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# Livestock, Dairy, and Poultry Outlook

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## Red Meat Exports to Strengthen in 2010

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release is Feb 18, 2010

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Approved by the  
World Agricultural  
Outlook Board

**Beef/Cattle:** In addition to further extending the 2009 fall harvest of grains, cold, snowy weather in the Plains States is increasing winter feeding costs and death losses while reducing cattle gains. The result is declines in average dressed weights beyond typical seasonal declines and a slight increase in cattle and beef prices.

**Beef/Cattle Trade:** U.S. beef exports have benefited from improved demand in Asian markets in late 2009, and 2009 total exports are expected to decline only slightly from 2008. Beef imports into the United States have been lower in the latter half of 2009 compared with high levels in the first half. Higher imports of Mexican cattle late in 2009 increased the total number of cattle imported into the United States.

**Pork/Hogs:** Productivity increases and a smaller than expected decline in fall farrowings are likely to offset most effects of lower December 1 breeding inventories. While pork production in 2010 will be year-over-year lower, reductions will probably be smaller than those forecast last month. November pork exports were more than 11 percent ahead of exports in November 2008.

**Poultry:** With continued strong exports in October and November, the export estimate for fourth-quarter 2009 was increased by 75 million pounds to 1.68 billion pounds. However, uncertainties about exports in 2010 resulted in a reduction of 275 million pounds in yearly exports to just over 6 billion pounds. With the reduction in exports, the estimates for ending stocks in all quarters of 2010 were increased. The estimate for turkey meat production in fourth-quarter 2009 was lowered by 50 million pounds to 1.425 billion pounds. Even with continuing year-over-year growth in monthly production, egg prices have strengthened in the fourth quarter of 2009. One factor boosting prices has been strong gains in exports of shell eggs for consumption and egg products.

**Dairy:** Moderating feed costs and higher milk prices improve the outlook for producers, but herd size will continue to decline. Stronger exports, especially on a skims basis, and higher domestic use presage higher milk and product prices throughout 2010.

### *Cold Snowy Weather Adversely Affects the Cattle and Beef Sectors*

Heavy snows and cold weather throughout the Plains States have adversely affected the cattle sector. Supplemental feeding of cattle on snow-covered pastures increases wintering costs. Cattle gains are reduced and death losses also increase during harsh winter conditions. Cold, snowy, and wet weather also takes a toll on feedlot cattle, fostering costlier gains and higher death losses.

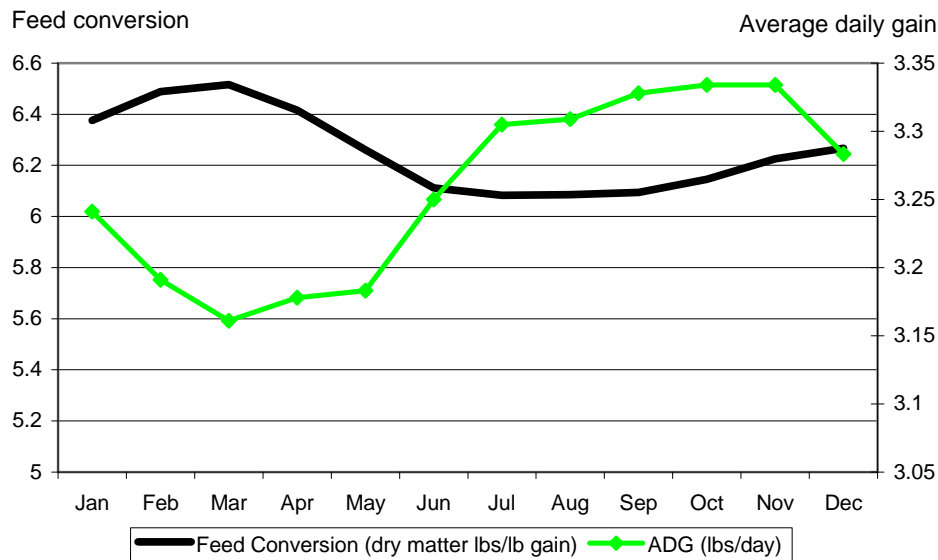
Cattle can endure cold weather relatively well, but the cold does affect them adversely. Cattle burn more energy in cold weather, so they eat more feed per pound of gain. For example, cattle marketed from feedlots in March, having gone through the coldest part of the winter, consume the greatest amount of feed per pound of gain and gain the least weight per day (see graph). While their hair is a good insulator when dry, it is not when wet, although, cattle can endure being a little wet if there is no wind. The combination of cold, wet, and windy conditions, as was recently the case on the Plains, is the worst combination for feedlot performance, resulting in high costs and reduced feed conversion.

If conditions become severe enough, cattle will quit eating and begin to crowd together to stay warm. They will also walk as far as fences will allow into downwind corners. If bunched too tightly, they can begin to inhale water from their neighbors' hair coats, and in extreme cases can suffocate, literally drowning, which compounds declining feedlot performance with increasing death losses. The same can occur with stocker calves and, less often, cows on native pastures. Again, in extreme cases and especially if the storms come early in the season when cattle are not acclimated, death losses can be quite high. Usually, these death losses are localized, but given often heavy local concentrations of cattle, can result in large numbers of cattle deaths.

Dressed weights of fed cattle can also decline with cold weather. The decline in dressed weights during the last quarter of 2009 and into the first quarter of 2010 was exacerbated by the December snowstorms that swept through the Plains cattle feeding areas. In 2009, dressed weights began their typical seasonal decline in mid-October, until then beginning to increase in early November. Dressed weights returned to their typical seasonal decline in December, with the decline expected to continue into the first quarter of 2010.

Another factor that has affected average dressed weights of cattle for at least the last quarter of 2009 is the larger-than-typical share of cows in the slaughter mix. Aside from a slight increase in dairy cow slaughter, likely due to the last 2009 CWT cull, the beef cow cull rate appeared to increase appreciably in the fall (year-over-year basis: weekly data). As a result, 2009 cow slaughter exceeded 2008 levels during the middle weeks of November. Imports of Canadian cows also increased late in 2009, adding cows to the U.S. slaughter mix.

## Average daily gain and feedlot conversion, Texas feedlots, 2000-09 averages



Source: Compiled by USDA, Economic Research Service from Hoelscher reports, Feedstuffs Magazine, various issues.

Cow slaughter levels in 2009 were from a smaller cow-herd base, which implies an increase in the rate of culling in 2009 and a continuation of cow-herd liquidation. If the continued cow-herd liquidation is not accompanied by breeding heifer retention sufficient to more than offset it, the U.S. total cow herd will likely continue to shrink. USDA's National Agricultural Statistics Service *Cattle* inventory report, to be released January 29, will provide important information regarding the short-term future of cattle inventories and calf crops and the resulting beef production for the next several years.

Byproduct values, up by just over a third from December 2008 (basis: average of year-over-year December weekly values), held steady through December 2009, but have since slipped a bit. As byproduct values decline, packers offer lower prices for fed cattle in order to cover processing costs. Most edible offal is sold in export markets, but some is consumed domestically, like oxtails, liver, and tongues, which appear both in grocery stores and on restaurant menus. While weekly wholesale cutout values for Choice beef are lower year-over-year (by 4 percent during December 2009), prices for some edible byproducts are higher year-over-year at both wholesale and retail. For example, weekly wholesale prices for oxtails in early January were 45 percent above values for the same week in 2008.

### *Shipments to Asia Help Strengthen Beef Exports in Late 2009*

The United States is expected to export 1.861 billion pounds of beef in 2009. This is a 1-percent decrease from 2008 levels, which are comparatively lower due to the South Korean market being closed to U.S. beef for part of the year. Increased beef sales to Asia continue to boost U.S. beef exports. Demand for U.S. beef in South Korea continues to recover after the global economic downturn that halted growth shortly after trade of U.S. beef had resumed in the summer of 2008. U.S. exports to Japan have increased 19 percent year-over-year through November, as U.S. beef continued to recover market share. Export growth to Vietnam (19 percent year-to-date compared with 2008) and Hong Kong (153 percent) also continues.

The growth in Asia has helped mitigate decreased exports to the two largest U.S. beef export markets, Mexico and Canada. U.S. exports to Mexico fell 15 percent through November compared with 2008, while sales to Canada are nearly 6 percent lower year-to-date. Relative exchange rates and the pace of macroeconomic recovery will be important factors for recovering trade with North American trading partners.

In 2010, exports are expected to resume growth, increasing almost 10 percent compared with 2009. U.S. beef will benefit from continuing growth in the market shares of Japan and South Korea, as well as expanding markets for foreign beef in Hong Kong and Vietnam. Additionally, improved economic conditions in Mexico and Canada should result in growth in trade to these North American markets.

The United States is expected to import 2.703 billion pounds of beef in 2009. This would be a 7-percent increase from 2008. Most of the growth occurred in the earlier part of the year, when the U.S. dollar was relatively strong and global economic conditions impacted trade with other significant markets for beef. Imports from Australia, the largest foreign supplier of beef in 2009 through November, have been lower in the latter part of the year compared with very high levels in the first and second quarters. This is a result of a weaker U.S. dollar relative to the Australian dollar and improved conditions in the economies of Australia's other trading partners, particularly the nearby Asian markets.

In 2010 the United States is expected to import 2.795 billion pounds of beef, a 3-percent increase. Expected lower production of cow beef in the United States this year should provide incentive for foreign producers to market to the United States.

### *Late Year Imports of Mexican Cattle Increase Total Cattle Imports*

The United States is forecast to import 2 million head of cattle in 2009, almost all from Mexico and Canada. Imports of Mexican cattle increased the pace of imports, particularly in November and December. Imports of Canadian cattle, however, continue to be well below levels seen in the past few years. The price spread between U.S. and Canadian markets for both feeder and fed cattle is much narrower than it has been the past few years, resulting in lower returns for Canadian producers that market their cattle in the United States. Next year the United States is forecast to import 2.15 million head as U.S. demand for live cattle is expected to increase.

### ***December 1 Breeding Inventory Reductions Tempered by Larger-Than-Expected Farrowings and Productivity Gains***

The *Quarterly Hogs and Pigs* report, issued by USDA on December 30, 2009, provides a December 1 snapshot of an industry whose modest efforts to reduce breeding herds are largely offset by larger-than-expected fall farrowing numbers and strong productivity gains. The report indicated that the U.S. inventory of breeding animals declined for the 7th consecutive quarter since June 1, 2008. At 5.85 million head, the December 1, 2009, breeding inventory was almost 3.5 percent smaller than a year earlier. This means that the U.S. pork industry has reduced its productive capacity by 6.1 percent—which amounts to 383,000 breeding animals—since the cyclical peak of 6.23 million head on December 1, 2007.

For an industry that—according to calculations by Iowa State University—has lost money in 24 of the last 26 months, breeding herd reduction as a means of lowering production is the industry's consistent response to persistent negative returns. The December report however, showed that larger-than-expected fall farrowings and litter rates largely offset breeding herd reductions and have negative implications for reductions in first-half 2010 pork production. The report indicated that 2.974 million sows farrowed in the September-November quarter, a larger number than producers' second intentions suggested in September. The fall pig crop implies a litter rate of 9.7 pigs-per-litter, significantly above the year-earlier rate of 9.5. The 'bottom-line' is that the December report, coupled with a slightly larger 2010 live swine import forecast, points to 2010 pork production closer to 2 percent lower, year-over-year, than to the almost-3-percent reduction expected last month.

U.S. commercial pork production in 2010 is forecast at 22.6 billion lbs, 1.6 percent lower than last year. First-quarter prices of 51-52 percent lean hogs will likely average \$43-\$45 per cwt, almost 4.5 percent above first-quarter 2009. For 2010 hog prices are expected to average \$44-\$48 per cwt, almost 12 percent above 2009. While higher hog prices by themselves don't necessarily spell profitability for hog producers, January WASDE price forecasts for corn and soybean meal imply producer break-even hog prices in the mid-\$40 per cwt range, suggesting that most U.S. hog operations could break even in 2010.

### ***November Exports Year-Over-Year Higher***

November pork exports were a very healthy 383 million pounds, 11.3 percent greater than a year earlier. While the three largest foreign markets in November were Japan, Mexico, and Canada, shipments to both Japan and Canada were lower than in November 2008. The countries that largely boosted November 2009 exports past those of a year earlier were Mexico (+23.9 percent), Hong Kong (+58.1 percent) and South Korea (+50.5). Year-over-year lower exports to Russia—the sixth largest foreign market in November—were more than offset by large increases to the Philippines, Australia, Taiwan, and Ukraine.

For the January-November 2009 period, U.S. exports were almost 14 percent below the comparable period in 2008. With the exception of Mexico, most large U.S. export markets—particularly those in Asia—were lower through November, largely on account of weak economic conditions.

The United States is expected to export 4.5 billion pounds of pork in 2010, 8.4 percent more than in 2009. Economic recovery in key U.S. export markets and favorable exchange rate values are expected to drive exports this year. The 2010 forecast was lowered slightly this month on account of Russia's lowered TRQ allocation assigned to the United States, and also due to trade disruptions from plant de-listings that are expected early in the year.

U.S. pork imports increased about 6.5 percent year-over-year in November. For 2009 through November, imports have increased just marginally, by less than 1 percent. Most of the increase in November came from Canadian products. Through November 2009, Canada has accounted for about 81 percent of U.S. pork imports, Mexico for about 2 percent, Denmark for 10 percent, Poland for about 3 percent, and the Netherlands and Italy each for 1 percent. For 2009, imports should account for 4.3 percent of total U.S. pork disappearance, about the same as in 2008. For this year, imports of 900 million pounds are expected to account for 4.7 percent of total U.S. pork disappearance.

U.S. imports of live swine were off by more than 30 percent, year-over-year, in November. For 2009 through November, swine imports—99.9 percent of which are of Canadian origin—were more than 32 percent lower than in the same period of 2008. Lower U.S. imports likely result from a combination of factors, including the appreciation of the Canadian dollar—which effectively 'taxes' repatriated earnings of Canadian hog exporters—ongoing herd contraction in Canada, increased slaughter capacity in Manitoba, and stated preferences of some U.S. packers for U.S.-origin hogs.

### ***Broiler Production Expected Down in Fourth-Quarter 2009, Higher in 2010***

During the fourth quarter of 2009, broiler meat production is forecast at 8.85 billion pounds, down fractionally from a year earlier. The number of broiler eggs being set in incubators during fourth-quarter 2009 and the number of chicks being placed for growout has steadily moved closer to the level seen in fourth-quarter 2008. During 2010 the number of chicks being placed for growout is expected to reach or slightly exceed the previous year's level and, combined with a small increase in the average weights, is expected to push broiler meat production to 35.9 billion pounds, 1 percent higher than in 2009. The production increase is expected to be restrained by both continuing uncertainties in the domestic economy.

Broiler meat production in November 2009 was 2.77 billion pounds, an increase of 4 percent from a year earlier, compared with declines on a year-over-year basis for the previous 7 consecutive months. A large portion of the increase is the result of November 2009 having 1 additional slaughter day compared with November 2008. The number of birds slaughtered in November was 2.2 percent higher than the previous year, and this increase was compounded by a small rise (1 percent) in the average liveweight for birds at slaughter to 5.67 pounds. Broiler meat production in December is expected to show a small increase due chiefly to higher average weights at slaughter, but there may also be a slight rise in the number of birds slaughtered compared with the previous year.

Broiler stocks at the end of November totaled 642 million pounds, up 29 million pounds from the end of October, but down 19 percent from the end of November 2008. Lower broiler meat production in 2009 has resulted in broiler stocks on a year-over-year basis being lower through the first 11 months of 2009. Stocks of whole birds totaled 19 million pounds, a decrease of 6 million pounds (24 percent) from the same time a year earlier. Stock levels for almost all broiler products were significantly lower than the previous year, the only exception being thigh meat. However, stocks of most products increased between the end of October and the end of November, with breast meat (up 16 million pounds) accounting for a major portion of the increase. Broiler stocks are expected to total 640 million pounds at the end of 2009, down 14 percent from the previous year. In 2010, ending stocks are expected to be higher due to a large decline in exports and a small increase in meat production.

During November and December of 2009, with exports remaining strong and production only up modestly, there was a general upward movement in most broiler prices. Over the first three quarters of 2009, the price supportive aspect of the decline in broiler production was basically offset by poor economic conditions domestically and worldwide, with many broiler prices peaking in May or June and then declining until October. At that point, the lower levels of broiler cold storage holdings finally began to place upward pressure on prices.

Prices for boneless/skinless breast meat in the Northeast market averaged \$1.30 per pound in 2009, up 1 percent from 2008. Prices in 2009 peaked in May at \$1.48 per pound and then generally declined until October, when they were \$1.13 per pound, and have strengthened since then. Prices for leg quarters in the Northeast market averaged \$0.39 per pound in 2009, a decline of 14 percent from 2008. The movement of leg quarter prices followed a somewhat similar pattern to breast meat, with prices that peaked in June at \$0.51 per pound and then declined through October, but have strengthened in the last 2 months. Due to the popularity of broiler wings and their placement on menus of a number of large fast-food chains, wing prices remained strong throughout 2009. After averaging \$1.05 per pound in 2008, the average wholesale price for whole wings in the Northeast market jumped to \$1.47 in 2009, an increase of 39 percent. In the past, wing prices peaked at the end of the professional football season and then declined. In 2009 prices fell, but only slightly, and they gradually strengthened to end the year at \$1.65 per pound, up 38 percent from December 2008.

### ***Broiler Exports Higher in November, but 2010 Forecast Lowered***

Due to a lower quota and trade uncertainties with Russia, as well as trade uncertainties involving several other countries and continuing economic problems in a number of countries, the export forecast for broiler shipments in 2010 was lowered by 275 million pounds to just over 6 billion pounds, down 11 percent from the expected volume in 2009. The decline in exports to Russia and other countries may be partially countered by improvements in trade with countries whose currencies have risen in relation to the dollar.

In November, broiler exports totaled 532 million pounds, down 7 percent from last year's 570 million. Much of the decline was due to smaller shipments to Russia (down 24 percent), but exports to the Ukraine, Lithuania, and Georgia were also down significantly. These export reductions were partially counterbalanced by higher exports to Cuba, Taiwan, Guatemala, and some smaller markets. Based on strong exports in October and November, the export forecast for fourth-quarter 2009 was increased by 75 million pounds to 1.68 billion pounds, a quantity still 4 percent lower than the fourth-quarter 2008 level.

### ***Turkey Prices Down in Fourth-Quarter 2009***

In 2009, prices for whole hen turkeys followed a path different from their normal seasonal pattern. Prices had reached 82.7 cents per pound by July, but instead of the normal seasonal strengthening, prices fell in August and September. Prices hit 82.5 cents per pound in October and unlike other years, when prices tended to peak toward the beginning of November, prices for whole hens continued to gain strength in November (85 cents) and December (88 cents). These price movements resulted in a fourth-quarter price of 85.1 cents per pound, down 3 percent from the previous year, but 5 percent higher than in third-quarter 2009.

With turkey meat production expected to be lower in the first half of 2010 and turkey stocks at the end of 2009 expected to be down significantly from the previous year, whole hen prices are forecast to be higher throughout 2010. The average price for whole hens in the Eastern market in 2009 was 80 cents per pound, 9 percent below the previous year. The average price for 2010 is forecast at 79 to 85 cents per pound, about 3 percent higher than in 2009.

Turkey production in November was 476 million pounds, 6 percent lower than in November 2008, even though there was 1 additional slaughter day in November 2009. The number of turkeys slaughtered in November was down 5.9 percent from the previous year and the average weight at slaughter fell slightly to 27.7 pounds. Turkey meat production in December 2009 is also expected to be lower than the previous year, as turkey poult placements have been smaller than in 2008 during almost all of 2009. The estimate for turkey meat production in fourth-quarter 2009 was lowered by 50 million pounds to 1.43 billion, down 10 percent from the previous year. The turkey meat production estimate for 2010 is 5.68 billion pounds, little changed from 2009, with lower production in the first half of the year offset by higher production in the second half.

Ending stocks for all turkey products in fourth-quarter 2009 are expected to be 260 million pounds, down 136 million pounds or 34 percent from the same period in 2008. At the end of November, cold storage holdings for turkey totaled 228 million pounds, 37 percent lower than a year earlier. The decrease was due to smaller cold storage holdings for both whole birds and turkey parts. With lower turkey production expected in the first half of 2010 and lower beginning stocks, turkey cold storage levels in 2010 are expected to be lower than the previous year during the first three quarters.

Turkey exports in November totaled 49 million pounds, down 17 percent from November 2008's very strong 59 million pounds. The bulk of the November decline was due to smaller shipments to Mexico, down 27 percent from the previous year. Turkey exports for fourth-quarter 2009 are expected to total 145 million pounds, a 20-percent decline from the same period in 2008. Turkey exports are expected to increase in 2010 to 545 million pounds, up 1.8 percent from 2009. Although exports are expected to rise to a number of countries, much of the gain is expected to come from a resumption of larger shipments to Mexico, our major export market, as economic conditions gradually improve.

### ***Eggs Prices Down in Fourth-Quarter 2009***

Even with table egg production continuing to be above year-earlier levels, wholesales egg prices strengthened in the July to November period, although remaining below the previous year. Wholesale prices for a dozen grade A large eggs in the New York market are expected to average \$1.18 in fourth-quarter 2009, down 4 percent from the same period in 2008, but up over 20 cents per dozen from the third quarter. During 2009, prices averaged \$1.03 per dozen, down about 25 cents from 2008. The strongest declines came in the first half of 2009 when prices averaged just under \$1.00 per dozen, sharply lower than the \$1.38 they averaged in the first half of 2008. Table egg production is expected to continue to expand in 2010 to about 6.5 billion dozen, but this growth is less than a 1-percent increase from 2009.

With broiler production still expected to be lower in fourth-quarter 2009 compared with the previous year, the fourth-quarter 2009 estimate for hatching egg production is also lower. Hatching egg production in fourth-quarter 2009 is forecast at 260 million dozen, down 7 million dozen or 3 percent from a year earlier. Hatching egg production in 2010 is expected to increase, roughly in line with expected growth in broiler production. The estimate for 2010 is 1.07 billion dozen, just over 1 percent higher, with most of the increase coming in the second half of the year.

Even with relatively strong prices in the United States, egg and egg product exports in November totaled 22.3 million dozen on a shell egg equivalent basis, 40 percent higher than the previous year. Total egg exports for all of 2009 are expected to total 240 million dozen, up 16 percent from the previous year. Over the first 11 months of 2009, shipments of table eggs for consumption totaled 67.4 million dozen, a 31 percent increase compared with the same period in 2008. The major markets for eggs for consumption are Canada and Hong Kong. These two countries imported 46.4 million dozen eggs from the United States, or 72 percent of our total shipments. Exports of shell eggs for hatching have totaled 46.6 million dozen over the first 11 months of 2009, down 11 percent from the same period in 2008 as broiler production declined in other countries. The major destinations for these products have been Canada and Mexico. After totaling 87.6 million dozen in January to November 2008, shipments of egg products in the same period in 2009 have been 19 percent higher (104.4 million dozen). Strong growth in egg product exports to a number of EU countries, especially Germany, has been the major factor in the increase.

### ***Milk Production Declines Again in 2010, While Demand—both Domestic and International—Improves, Leading to Higher Milk and Product Prices in 2010***

USDA projects 2009/10 corn and soybean meal prices at \$3.40 to \$3.85 a bushel and \$265 to \$315 per ton, respectively. The moderation in forecast feed prices compared with the last 2 years helps boost the milk/feed price ratio and the profit outlook for U.S. dairy producers in the near future. The U.S. dairy herd continues a moderate contraction that is likely to continue throughout 2010. Herd size is forecast to average just below 9 million head this year, down from 9.2 million in 2009. Lower expected feed prices should help boost production per cow that is expected to increase by a relatively robust 1.9 percent this year. The milk-feed price ratio is not expected to reach 2.5, a range that typically signals a steady state in dairy cow numbers, until the end of 2010. While the worst of the economic contraction is over, many producers are not in a financial position to consider herd expansion at this time. After a year of culling, the lower average age of the dairy herd should also help boost output per cow, since it is younger, more productive cows that will remain. USDA projects 2010 milk production at 188.4 billion pounds, which would represent a further decline from the 2009 lower production.

Cheese prices are expected to strengthen throughout 2010 as economic recovery proceeds and milk supplies tighten. Cheese prices are expected to average \$1.570 to \$1.650 per pound in 2010, a rise from the \$1.2966 per pound average posted for 2009. USDA's December *Cold Storage* report placed total cheese stocks at the end of November at 961,376 pounds, 117 percent of year-earlier levels. Butter prices, like cheese prices, are expected to rise through 2010 and are forecast to average \$1.390 to \$1.500 per pound, well above the \$1.2096 average price for 2009. Butter stocks were 142,175 pounds, 119 percent of November 2008's level. Lower expected milk production in 2010 should reduce both cheese and butter production this year compared with last year, helping to support prices and drawing down stocks.

Exports on a skims basis are forecast to rise to 25.5 million pounds and reach 4.8 billion pounds on a fats basis. Exports of nonfat dry milk (NDM) and skim milk powder (SMP) are expected to rise in 2010 to 660 million pounds, a recovery from 2009, but still below 2008. Cheese and cheese product exports are expected to rise in 2010 to about 245 million pounds, and butter and butter fat exports are expected to climb to 71 million pounds. Continued improvement in exports will be a significant factor in the price outlook, especially for skim milk powders. In addition, domestic use on both a fat and skims-solids basis is expected to rise just over 1 percent in 2010. Higher demand, both foreign and domestic, along with reduced production should tighten milk equivalent stock on both a fats and skims basis by year's end. Year-end stocks are expected to fall to 8.85 billion pounds from 11.1 billion pounds milk equivalent on a fat basis. On a skims basis, ending stocks are projected to tighten to 9.5 billion pounds from 11.0 billion at the end of 2009.

The strengthening in dairy product prices translates into higher prices for milk in all classes in 2010 compared with 2009. The Class IV price is forecast at \$14.75 to \$15.60 per cwt, substantially above 2009's average of \$10.89 per cwt. The Class III price is expected to rise to \$14.75 to \$15.55 per cwt, up from 2009's \$11.36 per cwt average. The all milk price is forecast to average \$16.20 to \$17.00 per cwt, up from \$12.79 per cwt in 2009.



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## 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

Livestock, Dairy, and Poultry Outlook, <http://www.ers.usda.gov/Publications/ldp/>  
Animal Production and Marketing Issues, <http://www.ers.usda.gov/briefing/AnimalProducts/>  
Cattle, <http://www.ers.usda.gov/briefing/cattle/>  
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Poultry and Eggs, <http://www.ers.usda.gov/briefing/poultry/>  
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U.S. red meat and poultry forecasts

	2004		2005		2006		2007 1/					2008					2009					2010					
	Annual	Annual	I	II	III	IV	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	6,248	6,602	6,689	<b>6,415</b>	<b>25,954</b>	<b>6,125</b>	<b>6,570</b>	<b>6,540</b>	<b>6,240</b>	<b>25,475</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	5,811	5,488	5,698	<b>6,005</b>	<b>23,002</b>	<b>5,705</b>	<b>5,440</b>	<b>5,500</b>	<b>5,990</b>	<b>22,635</b>
Lamb and mutton	195	187	49	47	42	47	185	49	44	42	48	183	46	43	42	43	174	42	42	42	<b>44</b>	<b>170</b>	<b>44</b>	<b>42</b>	<b>42</b>	<b>44</b>	<b>172</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	8,574	8,937	9,172	<b>8,850</b>	<b>35,533</b>	<b>8,600</b>	<b>8,975</b>	<b>9,250</b>	<b>9,075</b>	<b>35,900</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	1,385	1,420	1,430	<b>1,425</b>	<b>5,647</b>	<b>1,350</b>	<b>1,400</b>	<b>1,425</b>	<b>1,475</b>	<b>5,650</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	22,213	22,652	23,187	<b>22,891</b>	<b>90,943</b>	<b>21,979</b>	<b>22,591</b>	<b>22,922</b>	<b>22,985</b>	<b>90,477</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	1,594	1,600	1,612	<b>1,655</b>	<b>6,461</b>	<b>1,600</b>	<b>1,610</b>	<b>1,625</b>	<b>1,660</b>	<b>6,495</b>
<b>Per capita disappearance, retail lb 2/</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	15.3	15.7	15.6	<b>14.9</b>	<b>61.4</b>	<b>14.5</b>	<b>15.5</b>	<b>15.1</b>	<b>14.5</b>	<b>59.6</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	12.5	12.0	12.5	<b>12.8</b>	<b>49.9</b>	<b>12.0</b>	<b>11.7</b>	<b>11.5</b>	<b>12.4</b>	<b>47.7</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	0.3	0.2	0.2	<b>0.3</b>	<b>1.0</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>0.3</b>	<b>1.0</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	19.3	20.1	20.7	<b>19.7</b>	<b>79.7</b>	<b>19.5</b>	<b>20.5</b>	<b>21.2</b>	<b>20.4</b>	<b>81.6</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	3.7	3.9	4.0	<b>5.2</b>	<b>16.9</b>	<b>3.5</b>	<b>3.8</b>	<b>3.8</b>	<b>5.0</b>	<b>16.1</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	51.5	52.4	53.4	<b>53.3</b>	<b>210.6</b>	<b>50.2</b>	<b>52.3</b>	<b>52.2</b>	<b>52.9</b>	<b>207.6</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	62.0	61.4	61.4	<b>62.8</b>	<b>247.5</b>	<b>61.0</b>	<b>61.3</b>	<b>61.7</b>	<b>62.9</b>	<b>246.8</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	80.98	84.53	82.78	82.43	82.68	<b>83-87</b>	<b>86-92</b>	<b>87-95</b>	<b>89-97</b>	<b>86-93</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	92.83	98.63	99.40	93.67	96.14	<b>96-100</b>	<b>96-104</b>	<b>101-109</b>	<b>104-112</b>	<b>99-107</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	46.42	49.46	47.51	44.43	46.96	<b>46-50</b>	<b>47-51</b>	<b>49-53</b>	<b>51-57</b>	<b>48-52</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	90.14	91.44	88.35	90.47	90.10	<b>89-95</b>	<b>86-92</b>	<b>86-92</b>	<b>89-95</b>	<b>88-92</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	42.11	42.74	38.90	41.20	41.24	<b>43-45</b>	<b>44-48</b>	<b>48-52</b>	<b>42-46</b>	<b>44-48</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	79.70	81.90	76.80	72.10	77.60	<b>77-81</b>	<b>75-82</b>	<b>77-83</b>	<b>74-80</b>	<b>76-81</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	73.80	79.10	81.40	85.10	79.90	<b>74-78</b>	<b>79-85</b>	<b>81-87</b>	<b>84-90</b>	<b>79-85</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	109.70	89.70	94.80	117.50	102.90	<b>110-114</b>	<b>101-109</b>	<b>96-104</b>	<b>115-125</b>	<b>106-113</b>
1																											
<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	384	471	496	<b>510</b>	<b>1,861</b>	<b>470</b>	<b>530</b>	<b>530</b>	<b>510</b>	<b>2,040</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	704	751	623	<b>625</b>	<b>2,703</b>	<b>680</b>	<b>745</b>	<b>705</b>	<b>665</b>	<b>2,795</b>
Lamb and mutton imports	181	180	53	44	41	52	190	56	44	44	59	202	52	48	38	47	185	51	46	28	<b>45</b>	<b>170</b>	<b>52</b>	<b>44</b>	<b>39</b>	<b>49</b>	<b>184</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	1,033	952	1,016	<b>1,150</b>	<b>4,151</b>	<b>1,100</b>	<b>1,040</b>	<b>1,130</b>	<b>1,230</b>	<b>4,500</b>
Pork imports	1,099	1,024	259	237	239	254	989	239	256	240	232	968	217	205	191	218	831	205	196	210	<b>230</b>	<b>841</b>	<b>225</b>	<b>215</b>	<b>220</b>	<b>240</b>	<b>900</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	1,753	1,655	1,719	<b>1,675</b>	<b>6,802</b>	<b>1,450</b>	<b>1,475</b>	<b>1,500</b>	<b>1,600</b>	<b>6,025</b>
Turkey exports	442	570	119	125	152	150	547	124	135	148	146	553	148	160	186	182	676	117	122	152	<b>145</b>	<b>536</b>	<b>120</b>	<b>125</b>	<b>145</b>	<b>155</b>	<b>545</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	1,761	1,614	1,518	<b>1,500</b>	<b>6,393</b>	<b>1,425</b>	<b>1,425</b>	<b>1,425</b>	<b>1,425</b>	<b>5,700</b>

1/ Forecasts are in bold.

2/ 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.

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## Dairy Forecasts

	2008		2009					2010				
	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual
Milk cows (thous.)	9,330	9,315	9,295	9,260	9,158	9,090	9,201	9,040	9,010	8,975	8,955	8,995
Milk per cow (pounds)	5,008	20,396	5,096	5,278	5,107	5,085	20,566	5,200	5,385	5,195	5,170	20,950
<b>Milk production (bil. pounds)</b>	46.7	190.0	47.4	48.9	46.8	46.2	189.2	47.0	48.5	46.6	46.3	188.4
Farm use	0.3	1.1	0.3	0.3	0.3	0.3	1.1	0.3	0.3	0.3	0.3	1.1
Milk marketings	46.5	188.9	47.1	48.6	46.5	46.0	188.2	46.7	48.3	46.4	46.0	187.4
<b>Milkfat (bil. pounds milk equiv.)</b>												
Milk marketings	46.5	188.9	47.1	48.6	46.5	46.0	188.2	46.7	48.3	46.4	46.0	187.4
Beginning commercial stocks	11.5	10.4	10.0	12.6	14.4	13.6	10.0	11.1	12.3	13.3	11.5	11.1
Imports	1.5	3.9	0.9	1.0	1.0	1.1	4.1	1.0	1.0	1.0	1.3	4.2
Total supply	59.5	203.2	58.1	62.3	61.9	60.6	202.3	58.8	61.6	60.6	58.8	202.7
Commercial exports	1.5	8.7	1.0	1.1	0.8	1.1	4.0	1.3	1.3	1.2	1.2	4.8
Ending commercial stocks	10.0	10.0	12.6	14.4	13.6	11.1	11.1	12.3	13.3	11.5	8.9	8.9
Net removals	0.0	0.0	0.1	-0.1	0.1	0.5	0.6	0.3	0.1	0.0	0.0	0.4
Commercial use	47.9	184.4	44.3	46.9	47.4	47.9	186.4	44.9	47.0	48.0	48.8	188.6
<b>Skim solids (bil. pounds milk equiv.)</b>												
Milk marketings	46.5	188.9	47.1	48.6	46.5	46.0	188.2	46.7	48.3	46.4	46.0	187.4
Beginning commercial stocks	10.4	9.9	10.9	11.4	12.3	11.4	10.9	11.0	10.3	11.5	10.4	11.0
Imports	1.2	3.7	0.9	0.9	0.9	1.0	3.6	1.0	1.0	0.9	1.2	4.0
Total supply	58.0	202.6	58.9	60.9	59.7	58.4	202.7	58.7	59.5	58.8	57.6	202.4
Commercial exports	5.5	26.6	5.1	5.8	5.5	6.7	23.1	6.2	6.2	6.6	6.6	25.5
Ending commercial stocks	10.9	10.9	11.4	12.3	11.4	11.0	11.0	10.3	11.5	10.4	9.5	9.5
Net removals	1.3	1.3	1.1	0.7	0.6	0.4	2.9	0.0	-0.3	-0.3	0.0	-0.6
Commercial use	40.3	163.8	41.2	42.1	42.5	40.5	166.2	42.5	42.1	42.1	41.6	168.3
<b>Milk prices (dol./cwt) 1/</b>												
All milk	16.80	18.29	12.23	11.60	12.07	15.27	12.79	15.70	15.70	16.20	17.15	16.20
								-16.10	-16.40	-17.20	-18.15	-17.00
Class III	15.95	17.44	10.18	10.20	11.09	13.96	11.36	13.81	14.54	15.20	15.59	14.75
								-14.21	-15.24	-16.20	-16.59	-15.55
Class IV	12.07	14.65	9.56	10.06	10.56	13.37	10.89	14.44	14.47	14.91	14.99	14.70
								-14.94	-15.27	-16.01	-16.09	-15.60
<b>Product prices (dol./pound) 2/</b>												
Cheddar cheese	1.804	1.895	1.236	1.193	1.249	1.508	1.297	1.473	1.545	1.610	1.650	1.570
								-1.513	-1.615	-1.710	-1.750	-1.650
Dry whey	0.186	0.250	0.164	0.232	0.294	0.344	0.259	0.370	0.365	0.365	0.365	0.365
								-0.390	-0.395	-0.395	-0.395	-0.395
Butter	1.527	1.436	1.097	1.197	1.194	1.351	1.210	1.298	1.353	1.458	1.448	1.390
								-1.368	-1.453	-1.588	-1.578	-1.500
Nonfat dry milk	0.904	1.226	0.823	0.833	0.892	1.142	0.922	1.283	1.260	1.265	1.278	1.270
								-1.323	-1.320	-1.335	-1.348	1.330

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.

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