



United States  
Department  
of Agriculture

LDP-M-177

Mar 18, 2009



A Report from the Economic Research Service

[www.ers.usda.gov](http://www.ers.usda.gov)

# Livestock, Dairy, and Poultry Outlook

**Richard Stillman**, coordinator

## Poultry Production Expected To Decline in 2009

### Contents

[Poultry](#)  
[Cattle Trade](#)  
[Cattle](#)  
[Hogs](#)  
[Dairy](#)  
[Contacts and Links](#)

### Tables at a Glance

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

### Web Sites

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

-----  
Tables will be released  
on March 24, 2009

The next newsletter  
release is April 16, 2009

-----  
Approved by the  
World Agricultural  
Outlook Board

**Poultry:** With broiler meat production down sharply in 2009 and chick placements continuing to be below year-earlier levels, the quarterly estimates for 2009 were revised downward. The broiler production estimate for 2009 is now 35.8 billion pounds, down 3.1 percent from 2008. First-quarter 2009 turkey meat production is estimated at 1.46 billion pounds, down almost 5 percent from a year earlier. Ending stocks for January showed a doubling in whole turkey stocks. Table egg production rose for the second consecutive month after declining in 22 of the previous 23 months.

**Cattle Trade:** After good pasture conditions for much of the fall in 2008, dry weather in Mexico is causing cattle imports from Mexico to increase in the beginning of 2009. Beef exports are expected to decline slightly as demand for U.S. beef is not expected to be as strong later in the year. Beef imports are expected to increase 6 percent, but imported beef will have to compete with beef from cow slaughter, which is expected to increase again in 2009.

**Cattle:** Dry conditions in the Southern Plains and the Western United States and low milk prices keep commercial cow slaughter at high rates. Fed cattle prices struggle despite increasingly tighter supplies.

**Hogs:** The estimate for commercial pork production in 2009 is creeping upward, as lower feed costs contribute to increases in expected average dressed weights for the year. Increases in average dressed weights are expected to offset production declines from reductions in the number of live swine imported from Canada this year. U.S. pork exports were 322.7 million pounds in January, down 8.7 percent year-over-year.

**Dairy:** Weak export demand and lower prices are expected to push milk output lower in 2009. However, lower dairy product prices have prompted stronger-than-projected domestic use, and tighter supplies have firmed price forecasts compared with earlier USDA forecasts.

### ***Broiler Production Falls in January, 2009 Estimates Revised Downward***

Broiler meat production for January 2009 was reported at 2.87 billion pounds, down 11.3 percent from the previous year. The decrease was the result of fewer birds being slaughtered on a daily basis and the fact that January 2009 had 1 less slaughter day than January 2008. The total number of birds slaughtered was 695 million, down 11.7 percent from January 2008, and the total liveweight of broilers at slaughter fell by 11.8 percent from a year earlier as the average liveweight at slaughter, 5.56 pounds, was down slightly from the previous year.

With January's large decrease in broiler meat production and lower production expected for February and March, estimates for first-quarter 2009 production were lowered by 75 million pounds to 8.63 billion. This is 5.7 percent below the same period in 2008. The reduction is expected to come almost totally from fewer birds being slaughtered, as average weights are expected to change very little. With weekly chick placement numbers in 2009 continuing to be well below the previous year and continued reductions in the hatchery flock, the broiler meat production estimates for the second through fourth quarters were also reduced. The second-quarter estimate is lowered to 9 billion pounds, the third-quarter to 9.1 billion pounds, and the fourth-quarter estimate was lowered to 9.05 billion pounds. The forecast for fourth-quarter still represents an increase in production from the previous year, but the rate of growth is now only 2.1 percent. Overall, these reductions bring the total broiler meat estimate for 2009 to 35.78 billion pounds, down 3.1 percent from 2008.

Revisions in broiler meat production data for both 2007 and 2008 were made in the *NASS Poultry Slaughter 2008 Annual Summary*. For 2007, the revisions were very minor, with annual production rising by only 33 million pounds to 36.2 billion. The revisions for 2008 were also quite small, an addition of only 42 million pounds to broiler meat production, increasing the total for 2008 to 36.9 billion pounds, up about 2 percent from a year earlier.

Weekly estimates of broiler eggs in incubators and chick placements from the *NASS Broiler Hatchery Report* point toward continued declines in the number of birds available for slaughter, which is expected to result in lower broiler meat production. Over the last 5 weeks (February 7 to March 7), chick placements have averaged 167 million, 6.4 percent lower than during the same period the previous year. Chicks placed for growout in early to mid-March will likely be ready for slaughter in late April to early May based on an average 7- to 8-week growout period.

Even with the reduced production in January and the expected smaller production in February, falling demand has resulted in lower prices for most broiler products. Over the first 2 months of 2009, the 12-City whole broiler price averaged 81 cents per pound, up about 4 percent from the same period in 2008. However, since the middle of February the average weekly 12-City price has been trending downward. This is likely an indicator of lower demand for meat products, as broiler meat production is well below the previous year's level. Year-over-year price changes for other broiler products are mixed. Prices for most breast meat products are down from the previous year.

In the Northeast market, wholesale prices for boneless/skinless breast meat in the first 2 months of 2009 averaged \$1.25 per pound, down more than 8 percent from the previous year, and prices for rib-on breasts had fallen more than 4 percent. Prices for leg quarters averaged 36 cents per pound in January and February, down 17 percent from the same period in 2008. One of the few items showing price strength since last year is wings. Prices for wings in the first 2 months of 2009 averaged \$1.48 per pound, 18 percent higher than the previous year.

The decline in broiler meat production over the last several months has rapidly been reflected in cold storage stocks. Broiler stocks were up considerably through much of 2008, but at the end of January 2009, stocks of broiler products were reported at 669 million pounds, down over 11 percent from the previous year. Stocks of many individual broiler products were considerably lower than the previous year. The ending stocks estimate for first-quarter 2009 is 690 million pounds, a decline of 7.6 percent from the previous year. The reduction in the stocks forecast reflects the large declines in production projected for the first quarter, but the reduction is expected to be partially offset by smaller exports and declining demand due to the uncertain economic conditions.

### ***Per Capita Broiler Meat Consumption at Lowest Level Since 2003***

With broiler meat production lower, exports at near record levels, and stocks in cold storage relatively high, the amount of broiler meat available for domestic consumption at the end of 2008 was reduced. In fourth-quarter 2008, per capita broiler consumption declined to 19.7 pounds, the lowest quarterly per capita consumption level since the first quarter of 2003.

### ***Broiler Exports Total 608 Million Pounds in January 2009***

Broiler shipments totaled 608 million pounds in January, up 33 percent from January 2008. Much of the increase was due to higher shipments to Russia, China, and Mexico, the three largest markets for U.S. broiler exports. The higher broiler exports were a major factor keeping wholesale prices for leg quarters around 35 cents per pound (the primary export product). The strength in broiler exports, even with a worldwide economic downturn, may be due to chicken's relatively low prices compared with beef and pork products.

Broiler exports for first-quarter 2009 are estimated at 1.45 billion pounds, down 3.8 percent from the previous year. The lower forecast is based on a weaker worldwide demand for meat products due to the economic downturn and a reduction in the Russian import quota. The annual 2009 forecast for U.S. broiler exports is 6.05 billion pounds, down 13 percent from the record 6.96 billion pounds exported in 2008.

### ***Turkey Production Forecast for 2009 Reduced***

Turkey hatchery data has shown significant declines over the last several months, and combined with the uncertainty surrounding the domestic economy, leads to a reduced forecast for U.S. turkey meat production for 2009. The estimate for the first quarter was lowered to 1.46 billion pounds, down 15 million pounds from the previous forecast.

The estimates for the second and third quarters were also lowered. These changes bring the estimate for 2009 to 5.99 billion pounds, down over 4 percent from the previous year. The reduction is expected to come in the first three quarters of the year, with the forecast for fourth-quarter 2009 unchanged since last month and less than 2 percent below a year earlier.

Turkey production in January 2009 was 470 million pounds, down 14 percent from a year earlier. The decline in production was the result of a lower number of birds being slaughtered (down 14.3 percent), as the average weight of birds at slaughter was up slightly to 30.5 pounds. The reduction in the number of birds slaughtered was partially due to 1 less slaughter day in January 2009 compared with a year earlier. First-quarter 2009 turkey production is expected to be down almost 5 percent from the previous year.

### ***Turkey Stocks Up by Over a Third***

The estimate for turkey stocks at the end of January 2009 was 454 million pounds, up 38.6 percent from the previous year. Most of the increase in cold storage holdings is the result of large holdings of whole turkeys. At the end of January, whole-bird stocks were estimated at almost 196 million pounds, approximately double the estimate for the same time in 2008. The growth in stocks of turkey parts was much less, increasing only 12 percent from the previous year to 258 million pounds. The lower increase in turkey parts stocks is likely due to the strong market for turkey exports during most of 2008, as almost all exports are parts rather than whole birds.

With the increase in turkey stocks seen in January, the estimates for turkey stocks at the end of each of the four quarters in 2009 were increased. The estimate for the end of first-quarter 2009 is now 550 million pounds, up almost 29 percent from a year earlier. The estimate for the end of the second quarter was increased to 600 million pounds. The third- and fourth-quarter estimates were also increased, but by then lower turkey production is expected to be impacting stock levels, so that stock levels at the end of the third and fourth quarters are expected to be below the previous year.

The large increase in stocks of whole birds has had an impact on whole-bird prices, even with production expected to decline sharply in the first quarter. In January and February, whole-hen prices in the Eastern market averaged 73 cents per pound, down 3 percent from the same period in 2008. Prices for whole birds are expected to be under downward pressure until the level of whole birds in cold storage can be reduced, even with reduced production.

After expanding by 24 percent in 2008, turkey exports are expected to contract by 11 percent in 2009 to 605 million pounds, chiefly due to the global economic downturn, especially in the major market of Mexico. In January 2009, total turkey exports were 39 million pounds, down 17 percent from the previous year. Much of the decline was due to lower shipments to China, Russia, and Canada. Shipments to Mexico, the largest market for U.S. turkey products, were up slightly in January.

### ***Table Egg Production Higher in January***

After being below the previous year for the first 11 months of 2008, table egg production was higher in December and January and the number of birds in the table egg flock also stopped falling in January 2009. The increase in the table egg flock is expected to result in slightly higher table egg production for 2009. The estimate for first-quarter 2009 was increased to 1.595 billion dozen, up less than 1 percent from a year earlier. The *Chicken and Eggs 2008 Summary* report contained revisions for table egg production in both 2007 and 2008. Table egg production in 2007 was revised upward by 30 million dozen to 6.47 billion and production in 2008 was revised downward slightly to 6.4 billion, a reduction of 14 million dozen.

While table egg production has been rising slightly, hatching egg production (specifically broiler egg production) has declined. In January 2009, broiler-type hatching egg production was approximately 84 million dozen, down 7 percent from the previous year. With the revision in broiler production, the hatching egg production estimate for 2009 was lowered by 20 million dozen, to 1.07 billion dozen, a reduction of 5 million dozen in each quarter.

Wholesale table egg prices continued at a relatively high level in January 2009 (\$1.27 per dozen large, Grade A). However this is down about 31 cents per dozen from a year earlier, and with the increase in table egg production in January and a deepening economic downturn, egg prices declined through February and in the first half of March have been averaging around 95 cents per dozen. With some expansion in the table egg flock, egg prices are forecast to remain somewhat below the previous year throughout 2009; however, the price gap between 2008 and 2009 prices is expected to narrow in the second half of 2009.

Egg exports are forecast at 221 million dozen in 2009, up about 15 million dozen from 2008. Much of the increase in egg exports is expected to come in the fourth quarter with better economic conditions. Most of the gains are expected to be concentrated in the top four markets (Canada, Japan, Hong Kong, and Mexico). Any advantage gained from lower prices, especially during the first half of 2009, will be mostly offset by adverse economic conditions in many countries.

In January 2009, egg exports totaled 12.2 million dozen, down 26 percent from the previous year. Shipments of shell eggs and egg products were both lower. Shipments to Japan totaled 2.2 million dozen, making it the largest single market in January.

### ***Mexican Cattle Imports Pick Up in the Beginning of 2009***

In 2009, 2.1 million head of cattle are expected to enter the United States, an 8-percent decrease from 2008. Weekly imports of live cattle from Mexico have increased over the past few weeks, contrasting with low imports for the second half of 2008. Following adequate rainfall and good pasture conditions in the fall of 2008, Northern Mexico has seen drier conditions over the past few months. It is possible that many of the Mexican cattle entering the United States recently would have been taken off Mexican pasture a few months earlier, when dry conditions normally begin earlier in the fall. According to AMS data, imports from Mexico through February are up 17 percent year-to-date compared with 2008. It is not yet clear if these increases will continue or if they reflect last fall's good pasture conditions.

Weekly AMS figures show fewer cattle being imported into the United States from Canada. After large numbers of feeder cattle came south through the first three quarters of 2008, feeder cattle have continued to decline from their year-earlier levels to more closely resemble the quantities seen in 2006 and 2007. Both Canada and the United States have seen lower prices for feeder cattle. Adjusting for the exchange rate, the spread between feeder cattle prices in the United States and Canada has generally been lower than last year, signaling that feeding cattle in Canada is becoming relatively more competitive. According to Canfax, feedlot inventories in Canada's major feeding regions have been higher year-over-year since November.

Imports of Canadian slaughter steers and heifers have also fallen compared with levels seen last year and 2 years ago. This appears to be a continuation of the trend that began in the fourth quarter of 2008. Canadian feedlots had lower placements from the end of 2007 into the first half of 2008, leading to lower marketings for much of 2008. A smaller pool of finished cattle—combined with a depreciating Canadian dollar, making Canadian-produced beef less expensive on the world market—has led to fewer fed steers and heifers being exported from Canada to the United States.

### ***Increased Exports to Korea Offset Decreased Global Demand for Grain-Fed Beef***

The United States is expected to export 1.880 billion pounds of beef in 2009, a slight decline from last year's 1.888 billion pounds. According to FAS Export Sales Report data through February 26th, total exports have been slightly above 2008 levels. While the totals have remained stable, the allocation of exports has shifted. Exports to Mexico appear to be down, while exports to Vietnam appear to be up from last year. The largest importer of U.S. beef, Mexico, has been below 2008, as the Mexican peso continues to depreciate against the U.S. dollar. U.S. exports have also benefited from the resumption of trade with South Korea. While export levels do not appear to be as high as they were when trade first resumed in the third quarter of 2008, the resumption of sales to South Korea has kept total exports about the same as last year. It will be difficult for exports to keep up with 2008 totals for the entire year, however.

After such a strong third quarter in 2008, a stronger dollar and weakened global demand should keep exports from reaching the same quantities, resulting in a slight decline in 2009 total exports.

The United States is expected to import 2.68 billion pounds of beef this year, a 6-percent increase from 2008. Imports from Australia and Uruguay are expected to increase as the Russian beef market declines. Cow slaughter in the United States is expected to remain high in 2009. High cow slaughter generally translates into high supplies of processing beef. Since most imported grass-fed beef is also used for processing, foreign producers, with decreased export opportunities, will either have to compete with U.S. producers or absorb the production within their own domestic market.

### ***High Dairy Cow Slaughter and Record Dressed Weights Boost Beef Production***

Based on USDA's Agricultural Marketing Service weekly *Actual Slaughter Under Federal Inspection* reports through February 2009, cow slaughter continues at a high rate compared with the same period in 2008 and represents a slightly larger share of the January 1 cow inventory than last year's slaughter. The high slaughter rates are due primarily to increased dairy cow slaughter, a result of low milk prices as well as an extended multiyear period of below-normal precipitation in California and the Southern Plains since late fall 2008. Projected cumulative 2009 dairy cow slaughter through February was 16 percent higher than for the same period in 2008. Projected cumulative 2009 beef cow slaughter through February, while about even with year-earlier levels, is still about 5 percent above same-period 2007 levels, which were based on a 2 percent larger January 1 cow inventory.

According to USDA's National Agricultural Statistics Service (NASS) February *Cattle on Feed* report, January 2009 placements of cattle on feed in feedlots of 1,000-plus head were up 4 percent over January 2008. Estimated average placement weights for the 5-month period August through December 2008 were higher than for the same period in any of the previous 4 years. The difference in monthly average placement weights in 2008/09 compared with year-earlier weights also appears to be declining since September, probably as a result of declining feed prices since mid-2008.

For January and February 2009, monthly average federally inspected dressed weights for steers and heifers set records, despite declining placement weights and counter to more typical seasonal declines into April-May, the latter effect partly a result of favorable weather conditions for cattle feeding during the late fall and winter. These record-heavy dressed weights could offset lower steer and heifer slaughter and could combine with high dairy cow slaughter rates, resulting in commercial beef production for 2009 within 1 percent of 2008 quantities.

While both wholesale and retail prices are declining, wholesale prices are declining more rapidly. As a result, packers are again dealing with negative margins, and pressures are mounting to reduce kills even beyond recent levels and to offer lower prices for fed cattle. It will become more difficult for packers to obtain cattle at lower prices as supplies of market-ready fed cattle become more limited over the next several months. While farm-to-wholesale spreads narrowed, wholesale-to-retail spreads widened into January 2009.



### ***Expectations for Dressed Weights and Live Imports Cause Small Change to Commercial Pork Production***

U.S. commercial pork production is expected to be slightly more than 23 billion pounds in 2009, about 1.4 percent below production in 2008. This forecast quantity is slightly higher than the production level estimated last month, due to expected heavier dressed weights, which will likely more-than-offset anticipated reductions in imports of live swine from Canada. Average dressed weights this year are expected to run about 3/4 of a pound higher than last year, due mostly to lower feed costs. The projected 2008/09 crop year farm price of corn—\$3.90-\$4.30 per bushel—is below the farm price for last year. The forecast price for 2008/09 soybean meal—\$265-\$305 per short ton—is also below the 2007/08 price. Lower feed prices reduce the per pound cost of weight gain, often creating incentives to feed hogs to higher weights.

U.S. swine finishers and packers are expected to import 7 million head of swine this year, a reduction of 25 percent from 2008. All but a few of U.S. swine imports come from Canada. This forecast is revised down from a month ago, due to sharp reductions in early 2009 imports of feeder pigs and slaughter hogs. Lower imports result from the ongoing contraction of Canadian hog inventories, brought about largely by exchange rate and production cost volatility. Potential responses to Country of Origin Labeling (COOL) in the United States may also be contributing to the uncertainty faced by hog producers in Canada. But it may also be that the uncertainty is contributing to recent increases in Manitoba's slaughter and to apparent expansion of swine-finishing space in Western Canada.

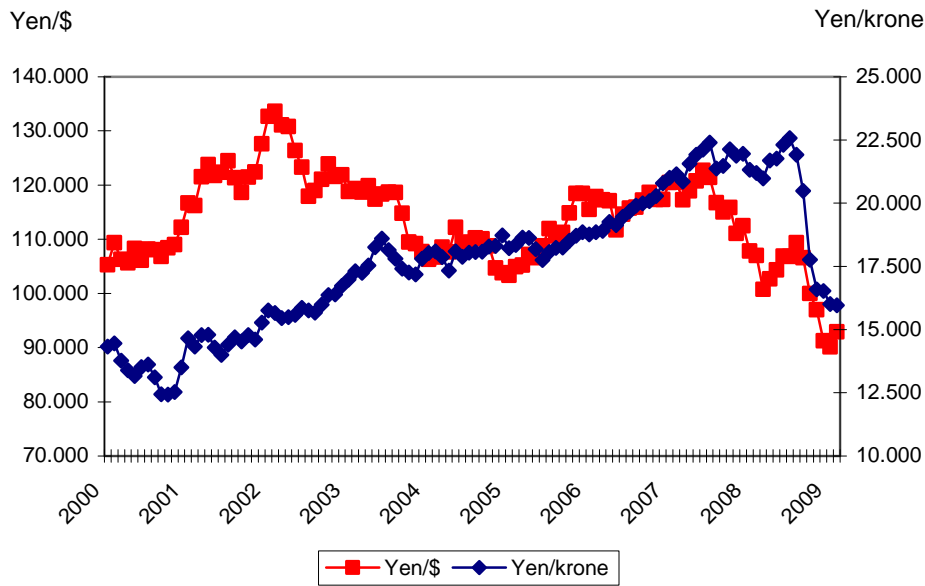
U.S. imports of live swine were 645,434 head in January, 41.6 percent below a year ago. With the exception of breeding animals, all import categories—animals for finishing, animals for immediate slaughter—were lower than January 2008.

USDA will release the *Quarterly Hogs and Pigs* report on March 27, 2009.

### ***January 2009 Pork Exports Below Year-Ago Imports***

U.S. exporters shipped almost 323 million pounds of pork to foreign destinations in January, 8.7 percent below January 2008. The three largest markets for U.S. pork in January were Japan (+21 percent, year-over-year), Mexico (+63 percent year-over-year), and Canada (-9 percent year-over-year). In contrast, the three largest markets in January 2008 were Japan, China/Hong Kong, and Mexico. The China/Hong Kong region imported 24.3 million pounds of U.S. pork in January 2009, down 70 percent from a year earlier. Continuation of Mexico's strong showing in January 2009 is doubtful, given North America's weak macroeconomic outlook this year. Japan's year-over-year increase may be due in part to a favorable U.S. dollar-yen exchange rate compared with competitors, particularly Denmark. The graph below suggests that since 2007, everything else equal, the Yen-U.S. dollar exchange rate has enhanced the competitiveness of U.S. pork.

## Yen price of U.S. dollars and Danish krone



Source: Board of Governors of the Federal Reserve System  
<http://www.federalreserve.gov/releases/g5/current/>.

For 2009, total U.S. pork exports are expected to be 4 billion pounds, 14 percent below last year, but more than 27 percent greater than 2007.

Pork imports in January came in at 71.7 million pounds, nearly 2 percent below a year ago. Although imports from Canada and Denmark—primary foreign suppliers of pork to the United States—were both higher year-over-year, reductions in imports from other smaller suppliers (Mexico, United Kingdom, Ireland, Germany, France, Netherlands, Poland, and Hungary) were together enough to tip the balance of total imports below that of January 2008. The United States is expected to import 840 million pounds of pork this year, about 1 percent above 2008.

### ***Weak Demand and Low Prices Force Dairy Producers To Lower Production***

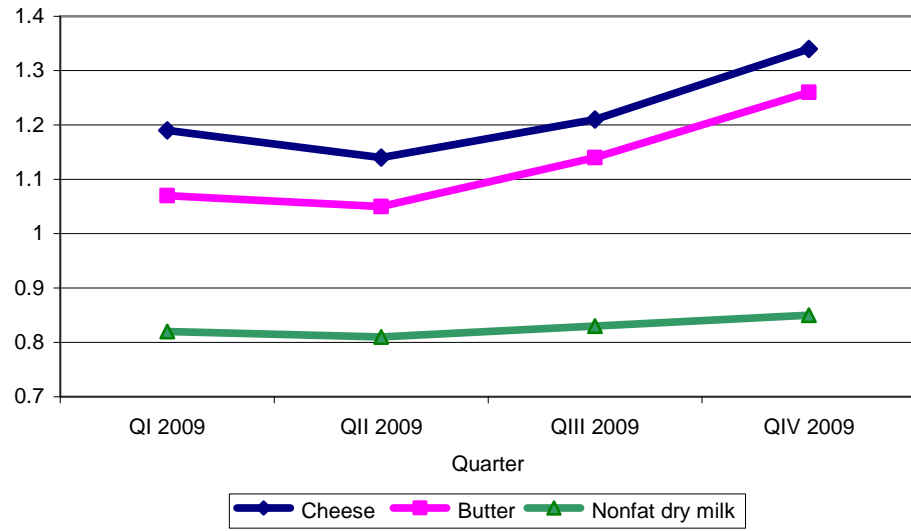
Lower prices will lead to lower milk production in 2009. While output per cow will be fractionally higher this year, the total cow herd is expected to contract. For the year, the cow herd will average nearly 1.3 percent smaller than 2008. The contraction began in January, but the steepest declines are expected in the third and fourth quarters. The 2008 milk cow herd size was revised upward by NASS, resulting in an increase in projected 2009 cow numbers from last month. Output per cow will rise fractionally to 20,500 pounds per cow. Total milk production will be lower in 2009 at 188.5 billion pounds, a decline from 190 billion pounds in 2008. Moderating feed prices will aid output per cow this year; however, producers will face poor returns throughout the period because of low product prices compared with 2008. At present, the forecast assumes no additional herd buyouts through CWT (Cooperatives Working Together). The problem remains of weak demand is pressuring prices, even in the face of lower input costs. The expected milk-feed price ratio for 2009 clearly signals contraction. The first half of 2009 will be marked by only small reductions in milk supplies despite weak demand, whereas in the second half of the year supply is expected to tighten more dramatically.

Lower prices have stimulated additional use, and commercial use is forecast to rise by 1 percent on a fats basis and by better than 2 percent on a skims/solids basis in 2009. Total 2009 milk equivalent exports are forecast at 5.1 million pounds on a fats basis and 19 million pounds on a skims/solids basis, down from 8.8 million pounds and 26.6 million pounds, respectively, in 2008. Export declines are due to global recession reducing demand and to rising production in Australia and New Zealand bringing additional supply to the world market.

Production of total cheese, butter, and nonfat dry milk (NDM) in January was above that of a year earlier. Only whey production lagged behind year-earlier levels. Demand for cheese and butter has been stronger than earlier forecasts and supports slightly higher prices and lower expected net removals. Net removals are forecast to reach 300 million pounds of milk equivalent on a fats basis and 4.8 billion pounds on a skims/solids basis for the year. The cheese price is forecast at \$1.215 to \$1.275 per pound. The price for butter is forecast to average \$1.105 to \$1.195 per pound. NDM and whey prices are forecast at 80.5 to 85.5 cents per pound and 16.0 to 19.0 cents per pound, respectively. As a result of higher cheese and butter prices than forecast earlier, the prices for Class III and Class IV milk have been raised slightly to \$10.05 to \$10.65 per pound and \$9.50 to \$10.20 per pound for 2009. The all milk price is expected to average \$11.25 to \$11.85 per pound in 2009.

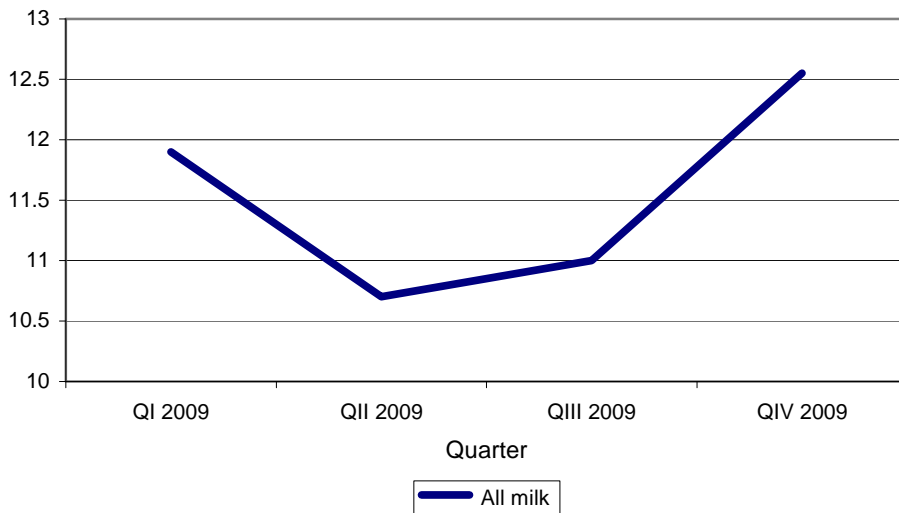
### 2009 dairy product price forecasts

\$/lb.



### 2009 all milk price forecast

\$/lb.



## Contacts and Links

### Contact Information

Richard Stillman (coordinator)	(202) 694-5265	<a href="mailto:stillman@ers.usda.gov">stillman@ers.usda.gov</a>
David J. Harvey (poultry, eggs)	(202) 694-5177	<a href="mailto:djharvey@ers.usda.gov">djharvey@ers.usda.gov</a>
Ken Mathews (cattle)	(202) 694-5183	<a href="mailto:kmathews@ers.usda.gov">kmathews@ers.usda.gov</a>
Michael McConnell (beef trade)	(202) 694-5158	<a href="mailto:mmcconnell@ers.usda.gov">mmcconnell@ers.usda.gov</a>
Keithly Jones (sheep and goats)	(202) 694-5172	<a href="mailto:kjones@ers.usda.gov">kjones@ers.usda.gov</a>
Mildred M. Haley (hogs/pork)	(202) 694-5176	<a href="mailto:mhaley@ers.usda.gov">mhaley@ers.usda.gov</a>
Roger Hoskin (dairy)	(202) 694-5148	<a href="mailto:rhoskin@ers.usda.gov">rhoskin@ers.usda.gov</a>
Kathryn Quanbeck (dairy)	(202) 694-5154	<a href="mailto:kquanbeck@ers.usda.gov">kquanbeck@ers.usda.gov</a>
David Johnson (web publishing)	(202) 694-5222	<a href="mailto:davidj@ers.usda.gov">davidj@ers.usda.gov</a>

### Subscription Information

Subscribe to ERS e-mail notification service at <http://www.ers.usda.gov/updates/> to receive timely notification of newsletter availability. Printed copies can be purchased from the USDA Order Desk by calling 1-800-999-6779 (specify the issue number or series SUB-LDPM-4042

### E-mail Notification

Readers of ERS outlook reports have two ways they can receive an e-mail notice about release of reports and associated data.

- Receive timely notification (soon after the report is posted on the web) via USDA's Economics, Statistics and Market Information System (which is housed at Cornell University's Mann Library). Go to <http://usda.mannlib.cornell.edu/MannUsda/aboutEmailService.do> and follow the instructions to receive e-mail notices about ERS, Agricultural Marketing Service, National Agricultural Statistics Service, and World Agricultural Outlook Board products.

- Receive weekly notification (on Friday afternoon) via the ERS website. Go to <http://www.ers.usda.gov/Updates/> and follow the instructions to receive notices about ERS outlook reports, Amber Waves magazine, and other reports and data products on specific topics. ERS also offers RSS (really simple syndication) feeds for all ERS products. Go to <http://www.ers.usda.gov/rss/> to get started.

### Data Products

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

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

### Related Websites

Animal Production and Marketing Issues, <http://www.ers.usda.gov/briefing/AnimalProducts/>  
Cattle, <http://www.ers.usda.gov/briefing/cattle/>  
Dairy, <http://www.ers.usda.gov/briefing/dairy/>  
Hogs, <http://www.ers.usda.gov/briefing/hogs/>  
Poultry and Eggs, <http://www.ers.usda.gov/briefing/poultry/>  
WASDE, <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

**U.S. red meat and poultry forecasts**

	2004	2005	2006				2007 <sup>1/</sup>					2008					2009							
	Annual	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual		
<b>Production, million lb</b>																								
Beef	24,548	24,683	6,082	6,724	6,834	6,513	26,153	6,237	6,649	6,802	6,733	26,421	6,372	6,899	6,908	6,382	26,561	<b>6,275</b>	<b>6,710</b>	<b>6,900</b>	<b>6,490</b>	<b>26,375</b>		
Pork	20,511	20,685	5,335	5,008	5,087	5,625	21,055	5,396	5,128	5,256	6,163	21,943	6,024	5,593	5,632	6,098	23,347	<b>5,875</b>	<b>5,500</b>	<b>5,545</b>	<b>6,090</b>	<b>23,010</b>		
Lamb and mutton	195	187	49	47	42	47	185	49	44	42	48	183	46	43	42	43	174	<b>43</b>	<b>42</b>	<b>38</b>	<b>41</b>	<b>164</b>		
Broilers	34,063	35,365	8,814	8,980	8,870	8,835	35,500	8,625	9,085	9,131	9,285	36,126	9,145	9,439	9,457	8,865	36,906	<b>8,625</b>	<b>9,000</b>	<b>9,100</b>	<b>9,050</b>	<b>35,775</b>		
Turkeys	5,454	5,504	1,351	1,435	1,419	1,476	5,682	1,413	1,482	1,488	1,575	5,958	1,536	1,560	1,568	1,582	6,246	<b>1,460</b>	<b>1,475</b>	<b>1,500</b>	<b>1,555</b>	<b>5,990</b>		
Total red meat & poultry	85,442	87,097	21,792	22,362	22,413	22,656	89,224	21,874	22,552	22,876	23,962	91,264	23,292	23,717	23,791	23,137	93,937	<b>22,439</b>	<b>22,887</b>	<b>23,249</b>	<b>23,387</b>	<b>91,962</b>		
Table eggs, mil. doz.	6,365	6,413	1,617	1,617	1,632	1,656	6,522	1,598	1,593	1,602	1,642	6,435	1,587	1,577	1,599	1,640	6,403	<b>1,595</b>	<b>1,585</b>	<b>1,615</b>	<b>1,660</b>	<b>6,455</b>		
<b>Per capita disappearance, retail lb <sup>2/</sup></b>																								
Beef	66.1	65.6	15.8	16.9	16.9	16.3	65.8	15.9	16.6	16.4	16.2	65.2	15.6	16.3	15.8	15.1	62.8	<b>15.1</b>	<b>15.9</b>	<b>16.1</b>	<b>15.1</b>	<b>62.2</b>		
Pork	51.4	50.0	12.4	11.9	11.9	13.1	49.4	12.3	12.2	12.3	14.0	50.8	12.6	11.6	12.0	13.3	49.5	<b>12.9</b>	<b>12.4</b>	<b>12.0</b>	<b>12.8</b>	<b>50.2</b>		
Lamb and mutton	1.1	1.1	0.3	0.3	0.2	0.3	1.1	0.3	0.3	0.3	0.3	1.1	0.3	0.3	0.2	0.3	1.0	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.9</b>		
Broilers	84.4	85.8	21.7	22.1	21.9	20.9	86.5	21.2	21.6	21.4	21.2	85.4	21.3	21.4	21.1	19.7	83.5	<b>20.1</b>	<b>20.7</b>	<b>21.0</b>	<b>20.6</b>	<b>82.4</b>		
Turkeys	17.1	16.7	3.5	3.9	4.3	5.2	16.9	3.8	4.1	4.2	5.5	17.5	4.0	4.1	4.3	5.3	17.6	<b>3.8</b>	<b>4.1</b>	<b>4.3</b>	<b>5.4</b>	<b>17.6</b>		
Total red meat & poultry	221.6	221.0	54.1	55.5	55.6	56.1	221.3	53.9	55.1	54.9	57.6	221.6	54.1	54.2	53.8	54.0	216.1	<b>52.6</b>	<b>53.7</b>	<b>54.0</b>	<b>54.6</b>	<b>215.0</b>		
Eggs, number	257.3	255.8	64.1	63.7	63.9	64.7	257.8	62.2	61.7	62.4	63.8	250.1	61.8	61.3	62.0	63.8	248.9	<b>61.4</b>	<b>60.5</b>	<b>61.8</b>	<b>63.4</b>	<b>247.1</b>		
<b>Market prices</b>																								
Choice steers, Neb., \$/cwt	84.75	87.28	89.24	80.39	85.40	86.61	85.41	90.61	93.45	91.36	91.85	91.82	89.59	92.82	98.45	88.22	92.27	<b>81-82</b>	<b>84-88</b>	<b>84-92</b>	<b>87-95</b>	<b>84-89</b>		
Feeder steers, Ok City, \$/cwt	104.76	110.94	106.23	104.08	115.17	103.22	107.18	99.53	108.87	115.64	108.88	108.23	99.88	106.60	110.81	94.62	102.98	<b>94-95</b>	<b>96-100</b>	<b>97-105</b>	<b>101-109</b>	<b>98-103</b>		
Boning utility cows, S. Falls, \$/cwt	52.35	54.36	48.89	47.79	49.28	44.29	47.56	51.04	53.96	54.07	49.40	52.12	53.88	57.30	61.78	46.70	54.92	<b>43-43</b>	<b>43-46</b>	<b>47-51</b>	<b>49-53</b>	<b>45-49</b>		
Choice slaughter lambs, San Angelo, \$/cwt	96.69	97.76	77.03	66.56	81.10	84.53	77.31	82.59	82.23	87.33	87.55	84.93	86.23	79.62	88.83	88.95	85.91	<b>88-90</b>	<b>88-92</b>	<b>84-90</b>	<b>85-91</b>	<b>86-92</b>		
Barrows & gilts, N. base, I.e. \$/cwt	52.51	50.05	42.63	48.45	51.83	46.13	47.26	46.04	52.55	50.33	39.43	47.09	39.64	52.51	57.27	41.92	47.84	<b>41-42</b>	<b>48-50</b>	<b>49-53</b>	<b>43-47</b>	<b>45-48</b>		
Broilers, 12 City, cents/lb	74.10	70.80	62.7	61.0	67.8	65.9	64.4	75.00	80.30	79.20	71.10	76.40	78.10	80.60	80.60	79.40	79.70	<b>81-82</b>	<b>82-86</b>	<b>82-88</b>	<b>79-85</b>	<b>81-86</b>		
Turkeys, Eastern, cents/lb	69.70	73.40	67.3	71.3	79.4	89.8	77.0	69.70	77.90	89.90	90.80	82.10	77.40	88.90	96.50	87.30	87.50	<b>75-76</b>	<b>82-86</b>	<b>88-96</b>	<b>86-94</b>	<b>83-88</b>		
Eggs, New York, cents/doz.	82.20	65.50	71.4	62.7	64.0	89.0	71.8	105.3	92.0	119.1	141.0	114.4	158.8	117.30	114.50	122.60	128.30	<b>114-117</b>	<b>107-113</b>	<b>106-114</b>	<b>115-125</b>	<b>111-117</b>		
<b>U.S. trade, million lb</b>																								
Beef & veal exports	460	697	215	315	307	308	1,145	269	363	424	375	1,431	360	471	609	448	1,888	<b>415</b>	<b>495</b>	<b>490</b>	<b>480</b>	<b>1,880</b>		
Beef & veal imports	3,679	3,599	843	790	730	722	3,085	770	884	774	624	3,052	637	661	584	655	2,537	<b>625</b>	<b>710</b>	<b>690</b>	<b>655</b>	<b>2,680</b>		
Lamb and mutton imports	181	180	53	44	41	52	190	56	44	44	59	202	52	48	38	47	185	<b>52</b>	<b>42</b>	<b>39</b>	<b>44</b>	<b>177</b>		
Pork exports	2,181	2,666	767	763	654	811	2,995	792	685	703	959	3,138	1,106	1,387	1,126	1,049	4,668	<b>875</b>	<b>950</b>	<b>1,000</b>	<b>1,175</b>	<b>4,000</b>		
Pork imports	1,099	1,024	259	237	239	254	989	239	256	240	232	968	217	205	191	218	831	<b>215</b>	<b>205</b>	<b>200</b>	<b>220</b>	<b>840</b>		
Broiler exports	4,783	5,203	1,270	1,297	1,234	1,404	5,205	1,275	1,393	1,493	1,610	5,771	1,507	1,787	1,912	1,756	6,962	<b>1,450</b>	<b>1,525</b>	<b>1,500</b>	<b>1,575</b>	<b>6,050</b>		
Turkey exports	442	570	119	125	152	150	547	124	135	148	146	553	148	160	186	182	676	<b>135</b>	<b>145</b>	<b>160</b>	<b>165</b>	<b>605</b>		
Live swine imports (thousand head)	8,506	8,191	2,133	2,088	2,204	2,338	8,763	2,302	2,370	2,464	2,869	10,005	2,915	2,149	2,201	2,083	9,348	<b>1,750</b>	<b>1,750</b>	<b>1,750</b>	<b>1,750</b>	<b>7,000</b>		

<sup>1/</sup> Forecasts are in **bold**.

<sup>2/</sup> Per capita meat and egg disappearance data are calculated using the Resident Population Plus Armed Forces Overseas series from the Census Bureau of the Department of Commerce.

Source: World Agricultural Supply and Demand Estimates and Supporting Materials.

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

## Dairy Forecasts

	2008					2009				
	I	II	III	IV	Annual	I	II	III	IV	Annual
Milk cows (thous.)	9,286	9,315	9,330	9,330	9,315	9,300	9,240	9,170	9,070	9,195
Milk per cow (pounds)	5,127	5,236	5,025	5,008	20,396	5,110	5,270	5,070	5,050	20,500
<b>Milk production (bil. pounds)</b>	47.6	48.8	46.9	46.7	190.0	47.5	48.7	46.5	45.8	188.5
Farm use	0.3	0.3	0.3	0.3	1.2	0.3	0.3	0.3	0.3	1.2
Milk marketings	47.3	48.5	46.6	46.4	188.8	47.2	48.4	46.2	45.5	187.3
<b>Milkfat (bil. pounds milk equiv.)</b>										
Milk marketings	47.3	48.5	46.6	46.4	188.8	47.2	48.4	46.2	45.5	187.3
Beginning commercial stocks	10.4	12.1	13.6	11.5	10.4	10.0	11.9	13.5	12.0	10.0
Imports	1.0	0.7	0.7	1.5	3.9	0.9	0.8	0.8	1.2	3.6
Total supply	58.6	61.3	60.9	59.5	203.1	58.2	61.1	60.4	58.7	200.9
commercial exports	2.2	2.5	2.5	1.5	8.8	1.1	1.2	1.4	1.4	5.1
Ending commercial stocks	12.1	13.6	11.5	10.0	10.0	11.9	13.5	12.0	9.3	9.3
Net removals	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.0	0.0	0.3
Commercial use	44.3	45.2	46.9	47.8	184.3	45.0	46.2	47.1	48.0	186.2
<b>Skim solids (bil. pounds milk equiv.)</b>										
Milk marketings	47.3	48.5	46.6	46.4	188.8	47.2	48.4	46.2	45.5	187.3
Beginning commercial stocks	9.9	10.2	10.8	10.4	9.9	11.0	11.1	11.9	11.3	11.0
Imports	1.0	0.8	0.8	1.2	3.8	0.9	0.8	0.8	1.1	3.5
Total supply	58.2	59.5	58.2	58.0	202.5	59.1	60.3	58.9	57.8	201.8
commercial exports	6.7	7.6	6.9	5.5	26.6	4.4	4.5	4.8	5.3	19.0
Ending commercial stocks	10.2	10.8	10.4	11.0	11.0	11.1	11.9	11.3	10.6	10.6
Net removals	0.0	0.0	0.0	1.3	1.3	1.3	1.7	1.2	0.6	4.8
Commercial use	41.4	41.1	40.8	40.3	163.6	42.3	42.2	41.7	41.3	167.4
<b>Milk prices (dol./cwt) 1/</b>										
All milk	19.23	18.57	18.67	16.80	18.32	11.80	10.45	10.60	12.05	11.25
						-12.00	-10.95	-11.40	-13.05	-11.85
Class III	18.12	18.40	17.28	15.95	17.44	9.86	9.44	9.80	11.03	10.05
						-10.06	-9.94	-10.60	-12.03	-10.65
Class IV	15.04	15.25	16.23	12.07	14.65	9.35	9.15	9.43	9.94	9.50
						-9.65	-9.75	-10.33	-11.04	10.20
<b>Product prices (dol./pound) 2/</b>										
Cheddar cheese	1.933	1.977	1.869	1.804	1.895	1.206	1.162	1.187	1.300	1.215
						-1.226	-1.212	-1.267	-1.400	-1.275
Dry whey	0.305	0.267	0.243	0.186	0.250	0.152	0.148	0.165	0.182	0.160
						-0.172	-0.178	-0.195	-0.212	-0.190
Butter	1.230	1.411	1.575	1.527	1.436	1.067	1.053	1.105	1.198	1.105
						-1.107	-1.133	-1.215	-1.328	-1.195
Nonfat dry milk	1.364	1.300	1.334	0.904	1.226	0.811	0.793	0.800	0.815	0.805
						-0.831	-0.833	-0.860	-0.885	0.855

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

2/ Simple averages of monthly prices calculated by the Agricultural Marketing Service for use in class price formulas. 'Based on weekly "Dairy Product Prices", National Agricultural Statistics Service. Details may be found at [http://www.ams.usda.gov/dyfmoms/mib/fedordprc\\_dscrp.htm](http://www.ams.usda.gov/dyfmoms/mib/fedordprc_dscrp.htm)

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

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

Published in Livestock, Dairy, and Poultry Outlook, <http://www.ers.usda.gov/publications/ldp>