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Livestock, Dairy, and Poultry Outlook

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Dairy and Pork Prices Expected to Remain Weak Throughout 2009

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Tables will be released
on July 28, 2009

The next newsletter
release is Aug 19, 2009

Approved by the
World Agricultural
Outlook Board

Pork: The second quarter of 2009 ended with both pork production and hog and pork prices below a year ago, which strongly suggests lower product demand. Lower production and lower prices are expected to persist for the balance of this year. Pork exports in May were almost 307 million pounds, 36 percent below May 2008. It is likely that May exports—particularly to Mexico and Russia—did not register the full negative impacts of H1N1-related slow-down in demand for U.S. pork.

Cattle: Increased dairy cow slaughter has offset declining beef cow slaughter since the last week of May 2009. Feedlot placements move in concert with fed cattle prices.

Beef/Cattle Trade: The United States is expected to import 13 percent more beef in 2009, as imports from Australia are well above 2008 levels. U.S. beef exports have been hampered by reduced demand due to weak economies overseas and a stronger U.S. dollar making U.S. beef less competitive.

Poultry: Broiler production estimates for the 2nd and 3rd quarters were increased due to somewhat higher numbers of birds being slaughtered and a steady number of chicks being placed for growout. Broiler meat production is now expected to be down 2 percent in the second half of 2009 and to be down 4 percent for the year. Even with much lower production, whole turkey prices continue to be pressured by high stock levels.

Dairy: Feed prices are expected to moderate slightly both this year and next. But milk supplies still lead demand, and exports are expected to be well behind the last two years. Consequently, prices will remain weak this year. A modest improvement in prices is expected in 2010 as the dairy herd decline helps to move supplies into line with demand.

Quarterly Hogs and Pigs Suggests Surging Litter Rates Temper Effects of Modest Breeding Herd Reductions

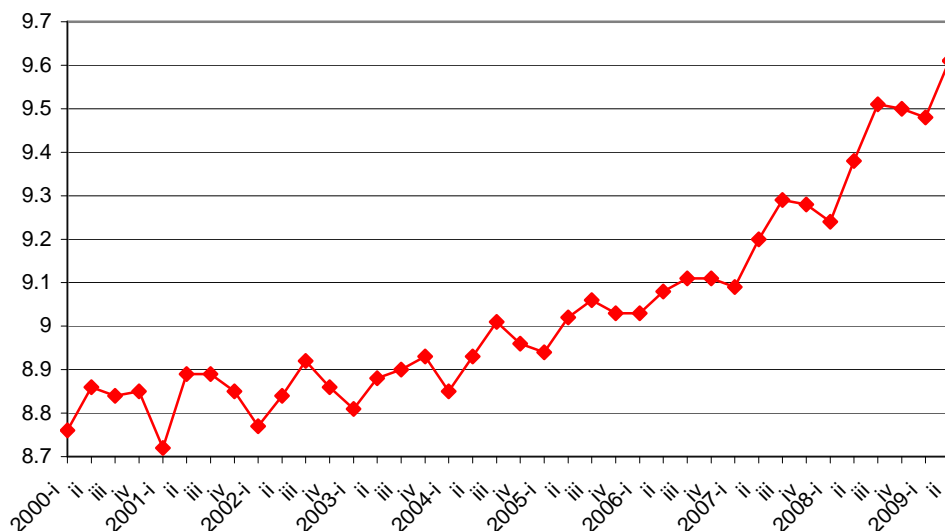
The *Quarterly Hogs and Pigs* report, released June 26, 2009, by USDA, showed continued modest reduction in inventories of U.S. breeding animals. On June 1, 2009, the breeding inventory was 5.967 million head, 2.7 percent below June 2008. The year-over-year lower June 1 inventory marks the fourth consecutive year-over-year reduction in quarterly inventories of breeding stock. Reduction of industry breeding capacity is both a necessary and predictable step to restore profitability to the sector, given the magnitude and duration of negative producer returns. Iowa State University estimates average monthly per-head losses at about \$22 since October 2007, the point where persistent losses began.

http://www.econ.iastate.edu/faculty/lawrence/Lawrence_website/livestockreturns.htm

The quarterly report also showed a year-over-year increase in spring litter rates, contributing to a growing string of very strong industry gains. The litter rate for March-May was calculated at 9.61 pigs-per-litter (ppl), 2 percent greater than a year ago (9.38 ppl) and 4 percent above June 1, 2007 (9.2 ppl). Since 2000, quarterly year-over-year increases have averaged almost 1 percent. Since 2007, quarterly litter rate increases have averaged over 2 percent. Improvements in litter rates are largely attributable to better herd health, focused management attention to the science and art of breeding, farrowing, and nursery care, and improved genetics.

Quarterly U.S. litter rates, 2000-March/May 2009

Pigs-per-litter



Source: USDA/NASS. Quarterly Hogs and Pigs.

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1086>

If there is a down side to increasing litter rates, it is that they have likely mitigated recent efforts to reduce U.S. hog production. To hold pig crops constant, in an environment where productivity is increasing, farrowings must be reduced. So in order to reduce a pig crop by X percent for example, farrowing must be reduced by X plus total productivity growth, of which increasing litter rates are an important component. For 2009, farrowings are expected to be 2.8 percent lower than last year. Expected increases in litter rates plus other sources of productivity are, however, expected to hold pig crop reductions to just under 1 percent.

Lower Production, Lower Hog Prices Expected For Balance of 2009

The second quarter of 2009 ended with both pork production and hog and pork prices below a year ago, a combination that strongly suggests lower product demand. The USDA estimate for second quarter 2009 commercial pork production, 5.5 billion pounds, is about 1.7 percent below second quarter 2008. Live equivalent prices of 51-52 percent lean hogs averaged \$42.74 per cwt for the quarter, almost 19 percent below a year ago. The USDA-estimated pork carcass cutout for the second quarter of 2009—a proxy for wholesale value—averaged more than 22 percent below the same period in 2008. Lower supplies of hogs and pork can yield lower hog and wholesale pork prices, only when packer demand and wholesale demand have declined.

Lower production and lower prices are expected to persist for the balance of this year. Both third and fourth quarter commercial pork production is expected to be lower than a year ago. The third quarter production estimate, 5.47 billion pounds, falls almost 3 percent below a year ago. Fourth quarter production is expected to be 6 billion pounds, or almost 2 percent below last year. Lower quarterly estimates for the second half of 2009 are a product of expected lower year-over-year hog slaughter, which in turn derives from lower farrowings and lower live imports from Canada. Higher estimates for average dressed weights, from lower expected feed costs, are expected to mitigate slightly the decline in slaughter numbers.

Soft product demand—both domestic and export—is reflected in estimated second-half 2009 hog prices: third quarter prices are expected to average between \$44 and \$46 per cwt, more than 21 percent below third quarter 2008. Fourth quarter prices are expected to average between \$39 and \$41 per cwt, almost 5 percent below last year. For 2010, commercial pork production is estimated at 22.5 billion pounds, more than 1 percent below 2009. Hog prices next year are expected to average between \$46 and \$50, almost 13 percent above prices this year.

Pork Exports, Imports Lower in May

Pork exports in May were almost 307 million pounds, 36 percent below May 2008. The three largest export destinations in May were Japan (-15 percent compared with last May), Mexico (-3 percent), and Russia (-1 percent). It is likely that May exports—particularly to Mexico and Russia—did not register the full negative impacts of H1N1-related slow-down in demand for U.S. pork. The disease came to the world's attention in late April. Normal lags in exporting U.S. pork products ordered before consumers became aware of the disease likely prevented the full demand effects of the disease from being felt until well beyond May.

U.S. pork imports were almost 7 percent lower in May. Imports totaled almost 63 million pounds, with U.S. purchases of Canadian pork products up, year-over-year, by more than 5 percent, while imports of Danish products were more than 28 percent lower than last May. So far in 2009, Canada has accounted for almost 81 percent of U.S. pork imports. Almost 11 percent of imports are of Danish origin.

U.S. packers and swine finishers imported 36 percent fewer live swine from Canada in May, than a year ago. Of the almost 496,000 head imported in May, almost 85 percent were finishing animals, compared with 80 percent in May 2008. Finishing animal imports were almost 33 percent lower than last May. Slaughter animals comprised almost 15 percent of May imports versus almost 20 percent a year ago. In general, country of origin labeling and an ongoing industry contraction in Canada are the key factors limiting U.S. live swine imports.

Beef Supply Adjustments Underway

Beef cow slaughter has declined with improvements in pasture conditions due to spring rains. Dairy cow slaughter picked up as Cooperatives Working Together (CWT) cows began moving to market. The last of these cows were supposed to be slaughtered by the end of July 2009; on July 10, however, CWT announced a further round of buyouts. These bids are due by July 24. Cattle selected under this announcement would likely go to slaughter during the third quarter.

In a positive development for livestock feeders, corn and soybean prices declined in response to the National Agricultural Statistics Service (NASS) June *Acreage* report, in which the corn planted area was estimated at the second largest since 1946 and soybean area was the largest on record. This is expected to reduce feed cost pressure. Corn prices are forecast at \$3.35-\$4.15/bushel for 2009 and 2010 compared to \$3.95-\$4.15/bushel in 2008 and 2009. Soybean mean prices are forecast at \$2.55-\$3.15/ton for 2009 and 2010 compared to \$3.20/ton in 2008 and 2009. Haying conditions appear relatively favorable across most of the United States, which should also benefit producers.

As reported in NASS's *Cattle on Feed* report, placements of cattle in 1,000-head-plus feedlots for May 2009 were slightly below industry analyst expectations. This may be indicative of adjustments still being made by cattle feeders to previously high feed and feeder cattle costs and low fed cattle prices due to beef supplies in excess of demand. The only weight group of cattle with larger year-over-year placements was the under-600-pound group. Texas led other States with such light-weight replacements, with a 62-percent year-over-year increase. That increase may reflect responses to extremely dry pasture conditions in Texas, Louisiana, and Mississippi. The *Cattle* report to be released July 24 will provide breeding herd retention information and an indication of supplies of cattle outside feedlots.

According to the High Plains Cattle Feeding Simulator, feeding costs for cattle marketed from feedlots during June and July will be some of the lowest of the year. These cattle have some limited profit potential despite fed cattle prices also being at or near lows reached so far in 2009. Increased acreage expectations for the just-planted corn crop could further increase this profit potential, provided it is not bid away in higher feeder cattle prices.

Beef Imports 13-Percent Higher Than Last Year through May

The United States is expected to import 2.859 billion pounds of beef in 2009, nearly a 13-percent increase from last year. The United States imported 238 million pounds of beef in May according to the latest official statistics, 3 percent more than in May 2008. While the U.S. dollar has weakened since its apex in March, it still remains considerably stronger than the Canadian, Australian, and New Zealand dollars, the United States' three largest sources of beef imports.

Higher U.S. beef imports continue to be driven by increased Australian beef. Despite the adverse effects of dry conditions on several months of herd rebuilding efforts in the southern regions, Australian cow herds are expected to continue to increase in the 2009-10 year, according to the Australian Bureau of Agriculture and Resource Economics (ABARE). ABARE also expects Australian exports to decline in the upcoming year, as a weaker economy in South Korea and the expectation of larger market shares of U.S. beef in both Japan and South Korea are likely to displace Australian product. Japan, the United States, and South Korea represent the three largest export markets for Australian beef. Without alternative markets and increased production expected, partially from a contracting Australian dairy industry, more Australian beef could come to the United States in the second half of 2009 and into 2010.

Cooperatives Working Together (CWT) announced that its latest herd retirement round removed 101,040 cows from the U.S. dairy herd. As these cows are slaughtered, they will increase the supply of processing meat and compete with imported beef for grinding. On July 10, CWT announced that they will be accepting bids for a second herd retirement program this year, with bids due by July 24. This should increase processing beef production later in the year as well. Cow slaughter in the 3rd and 4th quarter is already forecast to be above the same periods in 2008, not taking into account the recent CWT announcement. Unless other export markets emerge, such as Russia, Indonesia, Taiwan, or Canada, both foreign and domestic suppliers may feel downward pressure on prices for cows and boneless beef prices. Rising unemployment and lower wages, which decrease consumer expenditures in the United States, could also negatively impact prices, lowering demand for beef, and result in lower beef imports in outlying months.

Slow Economy in South Korea Affecting Sales of U.S. Beef

Since U.S. beef regained market access to South Korea in July 2008, U.S. beef exporters have faced challenging economic conditions that slowed growth of exports to that market. Since the global financial crisis and economic slowdown, many export-dependent South Korean firms have been affected by a fall in global demand for their products and a volatile Korean won. Consumer spending on imported beef from both the United States and Australia has fallen. U.S. beef has also had difficulties gaining a price edge over beef from New Zealand and Australia, a development that has kept gains in U.S. market share relatively modest.

The United States is expected to export a total of 1.744 billion pounds of beef in 2009, down nearly 8 percent from last year. Through May, the United States had exported nearly 3 percent more beef than in the same period last year. The 3rd quarter of 2009 is not expected to match the exceptionally high export total for the 3rd quarter of 2008. U.S. exports to Mexico, Canada, and Korea have fallen, year-over-year, but were higher in Japan through May. As with beef imports, exchange rates will impact the outlook for each country. Japan is the only country that has seen its currency appreciate against the U.S. dollar, which has led to higher imports of U.S. beef. The currencies of Canada, Mexico, and South Korea have all depreciated against the dollar, compounding effects of reduced demand for U.S. beef due to lower incomes and consumer expenditures. In 2010, U.S. beef exports are expected to increase 9 percent as the global economy is expected to strengthen, increasing global demand for beef.

2009 Quarterly Broiler Meat Production Estimates Increased

U.S. broiler meat production over the first 5 months of 2009 was 14.5 billion pounds, down 7 percent from the same period in 2008. The decline has been due to a lower number of birds available for slaughter than a year earlier. Average weights at slaughter have also contributed to the decline, being slightly lower than the previous year during most of the first 5 months of 2009.

At the beginning of June, the number of birds in the broiler breeder flock was down 6 percent to 54 million birds. However, if the size of the broiler breeder flock remains steady over the next several months, the difference in the number of eggs placed in incubators and chicks hatched compared with the previous year should narrow. Based on the pace of slaughter to date and with size of the broiler breeder flock declining less than anticipated, broiler meat production estimates for the second and third quarters were increased. The estimate for the second quarter was raised to 8.93 billion pounds (up 60 million pounds from last month) and the estimate for the third quarter was raised to 9.05 billion pounds (up by 25 million). This brings the revised total estimate for 2009 to just over 35.5 billion pounds, 3.8 percent below 2008 production. Production later in 2009 could be boosted by the forecast price reductions for corn and soybean meal in the second half of 2009. Corn prices in 2009/10 are expected to average lower than in 2008/09, and soybean meal prices are expected to decline somewhat. However, these forecast declines in the prices for the major feed components may be partially offset by the effects of continuing weakness in the domestic economy.

Over the 5 weeks of June 6 to July 4, the average weekly number of chicks placed for growout was 170.4 million, down 5 percent from the same period in 2008. With a typical growout period of 7 to 8 weeks, chicks being placed for growout during this period would likely go to slaughter during the second half of July to the middle of August. Over the last several weeks the number of chicks placed for growout has been steady at around 170 to 171 million per week. If this rate of chick placements continues to hold steady or even declines slightly the year-over-year gap with 2008 should narrow rapidly starting in late August. It was at that time in 2008 that the combined effects of higher grain and energy costs caused broiler integrators to begin to sharply lower broiler chick placements.

Broiler meat production in May 2009 totaled 2.9 billion pounds, down 9 percent from a year earlier. The decrease in meat production was due primarily to a smaller number of birds slaughtered in May, also down 9 percent from the previous year. The large decrease in the number of birds slaughtered was partially because May 2009 had 1 less slaughter day than May 2008. Additionally, the average weight of birds going to slaughter declined slightly compared with a year earlier. Preliminary data point toward total broiler meat production in June being close to that of a year earlier. This is due primarily to June 2009 having one additional slaughter day than June 2008. Average bird weights at slaughter in June are expected to be down slightly compared with a year earlier.

With broiler production expected to be down over 5 percent in second-quarter 2009 compared to last year and stock levels also lower, there has been some support for prices. Prices for whole birds averaged 82 cents per pound during second-quarter 2009, 2 percent higher than a year earlier. Price changes for broiler parts have been mixed. Boneless/skinless breast meat prices in the Northeast market were around \$1.47 per pound in June, up slightly from the previous year, while wing prices were around \$1.40 per pound, sharply higher than in June 2008. Price changes for leg meat products varied, with prices in June for leg quarters up somewhat from the previous year, but prices for thigh meat and drumsticks somewhat lower.

Broiler stocks at the end of May totaled 624 million pounds, down 14 percent from a year earlier. Cold storage stock levels were lower in almost all categories as the strong export market (so far) in 2009 and declines in production combined to draw down overall stock levels and place upward pressure on prices. The estimate for second-quarter ending stocks is 600 million pounds. The estimate for third-quarter 2009 was increased by 20 million pounds to 600 million as higher production and poor economic conditions are expected to keep stocks higher than anticipated.

Broiler Exports Total 578 Million Pounds in May

Broiler meat exports totaled 578 million pounds in May, down 9 percent from the previous year, but in line with shipments over the last several months. Although shipments to Russia at 135 million pounds were down sharply (37 percent) from last May's very large total, the amount was well above the previous month. Exports to Mexico continue to be very strong with at least some of this gain coming at the expense of turkey shipments. Two items to note were shipments to the Ukraine and the Middle East. After exports of almost no broiler meat to the Ukraine during the previous 3 months, shipments in May were 56 million pounds. U.S. broiler shipments to the Middle East continue to expand. In May, combined shipments to Iraq and the United Arab Emirates totaled 29 million pounds, up from only 7 million pounds in May 2008. Broiler meat exports are expected to remain strong through June as leg quarter prices gained slightly during the month, approaching the 50 cents per pound level in the Southern market.

Turkey Production Falls Sharply in May

Turkey meat production totaled 451 million pounds in May, down 13 percent from the previous year. As with broilers, the decline in turkey meat production is primarily the result of a decrease in the number of turkeys slaughtered (down 13 percent), although the average weight at slaughter was also down slightly. Another reason for the large size of the decline was also that May 2009 had one fewer slaughter day than May 2008.

Although turkey meat production in the second half of 2009 is expected to strengthen somewhat, second-half 2009 production is estimated at 2.98 billion pounds, down 6 percent from second-half 2008. The most recent turkey hatchery report showed that net placement of poults for growout in May was 22.8 million, a decline of 16 percent from a year earlier. Over the first 5 months of 2009, net poult placements averaged 23.4 million, a 10-percent decrease from the same period in 2008. Poult placements on a year-over-year basis have fallen for the last 15 consecutive months.

Turkey meat production is expected to remain below the previous year through the rest of 2009; and when it turns positive, as expected, in first-quarter 2010, production is likely to be well below the first-quarter 2008 level.

Even with relatively strong decreases in turkey meat production over the first 5 months of 2009, whole turkey prices are considerably below year-earlier levels, as large supplies of whole birds in cold storage have put downward pressure on prices. Prices for whole hen turkeys in the Eastern market averaged 79.1 cents per pound in second-quarter 2009, down 11 percent from the previous year. Whole turkey prices are expected to remain below year-earlier levels through the remainder of 2009.

At the end of May, cold storage holdings of turkey products totaled 586 million pounds, 12 percent higher than in May 2008. The increase came from larger stocks of whole birds, as stocks of turkey parts are down slightly. Cold storage holdings of whole turkeys totaled 298 million pounds, 28 percent higher than a year earlier. Holdings of turkey parts were 288 million pounds at the end of May, down just under 1 percent from the same period in 2008. The growth of whole turkeys in cold storage has developed as export demand has slowed because of poor economic conditions in Mexico, the primary export market for U.S. turkey meat. The estimates for ending stocks for second-quarter 2009 was increased to 630 million pounds and estimates for the third and fourth quarters in 2009 were increased to 685 and 385 million pounds, respectively. The estimates for ending stocks in each quarter of 2010 were also increased.

Turkey Exports Down 23 Percent

Exports of turkey products totaled 38 million pounds in May, down 23 percent from the previous year, but very similar to shipment in the previous 4 months of 2009. The major source of the decline from the previous year was lower shipments to Mexico. Some turkey exports to Mexico are likely being replaced by broiler shipments and some of the decline is likely due to the downturn in the Mexican economy. Exports to the other major markets repeated the export pattern seen over the first four months of 2009, with shipments declining compared to the previous year. With a weak economy in Mexico and softer demand in other major markets, the export forecast for second-quarter 2009 was reduced by 10 million pounds to 120 million. The export forecasts for the third and fourth quarters of 2009 were also reduced, making the yearly total for 2009 now 507 million pounds, down 25 percent from 2008.

Egg Production Higher, Prices Down in May

U.S. table egg production totaled 542 million dozen in May, up 1.5 percent from the same period the previous year. Egg production has been higher on a year-over-year basis in 5 of the last 6 months. This is a complete turnaround from 2007 and 2008, when egg production was lower than the previous year in 23 of 24 consecutive months. Higher table egg production in May was the result of a combination of a higher number of hens in the table egg laying flock and a small increase in the rate of lay in May compared with the previous year. During May 2009, the number of hens in the table egg laying flock averaged just less than 280 million, up fractionally from May 2008.

The number of birds in the table egg laying flock is expected to continue to expand in the coming months as the number of egg-type chick pullets placed in the hatchery supply flock has been sharply higher than the previous year in 4 out of 5 months in 2009. Table egg production in second-half 2009 is expected to be 3.28 billion dozen, a 1-percent increase from second-half 2008.

The larger production of table eggs in most of the first 5 months of 2009 has translated into falling egg prices at the wholesale level, especially after the Easter holiday. In first-quarter 2009, the average wholesale price for a dozen grade A large eggs in the New York market was \$1.10, sharply lower than the \$1.59 per dozen in first quarter 2008. After rising to over \$1.30 per dozen in the runup to the Easter holiday, egg prices then fell sharply, averaging only 89 cents per dozen in the second quarter. With no declines in the size of the table egg flock expected, the price forecasts for the remainder of 2009 were reduced. Wholesale prices for the third quarter are now expected to average 92 - 96 cents per dozen and the forecast for fourth-quarter 2009 is for prices to average \$0.95 - \$1.01 per dozen.

Egg Shipments Rise to 21 Million Dozen

With egg prices falling sharply after the Easter holiday, egg exports rose to 21 million dozen in May, 17 percent higher than a year earlier and up 4.7 million dozen from the previous month. Compared to April, exports of shell eggs were up about 3.7 million dozen and shipments of egg products rose by the equivalent of around 1 million dozen. While shell egg exports rose in the two largest markets (Canada and Hong Kong), a primary reason that shipments were higher was a large increase in exports to the United Arab Emirates. Shell egg exports to the United Arab Emirates over the first 4 months of 2009 had been small, but rose to 1.3 million dozen in May. Shell egg shipments to Mexico were also higher in May compared to a month earlier, rising to 1.1 million dozen, 110 percent higher than in April. The decline in table egg prices during the second quarter is expected to provide a boost to egg and egg product exports. The estimate for all egg exports in the second quarter of 2009 was increased to 50 million dozen, an increase of 5 million dozen from last month's forecast.

Further Reduction in Milk Supplies Needed Before Prices Will Rise

Feed prices appear to be moderating slightly from last year's highs. Corn is forecast to average \$3.95 - \$4.15 per bushel in the 2008/09 crop year and \$3.35 - \$4.15 for the next crop year. Soybean meal prices will average slightly below the previous year in 2008/09 and are forecast lower in 2009/10. Feed prices, however, will remain above the 5-year average for both corn and soybeans. Forage prices will likely follow grain prices moderating into 2010. While welcome, lower feed prices alone will not restore producer profitability. Recession-reduced demand weakness will keep dairy product prices below year-earlier levels for the balance of 2009.

The result is continued pressure to remove cows from production. The Cooperatives Working Together (CWT) program is expected to remove about 101,000 cows from the herd by the end of July.¹ The U.S dairy herd is expected to contract 1.5 percent in 2009 from 2008 and another 2.6 percent contraction is expected in 2010. Yet some of the decline in cow numbers is offset by continued gains in milk per cow. In 2009, milk per cow per day increased 1 percent and is forecast to climb nearly 2 percent in 2010. Milk production this year is projected at 187.6 billion pounds, unchanged from last month's forecast and next year's production is forecast at 186.4 billion pounds. This leisurely decline is encountering a recession-weakened domestic market.

Exports both this year and next, with the exception of whey, are likely to be well below the totals for the last two years, and are forecast at 3.8 billion pounds of milk equivalent, fat basis, in 2009 and 3.9 billion pounds in 2010. Whey exports, mostly to Mexico and China, have made the skims/solids exports numbers appear stronger. Those exports are forecast to total 19.9 billion pounds this year and 23.1 billion pounds next year.

Product prices will likely remain low in 2009. Cheese prices are projected to average \$1.210 - \$1.2402 per pound; butter prices are expected to average \$1.175 - \$1.235 per pound. The outlook for dry products is also for low prices for the year with nonfat dry milk (NDM) averaging 82.5 - 85.5 cents per pound and whey averaging 24 - 26 cents per pound. Prices are expected to recover in 2010 but not to their previous levels. Cheese prices are forecast to average \$1.530 - \$1.630 per pound in 2010. Butter prices are forecast to stage the strongest recovery and average \$1.435 - \$1.565 per pound for the year. NDM prices are expected to average \$0.990 - \$1.060 per pound for the year and whey 28 to 31 cents per pound next year.

The product price forecast presages weak milk prices this year and only modest improvements next year. Class III prices are forecast to average \$10.45 - \$10.75 per cwt in 2009 and \$13.90 - \$14.90 per cwt next year. The Class IV price is projected to average \$9.95 - \$10.35 per cwt in 2009 and \$12.45 - \$13.55 per cwt in 2010. The all milk price will likely average \$11.85 - \$12.15 this year, improving to \$14.85 - \$15.85 per cwt in 2010.

¹ On July 10 after release of the *World Agricultural Supply and Demand Estimates* report, CWT announced a second buyout program for 2009. Bids are to be submitted by July 24th.

Contacts and Links

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Data Products

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

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

Related Websites

Animal Production and Marketing Issues, <http://www.ers.usda.gov/briefing/AnimalProducts/>
Cattle, <http://www.ers.usda.gov/briefing/cattle/>
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Dairy Forecasts

	2008			2009					2010	
	III	IV	Annual	I	II	III	IV	Annual	I	Annual
Milk cows (thous.)	9,330	9,330	9,315	9,297	9,255	9,120	9,035	9,177	8,970	8,939
Milk per cow (pounds)	5,025	5,008	20,396	5,093	5,255	5,055	5,040	20,443	5,185	20,850
Milk production (bil. pounds)	46.9	46.7	190.0	47.4	48.6	46.1	45.5	187.6	46.5	186.4
Farm use	0.3	0.3	1.2	0.3	0.3	0.3	0.3	1.2	0.3	1.2
Milk marketings	46.6	46.4	188.8	47.1	48.3	45.8	45.2	186.4	46.2	185.2
Milkfat (bil. pounds milk equiv.)										
Milk marketings	46.6	46.4	188.8	47.1	48.3	45.8	45.2	186.4	46.2	185.2
Beginning commercial stocks	13.6	11.5	10.4	10.0	12.5	13.9	12.2	10.0	9.8	9.8
Imports	0.7	1.5	3.9	0.9	0.8	0.8	1.2	3.7	0.9	3.8
Total supply	60.9	59.5	203.1	58.0	61.6	60.5	58.6	200.2	56.9	198.8
Commercial exports	2.5	1.5	8.8	1.0	0.9	0.9	0.9	3.8	1.0	3.9
Ending commercial stocks	11.5	10.0	10.0	12.5	13.9	12.2	9.8	9.8	11.7	8.7
Net removals	0.0	0.0	0.0	0.1	-0.1	0.1	1.3	2.7	1.3	1.3
Commercial use	46.9	47.8	184.3	44.4	46.9	47.2	47.8	186.3	44.2	186.1
Skim solids (bil. pounds milk equiv.)										
Milk marketings	46.6	46.4	188.8	47.1	48.3	45.8	45.2	186.4	46.2	185.2
Beginning commercial stocks	10.8	10.4	9.9	10.9	11.2	11.8	11.0	10.9	10.4	10.4
Imports	0.8	1.2	3.8	0.9	0.7	0.7	1.1	3.4	0.9	3.7
Total supply	58.1	58.0	202.5	58.8	60.3	58.3	57.3	200.7	57.5	199.3
Commercial exports	6.9	5.5	26.6	5.1	4.9	4.9	4.9	19.9	5.6	23.1
Ending commercial stocks	10.4	10.9	10.9	11.2	11.8	11.0	10.4	10.4	10.2	9.3
Net removals	0.0	1.3	1.3	1.1	0.7	1.3	0.8	3.9	0.5	0.7
Commercial use	40.8	40.4	163.7	41.4	42.9	41.1	41.2	166.6	41.2	166.2
Milk prices (dol./cwt) 1/										
All milk	18.63	16.80	18.29	12.23	11.63	11.05	12.50	11.85	13.55	14.85
						-11.45	-13.20	-12.15	-14.55	-15.85
Class III	17.28	15.95	17.44	10.18	10.20	10.11	11.35	10.45	12.44	13.90
						-10.51	-12.05	-10.75	-13.44	-14.90
Class IV	16.23	12.07	14.65	9.56	10.06	10.02	10.31	9.95	11.13	12.45
						-10.52	-11.11	-10.35	-12.23	-13.55
Product prices (dol./pound) 2/										
Cheddar cheese	1.869	1.804	1.895	1.236	1.193	1.143	1.268	1.210	1.383	1.530
						-1.183	-1.338	1.240	-1.483	-1.630
Dry whey	0.243	0.186	0.250	0.164	0.232	0.287	0.285	0.240	0.275	0.280
						-0.307	-0.315	-0.260	-0.305	-0.310
Butter	1.575	1.527	1.436	1.097	1.197	1.195	1.237	1.175	1.322	1.435
						-1.265	-1.337	-1.235	-1.452	-1.565
Nonfat dry milk	1.334	0.904	1.226	0.823	0.833	0.820	0.833	0.825	0.892	0.990
						-0.860	-0.893	-0.855	-0.962	-1.060

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

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

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