - Jan. 1999	Jan. - Jan. 2000	Sept.	Oct.	Nov.	1999 Dec.	2000 Jan. /*
Commercial slaughter/**				***Thousand head***			
Cattle	2,962	2,969	3,101	3,095	2,943	2,877	2,969
Steers	1,428	1,452	1,542	1,474	1,377	1,426	1,452
Heifers	991	967	1,028	1,051	981	902	967
Beef Cows	270	252	252	285	299	260	252
Dairy Cows	227	247	222	227	234	238	247
Bulls and stags	46	51	57	57	52	51	51
Calves	105	100	121	105	104	113	100
Sheep	268	286	307	305	329	356	286
Hogs	8,549	8,230	8,644	8,947	8,898	8,887	8,230
Barrows & gilts	8,226	7,950	8,315	8,643	8,583	8,584	7,950
Sows	289	250	294	276	284	272	250
Broilers	663,524	700,000	682,486	665,163	642,481	660,000	700,000
Turkeys	19,873	21,000	23,133	23,674	24,812	20,500	21,000

	Jan. 1999	Sept.	Oct.	Nov.	1999 Dec.	2000 Jan. /*
F.I. dressed weight		***Pounds***				
Cattle	739	741	739	736	742	747
Calves	168	169	181	181	184	184
Sheep	67	64	65	66	68	68
Hogs	191	188	191	193	193	194
Beginning cold storage stocks			***Million pounds***			
Beef	296.4	377.9	294.4	322.5	308.9	314.0
Pork	503.5	438.1	430.6	438.1	422.5	415.9
Bellies	72.7	34.8	19.3	22.5	26.2	40.3
Hams	63.7	137.9	135.5	118.2	82.8	61.0
Total chicken	717.3	846.3	894.6	820.5	795.2	802.9
Turkey	304.3	580.3	596.4	494.5	252.3	252.2
Frozen eggs	11.0	8.8	9.5	9.0	8.5	10.1

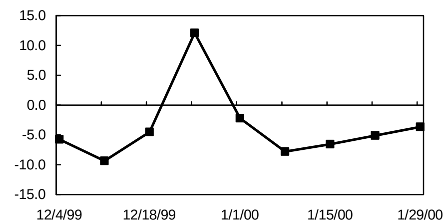
/* Estimates with exception of Cold Storage

/** Slaughter classes are estimated

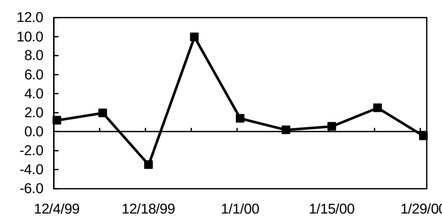
Weekly Cattle Slaughter
Percent Change From Last Year



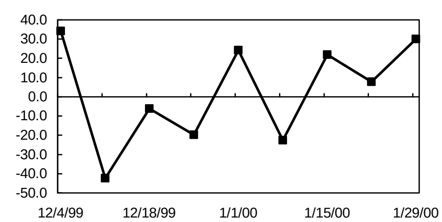
Weekly Hog Slaughter
Percent Change From Last Year



Weekly Broiler Slaughter
Percent Change From Last Year

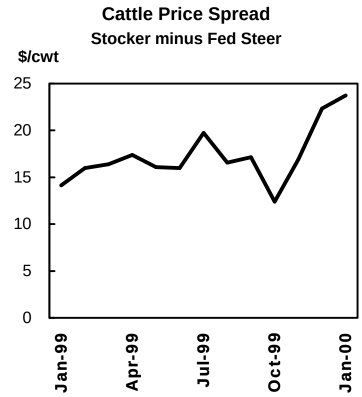


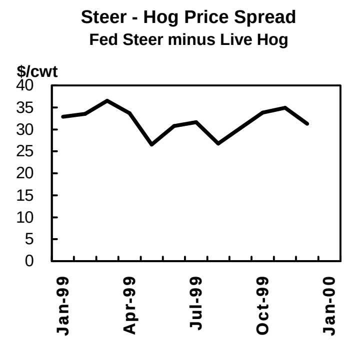
Weekly TurkeySlaughter
Percent Change From Last Year



LIVESTOCK PRICES

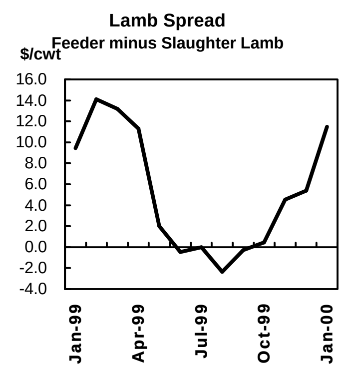
	1999 Jan.	Sept.	Oct.	Nov.	Dec.	2000 Jan. /*
Cattle prices			*$/cwt.*			
Steers, Choice, 11-13 cwt.						
Texas Panhandle	61.46	66.05	69.63	70.28	69.01	69.00
Nebraska Direct	60.65	66.06	69.58	70.31	69.05	68.25
Cows - Sioux Falls						
Utility breaking	36.71	42.50	42.13	40.00	41.70	41.75
Utility boning	35.00	38.80	39.44	37.88	38.80	39.50
Feeder Cattle - Oklahoma City						
Steers: Med. #1						
500-550 lb.	85.41	87.97	86.01	93.88	99.71	101.25
600-650 lb.	75.60	83.20	82.03	87.19	91.33	92.75
750-800 lb.	71.75	78.73	80.53	82.59	88.48	87.50
Heifers: Med. #1						
450-500 lb.	76.22	82.36	80.51	85.96	89.37	91.25
700-750 lb.	68.15	74.88	74.92	76.05	79.66	81.50
Hog prices						
Barrows and gilts						
National base 51-52% lean	28.58	35.71	35.84	35.34	37.70	37.70
(live equivalent = carcass x .74)						
Sows						
Iowa-S. Minn. #1-2, 300-40(	14.55	19.90	19.73	19.25	19.96	22.25
Sheep & lamb prices						
San Angelo TX						
Slaughter lambs, Choice	69.31	77.00	74.81	78.00	83.29	72.75
Ewes, Good	41.00	42.79	36.44	41.17	41.21	46.25
Feeder lambs, Choice	78.75	76.71	75.25	82.54	88.67	84.25





GRAIN AND FEED PRICES

	1999 Jan.	Sept.	Oct.	Nov.	Dec.	2000 Jan. /*
			$/bu			
Corn, #2 Yellow, Cen. Ill	2.07	1.81	1.72	1.82	1.84	1.95
Wheat, HRW Ord., K.C.	3.12	2.75	2.62	2.65	2.57	2.65
			$/ton			
SBM, 48% Solvent, Decatur	138.82	150.64	153.57	154.71	154.00	165.00
Alfalfa Hay, U.S. Avg	81.40	77.30	76.00	77.30	73.20	73.20
Grass Hay, U.S. Avg	71.00	63.70	64.70	64.80	154.00	70.00

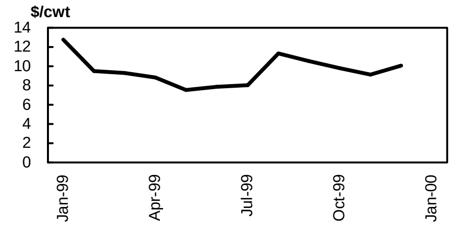


/* Estimates

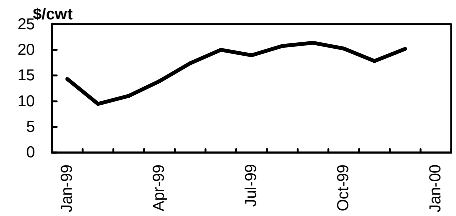
WHOLESALE PRICES

	1999 Jan.	Sept.	Oct.	Nov.	Dec.	2000 Jan. /*
Beef, Central U.S.						
Boxed beef cutout				$/cwt		
Choice 1-3 550-700 lb.	101.37	115.13	119.21	117.38	117.71	114.75
Choice 1-3 700-850 lb.	99.53	115.16	120.24	117.20	116.88	113.75
Select 1-3 700-850 lb.	94.72	102.69	104.49	103.19	105.67	106.00
Canner-Cutter Cows	60.44	67.63	66.00	64.80	68.38	69.75
Bnls beef, 90% fresh	94.38	90.57	90.99	91.42	95.25	102.25
Importd bnls. beef 90% frz.	85.75	95.83	93.16	95.72	95.25	95.25
Hide & offal value	6.71	7.59	7.64	7.77	7.90	7.59
Veal carcass, 220-280 lb.	170.66	190.35	197.63	198.06	195.60	186.00
Pork, Central U.S.						
Pork cutout composite	49.69	56.56	55.75	54.50	58.64	57.75
Loins, 14-19 lb. Bl 1/4" trim	105.82	104.99	98.98	94.64	102.57	98.50
Bellies, 12-14 lb. skin on trmd	48.80	57.87	70.83	67.81	71.37	81.25
Hams, 20-27 lb. Bl trmd. TS1	35.83	51.78	49.53	52.63	49.79	47.50
Trimmings, 72% fresh	20.46	41.03	34.53	30.93	36.87	36.00
Lamb, East Coast						
55 lb. Down, Choice	161.72	170.93	161.28	164.75	169.70	162.00
55-65 lb., Choice	156.72	175.53	161.66	163.75	169.70	158.00
				cents/lb.		
Broilers						
12 City Avg.	59.33	57.15	54.87	59.52	58.42	55.50
Georgia dock	61.71	59.40	57.35	57.57	57.48	56.94
Northeast						
Breast, boneless	157.77	168.97	140.54	135.62	135.40	132.00
Breast, Ribs on	78.10	85.14	68.60	74.29	68.45	64.00
Legs, whole	30.18	33.57	30.01	29.89	30.21	31.00
Leg quarters	17.41	20.94	17.66	18.74	18.85	19.00
Turkeys						
Eastern Region						
Toms, 16-24 lb.	57.86	72.76	73.30	73.05	65.62	61.00
Hens, 8-16 lb.	57.67	76.28	79.30	78.99	72.39	62.00
Breast, 4-8 lb.	96.04	103.71	108.00	109.25	113.00	102.00
Drumsticks	16.82	17.79	22.74	28.28	28.94	26.00
Wings, full cut	19.46	19.13	27.27	30.97	30.62	29.00
Eggs, grd A, lg, doz						
!2 City Metro	84.03	63.80	56.80	72.34	67.26	68.00
New York	79.87	62.40	56.50	67.15	65.40	62.00

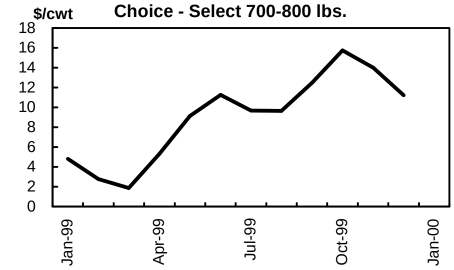
Hog to Cutout Price Spread
Pork + Offal - Live Hog



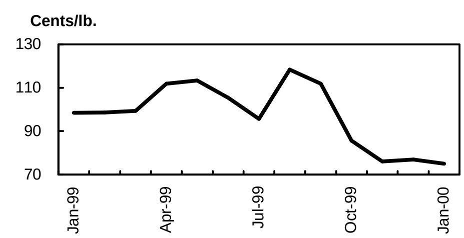
Steer to Cutout Price Spread
Beef + Offal - Fed Steer



Boxed Beef Cutout Spread
Choice - Select 700-800 lbs.



Broiler Price Spread
Boneless Breast - Whole Bird

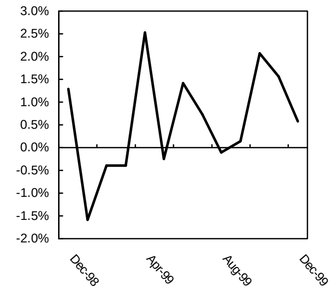


/* Estimates

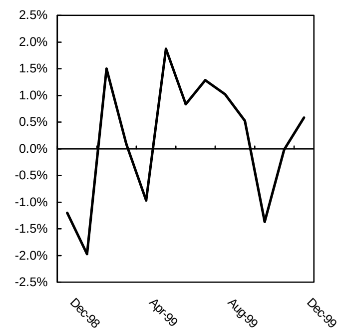
RETAIL PRICES & SPREADS

	Dec-1998	Aug-1999	Sep-1999	Oct-1999	Nov-1999	Dec-1999
Retail prices			***Cents/lb.***			
Beef - Choice	280.0	289.0	289.4	295.4	300.0	301.8
Beef - All Fresh	252.9	258.1	260.5	269.7	263.8	265.6
Ground Beef	138.8	144.2	148.4	149.6	151.8	152.8
Round Roast	274.7	266.2	280.1	285.1	278.1	286.4
T-bone steak	639.9	640.6	636.9	663.5	678.4	670.8
Pork	238.1	246.8	248.1	244.7	244.7	246.1
Bacon	258.0	254.3	258.0	257.0	265.8	275.2
Chops	302.8	321.4	330.9	319.9	322.0	321.4
Sausage	242.8	249.8	245.7	243.9	238.5	250.2
Broilers - Composite1	155.6	154.6	155.9	155.2	156.1	149.5
Whole, fresh	106.0	104.3	108.0	105.5	107.8	105.3
Breast - bone in	211.4	206.3	210.3	208.8	211.1	207.5
Leg - bone in	126.1	128.4	126.9	127.4	126.8	116.8
Turkey; whole frozen	95.4	103.4	101.8	102.5	96.4	97.6
Eggs, Gr A, Lg, Doz	108.9	102.0	95.6	88.8	92.0	92.0
Price indexes			***1982-84=100***			
CPI - All	163.9	167.1	167.9	168.2	168.3	168.3
All food	162.3	164.2	164.6	165.1	165.2	165.4
All meat	140.2	142.8	143.9	144.4	145.3	145.3
Beef & veal	137.1	138.8	140.3	141.6	142.2	143.1
Pork	144.1	147.6	149.7	148.1	149.3	148.6
Poultry	159.3	158.5	159.8	158.1	159.4	157.5
Price Spreads			***Cents / retail lb.***			
Beef						
Farm to wholesale	24.9	35.4	36.4	34.7	30.8	33.9
Wholesale to retail	133.2	113.2	112.1	112.3	119.5	119.9
Farmers share (%)	44	49	49	50	50	49
Pork						
Farm to wholesale	51.8	39.1	41.8	36.3	35.3	36.8
Wholesale to retail	157.0	139.1	143.0	145.2	147.0	142.5
Farmers share (%)	12	28	26	26	26	27
Poultry and eggs						
Wholesale to retail						
Broilers 1/	37.6	38.7	42.9	42.6	103.0	96.9
Retail to consumer						
Turkey	19.0	21.9	18.5	17.6	12.0	19.6
Eggs Cents/doz	22.9	30.7	32.8	33.0	20.7	25.7

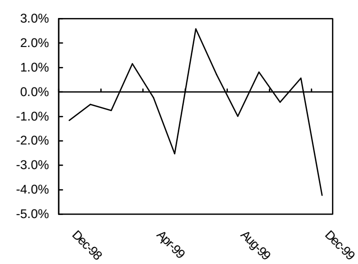
Retail Beef Price
Percent Change From Previous Month



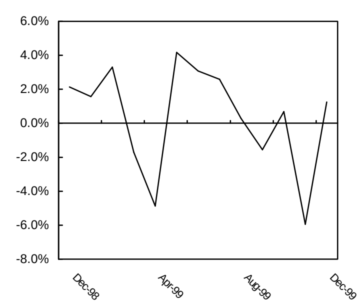
Retail Pork Price
Percent Change from Previous Month



Composite Broiler Price
Percent Change from Previous Month



Retail Turkey Price
Percent Change from Previous Month



Cumulative U.S. Livestock & Meat Imports and Exports

	1997	1998	Jan. - Nov-1998	Jan. - Nov-1999
Beef & Veal Imports		*Carcass wt., thousand lbs.*		
Australia	639,426	855,260	784,889	789,986
New Zealand	576,697	593,101	556,899	522,299
Canada	712,077	823,073	754,130	873,026
Brazil	94,766	135,055	123,119	189,143
Argentina	146,658	124,191	105,814	143,810
Central America	92,163	51,753	44,737	56,242
Uruguay	68,178	50,237	43,255	62,852
Mexico	8,989	9,142	8,235	9,784
Other	5,271	1,294	1,018	1,853
Total	2,344,225	2,643,105	2,422,096	2,648,994
Beef & Veal Exports				
Japan	1,053,553	1,118,488	1,039,586	1,017,924
Canada	282,725	261,211	235,944	224,563
Mexico	312,583	418,855	375,471	420,507
Korea, Rep.	261,673	153,808	134,872	277,363
Caribbean	12,842	21,089	18,416	26,209
Russia	77,150	52,464	52,312	4,496
Other	135,154	144,727	128,182	150,530
Total	2,135,680	2,170,642	1,984,783	2,121,593
Cattle Imports			*Head*	
Mexico	669,409	720,439	617,756	823,097
Canada	1,376,814	1,313,476	1,249,607	943,432
Over 700 lbs.	1,200,642	1,183,457	1,128,353	832,991
440-700 lbs.	107,650	47,558	46,510	19,876
Total	2,046,352	2,034,009	1,867,448	1,766,545
Cattle Exports				
Mexico	235,121	160,474	150,206	92,394
Canada	41,189	116,762	90,492	194,138
Total	282,344	285,209	248,671	292,227
Lamb Imports		*Carcass wt.,*	*thousand*	*lbs.*
Australia	32,969	42,438	36,803	44,012
New Zealand	26,417	34,799	31,345	30,582
Total	60,428	77,813	68,686	75,001
Mutton Imports				
Total	22,607	34,510	30,854	24,644

Customs Service		*Product wt.,*	*metric tons*	
YTD imports under WT(		1/19/99	1/24/00	% of quota
Canada		10,300	16,348	NA
Mexico		86	180	NA
TRQ Countries		11,581	12,868	2
Australia		7,306	5,446	1
New Zealand		2,853	4,815	2
Argentina		288	884	4
Uruguay		593	778	4
Other		541	945	1
Total		21,967	29,396	NA

	1997	1998	Jan. - Nov-1998	Jan. - Nov-1999
Pork Imports		*Carcass wt.,*	*thousand lbs.*	
Canada	435,180	491,226	442,293	559,663
Denmark	123,839	135,513	122,376	123,163
Poland	15,002	19,801	18,264	21,438
Netherlands	8,118	9,972	8,625	8,851
Hungary	8,702	10,607	9,605	5,240
Other	43,217	38,274	34,824	34,517
Total	634,059	705,392	635,987	752,871
Pork Exports				
Japan	461,947	496,470	458,944	497,785
Canada	125,325	126,375	116,124	114,984
Mexico	86,988	145,363	129,467	146,645
Russia	173,598	175,399	174,987	3,877
Korea, Rep	34,886	27,755	23,680	51,330
Hong Kong	55,067	62,116	56,838	41,847
Caribbean	12,200	21,784	19,741	18,860
Other	93,605	174,862	160,318	179,560
Total	1,043,615	1,230,124	1,140,100	1,054,888
Hog Imports			*Head*	
Canada	3,178,260	4,122,364	3,750,670	3,775,651
Under 110 lb	987,287	1,466,077	1,314,071	1,902,604
Total	3,178,260	4,122,364	3,750,670	3,775,679
Hog Exports				
Total	54,647	229,454	176,434	172,127
Broiler Exports		*RTC, thousand lbs.*		
Japan	202,925	227,441	213,233	207,509
Mexico	248,332	275,685	246,051	271,330
Hong Kong	874,883	984,612	855,560	1,092,306
Singapore	34,845	17,114	15,457	21,698
Canada	119,397	133,222	120,919	134,723
Russia	2,056,367	1,496,098	1,383,414	493,395
Latvia	247,934	291,487	254,288	657,835
Other	879,523	1,247,176	1,163,854	1,422,293
Total	4,664,207	4,672,836	4,252,776	4,301,090
Turkey Exports				
Mexico	197,351	249,702	219,966	190,672
S. Korea	24,844	5,663	4,169	10,462
Russia	84,647	73,950	72,849	13,950
Hong Kong	125,625	34,387	33,061	29,610
Canada	6,712	8,480	7,508	10,481
Other	166,662	73,961	68,091	83,870
Total	605,842	446,144	405,644	339,044
Shell Egg Exports		*thousand*	*doz.*	
Canada	25,434	35,575	32,051	25,434
Japan	734	349	331	2,418
Other	73,376	66,465	61,334	49,083
Total	99,544	102,388	93,716	76,934

MONTHLY U.S. LIVESTOCK & MEAT IMPORTS & EXPORTS

	Nov-98	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99
Beef & Veal Imports						***Carcass wt.,thousand lb.***							
Australia	77,013	70,370	66,939	37,308	63,844	98,072	65,543	70,632	77,704	83,686	74,000	88,619	63,640
New Zealand	18,431	36,202	34,488	49,823	53,813	71,980	58,278	76,815	57,335	36,590	36,454	27,198	19,525
Canada	75,461	68,943	70,787	62,621	74,640	69,715	83,641	82,020	82,147	88,995	87,357	90,483	80,619
Brazil	11,635	11,936	14,300	10,686	15,502	16,211	18,269	23,301	18,645	16,227	17,799	17,803	20,400
Argentina	15,465	18,377	14,064	12,087	14,800	11,975	15,402	14,218	8,696	12,398	12,766	12,357	15,048
Central America	3,656	7,016	3,017	5,113	5,301	4,050	5,519	3,986	3,830	5,721	6,674	5,751	7,281
Uruguay	5,570	6,982	4,909	4,623	6,413	5,200	7,404	6,367	5,035	2,954	4,074	8,564	7,310
Mexico	764	907	809	816	707	902	816	985	786	1,009	901	1,021	1,031
Other	106	275	82	60	167	169	163	83	158	296	135	76	465
Total	208,100	221,008	209,395	183,137	235,187	278,273	255,036	278,406	254,335	247,875	240,159	251,873	215,318
Beef & Veal Exports													
Japan	82,243	78,902	85,953	88,053	97,352	98,628	91,526	92,357	84,197	95,969	96,781	95,357	91,754
Canada	24,538	25,267	19,209	20,612	20,221	19,870	20,688	18,649	20,359	18,438	20,425	22,537	23,555
Mexico	41,008	43,385	31,315	35,050	35,345	35,734	29,711	37,394	44,566	41,297	41,133	42,634	46,326
Korea, Rep.	24,096	18,936	22,033	22,366	27,875	21,895	15,671	25,691	40,548	30,610	17,884	26,737	26,053
Caribbean	1,573	2,672	2,915	3,374	3,347	3,112	1,872	2,011	1,811	2,200	1,579	1,947	2,041
Russia	5,318	152	2,043	459	231	165	85	56	252	178	157	748	123
Other	12,287	16,545	16,101	14,907	14,895	11,290	14,114	16,939	13,857	10,697	9,671	14,485	13,574
Total	191,062	185,858	179,569	184,821	199,265	190,694	173,667	193,097	205,590	199,389	187,630	204,445	203,425
Cattle Imports						***Head***							
Mexico	161,965	102,683	76,414	96,563	116,296	71,257	45,109	39,213	20,571	15,589	30,310	100,710	211,065
Canada	92,912	63,869	60,631	80,822	119,121	109,218	76,419	82,966	59,419	91,666	95,656	102,074	65,440
Over 700 lbs.	84,804	55,104	53,699	71,782	107,008	95,854	65,265	72,646	49,724	80,849	86,024	93,167	56,973
440-700 lbs.	2,194	1,048	835	2,524	4,192	3,985	2,761	972	825	803	680	1,147	1,152
Total	254,877	166,561	137,045	177,385	235,417	180,475	121,528	122,179	79,990	107,255	125,966	202,795	276,510
Cattle Exports													
Mexico	9,005	10,268	8,445	5,826	5,809	7,068	7,186	7,441	6,808	9,296	14,655	11,304	8,556
Canada	26,304	26,270	10,550	10,521	9,489	10,167	14,039	9,730	5,664	5,939	4,086	68,741	45,212
Total	36,325	36,538	19,161	16,812	15,857	20,044	21,839	17,312	12,642	15,462	18,945	80,266	53,887
Lamb Imports						***Carcass wt., thousand lb.***							
Australia	3,924	5,635	3,381	3,652	5,553	3,689	4,171	5,034	4,901	3,283	3,130	3,571	3,646
New Zealand	2,790	3,454	2,276	2,920	4,636	3,593	3,098	2,800	3,582	1,702	1,815	2,483	1,677
Total	6,764	9,128	5,725	6,634	10,194	7,301	7,269	7,840	8,558	5,011	4,956	6,118	5,394
Mutton Imports													
Total	2,433	3,656	3,316	2,927	2,611	1,935	1,493	844	1,442	1,606	1,959	3,177	3,333
Lamb and mutton exports													
Total	778	723	658	434	476	508	456	593	318	435	180	388	429

	Nov-1998	Dec-1998	Jan-1999	Feb-1999	Mar-1999	Apr-1999	May-1999	Jun-1999	Jul-1999	Aug-1999	Sep-1999	Oct-1999	Nov-1999
Pork Imports						***Carcass wt., thousand lb.***							
Canada	52,958	48,933	44,824	43,454	56,164	46,045	46,909	50,472	43,622	53,554	53,928	61,624	59,067
Denmark	12,644	13,137	9,922	13,527	14,144	11,444	11,338	10,361	11,067	9,969	10,309	11,222	9,860
Poland	1,954	1,536	929	1,488	2,079	2,189	1,872	1,864	1,986	1,594	2,594	2,888	1,954
Netherlands	918	1,347	624	990	954	795	2,103	132	311	210	653	854	1,223
Hungary	982	1,002	868	521	739	133	871	472	536	72	278	143	608
Other	3,454	3,449	2,211	3,958	3,376	4,071	4,247	4,707	1,982	1,697	1,490	2,829	3,950
Total	72,910	69,405	59,378	63,938	77,457	64,676	67,340	68,010	59,503	67,095	69,252	79,559	76,663
Pork Exports													
Japan	40,961	37,526	38,055	41,633	48,679	53,198	44,647	44,365	40,965	48,526	46,328	45,976	45,413
Canada	8,959	10,251	8,123	8,932	10,832	10,173	11,220	10,326	11,861	9,045	12,607	9,746	12,119
Mexico	16,676	15,895	11,800	10,239	10,297	9,926	8,536	15,889	14,467	15,292	13,883	17,706	18,611
Russia	11,171	412	1,399	699	293	171	145	377	140	251	228	44	130
Korea, Rep	1,211	4,075	3,845	3,786	2,810	5,464	5,840	5,894	6,098	3,440	2,724	8,400	3,029
Hong Kong	3,010	5,278	5,093	6,614	2,855	3,733	3,417	3,477	3,621	2,813	4,489	2,457	3,278
Caribbean	3,132	2,043	1,798	2,071	1,987	1,996	1,150	1,312	1,124	1,808	2,329	1,831	1,454
Other	20,020	14,544	15,588	14,114	14,968	20,289	22,817	19,242	12,496	19,182	12,373	13,696	14,795
Total	105,138	90,024	85,702	88,088	92,721	104,949	97,772	100,884	90,771	100,357	94,961	99,855	98,828
Hog Imports						***Head***							
Canada	297,009	371,694	383,298	288,747	326,528	314,745	314,657	364,347	311,888	365,563	379,352	374,227	352,299
Under 110 lb	128,238	152,006	145,113	138,227	169,132	175,627	176,432	196,246	163,094	179,048	199,227	177,387	183,071
Total	297,009	371,694	383,298	288,747	326,528	314,745	314,657	364,347	311,888	365,563	379,352	374,255	352,299
Hog Exports													
Total	41,610	53,020	34,880	21,552	18,894	18,476	16,062	26,637	4,060	8,967	10,363	10,250	1,986
Broiler Exports						***RTC, thousand lb.***							
Japan	19,231	14,208	23,564	16,335	20,619	20,645	13,871	17,853	13,423	23,875	20,086	20,966	16,273
Mexico	22,006	29,635	19,468	24,170	22,720	19,999	22,697	28,962	22,475	27,527	26,916	27,787	28,608
Hong Kong	91,099	129,052	77,585	118,758	127,585	108,605	97,423	91,355	96,171	83,520	78,312	102,474	110,519
Singapore	1,340	1,658	973	1,113	2,131	3,557	2,496	2,448	1,479	2,150	1,849	1,657	1,844
Canada	13,808	12,302	8,449	8,135	9,511	10,403	12,847	13,285	17,405	14,650	15,205	12,486	12,346
Russia	20,580	112,684	70,354	42,288	21,846	24,167	11,283	26,359	11,600	34,629	59,174	114,736	76,959
Latvia	17,038	37,199	46,406	42,367	41,488	93,822	56,125	58,252	76,910	98,008	70,742	14,569	59,147
Other	97,433	83,323	92,918	109,260	88,769	172,081	109,245	151,783	177,738	116,943	109,232	148,209	146,115
Total	282,534	420,060	339,717	362,426	334,669	453,280	325,987	390,298	417,202	401,302	381,514	442,884	451,811
Turkey Exports													
Mexico	22,171	29,736	11,216	16,816	14,300	13,860	12,536	20,731	15,317	18,266	18,331	23,725	25,573
Canada	556	973	891	869	506	611	664	959	1,413	1,135	1,041	1,467	924
S. Korea	894	1,494	1,327	847	877	1,201	917	968	900	682	1,203	772	767
Russia	707	1,101	1,437	1,069	4,087	285	391	104	1,055	890	2,863	806	964
Hong Kong	2,528	1,327	2,696	3,191	1,533	1,275	1,630	3,235	2,837	3,028	3,014	4,157	3,013
Other	4,932	5,870	7,480	5,817	4,938	7,359	10,630	10,453	6,193	6,829	8,317	8,108	7,748
Total	31,788	40,500	25,047	28,609	26,242	24,591	26,767	36,449	27,716	30,829	34,768	39,034	38,990
Shell Egg Exports						***thousand doz.***							
Canada	3,148	3,524	2,534	2,327	2,427	2,906	2,942	2,043	2,186	3,295	3,391	2,355	2,440
Japan	72	18	78	38	72	50	51	15	104	216	349	590	854
Total	7,994	8,672	7,793	6,417	6,787	6,816	6,988	6,275	5,728	7,318	7,513	7,488	7,811

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

RED MEAT AND POULTRY FORECASTS

	1997	1998		1999					2000				
	Annual	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual
Production, million lb.													
Beef	25,384	6,339	25,653	6,397	6,627	6,841	6,525	26,390	6,400	6,400	6,325	5,925	25,050
Pork	17,244	5,239	18,981	4,865	4,631	4,672	5,125	19,293	4,750	4,500	4,525	4,800	18,575
Broilers	27,271	7,085	27,863	7,295	7,594	7,486	7,300	29,674	7,650	7,900	7,800	7,800	31,150
Turkeys	5,478	1,367	5,281	1,206	1,336	1,362	1,375	5,279	1,275	1,350	1,375	1,400	5,400
Total Red Meat & Poultry	76,467	20,282	78,801	20,022	20,440	20,613	20,583	81,658	20,329	20,403	20,267	20,165	81,164
Table eggs, mil doz.	5,465	1,450	5,621	1,427	1,429	1,456	1,510	5,821	1,475	1,460	1,480	1,535	5,950
Per capita consumption, Retail lb.													
Beef	66.9	16.7	68.1	16.7	17.8	17.9	16.8	69.2	16.9	17.1	16.5	15.4	65.9
Pork	48.7	14.4	52.6	13.5	13.0	13.3	14.0	53.9	13.1	12.5	12.6	13.0	51.3
Broilers	71.9	18.9	72.6	19.3	19.8	19.4	19.1	77.7	19.9	20.7	20.3	20.3	81.3
Turkeys	17.6	6.0	18.1	3.8	3.8	4.4	5.9	18.1	3.8	3.8	4.4	5.9	17.9
Total Red Meat & Poultry	207.7	56.4	213.7	54.1	55.0	55.6	56.5	221.2	54.4	54.7	54.4	55.1	218.5
Eggs, number	240.0	63.2	245.2	62.7	62.7	63.8	66.1	255.3	64.3	63.4	64.2	66.4	258.4
Market Prices													
Choice steers, Neb., $/cwt.	66.32	61.06	61.48	62.43	65.04	65.12	69.60	65.55	67-69	67-71	67-73	67-73	67-72
Feeder steers, Ok City, $/cwt.	76.19	69.80	71.80	71.93	72.17	77.57	83.50	76.29	83-85	82-86	83-89	84-90	83-88
Bng Ut Cows, S. Falls, $/cwt.	34.27	32.15	36.20	36.1	38.77	40.02	38.50	38.35	42-44	44-48	44-48	43-47	43-47
Barrows & gilts, N. base, l.e. $/cwt.	54.30	22.06	34.72	28.83	35.18	35.70	36.29	34.00	34-36	37-39	40-44	36-40	37-40
Broilers, 12 City, cents/lb.	58.8	64.50	63.10	58.1	58.60	58.10	57.60	58.10	55-57	55-59	56-60	54-58	55-59
Turkeys, Eastern, cents/lb.	64.9	71.20	62.20	59.4	65.80	73.80	76.90	69.00	64-66	65-69	66-72	72-78	67-71
Eggs, New York, cents/doz.	81.2	81.70	75.80	75.0	58.10	66.20	63.00	65.60	59-61	53-57	58-62	62-68	58-62
U.S. Trade, million lb.													
Beef & veal exports	2,136	571	2,171	564	557	593	660	2,374	530	555	615	610	2,310
Beef & veal imports	2,343	630	2,642	628	812	742	695	2,877	720	820	775	700	3,015
Pork exports	1,044	297	1,229	267	304	286	415	1,272	270	300	290	340	1,200
Pork imports	633	214	704	201	200	196	225	822	200	200	200	200	800
Broiler exports	4,664	1,006	4,673	1037	1,170	1,200	1,225	4,631	1,150	1,200	1,200	1,200	4,750
Turkey exports	606	112	446	80	88	93	100	361	90	90	100	110	390

ECONOMIC INDICATOR FORECASTS 1/

	1998		1999					2000				
	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual
GDP, chain wtd (bil. 1996 dol.)	8,659	8,516	8,738	8,779	8,883	8,965	8,840	9,015	9,083	9,149	9,226	9,113
CPI-U, annual rate (pct.)	1.7	1.5	1.5	3.5	2.6	2.5	2.5	2.5	2.5	2.5	2.6	2.5
Unemployment (pct.)	4.4	4.5	4.3	4.3	4.2	4.1	4.2	4.2	4.2	4.2	4.3	4.3
Interest (pct.)												
3-month Treasury bill	4.3	4.8	4.4	4.5	4.7	4.9	4.6	5.1	5.1	5.1	5.1	5.1
10-year Treasury bond yield	4.7	5.3	5.0	5.5	5.9	6.0	5.6	6.0	6.1	6.2	6.2	6.1

1/ Source: Survey of Professional Forecasters, Philadelphia Federal Reserve Bank, November 1999

DAIRY FORECASTS

	1998		1999					2000				
	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual
Milk cows (thous,)	9,137	9,158	9,136	9,151	9,166	9,178	9,158	9,165	9,150	9,130	9090	9,135
Milk per cow (pounds)	4,261	17,191	4,437	4,587	4,340	4,405	17,769	4,550	4,660	4,420	4430	18,060
Milk production (bil. pounds)	38.9	157.4	40.5	42.0	39.8	40.4	162.7	41.7	42.6	40.4	40.2687	165.0
Commercial use (bil. pounds)												
milkfat basis	40.4	159.9	39.1	40.7	42.6	42.7	165.1	40.6	42.2	42.6	42.1047	167.6
skim solids basis	39.7	156.0	38.9	38.4	40.8	40.3	158.3	39.9	39.5	41.8	41.4	162.6
Net removals (bil. pounds)												
milkfat basis	0.0	0.4	0.1	0.1	0.1	0.1	0.3	0.2	0.2	0.1	0.15	0.6
skim solids basis	0.6	4.0	1.2	2.0	1.6	1.7	6.5	2.1	1.8	0.9	0.8047	5.6
Prices (dol./cwt)												
All milk	17.83	15.43	15.97	12.52	14.83	13.90	14.39	11.45 -11.85	11.25 -11.95	12.15 -13.15	13.70 -14.70	12.15 -12.95
Basic Formula Price/ Class III	16.74	14.20	12.72	11.15	15.21	10.30	12.43	9.85 -10.25	9.90 -10.60	10.75 -11.75	12.10 -13.10	10.65 -11.45

U.S. dairy situation at a glance

	Unit	1997	1998	1999	Oct-98	Nov-98	Dec-98	Jan-99
Milk production:								
Production (20 States)	Mil. lb.	133,314	134,930	139,999	11,125	10,829	11,481	11,720
Milk cow (20 States)	Thou.	7,760	7,710	92,785	7,695	7,697	7,708	7,704
Milk per cow (20 States)	Lb.	17,180	17,501	18,104	1,446	1,407	1,489	1,521
Production (U.S. est.)	Mil. lb.	156,091	157,441	162,732	12,961	12,611	13,365	13,681
Milk prices:								
All milk	Dol./cwt	13.34	15.43	14.38	17.70	17.80	18.00	17.40
Milk eligible for fluid use	Dol./cwt	13.38	15.47	14.43	17.80	17.80	18.10	17.50
Manufacturing grade milk	Dol./cwt	12.18	14.33	12.76	16.80	17.30	17.40	15.30
Basic Formula Price (3.5% fat)	Dol./cwt	12.05	14.20	12.43	16.04	16.84	17.34	16.27
Slaughter cow price, WI	Dol./cwt	36.93	35.54	37.28	31.44	31.34	32.10	35.56
Wholesale prices:								
Butter, Central States 1/	Ct/lb	116.2	177.6	125.0	242.3	187.9	140.8	144.4
American cheese, WI assembly pt.								
40-pound blocks	Ct/lb	132.4	158.1	142.3	183.5	188.7	192.5	162.4
Barrels	Ct/lb	125.2	151.7	136.4	178.5	183.5	185.3	155.2
Nonfat dry milk, Central States	Ct/lb	110.0	106.9	103.5	111.8	112.5	114.9	108.9
Retail prices:								
Consumer Price Index	1982-84=100	160.5	163.0	166.6	164.0	164.0	163.9	164.3
All food	1982-84=100	157.3	160.7	164.1	162.0	162.1	162.3	163.6
Dairy products	1982-84=100	145.5	150.8	159.6	155.0	155.9	157.6	161.2
Fluid milk	Dec 1997=100	NA	101.3	107.6	103.6	103.5	106.1	109.8
Other dairy products	Dec 1997=100	NA	101.9	107.2	103.9	105.2	106.0	107.7
Dairy product output:								
Butter	Mil. lb	1,151.3	1,081.9	NA	88.5	91.1	106.3	123.3
American cheese	Mil. lb	3,285.6	3,325.8	NA	266.8	270.6	300.1	289.7
Other-than-American cheese	Mil. lb	4,044.9	4,176.1	NA	365.3	366.0	368.4	349.0
Frozen products 2/	Mil. gal.	1,290.0	1,325.9	NA	97.5	79.3	84.7	80.9
All products (m.e.-fat)	Mil. lb	96,323	96,585	NA	7,813	7,591	8,183	8,301
Nonfat dry milk	Mil. lb	1,217.6	1,135.4	NA	75.0	73.9	110.9	120.0
Beginning stocks:								
Commercial butter	Mil. lb	13.4	20.5	25.9	33.9	31.2	28.7	25.9
Commercial American cheese	Mil. lb	379.6	410.3	407.6	417.3	394.5	388.5	407.6
Other cheese	Mil. lb	107.3	70.0	109.5	135.5	128.0	105.9	109.5
Manufacturers' nonfat dry milk	Mil. lb	71.1	103.3	56.3	64.4	47.2	43.7	56.3
All commercial (m.e.-fat)	Mil. lb	4,704	4,889	5,274	5,793	5,433	5,126	5,274
All commercial (m.e.-skim)	Mil. lb	5,753	6,080	5,905	6,417	5,870	5,508	5,905
All Government (m.e.-fat)	Mil. lb	10	18	28	40	34	28	28
All Government (m.e.-skim)	Mil. lb	7	258	1,115	1,321	1,278	1,138	1,115
Commercial disappearance:								
Butter	Mil. lb	1,109	1,137	NA	101.5	97.1	110.0	90.2
American cheese	Mil. lb	3,269	3,350	NA	289.4	276.9	287.8	310.5
Other-than-American cheese	Mil. lb	4,367	4,450	NA	409.5	419.4	402.6	372.5
Nonfat dry milk	Mil. lb	894	867	NA	77.1	68.7	75.3	72.1
All products:								
m.e.-fat	Mil. lb	156,118	159,917	NA	13,745	13,149	13,510	13,307
Milkfat	Mil. lb	5,722	5,847	NA	510	496	509	504
Skim solids	Mil. lb	13,327	13,510	NA	1,181	1,139	1,133	1,177
USDA net removals:								
Butter	Mil. lb	38.4	6.3	3.7	0.0	0.0	0.0	0.0
Cheese	Mil. lb	11.3	8.2	4.5	0.6	0.7	0.9	0.7
Nonfat dry milk	Mil. lb	298.0	326.4	536.3	15.8	9.2	24.4	23.4
All products (m.e.-fat)	Mil. lb	1,090	366	337	14	14	21	21
All products (m.e.-skim)	Mil. lb	3,681	3,974	6,400	195	120	301	290
Imports								
All products (m.e.-fat)	Mil. lb	2,698	4,588	NA	552	373	415	376
All products (m.e.-skim)	Mil. lb	3,165	3,746	NA	398	343	475	308
International market prices:								
Butter	$/metric ton	1,861	1,908	1,506	1,940	1,775	1,760	1,749
Nonfat dry milk	$/metric ton	1,738	1,440	1,332	1,313	1,320	1,325	1,388

1/ Grade AA Chicago before June 1998. 2/ Hard ice cream, ice milk, and sherbert. NA = Not Available.

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

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

Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99
10,809	12,212	11,989	12,430	11,714	11,587	11,536	11,198	11,569	11,317	11,918
7,702	7,708	7,714	7,725	7,730	7,738	7,745	7,753	7,748	7,758	7,760
1,403	1,584	1,554	1,609	1,515	1,489	1,497	1,444	1,493	1,459	1,536
12,613	14,246	13,934	14,441	13,605	13,436	13,372	12,976	13,443	13,146	13,839
15.50	15.00	12.60	12.80	13.10	13.70	15.00	15.80	15.00	14.30	12.40
15.60	15.10	12.60	12.80	13.10	13.80	15.00	15.80	15.00	14.40	12.40
12.30	12.30	11.90	11.50	11.90	13.20	15.20	15.20	12.60	11.00	10.70
10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63
35.81	36.28	36.25	38.31	38.80	39.69	39.25	36.35	36.81	36.50	37.70
133.1	130.3	103.9	111.0	147.7	134.7	141.4	135.8	113.8	109.6	94.2
131.5	134.0	133.6	124.8	138.1	159.7	189.0	167.3	134.0	117.3	115.7
126.4	129.5	129.1	120.8	133.9	152.9	179.2	153.2	128.0	114.3	114.8
104.4	102.4	102.3	102.3	101.4	101.7	103.8	104.9	104.5	103.4	101.7
164.5	165.0	166.2	166.2	166.2	166.7	167.1	167.9	168.2	168.3	168.3
163.3	163.3	163.4	163.7	163.6	163.8	164.2	164.6	165.1	165.2	165.4
162.3	161.5	156.1	156.2	156.1	155.7	156.5	158.7	164.1	164.6	162.1
112.4	111.8	102.8	103.3	103.3	102.8	102.9	105.6	112.5	114.2	109.7
105.7	107.0	106.9	106.9	106.4	108.2	107.1	107.1	107.2	108.3	107.9
111.5	113.7	106.4	104.7	86.0	75.8	66.1	78.8	93.0	90.4	NA
277.3	316.1	318.6	314.6	297.2	303.9	294.5	283.6	295.8	288.3	NA
323.0	375.6	354.4	361.6	375.6	349.1	356.9	354.8	377.9	401.4	NA
90.6	111.0	117.6	119.8	136.0	133.7	126.0	108.5	93.9	88.6	NA
7,961	8,940	8,865	8,992	8,782	8,476	8,126	7,907	8,140	8,037	NA
115.8	128.5	133.7	137.2	120.4	98.9	99.5	90.6	103.0	100.5	NA
60.6	94.7	108.7	126.3	136.3	121.0	123.2	94.9	71.3	64.1	29.9
390.8	403.9	406.0	450.5	495.7	539.1	545.0	510.8	474.8	458.5	448.2
108.9	139.8	146.1	172.9	181.0	195.8	205.3	186.7	177.8	162.4	143.5
82.4	107.6	122.7	136.5	163.7	158.3	141.1	101.3	87.2	84.0	83.0
5,893	7,001	7,371	8,362	9,086	9,264	9,432	8,350	7,455	6,991	6,010
6,059	6,803	7,057	7,921	8,791	9,306	9,255	8,263	7,673	7,366	6,975
32	28	25	27	31	39	44	50	43	44	45
1,084	962	977	1,004	1,032	1,341	1,643	1,995	1,715	1,556	1,615
80.3	103.1	91.7	96.9	104.8	79.7	100.4	104.4	102.8	124.4	NA
267.4	317.4	279.5	274.1	257.6	302.1	332.1	325.8	321.0	304.5	NA
316.2	400.0	354.7	380.6	384.6	369.1	409.5	398.5	428.5	454.9	NA
55.2	76.7	71.6	57.0	56.5	62.2	104.0	66.3	74.3	64.2	NA
11,707	14,131	13,165	13,916	13,614	13,594	14,800	14,166	14,242	14,349	NA
437	525	481	500	485	478	524	513	531	544	NA
1,010	1,199	1,108	1,146	1,076	1,118	1,214	1,152	1,202	1,163	NA
0.0	0.4	0.4	0.0	0.0	0.0	0.0	0.5	0.5	0.8	1.0
0.5	0.4	0.3	0.3	0.1	0.2	0.5	0.4	0.4	0.2	0.2
35.9	37.3	48.9	53.8	69.7	55.0	36.3	39.4	33.4	38.7	64.5
23	32	31	21	23	20	20	30	27	40	49
435	451	581	637	820	650	436	470	399	466	767
325	397	360	330	317	457	477	432	471	371	NA
298	371	348	345	294	383	413	447	484	427	NA
1,624	1,468	1,425	1,438	1,478	1,450	1,418	1,436	1,500	1,550	1,533
1,299	1,259	1,255	1,263	1,274	1,293	1,330	1,364	1,401	1,423	1,435

U. S. milk production and related data

Year and quarter	Milk cows	Milk per cow	Milk production	Concentrate ration value	Milk-feed price ratio
	thousands	pounds	mil. pounds	dol. per cwt	
1995					
JAN-MAR	9,474	4,108	38,918	7.62	1.65
APR-JUN	9,481	4,268	40,465	7.62	1.60
JUL-SEP	9,472	4,034	38,208	7.82	1.59
OCT-DEC	9,435	3,996	37,701	8.24	1.67
Avg. or total	9,466	16,405	155,292	7.82	1.63
1996					
JAN-MAR	9,404	4,146	38,988	8.83	1.58
APR-JUN	9,388	4,217	39,587	9.51	1.51
JUL-SEP	9,363	4,012	37,564	9.70	1.64
OCT-DEC	9,331	4,058	37,867	9.16	1.67
Avg. or total	9,372	16,433	154,006	9.30	1.60
1997					
JAN-MAR	9,299	4,179	38,859	8.79	1.54
APR-JUN	9,273	4,375	40,574	8.76	1.45
JUL-SEP	9,236	4,182	38,627	8.62	1.47
OCT-DEC	9,200	4,134	38,031	8.49	1.71
Avg. or total	9,252	16,871	156,091	8.67	1.54
1998					
JAN-MAR	9,176	4,268	39,164	8.42	1.73
APR-JUN	9,171	4,451	40,821	8.05	1.71
JUL-SEP	9,149	4,210	38,519	7.50	2.06
OCT-DEC	9,137	4,261	38,937	7.25	2.46
Avg. or total	9,158	17,191	157,441	7.81	1.98
1999					
JAN-MAR	9,136	4,437	40,540	7.25	2.20
APR-JUN	9,151	4,587	41,980	7.10	1.81
JUL-SEP	9,166	4,340	39,784	7.00	2.12
OCT-DEC	9,178	4,405	40,428	6.95	2.00
Avg. or total	9,158	17,769	162,732	7.08	2.03

Commercial disappearance: American cheese,1999

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	289.7	277.3	316.1	318.6	314.6	297.2	303.9	294.5	283.6	295.8	288.3		
Beginning commercial stocks	407.6	390.8	403.9	406.0	450.5	495.7	539.1	545.0	510.8	474.8	458.5	448.2	
Imports	4.7	3.7	3.8	5.7	5.0	3.9	4.3	3.9	6.6	9.3	6.1		
Total supply	702.0	671.8	723.8	730.3	770.1	796.8	847.3	843.4	801.0	779.9	752.9		
Utilization:													
Ending commercial stocks	390.8	403.9	406.0	450.5	495.7	539.1	545.0	510.8	474.8	458.5	448.2	446.6	
USDA net removals	0.7	0.5	0.4	0.3	0.3	0.1	0.2	0.5	0.4	0.4	0.2	0.2	
Commercial disappearance	310.5	267.4	317.4	279.5	274.1	257.6	302.1	332.1	325.8	321.0	304.5		
Percent change from a year ago	8.0	3.3	15.8	2.3	-7.9	-9.1	12.3	18.1	20.4	10.9	10.0		
Cumulative disappearance	310.5	577.9	895.3	1,174.8	1,448.9	1,706.5	2,008.6	2,340.7	2,666.5	2,987.5	3,292.0		

	First quarter	Second quarter	Third quarter	Fourth quarter
	895.3	811.2	960.0	
Percent change from a year ago	9.1	-5.0	17.0	

* Less than 50,000 pounds.

Commercial disappearance: Butter,1999

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	123.3	111.5	113.7	106.4	104.7	86.0	75.7	66.1	78.8	93.0	90.4		
Beginning commercial stocks	25.9	60.6	94.7	108.7	126.3	136.3	121.0	123.2	94.9	71.3	64.1	29.9	
Imports	1.6	2.9	3.8	3.3	2.2	3.5	6.2	6.0	2.5	3.1	0.6		
Total supply	150.8	175.0	212.2	218.4	233.2	225.8	202.9	195.3	176.2	167.4	155.1		
Utilization:													
Ending commercial stocks	60.6	94.7	108.7	126.3	136.3	121.0	123.2	94.9	71.3	64.1	29.9	25.7	
USDA net removals	0.0	0.0	0.4	0.4	0.0	0.0	0.0	0.0	0.5	0.5	0.8	1.0	
Commercial disappearance	90.2	80.3	103.1	91.7	96.9	104.8	79.7	100.4	104.4	102.8	124.4		
Percent change from a year ago	-11.0	-15.8	5.6	-7.0	8.8	15.5	-6.3	14.2	26.9	1.3	28.1		
Cumulative disappearance	90.2	170.5	273.6	365.3	462.2	567.0	646.7	747.1	851.5	954.3	1,078.7		

	First quarter	Second quarter	Third quarter	Fourth quarter
	273.6	293.4	284.5	
Percent change from a year ago	-7.0	5.4	11.4	

1/ Includes butter equivalent of butteroil.
* Less than 50,000 pounds.

Commercial disappearance: Milkfat,1999

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	519	472	530	510	521	484	473	473	471	503	501		
Farm use	4	4	4	4	4	4	4	4	4	4	4		
Marketings	514	468	526	506	517	481	469	469	467	499	497		
Beginning commercial stocks	194	216	257	271	307	334	340	346	307	274	257	221	
Imports	13	11	14	12	11	11	16	17	14	16	12		
Total supply	721	695	797	789	835	826	825	832	788	789	766		
Utilization:													
Ending commercial stocks	216	257	271	307	334	340	346	307	274	257	221		
USDA net removals	1	1	1	1	1	1	1	1	1	1	1	2	
Commercial disappearance	504	437	525	481	500	485	478	524	513	531	544		
Percent change from a year ago	4.9	-1.7	4.6	0.0	0.4	-0.9	-0.5	8.0	9.6	4.1	9.7		
Cumulative disappearance	504	941	1,466	1,947	2,448	2,932	3,410	3,935	4,448	4,978	5,522		

	First quarter	Second quarter	Third quarter	Fourth quarter
	1,466	1,466	1,516	
Percent change from a year ago	2.7	-0.2	5.7	

Commercial disappearance: Milk in all products,1999

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	13,681	12,613	14,246	13,934	14,441	13,605	13,436	13,372	12,976	13,443	13,146	13,839	
Farm use	110	100	110	107	110	107	111	110	107	111	107	110	
Marketings	13,571	12,513	14,136	13,827	14,331	13,498	13,325	13,262	12,869	13,332	13,039	13,729	
Beginning commercial stocks	5,274	5,893	7,001	7,371	8,362	9,086	9,264	9,432	8,350	7,455	6,989	6,010	
Imports	376	325	397	360	330	317	457	476	432	471	371		
Total supply	19,221	18,731	21,534	21,558	23,023	22,901	23,046	23,170	21,651	21,258	20,399		
Utilization:													
Ending commercial stocks	5,893	7,001	7,371	8,362	9,086	9,264	9,432	8,350	7,455	6,989	6,010		
USDA net removals	21	23	32	31	21	23	20	20	30	27	40	49	
Commercial disappearance	13,307	11,707	14,131	13,165	13,916	13,614	13,594	14,800	14,166	14,242	14,349		
Percent change from a year ago	4.8	-1.7	4.6	-0.3	-0.1	-1.0	-0.5	7.6	8.2	3.6	9.1		
Cumulative disappearance	13,307	25,014	39,145	52,310	66,226	79,840	93,434	108,234	122,400	136,642	150,991		
		First quarter			Second quarter			Third quarter			Fourth quarter		
		39,145			40,695			42,560					
Percent change from a year ago		2.7			-0.5			5.1					

Commercial disappearance: Nonfat dry milk,1999

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	120.0	115.8	128.5	133.7	137.2	120.4	98.9	99.5	90.6	103.0	100.5		
Beginning commercial stocks	56.3	82.4	107.6	122.7	136.5	163.7	158.3	141.1	101.3	87.2	84.0		
Imports	1.6	0.5	0.6	0.6	0.9	0.4	1.1	1.0	1.0	1.5	1.4		
Total supply	177.9	198.7	236.7	257.0	274.6	284.5	258.3	241.6	192.9	191.7	185.9		
Utilization:													
Ending commercial stocks	82.4	107.6	122.7	136.5	163.7	158.3	141.1	101.3	87.2	84.0	83.0		
USDA net removals	23.4	35.9	37.3	48.9	53.9	69.7	55.0	36.3	39.4	33.4	38.7	64.5	
Commercial disappearance	72.1	55.2	76.7	71.6	57.0	56.5	62.2	104.0	66.3	74.3	64.2		
Percent change from a year ago	8.4	-15.7	-18.0	-4.5	-11.2	-32.3	15.2	47.7	-10.2	-3.6	-6.6		
Cumulative disappearance	72.1	127.3	204.0	275.6	332.6	389.1	451.3	555.3	621.6	695.9	760.1		

	First quarter	Second quarter	Third quarter	Fourth quarter
	204.0	185.1	232.5	
Percent change from a year ago	-9.5	-16.8	17.3	

* Less than 50,000 pounds.

Commercial disappearance: Other-than-American cheese,1999

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	349.0	323.0	375.6	354.4	361.6	375.6	349.1	356.9	354.8	377.9	401.4		
Beginning commercial stocks	109.5	108.9	139.8	146.1	172.9	181.0	195.8	205.3	186.7	177.8	162.4	143.5	
Imports	22.9	24.1	30.7	27.1	27.1	23.8	29.5	34.0	34.8	35.2	34.6		
Total supply	481.4	456.0	546.1	527.6	561.6	580.4	574.4	596.2	576.3	590.9	598.4		
Utilization:													
Ending commercial stocks	108.9	139.8	146.1	172.9	181.0	195.8	205.3	186.7	177.8	162.4	143.5	164.1	
USDA net removals													
Commercial disappearance	372.5	316.2	400.0	354.7	380.6	384.6	369.1	409.5	398.5	428.5	454.9		
Percent change from a year ago	17.4	-1.4	3.8	-3.0	2.7	4.2	2.6	12.6	8.6	4.6	8.5		
Cumulative disappearance	372.5	688.7	1088.7	1443.4	1824.0	2208.6	2577.7	2987.2	3385.7	3814.2	4269.1		
		First quarter			Second quarter			Third quarter			Fourth quarter		
		1088.7			1119.9			1177.1					
Percent change from a year ago		6.4			1.3			8.0					

* Less than 50,000 pounds.

Commercial disappearance: Skim solids,1999

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	1,198	1,094	1,238	1,212	1,254	1,175	1,146	1,139	1,112	1,170	1,149		
Farm use	10	9	10	9	10	9	9	9	9	10	9		
Marketings	1,188	1,085	1,228	1,202	1,245	1,165	1,137	1,130	1,103	1,160	1,140		
Beginning commercial stocks	507	520	584	606	680	755	799	795	710	659	625		
Imports	27	26	32	30	30	25	33	36	38	42	37		
Total supply	1,722	1,631	1,844	1,838	1,955	1,945	1,969	1,961	1,851	1,861	1,802		
Utilization:													
Ending commercial stocks	520	584	606	680	755	799	795	710	659	625	599		
USDA net removals	25	37	39	50	54	70	56	37	40	34	40	66	
Commercial disappearance	1,177	1,010	1,199	1,108	1,146	1,076	1,118	1,214	1,152	1,202	1,163		
Percent change from a year ago	6.9	-0.9	1.9	-1.2	-1.9	-5.1	1.9	8.0	3.5	1.8	2.0		
Cumulative disappearance	1,177	2,187	3,387	4,495	5,640	6,717	7,835	9,048	10,200	11,402	12,565		
		First quarter			Second quarter			Third quarter			Fourth quarter		
		3,387			3,330			3,483					
Percent change from a year ago		2.7			-2.7			4.5					

Hogs on farms, farrowings, and pig crops, United States

Inventory	1994	1995	1996	1997	1998	1999	2000	Change from previous year
				1,000 head				Percent
Dec. 1 inventory 2/	57,940	59,738	58,201	56,124	61,158	62,206	59,407	-4
Breeding	7,166	6,998	6,770	6,578	6,957	6,682	6,244	-7
Market	50,774	52,739	51,431	49,546	54,200	55,523	53,164	-4
Under 60 lb	19,171	19,477	18,916	18,503	20,237	20,140	19,298	-4
60-119 lb	12,627	13,007	12,755	12,193	13,319	13,631	13,106	-4
120-179 lb	10,268	10,927	10,704	10,209	11,188	11,585	11,073	-4
180 + lb	8,709	9,329	9,057	8,641	9,457	10,168	9,687	-5
March 1 inventory	57,435	58,283	55,741	55,049	60,163	60,191		-3
Breeding	7,189	6,945	6,701	6,637	6,942	6,527		-2
Market	50,246	51,337	49,040	48,412	53,220	53,663		-3
Under 60 lb	18,750	19,144	18,534	18,490	20,192	19,978		0
60-119 lb	12,144	12,395	11,732	11,627	12,791	12,899		-5
120-179 lb	10,575	10,640	10,021	9,858	10,774	10,995		-6
180 + lb	8,778	9,159	8,754	8,437	9,464	9,792		-4
June 1 inventory	60,847	59,329	56,038	57,366	62,213	60,896		-2
Breeding	7,532	7,117	6,682	6,789	6,958	6,515		-2
Market	53,315	52,211	49,356	50,577	55,254	54,380		-2
Under 60 lb	22,024	21,042	19,645	19,988	21,482	20,532		3
60-119 lb	13,092	12,841	12,196	12,574	13,711	13,501		-1
120-179 lb	10,007	9,780	9,757	10,002	11,084	11,076		-5
180 + lb	8,193	8,549	7,759	8,013	8,978	9,272		-9
Sept. 1 inventory	62,208	60,137	56,961	60,456	63,488	60,776		-4
Breeding	7,468	6,907	6,577	6,858	6,875	6,301		-8
Market	54,740	53,229	50,384	53,598	56,612	54,474		-4
Under 60 lb	20,633	19,822	18,782	20,662	21,189	20,243		-4
60-119 lb	13,883	13,347	12,498	13,388	14,032	13,414		-4
120-179 lb	11,223	11,044	10,418	10,673	11,555	11,129		-3
180 + lb	9,002	9,017	8,687	8,875	9,837	9,689		-2
Sows farrowing								
Dec.-Feb. 1/	2,880	2,881	2,718	2,684	2,929	2,891	2,810	-3
March-May	3,377	3,165	2,930	2,911	3,086	2,986	2,832	-5
Dec.-May 1/	6,257	6,046	5,648	5,595	6,015	5,877	5,642	-4
June-August	3,108	2,974	2,718	2,946	3,054	2,920		-2
Sept.-Nov.	3,031	2,869	2,731	2,939	2,993	2,869		-4
June-Nov.	6,139	5,843	5,449	5,885	6,047	5,789		-3
Pig crop								
Dec.-Feb. 1/	23,319	23,742	23,054	23,164	25,480	25,247		-2
March-May	27,898	26,335	24,833	25,229	26,989	26,270		2
Dec.-May 1/	51,217	50,077	47,887	48,393	52,469	51,517		0
June-August	25,530	24,794	23,244	25,696	26,634	25,860		0
Sept.-Nov.	24,732	23,945	23,327	25,494	25,902	25,192		-3
June-Nov.	50,262	48,739	46,571	51,190	52,536	51,052		-1
			Number					
Pigs per litter								
Dec.-Feb. 1/	8.10	8.24	8.43	8.63	8.70	8.73		1
March-May	8.26	8.32	8.48	8.67	8.75	8.80		2
Dec.-May 1/	8.18	8.28	8.46	8.65	8.73	8.77		1
June-August	8.21	8.34	8.55	8.72	8.72	8.86		2
Sept.-Nov.	8.16	8.35	8.54	8.67	8.65	8.78		2
June-Nov.	8.19	8.35	8.55	8.70	8.69	8.82		2

1/ December preceding year. 2/ Intentions

Poultry and egg costs and returns

Date	DECATUR SOYBEAN MEAL	CHICAGO No. 2 CORN	COST PER POUND LIVEWEIGHT BASIS Feed	Total	COST PER POUN R.T.C. BASIS Production	Total	12-CITY PRICE	NET RETURNS BEFORE INTEREST & OVERHEAD
	$ / ton	$ / bushel	---------------		cents / pound	---------------------------		--------------------
BROILERS								
Jan/1999	138.80	2.16	14.47	24.82	32.65	46.75	59.33	12.58
Feb/1999	132.30	2.15	14.52	24.87	32.72	46.82	58.23	11.41
Mar/1999	133.00	2.20	14.32	24.67	32.46	46.56	56.79	10.23
Apr/1999	134.50	2.13	14.13	24.48	32.21	46.31	55.08	8.77
May/1999	133.20	2.16	14.27	24.62	32.39	46.49	60.02	13.53
Jun/1999	139.10	2.11	14.13	24.48	32.22	46.32	60.33	14.01
Jul/1999	132.73	1.78	14.17	24.52	32.27	46.37	59.46	13.09
Aug/1999	141.69	1.84	14.21	24.56	32.31	46.41	57.65	11.24
Sep/1999	150.63	1.88	13.24	23.59	31.04	45.14	57.15	12.01
Oct/1999	153.57	1.90	13.62	23.97	31.54	45.64	54.87	9.23
Nov/1999	154.71	1.90	13.95	24.30	31.97	46.07	59.52	13.45
Dec/1999	154.00	1.93	14.07	24.42	32.13	46.23	58.42	12.19
Jan/2000			14.10	24.45	32.17	46.27		
Feb/2000			14.16	24.51	32.24	46.34		
TURKEYS							3-REGION WHOLESALE PRICE	
Jan/1999	138.80	2.16	18.62	32.32	40.40	56.70	58.02	1.32
Feb/1999	132.30	2.15	19.68	33.38	41.72	58.02	58.40	0.38
Mar/1999	133.00	2.20	19.77	33.47	41.83	58.13	60.84	2.71
Apr/1999	134.50	2.13	19.40	33.10	41.38	57.68	63.33	5.65
May/1999	133.20	2.16	19.05	32.75	40.94	57.24	66.04	8.80
Jun/1999	139.10	2.11	19.29	32.99	41.23	57.53	68.92	11.39
Jul/1999	132.73	1.78	19.08	32.78	40.97	57.27	70.94	13.67
Aug/1999	141.69	1.84	19.14	32.84	41.04	57.34	72.48	15.14
Sep/1999	150.63	1.88	19.22	32.92	41.15	57.45	74.35	16.90
Oct/1999	153.57	1.90	17.60	31.30	39.13	55.43	75.92	20.49
Nov/1999	154.71	1.90	18.27	31.97	39.96	56.26	75.44	19.18
Dec/1999	154.00	1.93	18.85	32.55	40.69	56.99	69.00	12.01
Jan/2000			19.07	32.77	40.97	57.27		
Feb/2000			19.13	32.83	41.03	57.33		
Mar/2000			19.21	32.91	41.14	57.44		
EGGS			FEED COST	TOTAL Production		WHOLESALE TOTAL COST	12-METRO PRICE	
Jan/1999	138.80	2.16	24.71	42.91		63.41	84.03	20.62
Feb/1999	132.30	2.15	24.40	42.60		63.10	73.61	10.51
Mar/1999	133.00	2.20	24.08	42.28		62.78	78.64	15.86
Apr/1999	134.50	2.13	24.42	42.62		63.12	63.37	0.25
May/1999	133.20	2.16	24.05	42.25		62.75	60.89	-1.86
Jun/1999	139.10	2.11	24.18	42.38		62.88	58.59	-4.29
Jul/1999	132.73	1.78	24.11	42.31		62.81	68.13	5.32
Aug/1999	141.69	1.84	21.82	40.02		60.52	72.30	11.78
Sep/1999	150.63	1.88	22.55	40.75		61.25	63.80	2.55
Oct/1999	153.57	1.90	23.16	41.36		61.86	56.80	-5.06
Nov/1999	154.71	1.90	23.40	41.60		62.10	72.34	10.24
Dec/1999	154.00	1.93	23.45	41.65		62.15	67.26	5.11
Jan/2000			23.60	41.80		62.30		