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Situation and
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LDP-M-243

Sept. 17, 2014

Livestock, Dairy, and Poultry Outlook

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Increased Dressed Weights Mitigate Effects of Reduced Cattle and Hog Slaughter

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Tables will be released on Sept. 30, 2014

The next newsletter release is Oct. 17, 2014

Approved by the World Agricultural Outlook Board.

Beef/Cattle: Increasing forecasts for the current corn crop have put downward pressure on corn prices and have been a factor in the continuing increases in feeder cattle prices. As a result, break-even fed-cattle prices for feeder cattle placed on feed in August and beyond are moving above \$160 per cwt.

Beef/Cattle Trade: U.S. cattle imports are up 9 percent through July and are forecast at 2.150 million head in 2014 and 2.175 million head in 2015. The forecast for U.S. beef imports was increased to 2.684 billion pounds, 19 percent higher than the 2013 level. Imports have picked up in recent months owing to lower domestic beef production and strong consumer demand. Exports weakened during July, falling 13 percent from the same month a year ago. While exports remain strong to some markets in Asia and Mexico, high U.S. beef prices are expected to reduce export demand in the coming months.

Recent Livestock, Dairy, and Poultry Special Articles

“Effect of the Trans-Pacific Partnership on U.S. Dairy Trade,” pdf pages 19-25 of November 2013 *Livestock, Dairy, and Poultry Outlook* report
(<http://www.ers.usda.gov/media/1221780/specialarticleldpm233.pdf>)

“Determinants of Japanese Demand for U.S. Pork Products in 2012,” pdf pages 20-25 of the May 2013 *Livestock, Dairy, and Poultry Outlook* report
(<http://www.ers.usda.gov/media/1106754/ldpm227.pdf>)

“U.S. Pork Production Rises on a Smaller Base of Breeding Animals,” pdf pages 16-19 of the April 2013 *Livestock, Dairy and Poultry Outlook* report
(<http://www.ers.usda.gov/media/1077557/ldpm226.pdf>)

“Implications of the Trans-Pacific Partnership for Meat, Poultry, and Seafood Trade,” pdf pages 20-24 of the April 2013 *Livestock, Dairy, and Poultry Outlook* report
(<http://www.ers.usda.gov/media/1077557/ldpm226.pdf>)

Pork/Hogs: Continued increases in average dressed weights are expected to mitigate production effects of lower supplies of slaughter hogs due to porcine epidemic diarrhea (PEDv). Third-quarter hog prices are expected to average \$83-\$84 per cwt, about 18 percent above a year ago. July exports were 2.5 percent below a year ago, likely due to very strong summer pork prices from reduced U.S. pork production.

Poultry: The U.S. broiler meat production estimate for 2014 was increased by 50 million pounds, 20 million pounds higher in both the third and fourth quarters. This raises the estimate for the second half of 2014 to 19.6 billion pounds, an increase of 1.7 percent from the same period in 2013. Turkey meat production in July was 500 million pounds, down 3 percent from a year earlier. This slightly higher than expected production caused the estimate for third-quarter 2014 production to be increased by 15 million pounds to 1.47 billion pounds, 1.7 percent higher than the previous year.

Poultry Trade: Broiler and turkey shipments in July were up from a year ago, while egg and egg product exports were down. Broiler shipments totaled 633.2 million pounds in July 2014, an increase of 2.0 percent from a year earlier. Egg shipments decreased 0.4 percent from a year ago, totaling 31.1 million dozen, while turkey exports totaled 77.2 million pounds in July 2014, an 18.9-percent increase from the previous July.

Sheep/Lamb: Third-quarter lamb and mutton production is forecast at 38 million pounds, a decrease of about 5 percent from the previous year. Despite lower production, stocks held in cold storage continue to increase, suggesting weakness in consumer demand. San Angelo, TX Choice slaughter lamb prices, however, remained fairly stable, hovering in the range of \$149-\$152 per cwt.

Dairy: September forecasts for milk production were increased slightly from August for the current year and are unchanged for 2015. Milk production is forecast to climb in 2015 compared to this year on moderating feed prices and continued strong milk prices. Imports are raised for both this year and next, and export forecasts are lowered. Butter and cheese prices are expected to remain high on tight stocks and firm domestic demand. Nonfat dry milk prices are forecast lower on reduced export expectations.

Fed Cattle Prices Rise Faster than Cutout Values

While conditions in the Southern Plains, Southwest through California, and most of the West are improved over year-earlier conditions, most of the areas remain in serious drought. Some areas have had rain over the last few weeks, while other areas have deteriorated. At the same time, the corn crop continues in good-to-excellent condition, and estimates for both per-acre yields and total production continue to increase as the summer progresses. As a result, corn prices continue to decline. The declining corn prices have been a positive factor in the continuing increases in feeder cattle prices.

USDA National Agricultural Statistics Service (NASS) released its 5-year revisions of inventory estimates for the major livestock species earlier this month. In its 5-year revisions, NASS raised a number of cattle inventory estimates back through January 1, 2008. Despite the changes, the revisions changed very little and have little or no effect on current or future inventory dynamics.

Monthly average dressed weights of all cattle slaughtered have continued their seasonal increase into September. Historically, dressed weights typically peak during October and decline into the next year, often reaching seasonal lows in April-May. However, in 2011, 2012, and 2013, peaks were later than is typical, with a November peak in 2013 and not peaking until the following year in both 2011 (peaking in February 2012) and 2012 (peaking in January 2013). In 2014, federally inspected dressed weights bottomed in May at 790 pounds per carcass, 8 pounds above the May 2013 low and a record high for a May average.

Further, declining corn and soybean meal prices have encouraged producers to keep cattle on feed longer, which could also contribute to heavier average dressed weights over the near term. Cheaper feed and favorable pasture conditions—combined with reduced placements of heifers on feed (which produce smaller, lighter carcasses), fewer cows (which also produce smaller carcasses) in the slaughter mix, and an increase in the relative proportion of larger, heavier steers in the slaughter mix—will likely lead to significantly heavier averaged dressed weights for the remainder of 2014 and into 2015. However, any increases in dressed weights likely will not completely offset the decline in slaughter numbers, which is expected to lead to continued year-over-year declines in total beef production.

Increasing cattle and beef prices will also motivate cattle feeders to try to pull feeder cattle forward—that is, to try to place younger, lighter feeder cattle on feed—in order to meet likely increased demand for fed cattle. Generally, lighter weight placements yield lighter fed cattle, and, to the extent this tendency holds, pulling cattle forward will tend to result in more but potentially lighter carcasses. The impact on beef production will be ambiguous because more lighter cattle placed into and marketed from feedlots may or may not result in greater beef production.

At the same time, when prices follow a typical seasonal pattern, they peak in the spring, then drop in summer and fall, with lows often occurring in late summer. In 2012 and 2013, prices bottomed earlier in the summer, then began generally rising until the following spring peaks. This year, fed cattle prices appear to have reached

lows in late spring/early summer and continue to move erratically higher, jumping almost \$6 per cwt in one recent week.

With weekly cutout values 6 (Choice) to 8 (Select) percent off their early August peaks, increases in cutout values are not keeping pace with increases in fed cattle prices, and beef packers' margins are being squeezed again. Packers will likely try to reduce kills in the weeks ahead in an attempt at raising cutout values to stay ahead of fed-cattle price increases. If successful, this action would ease some of the pain associated with buying \$160-plus per cwt fed cattle and slow the narrowing of packer profit margins.

Both average monthly Choice retail and All-fresh beef prices reached new record highs in July. However, the higher prices reportedly make featuring beef to draw retail customers more difficult and less likely.

Strong Demand for Feeders Support Cattle Imports

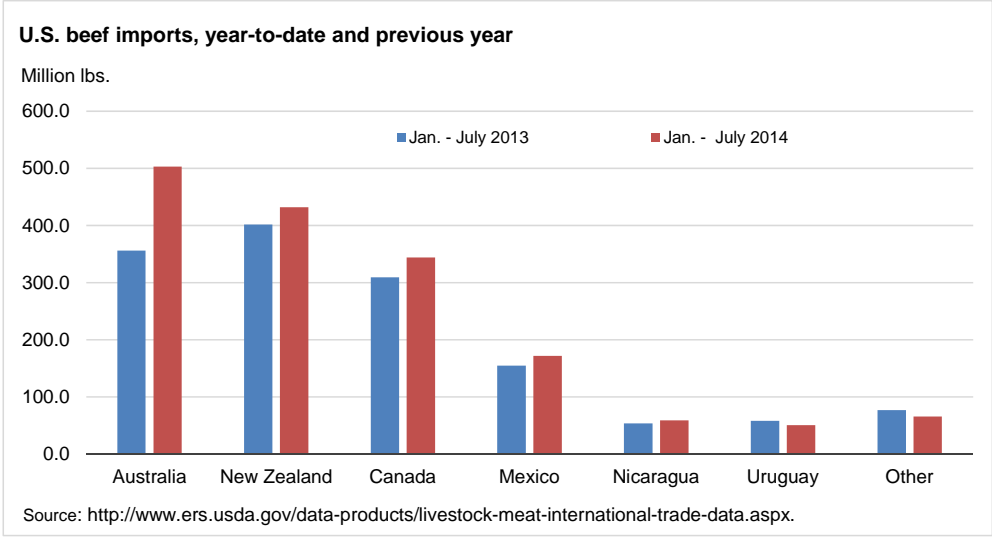
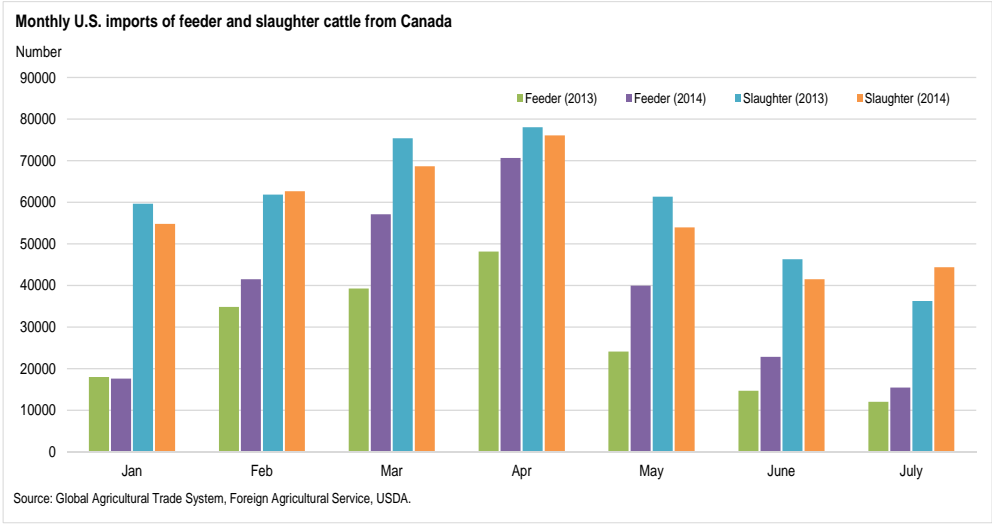
U.S. cattle imports totaled 1.297 million through July 2014, an increase of 12 percent from last year. Imports have increased most from Canada (up 11 percent) due to strong demand for feeder cattle. Canadian feeder cattle shipments through July are 39 percent higher than last year, while imports of slaughter animals have declined 4 percent (see figure). Thus far in 2014, imports of feeder cattle account for 29 percent, and slaughter animals account for 59 percent of total cattle imports from Canada. Imports are also up from Mexico (up 12 percent). Despite lower cattle supplies in Mexico and talk of rebuilding, strong U.S. prices continue to draw cattle across the border. The forecast for U.S. cattle imports in 2014 is 2.150 million, up 6 percent from 2013. Imports are forecast at 2.175 million in 2015. While strong U.S. demand will continue, reduced inventories in both Canada and Mexico are expected to limit stronger growth in shipments.

U.S. Beef Imports Strengthen, Exports Slow in July

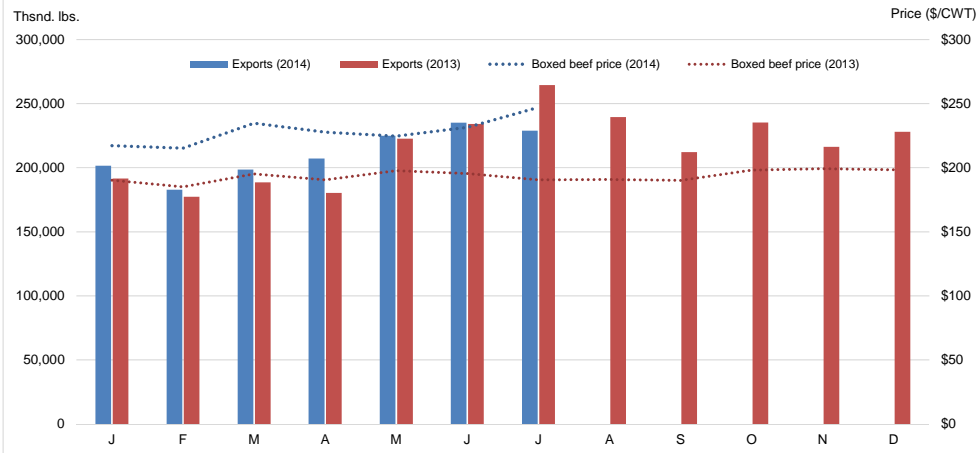
U.S. beef imports surged during July, bringing this year's cumulative total through July to 1.627 billion pounds, 15 percent higher than a year earlier. Imports from Australia totaled 97.0 million pounds during July, 71 percent higher than July 2013 and the highest single month total from Australia since April 2009. Imports have also increased notably this year from New Zealand (up 8 percent), Canada (up 11 percent), and Mexico (up 11 percent) (see figure). Demand for imported processing beef has been strong this year due to declining U.S. beef production. Through August 30, 2014, federally inspected cow and bull slaughter is down 13 percent from a year earlier, leading to lower domestic supplies of lean beef. Imports were up only 1 percent during the first quarter but have increased steadily since March. Higher imports have been facilitated by higher production this year in Australia. Drought has persisted in Australia's cattle-producing regions, leading to an 11 percent increase in cattle slaughter through July. Beef production has increased 9 percent, offset somewhat by lower weight animals. Pasture conditions have improved in New Zealand this year, leading to a reduction in cattle slaughter. However, New Zealand beef exports are up 6 percent year to date, with the United States accounting for just over half of exports. The forecast for U.S. beef imports in 2014 was raised to 2.684 billion pounds, an increase of 100 million pounds. The forecast for 2015 was also raised to 2.700 billion pounds. Strong import demand is expected to continue throughout the forecast period due to lower U.S. beef supplies and strong U.S. beef prices expected to draw supplies from abroad.

After increasing in each of the first 6 months of 2014, U.S. beef exports cooled during July. Exports fell 13 percent from the previous year's level, largely due to lower shipments to Canada (down 26 percent) and Hong Kong (down 32 percent). July's downturn in exports indicates that higher U.S. beef prices are beginning to impact trade (see figure). The average price of boxed beef was almost 30 percent higher in July 2014 than a year earlier. Exports to Canada in particular have fallen this year (down 22 percent), further impacted by a weaker Canadian dollar. Despite considerably higher prices, U.S. exports through July are still marginally above last year's level. Demand has been robust from Asia, including higher cumulative-year exports to Hong Kong (up 36 percent), South Korea (up 22 percent) and Taiwan (up 9 percent). Shipments are also up 24 percent to Mexico, making it the second

largest market for U.S. beef. Japan remains the top market, although shipments have been lower than a year ago. Japanese imports of beef from all countries are down almost 9 percent this year, but the United States has increased its market share at the expense of imports from Australia. The forecast for U.S. beef exports in 2014 is 2.620 billion pounds, 1 percent higher than 2013. Exports are expected to decline in 2015 to 2.525 billion pounds as high prices are expected to weaken export demand.



Monthly U.S. beef exports and average boxed beef price



Source: <http://www.ers.usda.gov/data-products/livestock-meat-international-trade-data.aspx>; Boxed beef price is collected by the Livestock Marketing Information Center from the Agricultural Marketing Service, USDA.

Lower Hog Numbers Keep Prices High, But Heavier Hog Weights Limit Production Losses

USDA slightly decreased its forecast for second-half 2014 pork production, by 5 million pounds, from last month's forecast—a change that derives largely from lower than expected production in September, due to PEDv-reduced supplies of slaughter hogs. However, expected increases in average hog dressed weights will continue to partially compensate for lower hog numbers. Second-half weights are expected to average about 216 pounds, compared with about 207 pounds last year. Although hog prices have declined since mid-July, they remain higher than a year ago. Higher hog prices combine with lower feed costs, cooler-than-usual summer temperatures, and excess barn space to create incentives for producers to feed animals to higher weights.

So far in 2014, higher dressed weights have offset a good chunk of the deficit in hog supplies brought about by PEDv. In the first half of the year, commercial hog slaughter was 3.5 percent lower than a year earlier, while commercial pork production fell just 0.02 percent below the same period in 2013. In the second half of 2014, commercial hog slaughter is expected to fall about 7.5 percent below a year earlier, while commercial pork production is likely to be about 3.6 percent below the second-half of 2013.

Average prices of 51-52 percent lean hogs in August were \$80.38 per cwt, almost 16 percent below prices in July, but more than 13 percent higher than August 2013. Lower hog prices since July could reflect, in part, a combination of gradually increasing hog supplies, and packer adjustments to slaughter schedules. Hog and pork markets in August also contended with the announcement of Russia's embargo of U.S., E.U., and Canadian pork products, along with anecdotal evidence of Russia-bound Canadian pork products diverted to the United States. Third-quarter hog prices are expected to average \$83-\$84, about 18 percent above a year ago. Fourth-quarter prices are expected to average \$77-\$78, about 18 percent higher than fourth quarter of 2013.

July Exports Lower Than a Year Ago

July's pork exports were 396 million pounds, about 2.5 percent below a year ago. The table below shows that July exports were lower to 7 of the 10 most important foreign markets, with the exception of Mexico (which was the largest foreign destination for U.S. pork in July), South Korea, and Colombia.

Very high prices of U.S. pork products in June may explain, in part, reduced exports in July. On the assumption that most pork products exported in July are ordered and priced in June, a table comparing average wholesale prices of U.S. pork cuts in June 2014 and June 2013 is set out below. The data show that June 2014 wholesale values for the pork carcass cutout and other often-exported pork cuts were significantly above year-earlier prices, likely due to market expectations of lower pork supplies due to PEDv.

Pork Imports Up a Bit in July

Pork imports in July were 79 million pounds, an increase of 2.4 percent over July 2013. Most of July's imports—almost 76 percent—were of Canadian origin, although U.S. imports of Canadian pork in July were fractionally lower than a year ago. The balance of U.S. imports came from Poland, Denmark, Mexico, Italy, and the Netherlands. Imports for all of 2014 are expected to increase about 8 percent, largely due to strong U.S. prices. Pork imports as a proportion of total pork disappearance this year is expected to be about 5 percent, compared with 4.6 percent in 2013.

U.S. pork exports to 10 largest foreign destinations, July 2014 and 2013¹

	Country	July 2014	July 2013	Percent change (2014 and 2013)	July 2014	July 2013
		Million lbs.	Million lbs.		Unit value \$/lb.	Unit value \$/lb.
	World	396	406	-2.5	1.37	1.13
1	Mexico	113	109	3.8	1.04	0.87
2	Japan	103	111	-6.9	1.64	1.45
3	Canada	45	48	-5.2	2.21	1.84
4	Russia	38	0		1.25	
5	China/Hong Kong	25	53	-53.5	0.93	0.80
6	South Korea	15	13	19.5	1.29	0.97
7	Colombia	10	8	23.8	1.09	0.79
8	Australia	10	13	-21.4	1.14	0.88
9	Philippines	9	10	-13.0	1.08	0.84
10	Honduras	5	7	-23.7	0.99	0.76

¹Totals have been rounded to the nearest million pounds.

Source: <http://www.ers.usda.gov/data-products/livestock-meat-international-trade-data.aspx>.

Average wholesale prices of selected pork cuts, June 2014 and 2013

Cut	June 2014	June 2013	Percent change (2014 / 2013)
	\$/cwt	\$/cwt	
Pork carcass cutout	125.07	103.26	21.1
Loin (1/4" trim)	153.75	138.65	10.9
Trim (72% combo)	131.96	83.41	58.2
Hams (20-23 lb. selected)	128.57	75.14	71.1
Picnic (smoker trim)	105.54	73.21	44.2
Butt (1/4" trim)	168.06	125.92	33.5

Source: <http://mpr.datamart.ams.usda.gov/>.

Broiler Forecast Increased for Third and Fourth Quarters

The U.S. broiler meat production forecast for second-half 2014 was increased by 50 million pounds—25 million pounds higher in the third quarter and 25 million pounds higher in fourth quarter of 2014. This increase raises the estimate in the second half of 2014 to 19.6 billion pounds, an increase of 1.7 percent from the same period in 2013. The number of chicks being placed for growout is has been gradually increasing compared with the same period the previous year, and average weights are also higher than in 2013. The outlooks for the broiler industry and the poultry industry in general are influenced by the prospects of lower corn and soybean meal prices over the second half of 2014 and continuing into 2015. With lower grain prices and a forecast for continued gains in the domestic economy, the estimate for 2015 broiler production was also increased. Broiler meat production is now forecast at 39.5 billion pounds, 1,355 million pounds above the previous projection and 2.7 percent higher than in 2014.

Broiler meat production in July 2014 was 3.3 billion pounds, 1.6 percent higher than a year earlier. This increase in production can be attributed to both an expansion of average liveweight at slaughter and higher average meat yields per bird. The number of birds slaughtered in July was down 0.7 percent from the previous year to 743 million and, over the first 7 months of 2014, the total number of birds slaughtered is down 0.4 percent from the same period a year earlier. The decline in the number of birds slaughtered in July was more than offset by a 1.9 percent increase in average weight of birds at slaughter to 5.95 pounds. Average liveweights have been higher than the previous year throughout 2014, but the year-over-year gains have been smaller than in 2013. The amount of broiler meat produced was also boosted by an increase in the amount of meat produced per bird. In July the amount of Ready-To-Cook (RTC) meat produced per bird was 4.48 pounds, 2.3 percent higher than the previous year. During August and into September, the weekly number of chicks placed for growout has been near or slightly higher than the previous year. Average liveweights at slaughter for the remainder of 2014 are expected to continue to be higher than the previous year.

For the 5-week period ending September 6, the National Agricultural Statistics Service reported that an average of 168 million broiler chicks were placed weekly for grow out. This is 1 percent higher than the average number of chicks being placed for grow out in a similar period in 2013.

Rise in Stock Levels at the End of July

Stocks of broiler products at the end of July totaled 581 million pounds, 39 million pounds higher than at the end of June, but still 14 percent lower than a year earlier. Over the last 4 months, stock levels have ranged between 12 and 17 percent lower than the previous year. The increase in stocks from the end of June was due largely to increases in whole-bird and leg-quarter stocks. Stocks of whole birds rose 5.6 million pounds from the previous month, reaching 13.6 million pounds, but this level is still 37 percent lower than at the same time in 2013. The gain in leg-quarter stocks was 26.3 million pounds and raised the totaled to 119.8 million pounds. As with whole birds, even with the increase, stocks of leg quarters were still well below year-earlier levels (down 26 percent). With Russia's ban on imports of U.S.

chicken parts, stocks of leg quarters are expected to rise in the coming months. The extent of the rise will depend on the ability of the U.S. industry to find alternative markets for leg-quarters products.

Along with the release of the July cold storage estimates was an adjustment to the estimate for ending stocks for second-quarter 2014. Stocks were adjusted upward from 530 to 542 million pounds. With this increase, the projection for third-quarter ending stocks was increased by 10 million pounds to 575 million.

Broiler Prices Generally Lower in August

Even with a growing domestic economy and continued strong exports, most broiler prices moved downward in August, and many were now near the previous year or lower than in the previous year. In August, prices for boneless/skinless breasts in the Northeast market fell to \$1.84, down over 14 cents from the previous month. This is still 3 percent higher than in August 2013. Prices for whole birds followed almost the same pattern as boneless/skinless breast meat. Prices for whole birds fell by over 7 cents per pound to \$1.00 per pound in August, but this was still 9 percent higher than in August 2013. Prices for most leg meat products (leg quarters, boneless/skinless thighs, whole thighs, and drumsticks) all declined in August, and prices were below those of the previous year. With higher stocks of leg quarters expected in the coming months, prices for leg meat products are likely to be under some downward pressure. Prices for wings have been rising over the last several months, and prices in August were just over \$1.50 per pound. This was still 5 percent below the previous year, but if wing prices are steady or move slightly higher, they will be above year-earlier levels going into fourth-quarter 2014.

Turkey Production Falls 3 Percent in July

Turkey meat production in July was 500 million pounds, down 3 percent from a year earlier. Although below 2013, the production estimate was slightly higher than expected, which caused the estimate for third-quarter 2014 production to be increased by 15 million pounds to 1.47 billion pounds, 1.7 percent higher than the previous year. The decrease in July was due to a 3.7 percent decrease in the number of birds slaughtered. This decline was partially offset by an increase of 1.2 percent in average bird weights to 30.1 pounds.

The number of turkeys slaughtered totaled 20.8 million, a decrease of 3.7 percent from a year earlier, but a smaller decrease given the large size of year-over-year decreases earlier in the year and previous declines in poult placements. Over the first 7 months 2014, turkey production totaled 3.3 billion pounds, 5.7 percent lower than during the same period in 2013. The decrease in turkey meat production was due to a combination of a lower number of birds slaughtered (down 5.6 percent), and a small decrease in average bird weights (down 0.3 percent). Poult placements were sharply higher than the previous year in both May and June, and this would normally indicate an increase in production when these birds reach market size, but these increases were heavily influenced by large declines in poult placements the previous year.

Turkey Stocks at 491 Million Pounds

Over the last 5 months, overall demand for turkey has been pretty much at the same level as production, leaving cold storage holdings for turkey (while rising seasonally) between 16 and 19 percent lower than the previous year. At the end of July, totaled cold storage holdings of turkey were 491 million pounds, down 16 percent from the previous year. The split on total holdings was 293 million pounds of whole birds, down 11 percent from the previous year and 198 million pounds of stocks of turkey parts, 22 percent lower than a year earlier.

Between the end of June and the end of July, increasing stocks of whole birds accounted for almost all the rise in overall turkey stocks with stocks of overall turkey parts going up about 8 million pounds. Cold storage holdings of whole turkeys totaled 293 million pounds, 60 percent of all turkey cold storage holdings, with holdings of whole toms at 134 million (down 27 percent) and holdings of whole hens at 159 million (up 10 percent). This difference in tom and hen cold storage holdings compared to the previous year has not yet been reflected in frozen whole bird prices. In August, wholesale prices for frozen whole toms and frozen whole hens were almost identical at \$1.09 per pound.

Cold storage holdings for turkey parts were very consistent, with stocks in every category down compared with the previous year. Total holdings of whole birds were down 11 percent and stocks of breast meat and legs were both down over 30 percent. Cold storage holdings of turkey parts in the “other” category or the unclassified category were both down 14 percent. With these lower cold storage holdings and only small increases in turkey production expected in the second half of 2014, wholesale turkey prices are expected to experience upward price pressure through the rest of 2014.

In August, prices for whole frozen hen turkeys averaged just over \$1.09 per pound, almost a dime higher than a year earlier. Prices for frozen whole hen turkeys on a year-over-year basis have been higher than the previous year for the last 9 months. The price forecast for whole hens in the third and fourth quarters was raised slightly, and prices are expected to be above year-earlier levels through the remainder of 2014.

While prices for turkey parts are generally higher than a year earlier, increases have varied widely depending on the specific turkey part. Prices for breast meat have been only slightly higher than the previous year, while prices for most other parts (drumsticks, thighs, and boneless/skinless breast meat) have generally been much higher than a year earlier. In July, prices for turkey breasts averaged \$1.24 per pound, 2 percent higher than the previous year, while prices for boneless/skinless breast meat averaged \$4.05 per pound, 161 percent higher than the previous year. Turkey meat production is forecast slightly higher through the rest of 2014, but with relatively low stock levels, prices for turkey parts are not expected to have any strong downward pressure.

Table Egg Flock Higher in July

In July, the number of hens in the table egg flock was reported at 295.5 million, 2 percent higher than a year earlier. The table egg industry has been expanding in 2014, and the number of hens in the table egg flock has been higher on a year-over-

year basis for the last 8 months. With the increase in the number of hens in the table egg flock, table egg production also increased. Over the first 7 months of 2014, table egg production totaled 4.1 billion dozen, 3 percent higher than the previous year. Table egg production is expected to continue higher throughout the second half of 2014, totaling 3.6 billion dozen, a 3 percent increase from the same period in 2013. With an anticipated decline in both corn and soybean prices, table egg production is expected to continue to expand into 2015, but more slowly than in 2014. Production in 2015 is forecast to reach 7.2 billion dozen, an increase of 1.7 percent from the previous year.

The hatching flock for meat-type birds was reported at 53.7 million in July, an increase of 2.1 percent from the previous year. This flock has been larger on a year-over-year basis for the last 20 months. However, the number of eggs produced by this flock has been lower than a year earlier in 4 of the first 7 months in 2014. Hatching egg production is expected to be slightly higher than the previous year in the second half of 2014 and into 2015 as broiler integrators expand production in response to falling feed costs.

Although shell egg production is forecast higher in both the third and fourth quarters of 2014, egg prices are expected to be higher in the third quarter, but close to the previous year's price in the fourth quarter of 2014. Wholesale egg prices in the New York market are forecast at \$1.29-\$1.32 per dozen in the third quarter of 2014, an increase of around 10 percent from the previous year. Prices are expected to increase to \$1.40-\$1.48 per dozen in the fourth quarter of 2014, but at the midpoint that would be close to the \$1.43 per dozen price in the fourth quarter of 2013. The strengthening in prices in the fourth quarter is expected to come mostly from a normal seasonal-demand increase during the Thanksgiving and Christmas holidays.

The forecast higher shell egg production in 2015 is expected to place some downward pressure on prices. As a result, quarterly prices in 2015 are forecast to be slightly lower than in 2014, especially in the second and third quarters.

U.S. Broiler Shipments up in July

Broiler shipments in July 2014 increased 2.0 percent from a year earlier, totaling 633.2 million pounds. Top export partners in July included Mexico, Angola, Cuba, Russia, and Canada, with Mexico leading with 141.9 million pounds shipped in July. The second highest U.S. export market was Angola, with 40.1 million pounds shipped, followed by Cuba with 37.3 million pounds. Russia and Canada finished fourth and fifth, with exports totaling 32.3 and 30.5 million pounds, respectively. Destinations with significant quantity increases in U.S. broiler shipments in July 2014 included Mexico, Taiwan, Latvia, Vietnam, and Hong Kong, all with year-over-year increases greater than 5 million pounds. The increase for Mexico was 19.9 million pounds, 16.4 percent over last year. There were significant drops in shipments to Russia and Georgia (to which exports were 10.0 million pounds less than in July last year). Russia declined the most, with 27.1 million pounds less in shipments than last year's July total, a drop of 45.7 percent. In August, the Russian Government announced a 1-year ban on agricultural products from several countries, including the United States. While it is less of a destination than in prior years, Russia was a large destination for U.S. broiler exports. On a year-to-date basis, 7.1 percent of U.S. broiler shipments have been sent to Russia. Russia's drop in shipments of 27.1 million pounds was countered by large increases for Mexico and multiple Asian, Former Soviet Union, and Sub-Saharan African markets. It is anticipated that a share of the product that would have gone to Russia will be now be partly absorbed by other markets, especially if the additional supply leads to downward pressure on leg-quarter prices. The USDA forecasts 7.219 billion pounds of broiler exports for 2014. The USDA forecasts 7.365 billion pounds of broiler exports for 2015, a 50-million-pound increase from August's forecast.

Turkey Shipments Up in July

Turkey shipments totaled 77.2 million pounds in July 2014, an increase of 18.9 percent from a year ago. The United States shipped 56.4 million pounds of turkey meat to Mexico in July 2014, an increase of 53.9 percent from a year earlier, amounting to 73.0 percent of all shipments. Shipments to China had a drop from 7.2 million pounds last year to 4.8 million pounds this July, a 34.2-percent decrease. Exports to Canada also had a large drop; July 2014 shipments to Canada were only 1.0 million pounds, compared with July 2013 shipments of 2.2 million pounds, a 54.4-percent decline. The current forecast for turkey exports is 767 million pounds for 2014, an increase of 30 million pounds since August's forecast, and 780 million pounds for 2015, up 30 million pounds since August's forecast.

Egg and Egg Product Shipments Declined in July

Egg and egg product shipments in July 2014 were down 0.4 percent from a year ago. On a shell egg basis, a total of 31.1 million dozen eggs were shipped. Despite a decline of 20.6 percent in U.S. egg and egg product shipments since last July, Mexico remains one of the largest destinations for these products, with 8.3 million dozen eggs shipped in July 2014. Mexico was exceeded in July, however, by Canada, where U.S. shipments totaled 9.4 million dozen eggs, an increase of 108.5 percent. The 2014 forecast for egg and egg product exports is 348 million dozen, an

increase of 10 million dozen since August's forecast. The 2015 forecast remains at 320 million dozen.

Year-over-Year Decreases Expected in Third-Quarter Lamb and Mutton Production

Third-quarter 2014 lamb and mutton production is forecast at 38 million pounds, a decrease of about 12 percent from the second quarter and about 4 percent from the previous year. July commercial production came in at 13.9 million pounds, and August and September production are forecast at 12.1 and 11.7 million pounds, respectively. Production levels tend to fall during the summer months as producers have fewer market lambs available. The expected decrease in third-quarter production also appears to be associated with weaker-than-expected consumer demand for lamb as stocks held in cold storage continue to increase despite lower production levels.

Lamb and mutton held in cold storage are at the highest level since 1944. At the beginning of August, nearly 34 million pounds of lamb and mutton were held in cold storage. Granted, a large portion of the lamb and mutton held in cold storage may be imported. However, cold storage stocks represent more than 243 percent of the commercial lamb and mutton production in July, and the high levels suggest a slowdown in the rate at which lamb and mutton are moving through the consumption chain.

Third-Quarter Slaughter Lamb Prices Relatively Stable

Third-quarter 2014 slaughter lamb prices at San Angelo, TX are forecast to remain fairly stable, showing little response to the lower production levels. Choice slaughter lamb prices are forecast to hover in the range of \$149-\$152 per cwt, showing little change from the second-quarter 2014 price of \$148.99 per cwt. July Choice slaughter lamb prices were \$150.23 per cwt, and August prices improved slightly to \$152.92 per cwt. The stability in the lamb prices in 2014 is very different from the lower and much more volatile prices of 2013 (see chart).

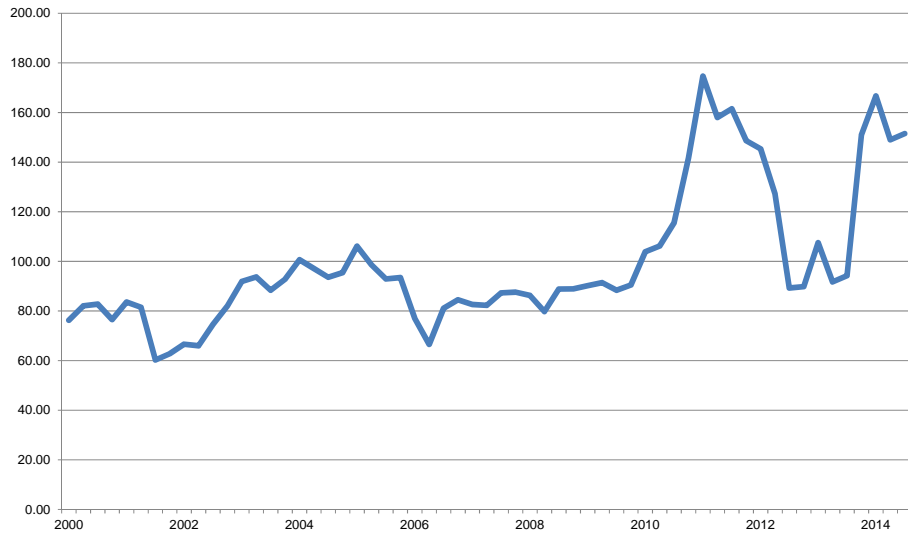
Imports Continue to Show Strength

Despite the relative weakness in lamb and mutton demand and an increase in the amount of products held in cold storage, imports continue to show strength. Second-quarter 2014 lamb and mutton imports were 49 million pounds, up 11 percent from the same period last year. Imports for July also rose 13 percent over July 2013 to 15.5 million pounds. Third-quarter imports are forecast at 37 million pounds, slightly above third-quarter levels in 2013.

Second-quarter 2014 exports were 2 million pounds, equaling the same period in 2013. Exports in July were 869,000 pounds, nearly doubling export levels in July 2013. Third-quarter exports are forecast at 2 million pounds, doubling the third-quarter 2013 levels.

2014 Slaughter lamb prices rebounded and have remained fairly stable

Price (\$/CWT)



Source: Agricultural Marketing Service, USDA, Weekly National Lamb Market Summary, Various Issues, 2000-2014.

Exports Weaken Across the Board As Imports Move Upward; Prices Still Favor Expansion

The 2014/15 price forecast for corn was lowered from the August projection to \$3.20-\$3.80 per bushel. Yield forecasts were raised for September to a record 171.7 bushels per acre, and the 2014/15 production forecast tops the 2013/14 record production estimate. The 2014/15 soybean and soybean product prices forecasts are lowered with this month's forecasts. Soybean meal price is lowered to \$330-\$370 per ton based on higher forecast soybean and soybean meal production. The August Agricultural Prices report places the preliminary August price for alfalfa hay at \$209 per ton, down slightly from last month and slightly higher than the reported August 2013 price of \$199 per ton. On balance, feed prices continue to moderate, and the milk-feed price ratio indicates incentive for expansion in milk production.

The 2014 herd size forecast is unchanged in September at 9.26 million head. Cow numbers are forecast to expand to 9.34 million head next year, an unchanged forecast from August. Yield per cow is increased in this month's forecast to 22,275 pounds for 2014. Yield per cow is forecast at 22,760 pounds per cow in 2015, unchanged from last month, but a year-over-year rise. Milk production for the current year is raised slightly in September from the August forecast to 206.3 billion pounds on higher yield per cow. July milk production was reported at 3.9 percent over a year earlier and higher year-over-year production is expected to continue for the balance of 2014. The production forecast for 2015 is unchanged from August at 212.5 billion pounds.

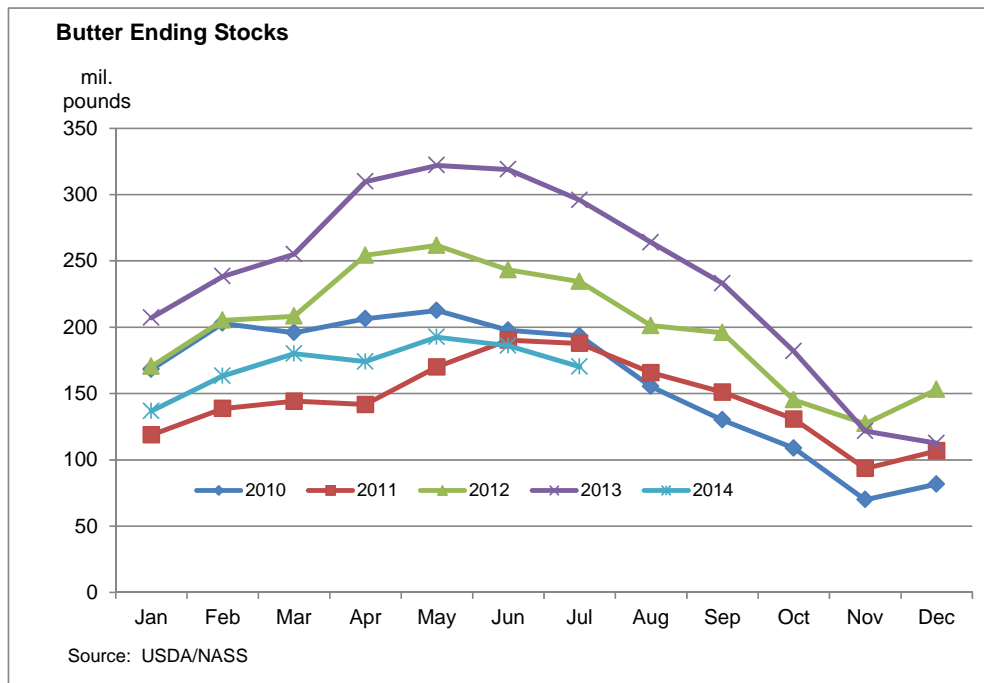
World dairy product prices continue to decline and are below domestic prices, that and continued strengthening of the dollar versus the Euro and Oceania countries' currencies lead to an increase in dairy imports and a drop in exports. Milk and dairy product production in the European Union (EU) continues to expand with deliveries up 5 percent year-over-year in the first half of 2014. New Zealand's milk production is expected to increase with the seasonal flush in October. Higher global milk supplies are expected to pressure prices for the balance of 2014 and into 2015. Milk-equivalent fat-basis imports for 2014 are raised this month to 4.1 billion pounds. Similarly, milk-equivalent imports on a skim-solids basis are increased from August to 5.3 billion pounds this year. Next year's imports were also increased from August to 3.8 billion pounds on a fat basis and to 5.2 billion pounds on a skim-solids basis. Milk-equivalent exports are lowered for both 2014 and 2015. Current-year fat-basis exports are lowered to 12.6 billion pounds mostly on lower expected cheese and butter exports. Current-year skim-solids exports are lowered to 39.8 billion pounds based on lower expected exports of whey, lactose and skim milk powder (SMP). For next year, fat and skim-solids basis exports are lowered to 11.5 billion pounds and to 38.5 billion pounds respectively based on greater global competition.

Current-year-forecast fat-basis ending stocks are lowered to 10.5 billion pounds. Year-to-date butter stocks have been trailing 2013 levels. The August Cold Storage report placed July butter stocks at their lowest level since 2001. Cheese monthly ending stocks have trailed 2013 levels year-to-date with the Report showing July monthly ending stocks at their lowest in level since 2009. Projected 2014 skim-solids ending stocks are unchanged from August. The September Dairy Products

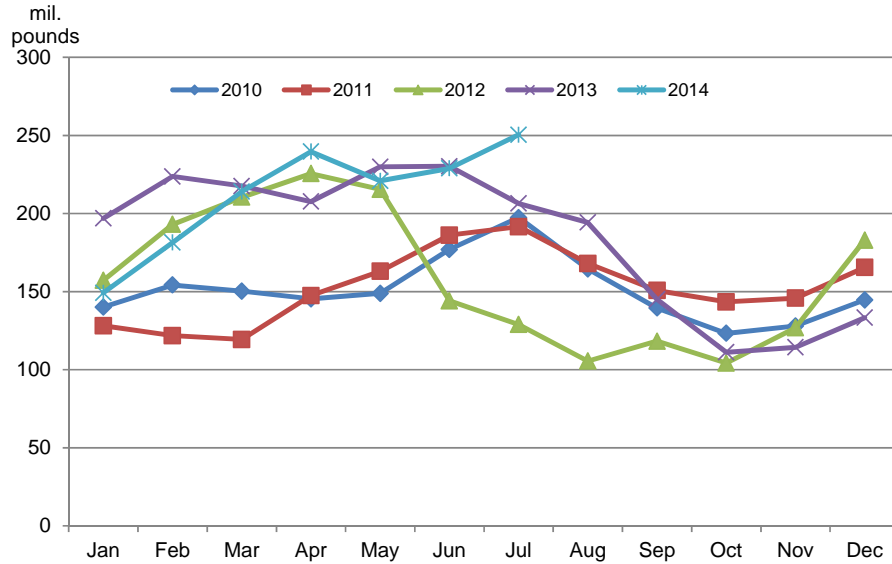
report showed July total nonfat dry milk (NDM) stocks spiked to a monthly record high as exports declined. For 2015, skim-solids stocks are forecast higher than last month at 12.6 billion pounds as NDM supplies are expected to remain relatively high in the face of lower export forecasts. Fat basis stocks are unchanged from August for 2015 at 12.0 billion pounds as domestic demand is expected to absorb available supplies.

Current-year prices for cheese and butter are raised this month. The whey price is unchanged and NDM prices are sharply lower. Cheese and butter prices are raised sharply as demand remains firm, and stocks of both products are tight. The 2014 cheese price is projected at \$2.135-\$2.155 per pound, and butter is raised to \$2.170-\$2.210 per pound. NDM prices for 2014 are lowered this month to \$1.775-\$1.795 per pound as export forecasts are lowered and stocks build. Whey is forecast at 64.0-66.0 cents per pound, unchanged from August. In 2015, cheese and butter prices are raised from August forecasts. Cheese prices next year are forecast at \$1.690-\$1.790 per pound, and the butter price is forecast at \$1.675-\$1.805 per pound. NDM prices for 2015 are lowered from August forecasts, on a year-over-year basis, to \$1.565-\$1.635 per pound as exports are expected to face stiff competition. Likewise, the 2015 whey price forecasts are lowered this month to 56.0-59.0 cents per pound based on reduced skim-solids exports.

The Class III price forecast is raised this month for 2014 to \$22.15-\$22.35 per cwt and is raised slightly in September from August to \$17.20-\$18.20 per cwt for 2015. The Class IV price for 2014 is projected lower this month at \$22.30-\$22.60 per cwt and is also lowered to \$18.45-\$19.55 per cwt for next year. Similarly, the 2014 all-milk price is raised this month to \$23.80-\$24.00 per cwt, slipping to \$19.40-\$20.40 next year.

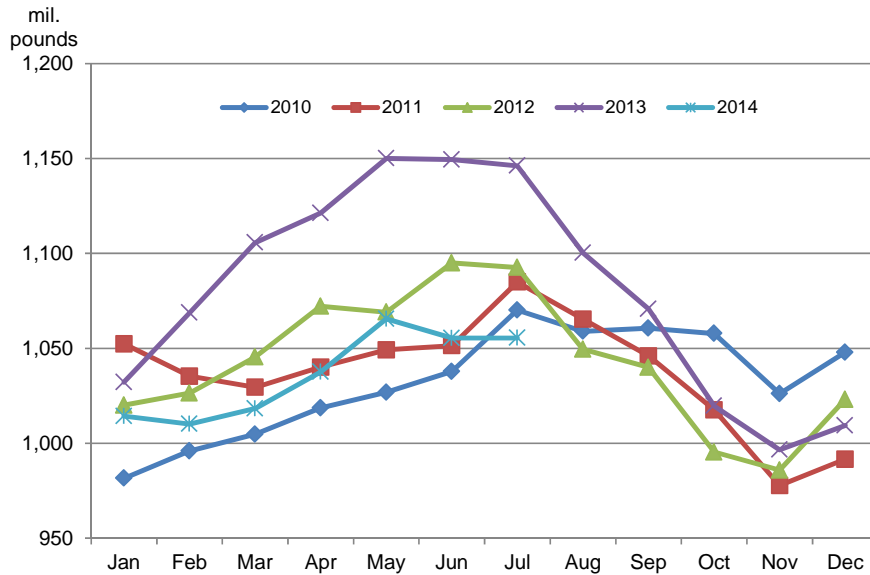


Nonfat Dry Milk Ending Stocks



Source: USDA/NASS

Cheese Ending Stocks



Source: USDA/NASS

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

Related Websites

Livestock, Dairy, and Poultry Outlook,

<http://www.ers.usda.gov/publications/ldpm-livestock,-dairy,-and-poultry-outlook.aspx>

Animal Production and Marketing Issues,

<http://www.ers.usda.gov/topics/animal-products/animal-production-marketing-issues.aspx>

Cattle, <http://www.ers.usda.gov/topics/animal-products/cattle-beef.aspx>

Dairy, <http://www.ers.usda.gov/topics/animal-products/dairy.aspx>

Hogs, <http://www.ers.usda.gov/topics/animal-products/hogs-pork.aspx>

Poultry and Eggs, <http://www.ers.usda.gov/topics/animal-products/poultry-eggs.aspx>

WASDE,

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U.S. red meat and poultry forecasts

	2011					2012					2013					2014					2015				
	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual		
Production, million lb																									
Beef	6,410	6,559	6,736	6,490	26,195	6,282	6,473	6,586	6,572	25,913	6,175	6,513	6,609	6,423	25,720	5,868	6,183	6,135	6,135	24,321	5,510	6,060	23,640		
Pork	5,719	5,370	5,484	6,186	22,758	5,858	5,519	5,631	6,244	23,253	5,775	5,516	5,622	6,274	23,187	5,785	5,504	5,440	6,045	22,774	5,670	5,465	23,325		
Lamb and mutton	36	40	36	37	149	39	39	39	40	156	38	41	40	38	156	37	43	38	37	155	38	37	147		
Broilers	9,290	9,509	9,542	8,861	37,202	9,089	9,381	9,372	9,198	37,039	9,144	9,466	9,683	9,537	37,830	9,283	9,618	9,850	9,700	38,451	9,510	9,950	39,480		
Turkeys	1,402	1,471	1,423	1,495	5,791	1,446	1,505	1,480	1,537	5,967	1,459	1,486	1,440	1,420	5,805	1,332	1,429	1,465	1,500	5,726	1,400	1,475	5,925		
Total red meat & poultry	23,011	23,114	23,395	23,226	92,746	22,865	23,084	23,274	23,739	92,963	22,743	23,183	23,563	23,844	93,333	22,455	22,935	23,095	23,571	92,056	22,278	23,149	93,156		
Table eggs, mil. doz.	1,631	1,641	1,665	1,715	6,652	1,684	1,680	1,707	1,762	6,833	1,686	1,698	1,725	1,773	6,882	1,722	1,750	1,775	1,825	7,072	1,765	1,785	7,190		
Per capita disappearance, retail lb 1/																									
Beef	14.1	14.5	14.7	14.0	57.3	14.0	14.7	14.5	14.2	57.4	13.7	14.5	14.3	13.9	56.3	13.1	14.0	13.5	13.3	53.9	12.2	13.5	52.1		
Pork	11.4	11.1	11.0	12.2	45.7	11.1	10.9	11.2	12.7	45.9	11.5	11.3	11.4	12.7	46.8	11.3	11.0	11.0	12.3	45.6	10.9	10.9	46.1		
Lamb and mutton	0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.2	0.2	0.8	0.3	0.2	0.2	0.2	0.9	0.2	0.2	0.2	0.2	0.9	0.2	0.2	0.90		
Broilers	21.5	21.4	20.8	19.1	82.9	20.1	20.4	20.3	19.7	80.4	20.1	20.3	21.0	20.5	81.9	20.2	20.9	21.3	21.2	83.5	20.6	21.6	85.0		
Turkeys	3.5	3.5	4.0	5.0	16.1	3.5	3.6	4.1	4.9	16.0	3.7	3.6	4.0	4.8	16.0	3.4	3.5	3.9	4.9	15.7	3.3	3.5	15.8		
Total red meat & poultry	51.2	51.3	51.0	51.0	204.6	49.3	50.3	50.7	52.0	202.3	49.5	50.3	51.3	52.4	203.5	48.7	50.0	50.3	52.2	201.2	47.6	50.1	201.4		
Eggs, number	61.1	61.2	62.2	63.4	247.9	62.6	61.5	62.5	64.2	250.8	62.6	61.7	62.9	64.1	251.3	62.9	63.6	65.0	66.7	258.2	63.9	64.7	260.1		
Market prices																									
Choice steers, 5-area Direct, \$/cwt	110.07	112.79	114.05	121.99	114.73	125.29	120.91	119.69	125.54	122.86	125.52	124.95	122.30	130.77	125.89	146.34	147.82	157-160	154-162	151-154	150-162	150-162	149-162		
Feeder steers, Ok City, \$/cwt	127.20	131.09	134.74	141.93	133.74	152.81	150.05	139.31	143.40	146.39	141.36	133.10	152.08	161.69	147.06	167.49	188.64	217-220	218-226	198-201	209-221	207-219	208-220		
Cutter Cows, National L.E., \$/cwt	68.66	74.88	66.11	63.54	68.30	76.57	83.51	76.94	73.81	77.71	77.87	77.46	78.36	76.55	77.56	89.12	98.57	111-114	101-109	100-103	101-113	106-118	103-115		
Choice slaughter lambs, San Angelo, \$/cwt	174.66	157.99	161.13	148.61	160.60	145.33	127.08	89.28	89.85	112.89	107.53	91.72	94.26	150.97	111.12	166.69	148.99	149-152	141-149	151-154	139-151	144-156	142-154		
Barrows & gilts, N. base, Le. \$/cwt	59.94	68.80	71.06	64.66	66.11	61.68	61.79	61.43	58.63	60.88	59.03	65.46	70.59	61.11	64.05	68.69	85.40	83-84	70-74	77-78	67-73	70-76	67-73		
Broilers, 12 City, cents/lb	80.20	83.00	78.20	78.00	79.90	87.40	85.1	82.0	92.1	86.6	103.5	108.6	93.90	92.80	99.70	98.4	113.70	102-105	98-104	103-105	99-107	101-109	99-107		
Turkeys, Eastern, cents/lb	90.20	99.90	106.40	111.60	102.00	100.70	106.9	108.5	106.1	105.6	96.0	97.7	99.9	105.40	99.80	100.7	105.60	108-111	111-117	107-108	98-106	100-108	102-111		
Eggs, New York, cents/doz.	105.80	106.60	117.70	131.20	115.30	108.70	99.7	131.9	129.4	117.4	126.9	109.9	119.0	143.00	124.70	142.7	134.60	129-132	140-148	136-139	132-142	117-127	124-134		
U.S. trade, million lb																									
Beef & veal exports	633	702	766	683	2,785	558	625	650	620	2,452	557	637	716	680	2,590	583	667	700	670	2,620	575	650	2,525		
Beef & veal imports	461	593	548	454	2,057	582	669	516	453	2,220	590	629	515	516	2,250	596	768	725	595	2,684	645	725	2,700		
Lamb and mutton imports	49	48	31	34	162	38	36	38	41	154	49	44	36	44	173	46	49	37	40	172	47	42	166		
Pork exports	1,248	1,208	1,260	1,481	5,196	1,442	1,301	1,251	1,386	5,380	1,219	1,226	1,206	1,342	4,992	1,345	1,281	1,150	1,290	5,066	1,270	1,265	5,145		
Pork imports	201	195	194	213	803	207	191	198	205	802	208	210	229	233	880	212	240	245	250	947	240	240	920		
Broiler exports	1,526	1,598	1,976	1,877	6,978	1,734	1,791	1,864	1,886	7,274	1,752	1,865	1,855	1,874	7,345	1,831	1,829	1,845	1,715	7,219	1,770	1,770	7,365		
Turkey exports	159	171	173	199	703	180	184	216	217	797	179	182	197	201	759	163	188	205	210	767	185	190	780		
Live swine imports (thousand head)	1,452	1,429	1,407	1,508	5,795	1,445	1,444	1,387	1,380	5,656	1,326	1,300	1,255	1,075	4,957	1,196	1,216	1,235	1,205	4,852	1,200	1,200	4,800		

Note: Forecasts are in bold.

1/ 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: Mildred M. Haley, (202) 694-5176, mhaley@ers.usda.gov

Updated 9/17/2014

Dairy Forecasts

	2013				2014					2015		
	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
Milk cows (thous.) 1/	N/A	9,224	9,201	9,221	9,214	9,254	9,280	9,300	9,260	9,315	9,330	9,335
Milk per cow (pounds)	N/A	5,356	5,355	21,822	5,540	5,713	5,510	5,510	22,275	5,665	5,835	22,760
Milk production (bil. pounds)	52.0	49.4	49.3	201.2	51.0	52.9	51.1	51.2	206.3	52.8	54.4	212.5
Farm use	0.2	0.2	0.2	1.0	2.0	2.0	2.0	2.0	1.0	0.2	0.2	1.0
Milk marketings	51.8	49.2	49.0	200.2	50.8	52.6	50.9	51.0	205.3	52.5	54.2	211.5
Milkfat (bil. pounds milk equiv.)												
Milk marketings	51.8	49.2	49.0	200.2	50.8	52.6	50.9	51.0	205.3	52.5	54.2	211.5
Beginning commercial stocks	15.1	16.9	14.3	12.2	11.2	12.8	13.3	11.8	11.2	10.5	13.0	10.5
Imports	0.9	0.9	0.9	3.7	0.8	0.8	1.1	1.3	4.1	1.0	0.9	3.8
Total supply	67.8	66.9	64.2	216.2	62.8	66.2	65.3	64.1	220.6	64.0	68.1	225.8
Commercial exports	2.9	3.6	3.4	12.4	3.9	3.5	2.9	2.3	12.6	2.5	2.8	11.5
Ending commercial stocks	16.9	14.3	11.2	11.2	12.8	13.3	11.8	10.5	10.5	13.0	14.5	12.0
Net removals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial use	47.9	49.0	49.6	192.6	46.2	49.4	50.6	51.3	197.5	48.5	50.8	202.4
Skim solids (bil. pounds milk equiv.)												
Milk marketings	51.8	49.2	49.0	200.2	50.8	52.6	50.9	51.0	205.3	52.5	54.2	211.5
Beginning commercial stocks	13.6	14.2	12.4	12.4	11.6	12.7	13.3	12.3	11.6	12.0	12.8	12.0
Imports	1.2	1.1	1.5	5.3	1.4	1.2	1.3	1.4	5.3	1.3	1.3	5.2
Total supply	66.5	64.4	62.9	217.9	63.9	66.5	65.4	64.7	222.2	65.9	68.3	228.7
Commercial exports	10.6	10.4	9.3	38.5	9.8	11.0	9.8	9.3	39.8	9.4	9.7	38.5
Ending commercial stocks	14.2	12.4	11.7	11.7	12.7	13.3	12.3	12.0	12.0	12.8	13.5	12.6
Net removals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial use	41.8	41.7	42.0	167.7	41.4	42.3	43.3	43.4	170.4	43.7	45.1	177.6
Milk prices (dol./cwt) 2/												
All milk	19.57	19.60	21.50	20.05	24.53	24.23	23.65	22.80	23.80	20.40	18.60	19.40
							-23.85	-23.30	-24.00	-21.20	-19.60	-20.40
Class III	18.04	17.81	18.67	17.99	22.61	22.75	22.55	20.80	22.15	17.40	16.80	17.20
							-22.75	-21.30	-22.35	-18.20	-17.80	-18.20
Class IV	18.62	19.13	20.74	19.05	23.10	23.04	23.20	20.05	22.30	17.75	18.10	18.45
							-23.50	-20.65	-22.60	-18.65	-19.20	-19.55
Product prices (dol./pound) 3/												
Cheddar cheese	1.780	1.761	1.847	1.768	2.213	2.187	2.140	2.010	2.135	1.715	1.650	1.690
							-2.160	-2.060	-2.155	-1.795	-1.750	-1.790
Dry whey	0.575	0.579	0.576	0.590	0.630	0.677	0.670	0.600	0.640	0.545	0.555	0.560
							-0.690	-0.630	-0.660	-0.575	-0.585	-0.590
Butter	1.622	1.438	1.566	1.545	1.779	2.053	2.525	2.345	2.170	1.795	1.665	1.675
							-2.565	-2.425	-2.210	-1.905	-1.795	-1.805
Nonfat dry milk	1.619	1.769	1.893	1.707	2.067	1.920	1.705	1.425	1.775	1.430	1.535	1.565
							-1.725	-1.465	-1.795	-1.490	-1.605	-1.635

1/ Starting in May, contains no data updates or analysis on milk cows or milk output per cow.

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

3/ 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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Published in Livestock, Dairy, and Poultry Outlook, <http://www.ers.usda.gov/publications/ldpm-livestock,-dairy,-and-poultry-outlook.aspx>

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Updated: 9/17/2014