

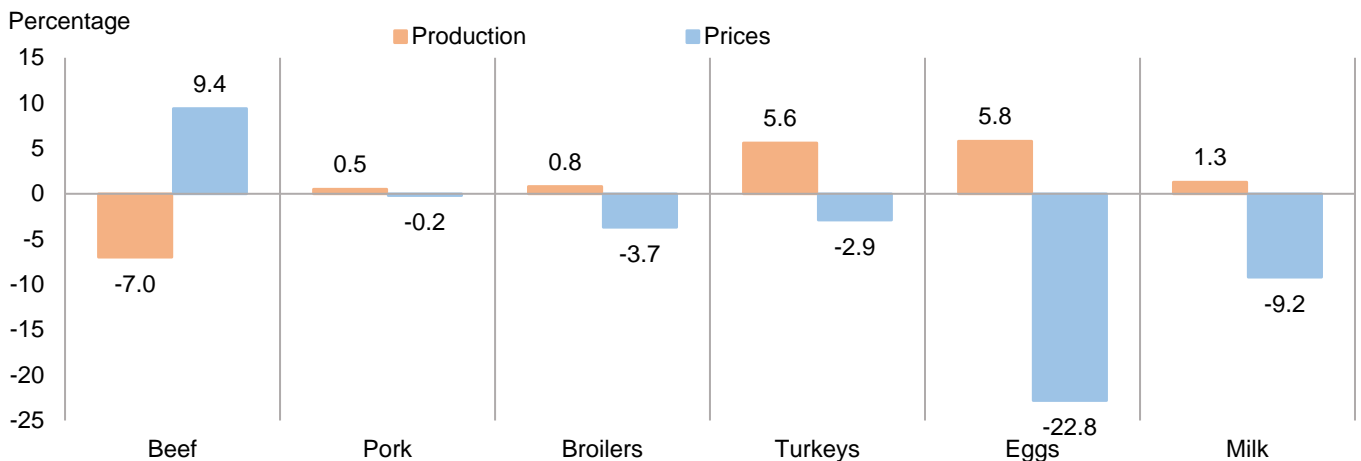


Livestock, Dairy, and Poultry Outlook: June 2022

Forecasts for 2023 Show Mostly Higher Year-Over-Year Production, Lower Prices

The figure below shows the percentage changes in USDA production and price forecasts for 2023, compared with 2022. Among the main red meat proteins, beef production is forecast to decrease (-7.0 percent), and cattle prices are expected to increase (+9.4 percent). These changes are driven by tighter cattle supplies as the cattle herd contracts in response to the drought that negatively impacted pasture and forage areas over the past several years. The production projections for the remainder of major animal proteins are expected to increase as follows: pork, +0.5 percent, broilers, +0.8 percent, turkeys, +5.6 percent, and table-eggs, +5.8 percent. The higher pork production forecast derives from a larger first-half 2023 pig crop and continued modest growth in sow productivity. The modest expected increase in broiler production adds to a decade-long steady growth trend of the industry. The larger changes in turkey and egg production forecasts reflect the expectation of continuing recovery from the 2022 Highly Pathogenic Avian Influenza (HPAI) outbreak. These production forecast increases are expected, in turn, to drive the forecast prices lower: hogs, -0.2 percent, broilers -3.7 percent, turkeys, -2.9 percent, and eggs, -22.8 percent. Milk production is forecast to increase (+1.3 percent), while the all-milk price is forecast to decrease (-9.2 percent).

Percent changes in 2023 production and price forecasts compared with 2022^{1,2}



Note: ¹The changes in following prices are shown as follows: cattle (5-area fed steer), hogs (national base live equivalent 51-52 percent lean), broilers (wholesale national composite weighted-average), turkeys (8-16 pounds turkey-hens, frozen), eggs (wholesale New York, Grade A, Large), and milk (farm-level price for all milk).

² Changes in egg production represent changes in table-egg production.

Source: USDA, World Agricultural Outlook Board.

Summary

Beef/Cattle: The forecast for beef production in 2023 is unchanged from last month. However, current poor forage conditions and high operating costs continue to push producers' beef cow culling rates up, and calves are being placed on feed at a faster-than-expected pace. Higher anticipated cow slaughter and higher expected second-half 2022 fed cattle marketings more than offset lower expected carcass weights, resulting in a marginal increase in 2022 production to 27.9 billion pounds. Fed cattle prices are unchanged, but 2022 feeder cattle prices are reduced slightly on price data. The 2022 import forecast is projected lower, but exports are raised. Despite elevated year-over-year trade in the first half of 2022, imports and exports are expected to decline 8 percent and 5 percent, respectively, in the second half of the year.

Dairy: The milk production forecasts for 2022 and 2023 have been adjusted lower based on lower anticipated milk yield per cow. Lactose exports reached a record high in April 2022 totaling 95.8 million pounds. Price forecasts have been raised for cheese, butter, and nonfat dry milk; the dry whey price forecast is unchanged. The all-milk price forecast for 2022 is \$26.20 per hundredweight (cwt), 45 cents above the May forecast and \$7.67 higher than the 2021 average price. The all-milk price forecast for 2023 is \$23.80 per cwt, an increase of 25 cents from last month's forecast but \$2.40 lower than the 2022 forecast.

Pork/Hogs: High retail pork prices may be contributing to lower wholesale pork demand, which in turn may be weakening processors' demand for hogs. The second-quarter commercial pork production forecast is increased from last month on anticipated higher numbers of available slaughter hogs in June. Pork production in the second quarter is expected to be about 6.7 billion pounds, about equivalent to production in the same period last year. Second-quarter live equivalent prices of 51-52 percent lean hogs are expected to average \$75 per cwt, 7.3 percent lower than a year earlier, reflecting expected-stronger production.

Poultry/Eggs: The broiler production forecast for 2022 is lowered on recent declines in average weights and broiler-type layer inventories. Broiler exports are adjusted up on recent data. Production, export, and import forecasts for 2023 are unchanged from last month. Broiler prices are adjusted down in the second quarter based on recent weakening in weekly prices. The table-egg production forecast for 2022 is revised up based on higher-than-expected table-egg layer inventory data on May 1st and reported Highly Pathogenic Avian Influenza (HPAI) discoveries in May. The forecast for USDA benchmark wholesale egg prices (New York, Grade A, Large) is adjusted down to an average of 192.7 cents per dozen. Egg and egg-product import forecasts for 2022 and 2023 are adjusted down to reflect weaker-than-expected March and April imports. Turkey production is decreased 10 million pounds for the second quarter of 2022 but remains unchanged for the rest of the year and 2023 as HPAI cases dwindle. Ending stocks for 2022 are raised, and ending stocks for 2023 are unchanged. The 2022 export forecast is raised on changes to Mexican import restrictions. The 2022 import and 2023 trade forecasts remain the same. Second-quarter prices for 2022 are raised to 142 cents per pound as weekly prices continue to rise into the summer. Prices for the rest of 2022 and 2023 are unchanged.

Beef/Cattle

Russell Knight and Hannah Taylor

Beef Cow Cull Rates Remain Elevated

Drought and pasture conditions have improved from last month, but the situation is still very poor compared to last year and previous years. On May 12, USDA, National Agricultural Statistics Service (NASS) reported that national hay stocks were down 18 percent on May 1 from the previous year. However, stock levels of hay by State were mixed across the country. States reporting less hay available were down significantly from a year ago, which has fueled higher hay prices in those States. Fuel and fertilizer prices are also at or approaching record levels. These factors imply that higher operating costs in addition to continued poor pasture conditions are likely weighing heavily on cow/calf producers and are likely causing them to cull deeper into their herds to offset or reduce costs.

This high culling rate is evident from the first 4 months of the year as the number of beef cows slaughtered is up 15 percent from the same period in 2021. Based on weekly actual slaughter data reported by the USDA, Agricultural Marketing Service (AMS) through May 28, the pace of beef cow slaughter is almost 10,000 head per week on average above last year for the first 4 weeks of May.

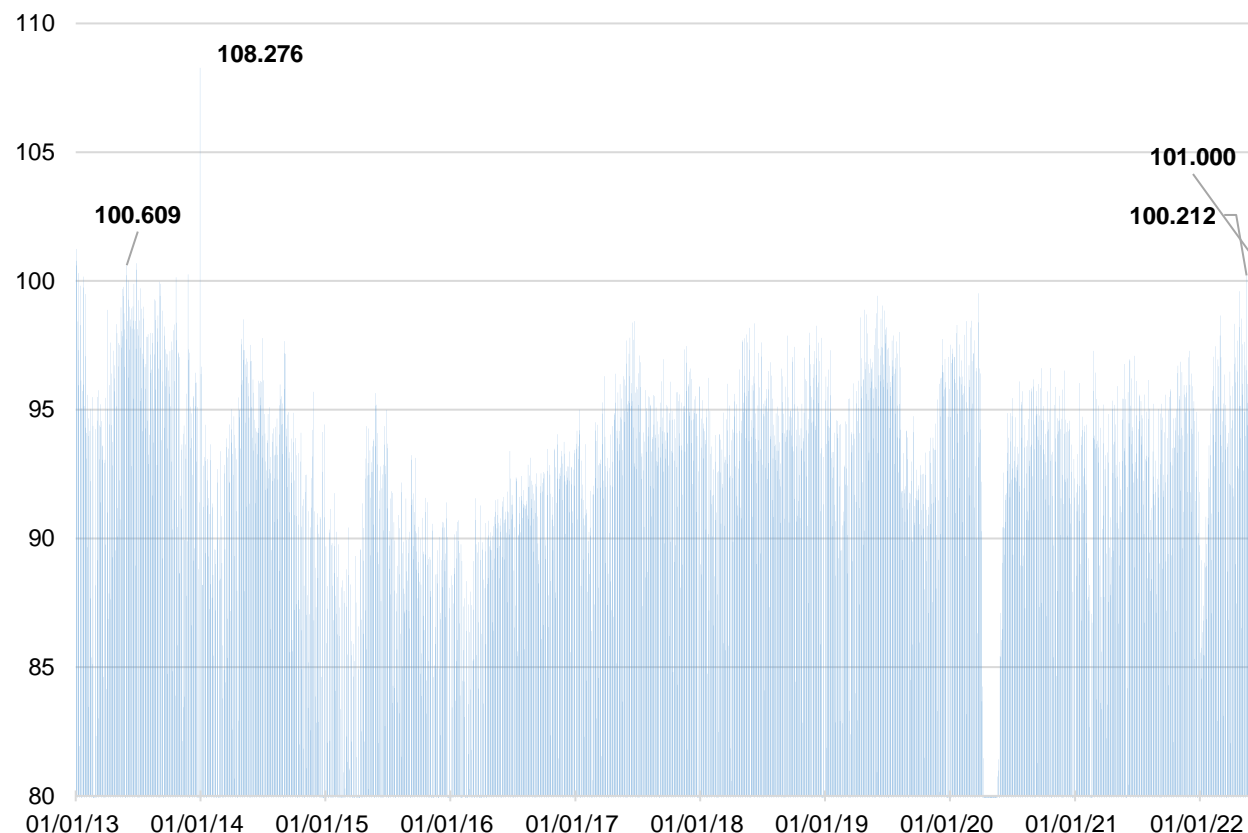
Based on the pace of beef cow slaughter to date, the anticipated slaughter of beef cows is raised in the second and third quarters of 2022. However, that should leave fewer beef cows available for slaughter in the fourth quarter.

Weekday Fed Cattle Slaughter Surpasses Pre-Covid Levels

Based on actual slaughter data through the week ending May 28 reported by USDA, AMS, processing capabilities of packers have improved to pre-Covid levels to the extent that average weekday slaughter has negated the need for large slaughter volumes on Saturdays in order to reach slaughter goals. Further, weekday highs have hit thresholds not seen since 2013 (see chart below). Subsequently, it appears that limits to packers' processing capacity is improving to a point where the fed cattle market is emerging from what may have restricted the market these past 2 years.

Daily federally inspected slaughter levels highest since 2013

Thousand head



Source: USDA, Economic Research Service calculations using data from USDA, Agricultural Marketing Service.

The latest NASS *Cattle on Feed* report showed a May 1 feedlot inventory of 11.973 million head, a series-record for the month and about 2 percent higher year over year from 11.731 million head in 2021. Despite another month of historically high feedlot inventories in 2022, the volume is declining seasonally month over month since the high that was set on February 1. Feedlot net placements in April were down almost 1 percent year over year at 1.755 million head, but well above industry analyst expectations. Marketings in April were 1.893 million head, down 2 percent year over year with 1 less weekday in the month. On a weekday basis, the pace of marketings in April was up over 2.4 percent. Further, over the previous 3 months, February through April, the pace of marketings per weekday has averaged almost 2 percent above the previous year for that period.

In second-quarter 2022, expected slaughter is raised based on cow slaughter data to date, but it is more than offset by lower expected average carcass weights based on the increase of cows in the slaughter mix and lighter-than-expected steer and heifer weights. Third-quarter 2022 production is unchanged as higher expected cow slaughter is counterbalanced by lower expected carcass weights. The projection for fourth-quarter production is raised 80 million pounds because of higher expected feedlot placements in the second quarter, leading to higher anticipated marketings in the fourth quarter, which more than offsets a decline in expected cow slaughter in the fourth quarter.

As a result, the 2022 production forecast is raised 65 million pounds to 27.9 billion pounds, with higher expected steer and heifer and cow slaughter more than offsetting lower expected carcass weights. The 2023 projection is unchanged from last month at over 25.9 billion pounds.

Cattle Prices Mostly Unchanged

In the first week of June, the price for feeder steers 750-800 pounds at the Oklahoma City National Stockyards was reported at \$158.08 per hundredweight (cwt). The second-quarter 2022 price forecast is lowered \$2 to \$157 per hundredweight (cwt) on recent data. However, second-half 2022 is unchanged, for an annual forecast of \$162.30 per cwt. Feeder steer prices in 2023 are unchanged at \$198.00 per cwt.

Weekly fed steer prices peaked this year during the week ending May 8 at \$143.42 per cwt and have since declined at a slower-than-typical seasonal pace. Fed steer prices for the 5-area marketing region for the week ending June 5 were more than \$18 above a year ago at \$138.07 per cwt. A generally faster pace of slaughter from packers may keep fed steer prices relatively stable for the remainder of the second quarter. Based on the May 2022 average monthly price of \$141.34 per cwt and current daily price data, the 2022 fed steer price is forecast unchanged at \$140.10 per cwt. The 2023 fed steer price is also unchanged from last month at \$153.00 per cwt.

Exports Expected To Remain Strong Despite Headwinds

Monthly beef exports remain strong despite obstacles such as inflation, logistical challenges, and lockdowns in some markets. Beef exports in April were a record for the month at 304 million pounds and the third-largest of any month overall. Exports to Taiwan were 23 million pounds in April, 40 percent higher year over year and a record monthly shipment to that country. Exports to China were a record for April at 54 million pounds. Shipments to smaller markets continue to make gains. Exports to the Philippines set a new high at nearly 7 million pounds, 86 percent higher year over year. Further, exports to member countries of the Central America Free Trade Agreement–Dominican Republic are setting a record pace in the first 4 months of the year, up 22 percent from same period last year.

As the table below shows, cumulative exports from January through April this year are 6 percent above last year. The largest increases were to Taiwan, China, South Korea, and other markets not in the top seven. Through April, exports Taiwan are up 44 percent, and exports to China are up nearly 43 percent and those to South Korea are up 5 percent. Exports to smaller markets combined, those not in the top seven, are up over 30 percent from 2021. These increases more than offset decreases to Mexico, Hong Kong, Japan, and Canada.

U.S. beef exports by volume, January–April 2021 and 2022

Country	Year-to-date exports				Export share	
	2021	2022	Year-over-year change		2021	2022
	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
Top 5 largest foreign markets						
South Korea	260.4	272.3	11.9	4.6	24.0	23.7
Japan	266.2	256.6	-9.6	-3.6	24.6	22.3
China	139.5	198.9	59.4	42.5	12.9	17.3
Canada	88.3	87.6	-0.7	-0.8	8.2	7.6
Mexico	112.9	86.4	-26.5	-23.5	10.4	7.5
World	1083.5	1149.8	66.2	6.1	100.0	100.0
Additional foreign markets of note						
Taiwan	55.5	80.0	24.4	44.0	5.1	7.0
Hong Kong	47.0	19.6	-27.4	-58.3	4.3	1.7
Other markets	113.6	148.4	34.8	30.6	10.5	12.9

Note: Largest markets are based on 2022 export volumes. Other markets collectively refer to countries other than Japan, South Korea, China, Mexico, Canada, Taiwan, and Hong Kong.

Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census.

Based on strong demand in Asia and the recovery of foodservice sectors in other key markets, the export forecast for second-quarter 2022 is increased 40 million pounds to 880 million. While exports started the year ahead of 2021, there may be major obstacles throughout the remainder of the year. The U.S. dollar is strengthening in relation to the currencies of certain export markets, making U.S. beef more expensive on top of already high prices. Based on trade data to date, the export forecasts for third and fourth quarters of 2022 are raised 15 and 10 million pounds, respectively. However, second-half 2022 is still expected to show a year-over-year decline of almost 5 percent.

Despite the overall increase to the 2022 annual forecast, it remains slightly below 2021 at 3.421 billion pounds. The increase in 2022 exports is carried over into the forecast for first-quarter 2023, which is raised 10 million pounds to 660 million, and the annual forecast for 2023 is 2.940 billion pounds, a year-over-year decrease of 14 percent.

Beef Imports Remain Strong, With Some Signs of Slowing

Beef imports in April were 294 million pounds, a year-over-year increase of 7 percent. Among the top five suppliers, the only year-over-year decreases in imports were from Australia and New Zealand, down 8 and 27 percent, respectively. Monthly imports from Brazil were up about 52 percent, and imports from Mexico were up nearly 19 percent. Other notable year-over-year increases in imports came from Argentina (131 percent), Nicaragua (16 percent), and Canada (4 percent).

The table below shows that year-to-date imports have increased nearly 32 percent. The largest increase has been from Brazil, which has sent nearly 200 million pounds so far this year, an increase of nearly 239 percent. Imports from Brazil in April were 48 million pounds, 52 percent higher than last year but 35 percent lower than in March. The quota under which the United States imports fresh beef from Brazil was filled as of April 4, 2022. Therefore, for the remainder of the year, Brazil will be subject to a 26.4-percent tariff on the value of these imports.

U.S. beef imports by volume, January–April 2021 and 2022

Country	Year-to-date imports				Import share	
	2021	2022	Year-over-year change		2021	2022
	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
Top 5 largest suppliers						
Canada	277.0	307.5	30.5	11.0	28.5	24.1
Brazil	82.3	278.4	196.2	238.5	8.5	21.8
Mexico	197.1	263.3	66.2	33.6	20.3	20.6
New Zealand	173.2	159.9	-13.3	-7.7	17.8	12.5
Australia	116.4	125.4	8.9	7.7	12.0	9.8
World	970.9	1278.4	307.5	31.7	100.0	100.0
Additional suppliers of note						
Nicaragua	55.7	63.7	8.0	14.3	5.7	5.0
Uruguay	40.6	39.7	-0.9	-2.2	4.2	3.1
Argentina	12.2	22.1	9.9	80.7	1.3	1.7

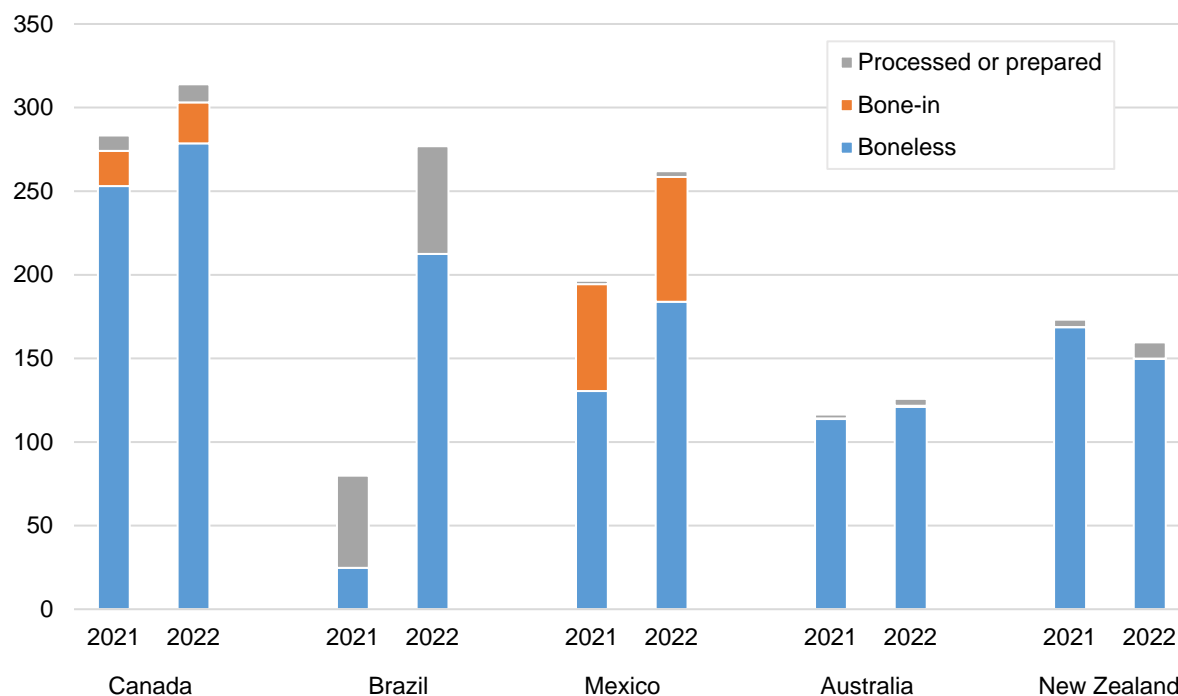
Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census.

Most of the increase in 2022 year-to-date imports is boneless beef from Brazil. As shown in the chart below, these imports are more than 8 times higher so far in 2022 than the same period last year. Historically, Brazil has been a major supplier of heat-treated or prepared beef products, but imports of fresh beef from Brazil have rapidly increased since the U.S. ban on fresh beef from the country was lifted in February 2020.

Imports of boneless beef from Mexico and Canada have increased as well. Mexico and Canada are also the major suppliers of imported bone-in beef products, but boneless beef remains the vast majority of what the U.S. imports. This beef is often destined to be blended with higher fat content trimmings to produce ground beef with the desired lean-to-fat ratios.

Year-to-date beef imports by type from top 5 suppliers, 2021 and 2022

Million pounds



Note: Bone-in includes frozen and fresh/chilled bone-in products. Boneless includes frozen and fresh/chilled boneless products.

Source: USDA, Economic Research Service calculations using data from Trade Data Monitor.

Year-to-date imports from Australia are higher than a year ago but still below the 5-year average. Imports from New Zealand are down 8 percent year over year. Labor challenges, logistical issues, and the low underlying cattle supply are hindering processing capacity and limiting exportable supplies.

The second-quarter import forecast remains unchanged from last month, at 890 million pounds. Based on fewer expected exportable supplies from Oceania, the third- and fourth-quarter import forecasts are lowered 20 and 10 million pounds, respectively. The annual 2022 forecast is 3.515 billion pounds, a year-over-year increase of 5 percent. The annual forecast for 2023 remains unchanged from last month at 3.200 billion pounds.

Dairy

Angel Terán

Recent Wholesale Dairy Product Prices

From the week ending May 7 to the week ending June 4, the directions of price changes reported in the USDA *National Dairy Products Sales Report* (NDPSR) were mixed, as the chart below shows. The price for butter increased by 13.2 cents to \$2.8447 per pound. The price for 500-pound barrels (adjusted to 38-percent moisture) increased slightly to \$2.4134. For the week ending June 4, the price in dollar per pound for 40-pound blocks of Cheddar cheese was \$2.3655, down 1.6 cents from the week ending May 7, while for nonfat dry milk (NDM) it was \$1.7904, down 4.3 cents, and for dry whey, \$0.6297, down 5.8 cents.

Dairy wholesale product prices, May 7 and June 4, 2022

Dollars per pound

	For the week ending		Change
	May 7	Jun 4	
Butter	2.7129	2.8447	0.1318
Cheddar cheese			
40-pound blocks	2.3812	2.3655	-0.0157
500-pound barrels *	2.4126	2.4134	0.0008
Nonfat dry milk	1.8335	1.7904	-0.0431
Dry whey	0.6874	0.6297	-0.0577

* Adjusted to 38-percent moisture.

Source: USDA, Agricultural Marketing Service, *National Dairy Products Sales Report*, June 8, 2022.

Except for the dry whey price, Chicago Mercantile Exchange (CME) spot prices for the trading week ending June 10¹ averaged higher than NDPSR prices for the week ending June 4. Prices for Cheddar cheese blocks and barrels averaged \$2.2730 and \$2.2585 per pound, respectively. CME spot prices for butter and NDM averaged \$2.9790 and \$1.8720 per pound, respectively. The CME average spot price for dry whey traded lower than the NDPSR price, averaging \$0.5370 per pound.

Oceania and Western Europe export prices reported by USDA *Dairy Market News* for butter, skim milk powder, and whole milk powder declined from April to May. The Oceania price for cheese and the Western Europe price for dry whey also declined. Most U.S. wholesale prices of major dairy products have continued to be very competitive compared to these international export prices in recent weeks.

¹ While the end of each week for NDPSR average prices falls on a Saturday, the trading week for CME usually ends on a Friday.

Dairy product export prices for Oceania, and Europe, April-May, 2022

Dollars per pound

Product	Region	April 2022	May 2022	Change
Butter	Oceania	3.107	2.801	-0.306
	Western Europe	3.520	3.460	-0.060
Cheddar cheese	Oceania	2.847	2.685	-0.162
Skim milk powder	Oceania	2.057	1.891	-0.166
	Western Europe	2.080	1.974	-0.106
Dry whey	Western Europe	0.759	0.699	-0.060
Whole milk powder	Oceania	1.955	1.750	-0.205
	Western Europe	2.622	2.556	-0.066

Source: USDA, Agricultural Marketing Service, *Dairy Market News*.

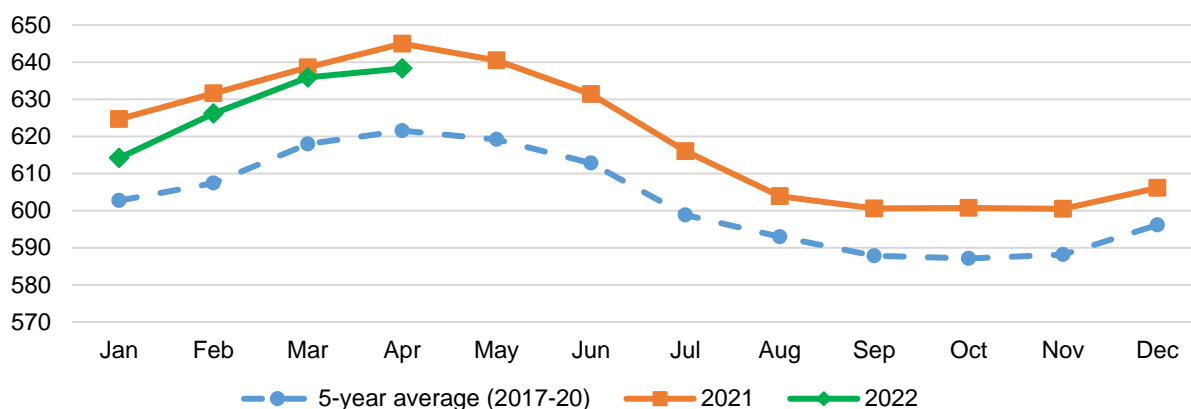
Recent Dairy Supply and Use Data

According to USDA, National Agricultural Statistics Service (NASS), in April 2022, milk production in the United States totaled 19.2 billion pounds, down 1.0 percent from April 2021. In April, the number of milk cows on farms totaled 9.402 million head, unchanged from the previous month but 98,000 head below April 2021. Milk production per cow averaged 2,037 pounds, unchanged from April 2021. Yield per cow typically increases during the spring flush from March to April. However, this year was the exception as U.S. milk yield per cow averaged 60 pounds per head lower than March and was unchanged from April 2021.

As the chart below shows, U.S. milk production continues performing below 2021 levels. Fewer milking cows, higher operating farm costs, higher concentrate prices, and fair-to-poor pasture quality due to dry conditions are the main factors taking a toll on milk production so far in 2022 when compared to 2021 levels. The all-milk price in April was \$27.10 per hundredweight (cwt), \$1.20 higher than March and \$8.80 higher than April 2021.

Daily U.S. milk production

Pounds per day



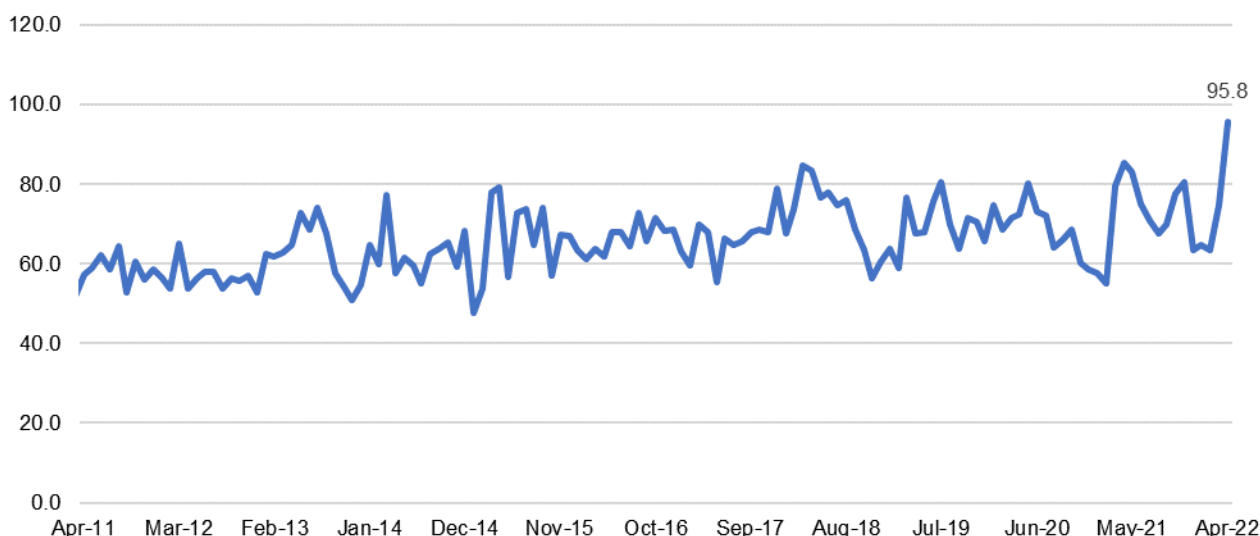
Sources: USDA, Economic Research Service calculations; USDA, National Agricultural Statistics Service.

April dairy exports on a milk-fat milk-equivalent basis totaled 1.210 billion pounds, 10 million pounds above March and 79 million pounds higher than April 2021. On a skim-solids milk-equivalent basis, April dairy exports totaled 4.644 billion pounds, 9 million above the previous

month but 60 million pounds lower than April 2021. April exports of butter totaled 9.8 million pounds, 3.6 million below March and 1.1 million below April 2021. Exports of dry skim milk products² totaled 162.1 million pounds in April, 14.6 million lower than March and 10.9 million lower than April 2021. April exports of whey products³ totaled 116.8 million pounds, 3.1 million less than April 2021. Lactose exports climbed in April, reaching a record high of 95.8 million pounds, with increased demand from China, Japan, and New Zealand.

United States exports of lactose from January 2011 to April 2022

Million pounds



Sources: USDA, Economic Research Service calculations; USDA, Foreign Agricultural Service; and U.S. Department of Commerce, Bureau of the Census.

In April, imports on a milk-fat basis were 643 million pounds, 108 million higher than March and 100 million higher than April 2021. On a skim-solids basis, April imports totaled 524 million pounds, 14 million below March but 62 million above April 2021. Notably, imports of anhydrous milkfat and butteroil totaled 7.3 million pounds in April, 5.5 million above March and 6.1 million pounds higher than April 2021. Year to date, ice cream imports are above levels from 2019, 2020, and 2021. In April, ice cream imports totaled 2.5 million pounds, 0.1 million higher than March and 1.0 million above April 2021.

So far this year, domestic milk use across all products marginally declined compared to 2021 as dairy products prices continue moving up along with inflation. Nevertheless, the considerable demand is strong enough to sustain these higher prices. On a year-to-date basis, from January to April, domestic disappearance on a milk-fat basis totaled 70.2 billion pounds, 549 million, or 0.8 percent, below the same period in 2021. Year to date, domestic use on a skim-solids basis totaled 59.7 billion pounds, 580 million or 1.0 percent below the same 4-month-period of 2021.

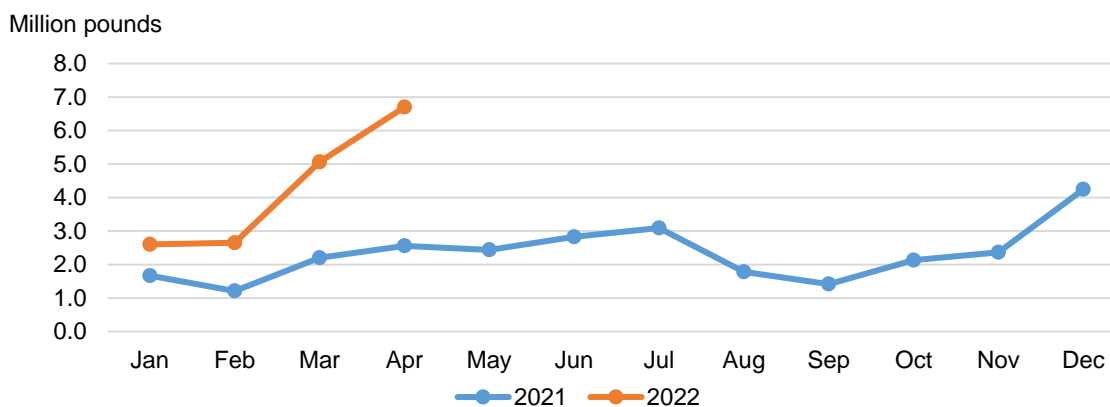
² Dry skim milk products include nonfat dry milk, skim-milk powder, and dry skim milk for animal use.

³ Whey products include dry whey, whey protein concentrate, modified whey, and milk albumin.

Imports of Infant Formula Increasing

The infant formula shortage continues spurring imports. These imports fall under a broader category of “preparations suitable for infant and young children, put up for retail sale.” Excluding certain non-dairy products, imports of these products totaled 6.7 million pounds in April 2022. This marked a 1.6-million-pound increase from March and 4.1-million-pound year-over-year increase from April 2021.

United States imports of preparations suitable for infants and young children, put up for retail sale*



*Includes most products imported under Harmonized Tariff Schedule number 1901.10. Does not include products that are specifically designated as non-dairy products.

Sources: USDA, Economic Research Service calculations; USDA, Foreign Agricultural Service; and U.S. Department of Commerce, Bureau of the Census.

USDA is offering nationwide waivers to increase access to infant formula for families in need as States receive and distribute imported infant formula made available by the Operation Fly Formula. The action builds on existing flexibilities to provide widest access to available infant formula for families under the Special Supplemental Nutrition Program for Woman, Infants, and Children (WIC). Within days of the recall, USDA offered WIC State agencies waivers to maximize formula options for WIC participants and ensure they could exchange or return any recalled formula. To date, USDA has approved well over 250 State waiver requests. For more information, see USDA press release No. 0123.22.

Dairy Forecasts for 2022

Based on recent information, the milk cow number forecast for the second quarter of the year (2022-Q2) was adjusted to 9.405 million head, up by 5,000 but unchanged for the rest of the year. The average number of milk cows projected for 2022 rounds to 9.400 million head, unchanged from last month's forecast. Due to expected higher temperatures and dry conditions negatively affecting cow comfort, grain crops, and forage supplies and quality, projected yield per cow is lowered for the 2022-Q2 and Q3, but unchanged for Q4. Hence, the annual milk per cow projection for 2022 is 24,090 pounds per cow, 30 pounds less than last month's forecast. The milk production forecast for 2022 is 226.4 billion pounds, a decrease of 0.3 billion pounds from the previous month's forecast.

The forecast for 2022 exports on a milk-fat basis is 12.0 billion pounds, unchanged from last month's projection. On a skim-solids basis, exports are projected at 50.1 billion pounds, 0.2

billion higher than the forecast from last month due to stronger expected exports of whey products and lactose.

Import projections for 2022 are raised from the previous month due to stronger expected demand for cheese, butterfat products, and other dairy products. The 2022 import forecast is adjusted to 7.0 billion pounds (+0.4 billion) on a milk-fat basis and 6.1 billion pounds (+0.2 billion) on a skim-solids basis.

With firm demand for fat-basis products supporting stronger imports and drawing from stocks, the 2022 domestic use forecast is adjusted higher. On a milk-fat basis, it is 221.8 billion pounds, 0.2 billion higher than last month's forecast. However, on a skim-solids basis, the forecast for domestic use is 181.4 billion pounds, 0.3 billion lower than last month's forecast.

Based on expectations of relatively strong demand for dairy products, weak milk-supply growth, and the recent upward price trend, the 2022 cheese price forecast has been raised to \$2.195 per pound, 2.0 cents higher than last month's forecast. Based on relatively stronger expected domestic and international demand, price forecasts for butter and NDM have been raised to \$2.765 (+11.5 cents), \$1.755 (+4.0 cents), respectively. Due to a recent softening in domestic and international prices, the 2022 price for dry whey is forecast at \$0.640 (-1.5 cents) per pound.

With higher expected cheese prices more than offsetting weaker dry whey prices, the Class III price forecast for 2022 has been adjusted to \$22.90 per cwt, 15 cents higher than last month's forecast. Higher anticipated butter and NDM prices translate to a Class IV projected price of \$24.65 per cwt, 85 cents higher than last month's projection. The all-milk price forecast for 2022 is \$26.20 per cwt, 45 cents above the May forecast and \$7.67 higher than the 2021 price.

Dairy Forecasts for 2023

The number of cows is projected to average 9.400 million head in 2023, even with 2022 and unchanged from last month's projection. With slower growth in milk per cow than previously expected, the 2023 milk per cow projection is 24,400 pounds, 20 pounds below last month's projection but 310 pounds higher than the 2022 forecast. Consequently, milk production in 2023 is projected at 229.3 billion pounds, 0.2 billion pounds below last month's forecast.

On a milk-fat basis, the export forecast for 2023 is 11.6 billion pounds, 0.1 billion higher than last month's forecast. On a skim-solids basis, the export forecast for 2023 is 50.9 billion pounds, 0.1 billion lower than the forecast of the previous month. Expectations are higher for cheese exports but lower for exports of dry skim-milk products.

For 2023, dairy imports remain unchanged on a skim-solids basis at 6.0 billion pounds. On a milk-fat basis, strong demand for butterfat products is carried forward from 2022 forecasts, and fat-basis imports are forecast at 6.9 billion pounds, 0.3 above the last projection.

The domestic use for 2023 is forecast at 222.7 billion pounds on a milk-fat basis, a decrease of 0.1 billion from the previous forecast. On a skim-solids basis, the projection is 182.5 billion pounds, 0.2 billion lower than last month.

Demand for dairy products is expected to remain strong in 2023, supporting higher prices. Price forecasts for 2023 for Cheddar cheese, butter, and NDM, are raised from last month to \$2.050 (+1.0 cent), \$2.385 (+3.5 cents) and \$1.620 (+4.0 cents) per pound, respectively. The 2023

price forecast for dry whey remains unchanged from the previous month's projection of \$0.520 per pound.

The Class III milk price forecast for 2023 is \$20.65 per cwt, 15 cents higher than the previous month's forecast due to higher expected cheese prices and steady dry whey prices. With higher butter and NDM prices, the Class IV milk price projection for 2023 is \$21.90 per cwt, 50 cents higher than last month's forecast. The all-milk price forecast for 2023 is \$23.80 per cwt, an increase of 25 cents from last month's forecast, but \$2.40 lower than the 2022 forecast.

Pork/Hogs

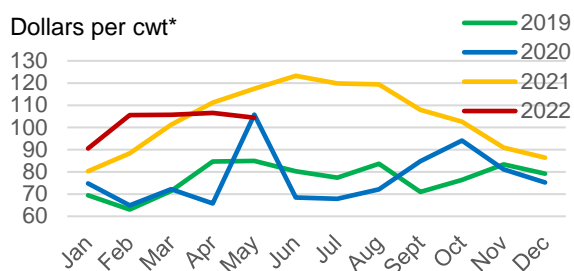
Mildred Haley

High Retail Pork Prices May Be Reducing Wholesale Pork Demand and Processor Demand for Hogs

Processors' demand for hogs and demand for pork at the wholesale level were both lower in May, following a year-over-year decline in April at each of these levels of the marketing chain. This continuing dynamic suggests that consumers are likely responding to the present inflationary environment—which includes higher retail pork prices—by purchasing less pork. Estimated federally inspected (FI) May hog slaughter, at just below 10 million head, was about 1 percent below a year earlier after accounting for the extra slaughter day this year. The live equivalent May price of 51-52 percent lean hogs averaged \$74.08 per cwt, 8.5 percent below May 2021. So processors purchased a smaller number of hogs in May—as in April—paying on average, year-over-year lower prices, implying lower processor demand for hogs. Processor demand for hogs typically shifts downward when the demand for what they sell—pork products—declines as well.

Average wholesale carcass prices for both April and May were year-over-year lower, signaling a down-shift in wholesale pork demand. In April 2022, the average wholesale value of the pork carcass fell below its year-earlier value for the first time since December 2020. The April cutout averaged \$106.56 per cwt, 4.1 percent below a year earlier. Also in April 2022, the number of negotiated sales loads of pork cuts and trim—5,764—was almost 17 percent below a year earlier.⁴ In May, it was largely the same demand story: while the number of negotiated sales loads sold was fractionally higher than a year ago—6,044 this year versus 6,019 loads in May 2021—the wholesale value of the pork carcass averaged \$104.43 per cwt, more than 11 percent below a year ago.

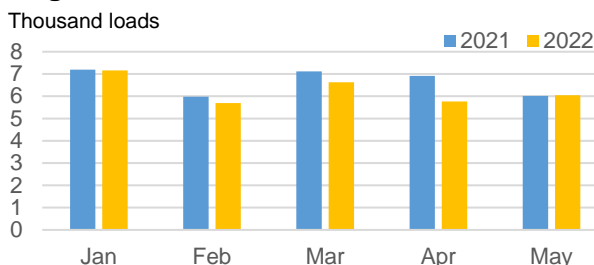
Wholesale carcass cutout



*cwt = hundredweight.

Source: USDA, Agricultural Marketing Service.

National daily pork report plant, negotiated sales, loads



Source: USDA, Agricultural Marketing Service.

⁴ USDA, Agricultural Marketing Service, Livestock, Poultry, and Grain Market News. *National Daily Pork Report FOB Plant-Negotiated Sales-Afternoon*.

Lower wholesale demand in April and May likely derives from higher retail pork prices in 2022. The ERS retail pork composite value in the first quarter of 2022 averaged \$4.78 per pound, more than 15 percent higher than a year earlier. The retail pork composite price for both April and May was \$4.89 per pound, 13 and 11 percent higher than the year-ago pork retail composite prices, respectively. The second-quarter 2022 pork retail composite is expected to average in the mid-\$4.80's per pound. While significantly higher retail pork values probably cause some consumers to reduce quantities of pork purchased, at the same time high-priced substitute proteins—beef and poultry in particular—may soften the negative demand effects of higher pork retail prices.

Second-quarter commercial pork production is expected to be about 6.7 billion pounds, about the same as in the second quarter of 2021. This forecast is about 180 million pounds higher than last month's forecast due to anticipated-higher June slaughter hog numbers. Second-quarter prices of live equivalent 51-52 percent lean hogs are reduced \$2 per cwt from last month's forecast to \$75 per cwt, reflecting expected increases in June pork production. Quarterly 2022 hog price forecasts average to \$70.64 for the year, 5 percent above the average of quarterly prices in 2021.

On June 29, 2022, USDA will release the *Quarterly Hogs and Pigs* report, which will detail June 1 inventories as well as a breakdown of the spring (March-May) pig crop: farrowing numbers, pig crop numbers and the litter rate. The report will also contain producers' (second) farrowing intentions for the summer June-August quarter, as well as producers' (first) intentions for the fall (September-November) pig crop.

United States Export Volumes in April Continue Strong 2022 Reliance on Mexico

U.S. pork exports in April were 529 million pounds, 19 percent lower than shipments in April 2021. The sharp year-over-year reduction is largely attributable to lower exports to China\Hong Kong, whose purchases of U.S. pork have been year-over-year lower since December 2020, with the acceleration of the Chinese pork sector's rebound from African Swine Fever. U.S. exports in April were again heavily reliant on shipments to Mexico, which, at 184 million pounds were 20 percent higher than those of April 2021. Exports to Mexico in April accounted for 35 percent of total U.S. exports for the month. Mexican demand for U.S. pork was likely supported by reduced Mexican imports of U.S. poultry due to relatively elevated prices and HPAI-related trade restrictions, particularly for turkey meat. Major foreign destinations of U.S. pork exports in April are summarized below.

U.S. pork exports: Volumes and export shares of the 10 largest foreign destinations in April 2021 and 2022					
Country	Exports	Exports	Percent change	Export share	Export share
	April 2021	April 2022	(2022/2021)	April 2021	April 2022
	(Million pounds)	(Million pounds)		Percent	Percent
World	655	529	-19		
Mexico	154	184	20	23	35
Japan	105	105	1	16	20
South Korea	51	47	-9	8	9
China\Hong Kong	153	46	-70	23	9
Canada	46	39	-16	7	7
Colombia	20	28	41	3	5
Dominican Republic	13	26	98	2	5
Honduras	10	12	13	2	2
Australia	18	8	-57	3	1
Guatemala	6	5	-13	1	1

Source: USDA, Economic Research Service.

Second-quarter exports are revised upward by 40 million pounds on recent trade data. Total shipments for the quarter are expected to be 1.62 billion pounds, 15 percent below the same period in 2021. For 2022, exports are expected to total 6.6 billion pounds, about 6 percent below the total in 2021.

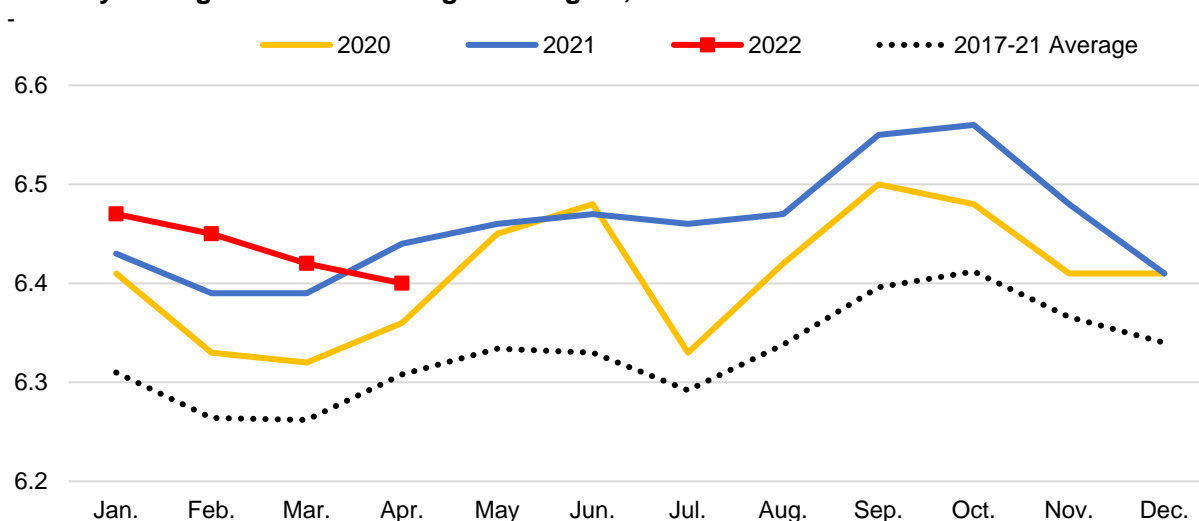
Poultry

Grace Grossen, Adriana Valcu-Lisman, and Margaret Cornelius

Broiler Production Expectations Lowered in Second and Third Quarters

Broiler meat production in April was estimated at 3.562 billion pounds, 3.6 percent below April of last year. On a per day basis, slaughter was about 1.4 percent above last year, with April 2022 having 1 less slaughter day. Declining bird weights also contributed to the decrease. Average weights have been declining since the start of the year, and while this is not seasonally atypical in the first quarter, April weights, which normally increase from March, were lower month-to-month. In April they averaged 6.4 pounds, 0.3 percent lower than March and 0.6 percent lower than 2021. The second-quarter production forecast was adjusted down by 50 million pounds to 11.3 billion pounds based on April slaughter data.

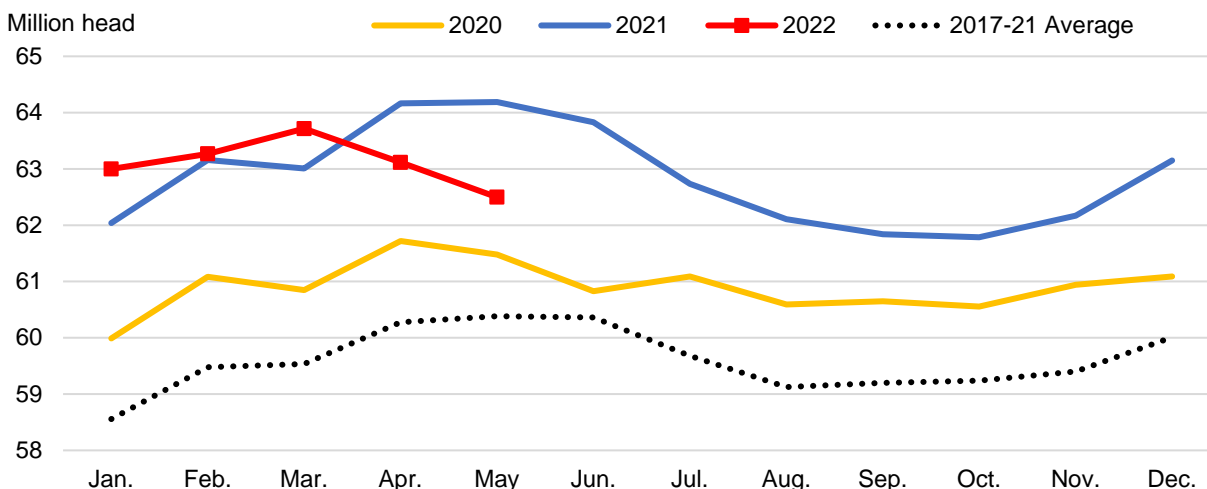
Monthly average live broiler slaughter weights, 2017–2022



Source: USDA, National Agricultural Statistics Service.

The inventory of broiler-type laying chickens has also been declining in recent months, with the inventory on the first of May falling 2.6 percent below the same time last year and 1.218 million head below this year's peak on the first of March. Highly pathogenic avian influenza (HPAI) has had minimal impact on the broiler layer flock and cannot explain all of this decrease. Since the start of the 2022 outbreak, USDA Animal and Plant Health Inspection Service has reported only 89,900 commercial broiler breeders lost to HPAI. Recent hatchery data and the lower layer flock are expected to decrease production later in the year. Forecast third-quarter production was adjusted down by 50 million pounds to 11.6 billion pounds.

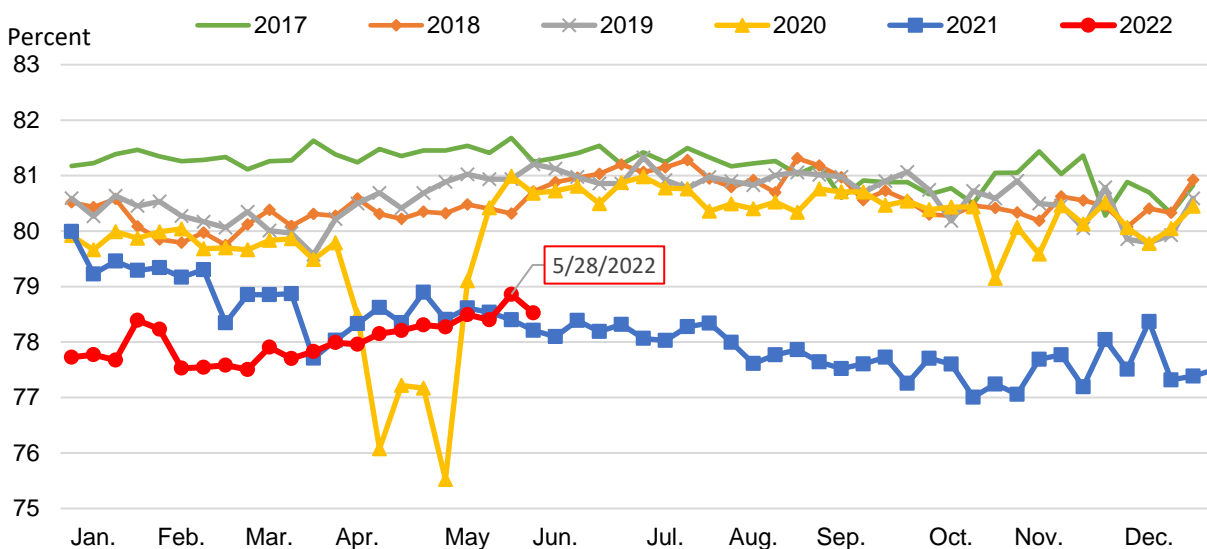
Inventory of broiler-type layers on the first of the month, 2017–2022



Source: USDA, National Agricultural Statistics Service.

The numbers of broiler-type eggs set and broiler chicks placed are reported weekly in the USDA National Agricultural Statistics Service's *Broiler Hatchery* report. The share of chicken eggs in incubators that are successfully hatched and placed in houses at the end of a 3-week incubation period was typically between 79.5 and 81.5 percent between 2017 and 2020, with the exception of the initial pandemic shock in the spring of 2020. In late 2020 and throughout 2021, this share of hatched eggs began to decline, at least in part due to issues with poultry genetics. To compensate, weekly egg sets averaged about 3 percent above the previous 3-year average in 2021, resulting in birds placed being closer to average levels. In late 2021 and early 2022, the share of eggs set that were placed 3 weeks later stopped falling and began to level off. Since mid-March 2022, this share has begun to climb; in the week ending May 28th, it reached 78.9 percent, the highest this year.

Weekly placements as a share of eggs set 3 weeks earlier, 2017–2022



Source: USDA, National Agricultural Statistics Service.

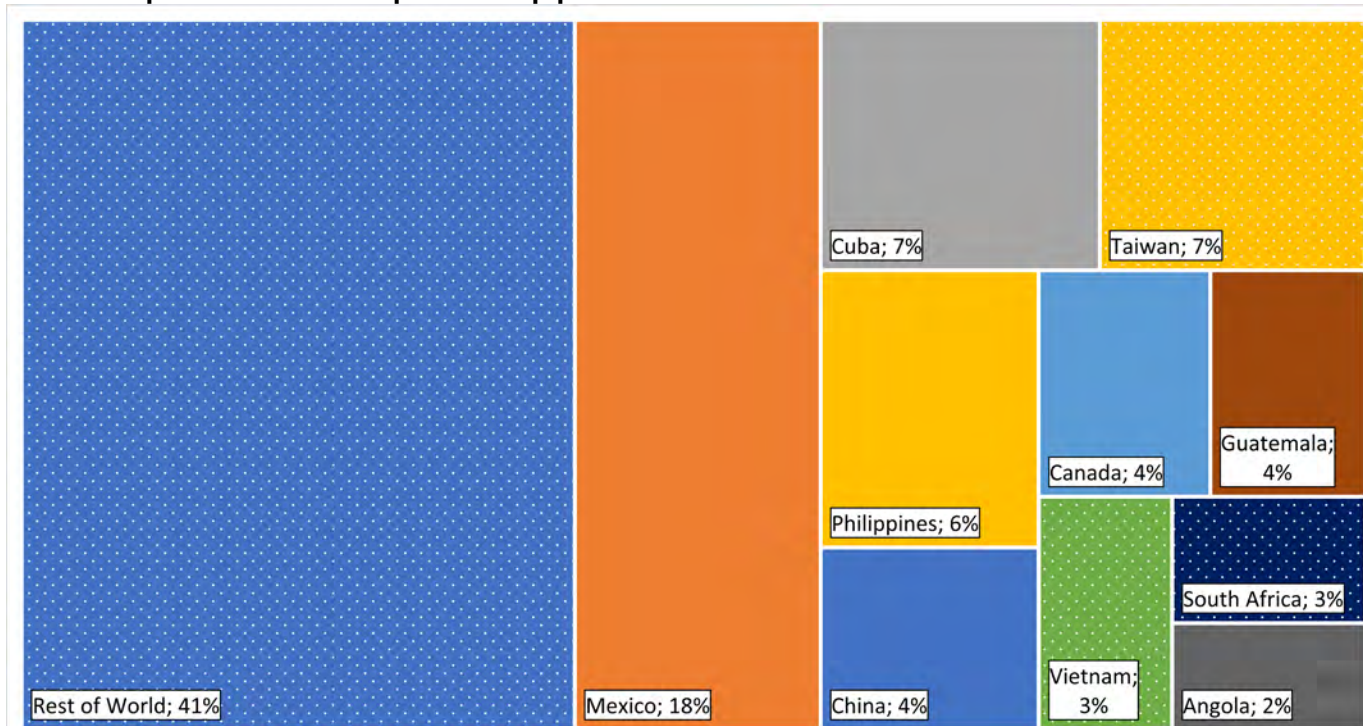
The fourth-quarter broiler production forecast is unchanged from last month. In total, the 2022 broiler production forecast is adjusted down to 45.320 billion pounds. This is still about 1 percent

above 2021 production. Forecast 2023 production is unchanged at 45.675 billion pounds, about 1 percent above the 2022 forecast.

Broiler Export Forecast Increased

Broiler exports totaled 594 million pounds in April, higher than last April by only about 2 million pounds. In April 2021, U.S. broiler meat was shipped to 103 different partners. In April 2022, that figure increased to 109. Mexico still accounts for the largest individual share, but that share was 18.3 percent in April, down from 21.6 percent in April 2021. The share of April shipments to Cuba also declined, from 11.2 percent in 2021 to 7.3 percent in 2022. April shipments to Taiwan, South Africa, and Vietnam all increased year over year. In late April, Taiwan's Government temporarily lessened its HPAI-related restrictions on poultry imports from the United States. For this reason, the 2022 broiler export forecast is adjusted up by 20 million pounds to 7.396 billion pounds. The 2023 export forecast is unchanged at 7.465 billion pounds.

Share of April 2022 broiler exports to top partners



Notes: Largest markets are based on year-to-date 2022 export volumes. Dotted spaces indicate partners with increasing shares year over year.

Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census.

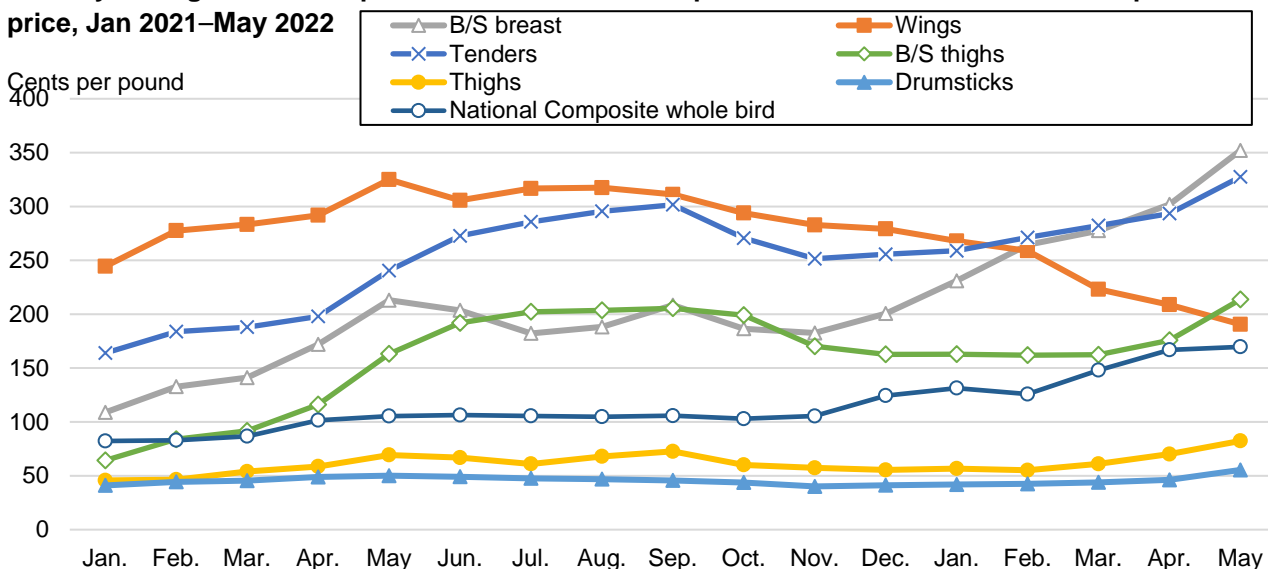
Broiler imports continue higher than last year. April totaled 14.7 million pounds, a year-over-year increase of 17 percent. In the first 4 months of 2022, the United States has imported 27 percent more broiler meat than in the same period last year. The largest increase in shipments came from Chile, which shipped 11.8 million pounds of broiler meat to the United States in April, making up 80 percent of broiler imports. The broiler import forecasts for 2022 and 2023 are unchanged at 178 and 152 million pounds respectively.

Broiler Prices Adjusted Down; Prices for Parts Climb

National composite broiler prices averaged 169.67 cents per pound in May. This is 64 cents higher than last May, but only 3 cents above April's average price. Weekly prices began to weaken, averaging 168.20 cents per pound in the week ending June 3rd. This is down from a high of 170.24 cents in the week ending May 13th. Based on this downward movement, the second-quarter average price forecast was decreased by 2 cents to 168 cents per pound. The outlying quarterly price forecasts are unchanged. This makes the 2022 average price forecast 154.5 cents per pound. The 2023 average forecast is unchanged at 149 cents per pound.

Wholesale prices for various parts, including wings, tenders, breasts, and boneless/skinless thighs, climbed in the first half of last year. Wing prices have steadily declined since last summer and are closer to typical levels, averaging 190.6 cents per pound in May. Prices for parts that require extra labor, such as boneless and skinless breasts and thighs, remained elevated for much of last year. After remaining fairly steady from May through December of 2021, boneless skinless breasts began climbing in 2022, reaching 352.06 cents per pound in May.

Monthly average wholesale prices for selected broiler parts and whole-bird national composite price, Jan 2021–May 2022

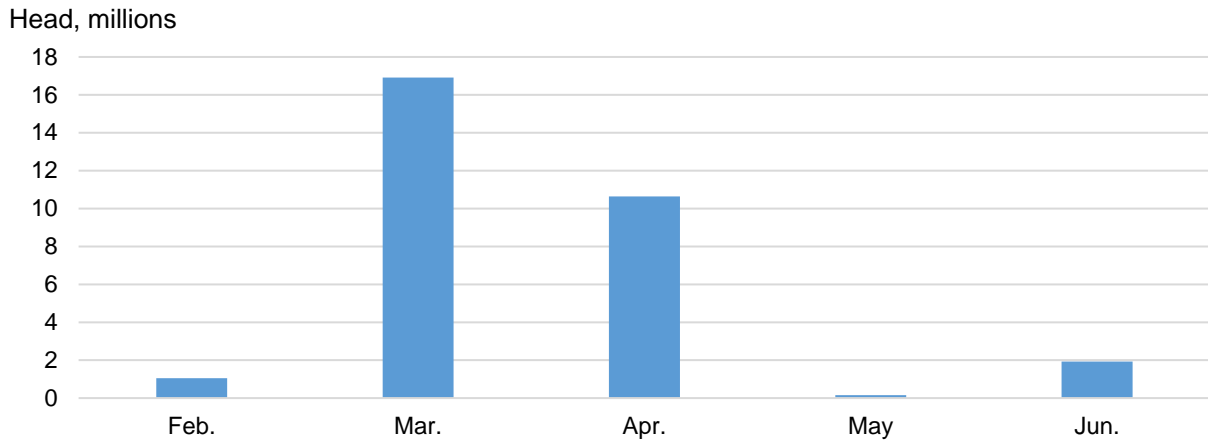


Note: B/S = boneless/skinless.
Source: USDA, Agricultural Marketing Service.

Table-Egg Layer Flocks' HPAI Discoveries Slowed Down in May

Only two new HPAI discoveries in commercial table-egg layer flocks were reported in May. The May discoveries resulted in the loss of 0.15 million egg layers. Additionally, another discovery impacting 1.9 million layers was reported at the beginning of June. As of June 9th, the HPAI outbreaks had resulted in total losses of 30.7 million table-egg layers since the beginning of the year.

HPAI 2022 confirmed detections: Commercial table-egg layers

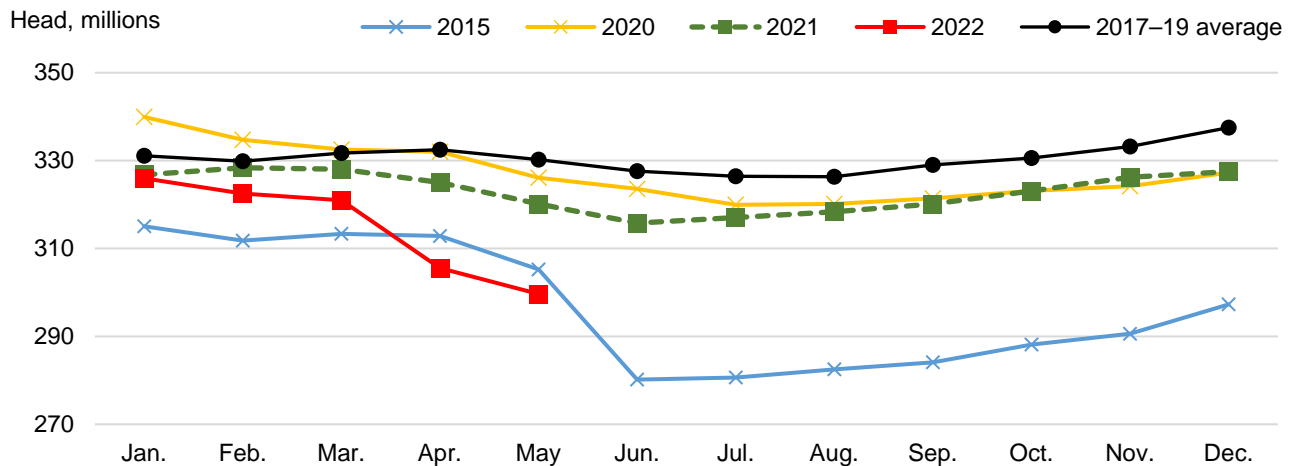


Source: USDA, Animal and Plant Health Inspection Service.

2022 Egg Production Forecast Revised Up

Table-egg production in April was estimated at 629 million dozen, a 3.9-percent year-over-year decrease. The table-egg layer flock averaged 302.6 million layers in April, a 6.2-percent year-over-year decrease. April lay rate averaged 83.1 eggs per 100 layers per day, a 2.4-percent increase from April of the prior year.

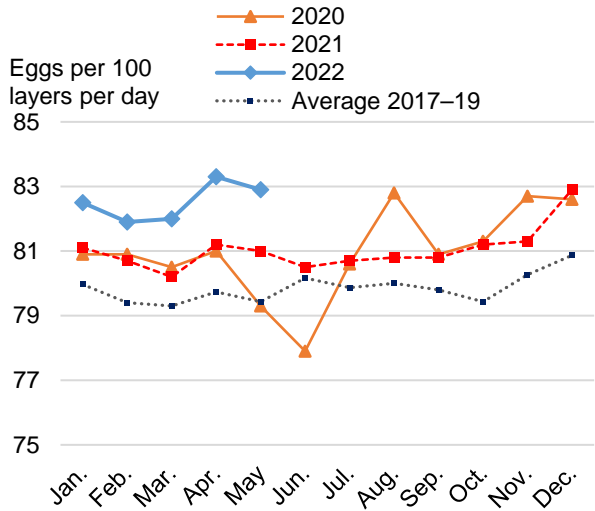
Monthly table-egg layer flock size at the beginning of the month



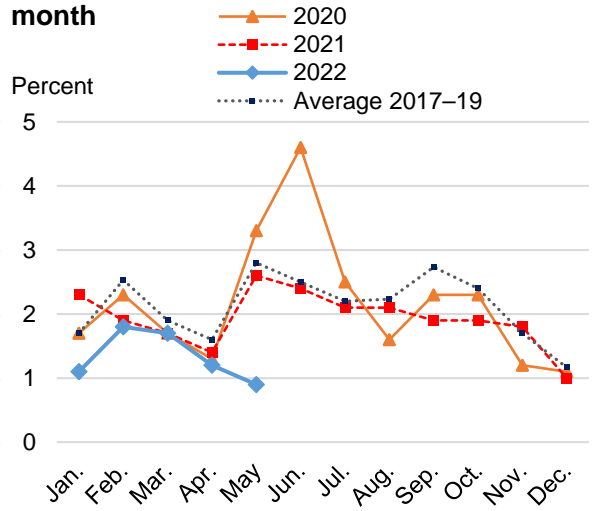
Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service.

Despite the HPAI-related losses of 10.6 million table-egg layers in April, the inventory of table-egg layers on May 1 was estimated at 299.7 million, only 5.9 million layers lower than the estimated inventory on April 1st. Available data suggests that producers are relying on higher lay rates, lower molting rates, and lower slaughtering of light-spent hens to lessen the negative HPAI impact of the layer flock and support table-egg production levels. The monthly lay rates per 100 layers per day were estimated at record-high levels since the beginning of the year (see chart). April slaughter of light-spent hens continued to be significantly lower than indicated by past trends. In addition, the percentage of layers in molt on May 1 was estimated at a record low of 0.9 percent of the total flock (see chart).

Rate of lay per day on first day of the month



Percent layers in molt on the first day of the month



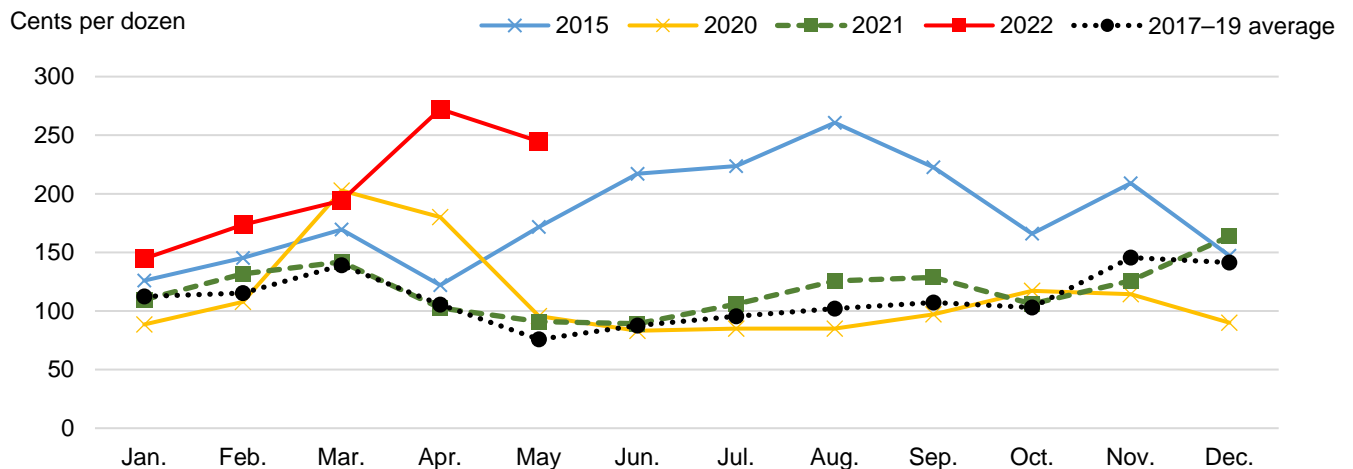
Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service.

Given the trends in the above-mentioned upstream production indicators, the forecasts for the second, third and fourth quarters of 2022 are revised up to 1,860 million dozen, 1,905 million dozen, and 1,985 million dozen, respectively. Consequently, 2022 total table-egg production is forecast at 7,724 million dozen, a 3.1-percent year-over-year decrease.

Wholesale Table-Egg Prices Declined in April

Following the record-high average values in April, May wholesale egg prices (New York, Grade A, Large) averaged 244.7 cents per dozen. This represents a 168.8-percent year-over-year increase but a 10.1-percent month-over-month decrease. Daily prices at the beginning of June trended seasonally down; wholesale egg average prices level off during summer months.

Monthly average midpoint egg wholesale prices (New York, Grade A, Large)



Source: USDA, Economic Research Service using data from USDA, Agricultural Marketing Service.

Given the observed trend in prices and higher production forecast, the second-quarter price forecast is lowered 5 cents to 240 cents per dozen. No changes are made for the rest of 2022.

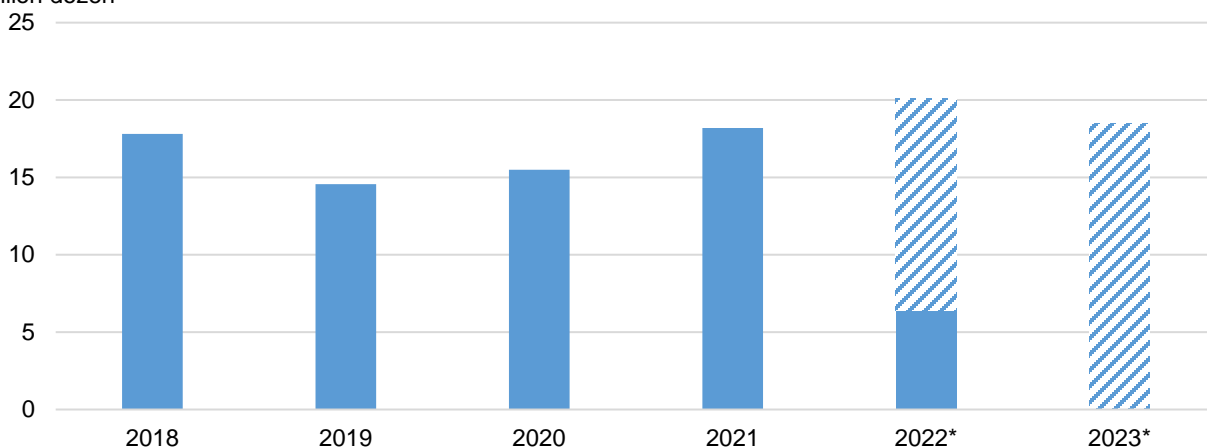
This change brings the 2022 average wholesale egg price forecast to 192.7 cents per dozen, a 62.7-percent year-over-year increase.

Egg Import Expectations Lowered

Egg imports remained elevated in April. Total imports of eggs and egg products are estimated at 1.77 million dozen. This is a year-over-year increase of 36 percent. However, it is not as big a boost to imports as had been expected in response to the HPAI-induced supply crunch. In the chart below, the solid portion of the 2022 bar represents shipments in January through April. With the lower-than-expected response to tighter U.S. supplies, the 2022 and 2023 egg and egg product import forecasts are adjusted down to 20.1 and 18.5 million dozen, respectively.

Annual egg and egg product imports

Million dozen



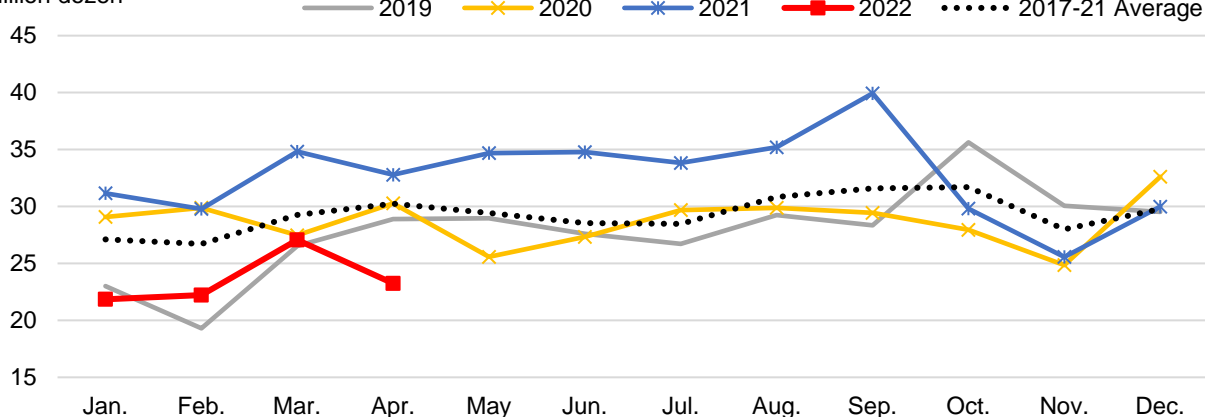
Note: Asterisk indicates a forecast value.

Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census.

Egg and egg product exports were estimated at 23.2 million dozen in April. This is 9.5 million dozen less than the same month in 2021 and a 3.8 million dozen seasonal decline from March. Shipments of both shell eggs and egg products declined by 38.4 and 11.6 percent, respectively. Given the HPAI impact on the industry, this decline was consistent with expectations. The 2022 and 2023 export forecasts are unchanged at 281 and 320 million dozen, respectively.

Monthly egg and egg product exports

Million dozen



Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census.

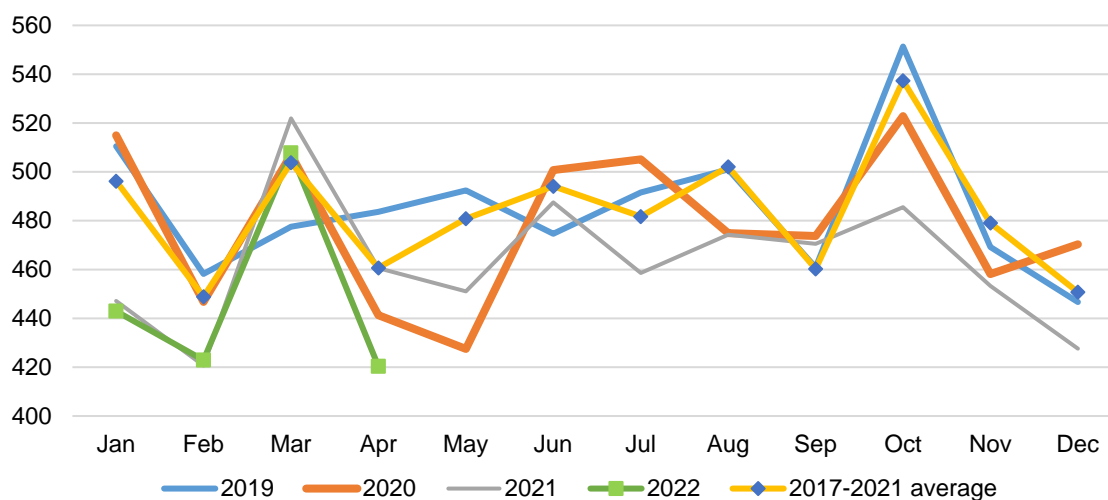
Second-Quarter Turkey Production Revised Down

As of the publication of this report, the turkey industry has not reported a case of HPAI for 3 weeks. The most recent reported case in a commercial turkey facility was on May 21 in Dakota County, Minnesota. The total number of turkeys depopulated for HPAI exposure is 5.393 million. This is approximately 73 percent of what the turkey industry lost from the HPAI outbreak in 2015.

April production totaled 420.3 million pounds, which was 8.7 percent below April production in 2021. Adjusted for slaughter days, April production was 20.02 million pounds per day, which was a 4.4-percent decrease year over year. Live weights also took a dip in April, down 1.6 percent year over year. Second-quarter production is revised down by 10 million pounds to account for HPAI-related losses during May, as well as anticipated lower slaughter weights.

Monthly turkey production

Million pounds

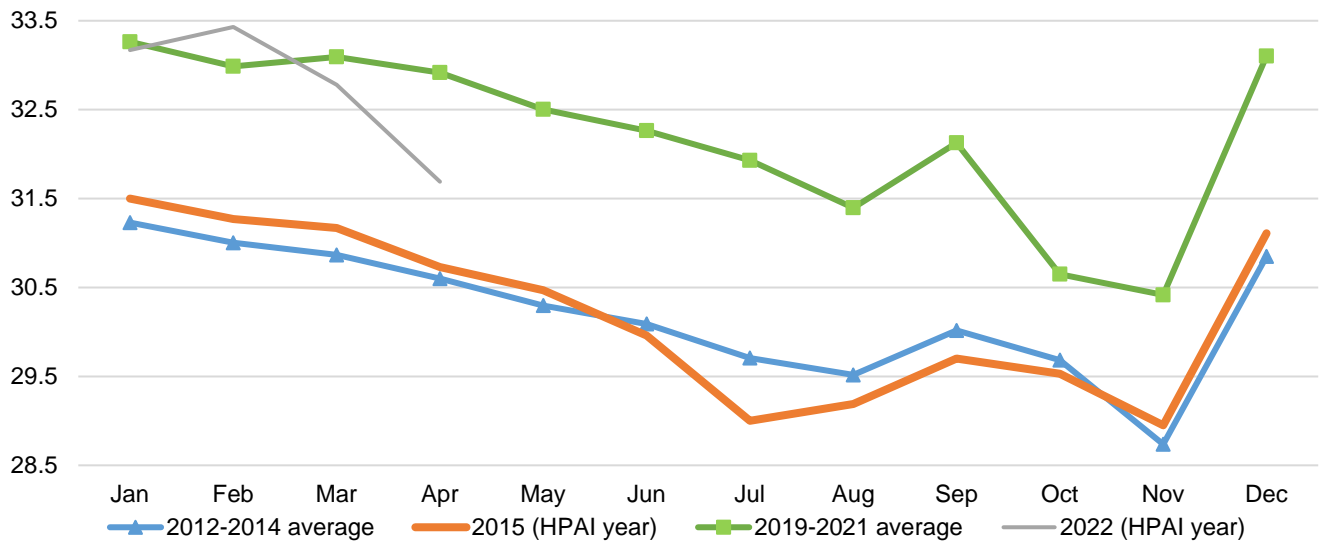


Source: USDA, National Agricultural Statistics Service.

The production forecast for the third and fourth quarters of 2022 remains unchanged at 1,325 million pounds and 1,360 million pounds, respectively, and the production forecast for 2023 also remains unchanged at 5,650 million pounds. April placements experienced nearly a 6-percent decrease year over year. Placements for the upcoming months are expected to be below average because HPAI spread to 9 different breeder flock facilities where nearly 195,000 birds were depopulated. It takes approximately 25 weeks for a breeder bird to reach sexual maturity and start reproducing.

Live slaughter weights: HPAI in 2015 vs. HPAI in 2022

Pounds per head



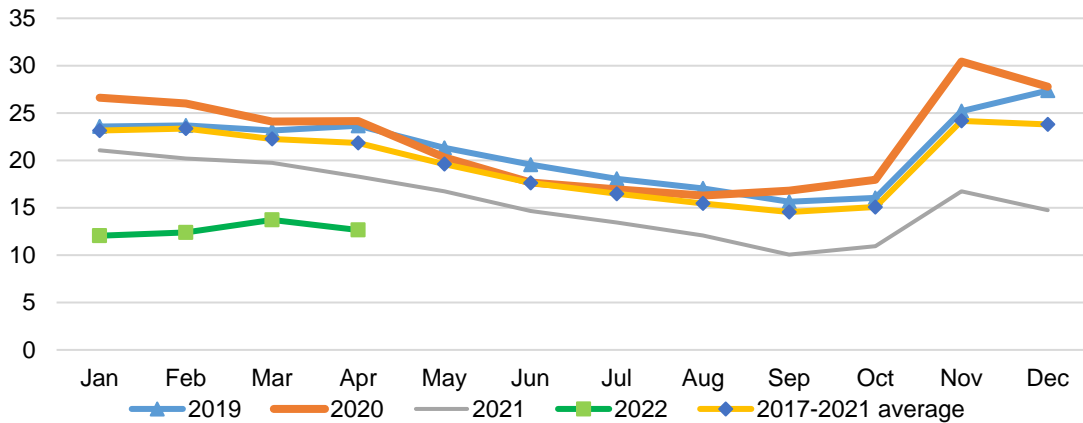
Source: National Agricultural Statistics Service.

2022 Turkey Ending Stocks Revised Up

April turkey stocks were up 7.7 percent from March but 8.5 percent down year over year. In April, whole hens comprised 20.5 percent of total stocks, whole toms 34.4 percent, turkey breasts 12.7 percent, and turkey legs 1.1 percent. Turkey breast stocks have been declining as a share of total stocks since the beginning of 2021, likely because there are fewer laborers available to cut up whole birds in slaughter plants. In April 2022, breast stocks were 5.6 percent below the share of total stocks in April 2021 and 11.5 percent below share of total stocks in April 2020. Ending stocks for 2022 are revised up 20 million pounds to 170 million pounds as year-over-year differences between 2021 and 2022 stocks narrow. Ending stocks for 2023 are left unchanged at 170 million pounds.

Turkey breast stocks as a share of total stocks

Percent



Source: USDA, Agricultural Marketing Service.

Turkey Trade Up on Improved Outlook for Mexican Imports

April turkey exports were reported at 30.9 million pounds. This was 31.5 percent below April 2021 exports and 17.8 percent below last month. However, the 2022 turkey trade forecast is increased to 387 million pounds as Mexico reduced most of its import restrictions from State-level to zone-level. April imports were reported at 2.4 million pounds, on target for the 2022 import forecast of 28 million pounds. Trade forecasts for 2023 are left unchanged at 395 million pounds for exports and 28 million pounds for imports.

Second-Quarter Turkey Price Raised

The second-quarter frozen whole-hen price forecast is revised up 2 cents to 142 cents per pound. The May average price is reported at 141.48 cents per pound, and the negotiated contract price for frozen whole hens for the first week of June averaged 149.6 cents. Price forecasts for the third and fourth quarters are unchanged at 145 cents and 150 cents per pound, respectively, and the average 2023 price forecast is kept at 138 cents per pound. Of turkey parts, the tom turkey breast price continues to break records. In May it averaged 615 cents per pound, an 18-percent increase from last month and a 209-percent increase year-over-year. These unusually high prices can be attributed to low breast stocks and a disproportionate effect of HPAI on tom turkeys. Summer demand for breast meat products will likely tighten the market further. The price for mechanically separated turkey, used in hot dogs, is also especially high at 77 cents per pound, an increase of 23.8 percent year-over-year.

Suggested Citation

Livestock, Dairy, and Poultry Outlook: June 2022, LDP-M-336, U.S. Department of Agriculture, Economic Research Service, June 16, 2022

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U.S. red meat and poultry forecasts

	2018					2019					2020					2021					2022					2023	
	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	Annual					
Production, million pounds																											
Beef	6,466	6,726	6,819	6,862	26,872	6,414	6,817	6,923	7,001	27,155	6,931	6,059	7,115	7,089	27,174	6,900	6,963	6,979	7,106	27,948	7,022	7,065	7,125	6,895	27,907	6,510	25,950
Pork	6,645	6,325	6,315	7,031	26,315	6,838	6,615	6,706	7,478	27,636	7,426	6,313	7,048	7,515	28,303	7,292	6,688	6,530	7,185	27,675	6,904	6,670	6,595	6,995	27,219	6,995	27,365
Lamb and mutton	39	39	37	39	153	37	40	36	36	149	35	36	34	33	138	35	36	32	35	138	31	35	33	35	134	28	125
Broilers	10,385	10,687	10,940	10,588	42,601	10,384	10,945	11,402	11,175	43,905	11,238	10,940	11,358	11,047	44,583	10,893	11,232	11,581	11,193	44,889	11,170	11,300	11,600	11,250	45,320	11,225	45,675
Turkeys	1,452	1,477	1,431	1,518	5,878	1,446	1,451	1,453	1,467	5,818	1,469	1,369	1,454	1,451	5,743	1,390	1,399	1,403	1,366	5,558	1,374	1,290	1,325	1,360	5,349	1,385	5,650
Total red meat and poultry	25,130	25,410	25,704	26,191	102,435	25,264	26,019	26,675	27,308	105,266	27,251	24,870	27,172	27,263	106,556	26,651	26,450	26,679	27,030	106,810	26,650	26,504	26,791	26,451	106,515	26,287	105,340
Table eggs, million dozen	1,952	1,967	2,024	2,079	8,043	2,047	2,056	2,046	2,111	8,260	2,050	1,957	2,008	2,051	8,066	1,982	1,957	1,962	2,050	7,971	1,974	1,860	1,905	1,985	7,724	1,990	8,170
Per capita disappearance, retail pounds ^{1/}																											
Beef	14.0	14.5	14.4	14.4	57.3	13.9	14.7	14.5	14.7	57.8	14.6	13.5	15.5	14.5	58.2	14.5	14.9	14.6	14.8	58.9	15.0	15.0	14.9	14.0	58.9	13.9	55.1
Pork	12.6	12.2	12.4	13.8	51.0	13.0	12.4	12.8	13.8	52.1	13.1	11.5	13.2	13.9	51.7	13.0	11.8	12.3	14.0	51.1	13.1	12.5	12.3	13.2	51.1	13.4	51.7
Lamb and mutton	0.3	0.3	0.3	0.3	1.1	0.3	0.3	0.2	0.3	1.1	0.4	0.3	0.3	0.3	1.2	0.3	0.4	0.3	0.4	1.4	0.3	0.3	0.3	0.3	1.3	0.3	1.3
Broilers	22.7	23.4	23.6	22.9	92.6	22.4	23.8	24.6	23.7	94.5	24.2	23.7	24.4	23.4	95.8	23.5	24.3	25.0	23.8	96.5	23.7	24.3	25	23.9	96.9	23.9	97.3
Turkeys	3.5	3.8	3.9	4.9	16.2	3.4	3.7	4.0	4.8	15.9	3.6	3.5	3.9	4.7	15.7	3.4	3.6	3.8	4.5	15.3	3.4	3.5	3.7	4.4	15.0	3.5	15.8
Total red meat and poultry	53.4	54.5	55.1	56.8	219.8	53.4	55.4	56.4	57.8	223.0	56.3	52.9	57.7	57.2	224.2	55.2	55.4	56.4	57.8	224.8	56	56	56.6	56.2	224.8	55.3	222.8
Eggs, number	69.6	70.9	72.7	74.3	287.5	72.7	72.6	72.3	74.0	291.6	72.1	69.3	71.1	72.8	285.5	69.7	68.8	69.3	72.7	280.5	70.4	66.3	67.9	70.5	275.1	70.5	288.7
Market prices																											
Steers 5-area Direct, Total all grades, dollars/cwt	125.60	116.72	110.83	115.32	117.12	125.27	118.79	108.16	114.88	116.78	118.32	105.79	101.74	108.18	108.51	112.98	120.75	123.51	132.36	122.40	139.25	140.00	136.00	145.00	140.06	150.00	153.25
Feeder steers, Medium Frame No. 1, OK City, dollars/cwt	146.29	143.05	150.46	147.90	146.93	140.76	140.51	140.19	147.44	142.23	136.42	126.37	141.42	137.57	135.45	134.30	140.22	153.69	159.59	146.95	156.04	157.00	166.00	170.00	162.26	168.00	198.25
Cows, Live equivalent, Cutter 90% lean, 500 lbs and up, National, dollars/cwt	61.60	61.32	57.74	49.07	57.43	58.30	60.42	53.66	56.43	59.38	63.14	64.97	54.93	60.61	65.63	67.54	69.21	63.24	64.91	72.65	84.00	87.00	74.00	79.41	85.00	101.25	
Choice/Prime slaughter lambs, National, dollars/cwt	136.83	154.86	147.95	134.30	143.49	136.23	156.16	154.93	150.99	149.58	159.12	N/A	N/A	164.31	161.72	168.42	211.79	256.86	233.61	216.92	225.00	214.00	210.00	215.00	216.00	220.00	221.25
Barrows and gilts, National base cost, 51-52% lean, live equivalent, dollars/cwt	49.12	47.91	43.90	42.77	45.93	40.67	57.95	50.08	43.11	47.95	42.52	38.96	40.50	50.75	43.18	53.71	80.92	76.15	56.36	67.29	63.55	73.00	76.00	65.00	70.64	66.00	70.50
Broilers, Wholesale, National composite, weighted average, cents/lb	95.7	115.1	93.7	86.7	97.8	94.0	97.7	82.0	80.6	88.6	83.5	67.0	66.7	75.7	73.2	84.0	104.4	105.4	110.9	101.2	135.1	168.0	165.0	150.0	142.1	155.0	148.8
Turkeys, National 8-16 lb hens, National, cents/lb	79.4	79.6	80.4	81.4	80.2	82.8	85.5	90.8	97.8	89.2	97.4	103.7	111.3	113.6	106.5	110.1	117.7	129.7	133.4	122.8	131.4	142.0	145.0	150.0	142.1	135.0	138.0
Eggs, Grade A large, New York, volume buyers, cents/dozen	179.6	124.4	120.8	125.6	137.6	107.3	69.7	81.9	117.2	94.0	133.1	119.6	89.0	107.2	112.2	127.8	94.2	120.1	131.8	118.5	170.8	240.0	190.0	170.0	192.7	160.0	148.8
U.S. trade, million pounds, carcass-weight equivalent																											
Beef and veal exports	731	801	828	799	3,160	700	790	788	749	3,026	769	605	759	819	2,951	796	873	911	867	3,447	846	880	875	820	3,421	660	2,940
Beef and veal imports	721	805	807	664	2,998	739	836	771	712	3,058	774	848	1,028	693	3,342	696	866	923	863	3,348	985	890	870	770	3,515	700	3,200
Lamb and mutton imports	80	66	70	57	273	80	73	53	66	272	102	67	62	70	302	69	93	100	103	364	88	85	89	93	355	100	370
Pork exports	1,515	1,521	1,298	1,542	5,877	1,445	1,535	1,515	1,826	6,321	2,021	1,773	1,627	1,859	7,280	1,927	1,907	1,544	1,653	7,030	1,541	1,520	1,600	1,860	6,621	1,540	6,510
Pork imports	1,279	270	245	248	7,069	259	227	232	227	945	206	220	226	252	904	247	260	308	364	1,180	358	350	350	385	1,443	360	1,440
Broiler exports	1,709	1,704	1,785	1,871	7,069	1,721	1,721	1,773	1,888	7,103	1,860	1,729	1,821	1,958	7,367	1,654	1,778	1,844	1,891	7,367	1,866	1,820	1,830	1,880	7,396	1,870	7,465
Turkey exports	153	147	141	170	611	147	166	159	167	639	139	126	143	164	571	130	142	138	139	549	107	95	90	95	387	105	395
Live swine imports (thousand head)	1,357	1,349	1,258	1,286	5,250	1,338	1,253	1,200	1,305	5,096	1,332	1,202	1,272	1,487	5,293	1,607	1,651	1,773	1,635	6,666	1,654	1,685	1,675	1,725	6,739	1,660	6,695

Note: Forecasts are in bold, cwt=hundredweight.
^{1/} Per capita meat and egg disappearance data are calculated using the Resident Population plus Armed Forces Overseas series from U.S. Department of Commerce, Bureau of the Census. Source: World Agricultural Supply and Demand Estimates and Supporting Materials. For further information, contact: Mildred Haley, Economic Research Service, USDA. Updated 6/10/2022

Dairy forecasts, 2021–23

Years Quarters	2021				2022					2023	
	II	III	IV	Annual	I	II	III	IV	Annual	I	Annual
Milk cows (thousands)	9,503	9,442	9,381	9,448	9,383	9,405	9,405	9,405	9,400	9,400	9,400
Milk per cow (pounds)	6,119	5,914	5,909	23,948	5,999	6,150	5,970	5,970	24,090	6,055	24,400
Milk production (billion pounds)	58.1	55.8	55.4	226.3	56.3	57.8	56.1	56.1	226.4	56.9	229.3
Farm use	0.3	0.3	0.3	1.0	0.3	0.3	0.3	0.3	1.1	0.3	1.1
Milk marketings	57.9	55.6	55.2	225.2	56.0	57.6	55.9	55.9	225.4	56.7	228.2
Milk-fat (billion pounds milk equiv.)											
Milk marketings	57.9	55.6	55.2	225.2	56.0	57.6	55.9	55.9	225.4	56.7	228.2
Beginning stocks	18.1	20.0	17.9	15.6	14.3	16.4	17.6	15.8	14.3	12.8	12.8
Imports	1.8	1.8	1.7	6.5	1.3	2.0	1.8	1.9	7.0	1.4	6.9
Total supply	77.7	77.4	74.8	247.4	71.7	75.9	75.3	73.5	246.7	70.9	247.9
Exports	3.1	3.2	2.7	11.6	3.0	3.3	3.0	2.7	12.0	2.7	11.6
Ending stocks	20.0	17.9	14.3	14.3	16.4	17.6	15.8	12.8	12.8	15.4	13.6
Domestic use ¹	54.6	56.3	57.7	221.4	52.3	55.0	56.5	58.0	221.8	52.8	222.7
Skim solids (billion pounds milk equiv.)											
Milk marketings	57.9	55.6	55.2	225.2	56.0	57.6	55.9	55.9	225.4	56.7	228.2
Beginning stocks	11.5	12.0	11.2	10.9	11.1	11.8	12.2	11.3	11.1	11.0	11.0
Imports	1.5	1.4	1.5	5.8	1.5	1.6	1.5	1.5	6.1	1.5	6.0
Total supply	70.9	68.9	67.9	241.9	68.6	71.0	69.6	68.6	242.5	69.1	245.2
Exports	14.1	12.9	11.8	51.1	11.8	13.7	12.9	11.8	50.1	11.9	50.9
Ending stocks	12.0	11.2	11.1	11.1	11.8	12.2	11.3	11.0	11.0	12.5	11.7
Domestic use	44.8	44.8	45.0	179.7	44.9	45.2	45.4	45.9	181.4	44.8	182.5
Milk prices (dollars/hundredweight) ¹											
All milk	18.53	17.90	20.67	18.53	24.93	27.35	26.05	26.45	26.20	24.70	23.80
Class III	17.95	16.32	18.07	17.08	21.25	24.60	23.30	22.40	22.90	20.85	20.65
Class IV	15.98	16.09	18.57	16.09	23.97	25.35	25.35	23.90	24.65	22.40	21.90
Product prices (dollars/pound) ²											
Cheddar cheese	1.7250	1.6016	1.7609	1.6755	1.953	2.350	2.270	2.200	2.195	2.050	2.050
Dry whey	0.6358	0.5668	0.5888	0.5744	0.761	0.670	0.575	0.550	0.640	0.550	0.520
Butter	1.7952	1.7375	1.9297	1.7325	2.669	2.810	2.885	2.700	2.765	2.450	2.385
Nonfat dry milk	1.2256	1.2676	1.4613	1.2693	1.724	1.815	1.780	1.700	1.755	1.650	1.620

Totals may not add due to rounding.

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

² Simple averages of monthly prices calculated by the USDA, Agricultural Marketing Service, for use in class price formulas. Based on weekly USDA *National Dairy Products Sales Report*.

Sources: USDA, National Agricultural Statistics Service; USDA, Agricultural Marketing Service; USDA, Foreign Agricultural Service; and USDA, World Agricultural Outlook Board.

Published by USDA, Economic Research Service, in *Livestock, Dairy, and Poultry Outlook*.

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