Livestock

Livestock sector projections initially reflect stronger meat animal prices in 2003, largely due to very tight beef supplies, particularly of high-quality beef. Total meat production falls in 2004 in the baseline, assuming normal moisture conditions, largely because of lower beef production due to already-reduced cattle inventories and as cattle herds begin to rebuild.

In the longer run, a combination of high cattle prices and rising hog and broiler prices, gains in production efficiency, and only moderate increases in feed prices encourage growth in total meat production. Poultry use becomes a larger proportion of total meat consumption in the projections. Meat exports benefit from stronger foreign economic growth.

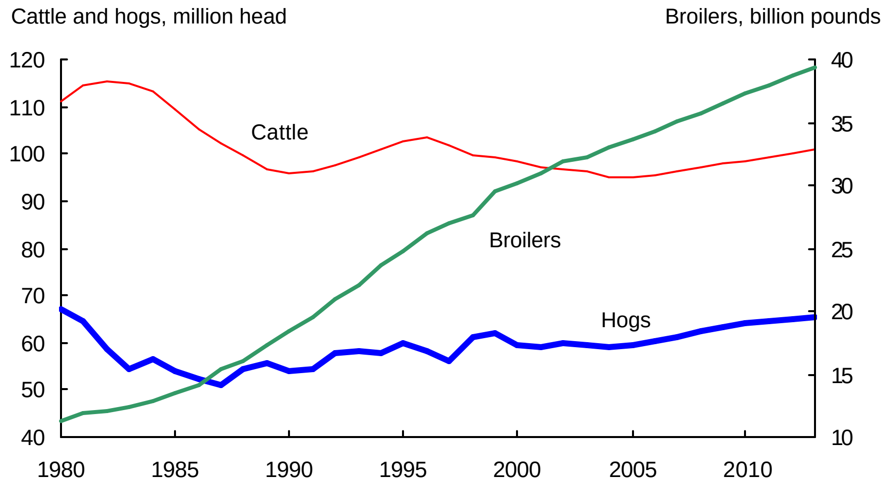
A Note on Bovine Spongiform Encephalopathy (BSE)

Over the past few years, bovine spongiform encephalopathy (BSE) has become a major trade issue. The discovery of BSE in a single cow in Canada on May 20, 2003, resulted in a ban on imports of ruminant animals and products from Canada. Under current guidance provided by international standards set by the World Organization for Animal Health, a country would not be considered BSE free until 7 years after the last occurrence of the disease, a consideration that has been used by some countries to restrict meat imports.

On August 8, 2003, USDA announced conditions for resuming imports of certain ruminant-derived products from Canada: boneless bovine meat from cattle under 30 months of age, boneless veal from calves 36 weeks of age or younger, and boneless sheep and goat meat from animals under 12 months of age. Mexico and a few other countries have established similar guidelines. Cattle and products from cattle over 30 months of age will remain burdensome in Canada until these products can move into international trade. Additionally, a proposal was published in the *Federal Register* on November 4, 2003 by the U.S. Department of Agriculture to amend its BSE regulations to establish a new category of regions that recognizes countries or regions that present a minimal risk of introducing BSE into the United States via the importation of certain low-risk live animals and products. The proposed rule would place Canada on a list of countries considered a minimal risk for BSE, thus allowing Canada to export certain live animals and products to the United States.

The baseline projections in this report were completed prior to the diagnosis of a case of BSE in an adult Holstein cow in Washington State in December 2003. While this BSE situation is still evolving, economic impacts include early-period declines in U.S. beef exports resulting in increased supplies of beef available domestically and, consequently, lower prices for beef and cattle to move the larger quantities in the U.S. market. Farm income will also be reduced.

Livestock inventories and broiler production

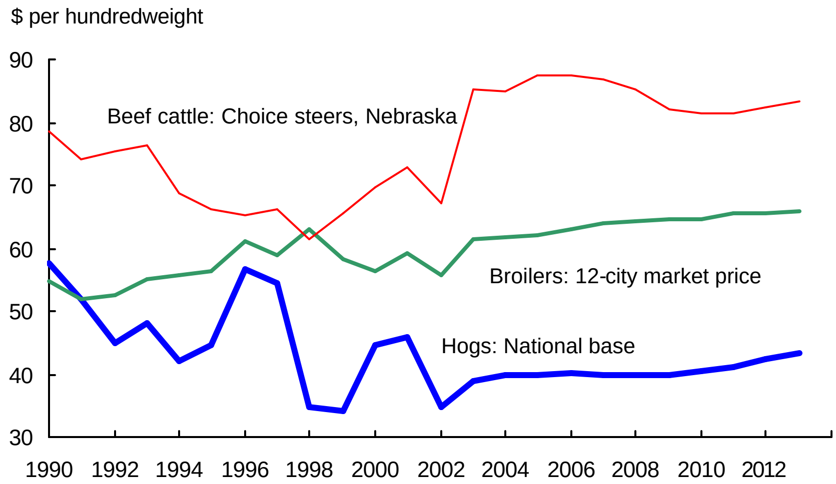


Beef production declines in the near term as producers retain cows and heifers for expansion. Cattle herds are expected to increase somewhat from cyclical lows near 95 million head in 2004-2005. Rising slaughter weights augment gradual herd expansion over the remainder of the projections. Pork production grows slowly, as the more coordinated/integrated industrial structure dampens the U.S. hog cycle. Poultry production continues to rise, but at a lower rate than during the 1980s and 1990s due to the maturity of the domestic sector and slower export growth.

The trend toward larger and more commercialized livestock systems continues throughout the baseline period; efficiency gains allow production to expand while real prices generally decline.

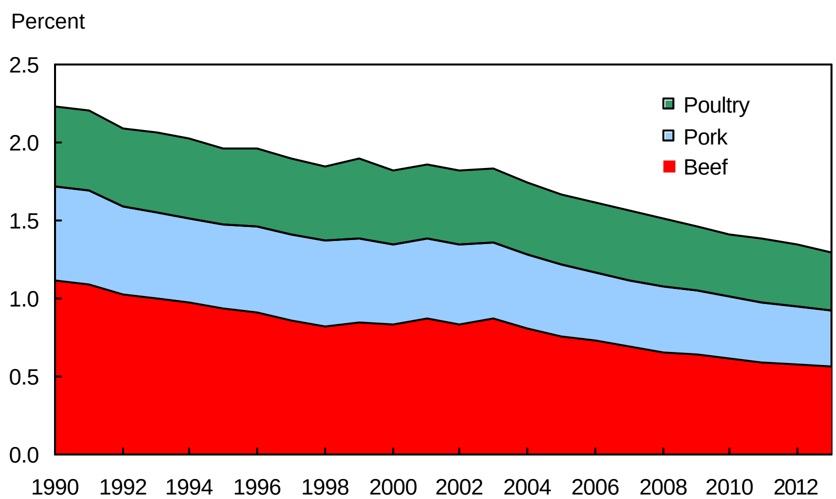
- Vertical coordination increases in the beef sector as strong demand for higher quality beef continues, particularly for the export and hotel and restaurant markets, but increasingly also at retail.
- The increase in efficiency of the U.S. hog breeding herd over the last 5 to 10 years reflects a shift to larger, more efficient operations and the decline in smaller, less efficient operations. For the baseline, the increase in efficiency slows somewhat since larger, more efficient operations (those with more than 5,000 head) now account for three-fourths of the U.S. pig crop.
- Production coordination and market integration between the United States and Canada increase in the hog sector. Feeder pigs produced in Canada are finished and processed in the United States, where feed grain prices remain favorable and processing costs are lower. Large North American retailers and hotels, restaurants, and institutions source pork cuts where prices are attractive, with demand accommodated by trade between the countries.
- The poultry sector has benefited from economies of scale associated with the industry's horizontal and vertical integration. Projected gains in efficiency over the next decade are smaller than in the past 25 years.

Nominal livestock prices



Hog and broiler prices increase moderately in response to growing domestic market demand coupled with export gains. Projected price increases are slower than the general inflation rate. Cattle prices decline in the projections from record high levels.

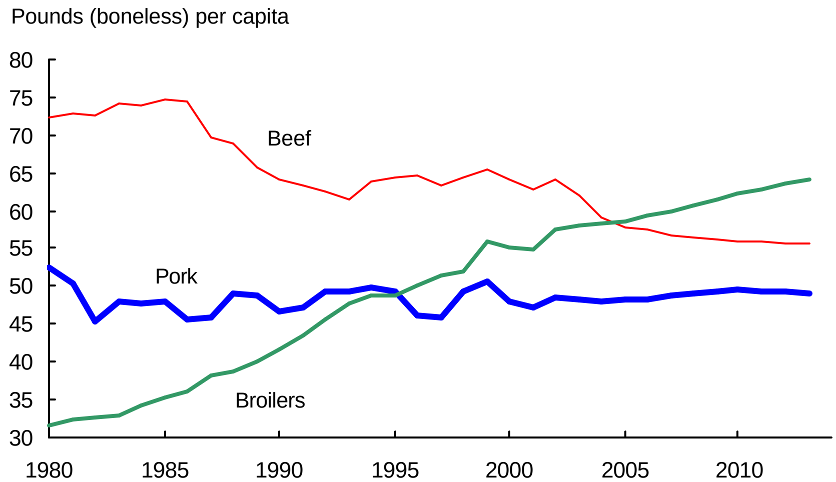
Percent of U.S. income spent on meat



U.S. consumers buy more meat but use a smaller proportion of disposable income for these purchases, continuing a long-term trend. Over the next 10 years, consumer meat expenditures decline from about 1.8 percent to 1.4 percent of disposable income.

- The trend continues of poultry expenditures rising as a share of consumer spending on meats.

Per capita meat consumption

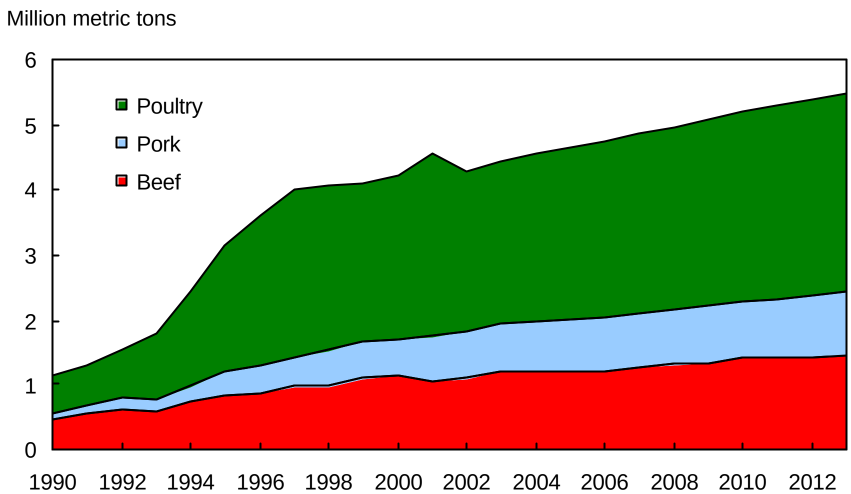


Total per capita meat consumption (boneless weight basis) declines from about 185 pounds in 2003 to near 181 pounds, before rising back to 185 pounds at the end of the projection period.

- Per capita consumption of relatively lower priced poultry increases throughout the baseline, allowing poultry to gain a larger share of total meat consumption and meat expenditures.

- Per capita consumption of beef initially declines, but then stabilizes later in the projections, while pork consumption varies between 48 and 50 pounds per person.

U.S. meat exports



U.S. meat exports rise throughout the baseline period, reflecting improved global economic growth and rising demand for meats. U.S. imports of beef and cattle from Canada recover from reduced levels in 2003, which followed the discovery of BSE in Canada. Baseline projections were completed prior to the diagnosis of a case of bovine spongiform encephalopathy (BSE) in an adult Holstein cow in Washington State in December 2003.

Beef

- The United States, which imports grass-fed beef from Australia and New Zealand, becomes a net beef exporter in the latter part of the projections as cattle inventories rise and exports of high-quality fed beef exceed imports of lower quality processing beef.
- The United States remains the primary source of high-quality fed beef for export, largely to Pacific Rim nations.

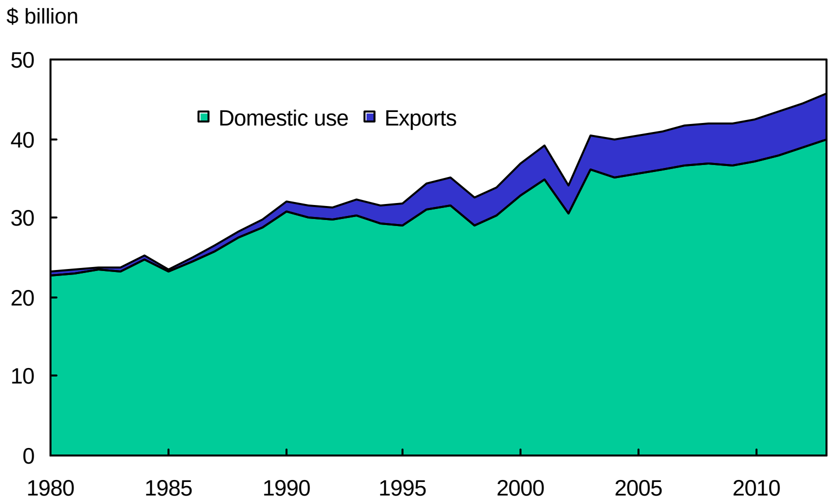
Pork

- Pacific Rim nations and Mexico remain key markets for long-term growth of U.S. pork exports. Canada continues to be a strong competitor for pork trade in these markets. Brazil also is a major pork exporter, competing with the United States, Canada, and the EU in international markets.
- While increased efficiency in pork production helps limit production costs, longer term gains in U.S. pork exports will be determined by costs of production and environmental regulations relative to competitors. Such costs tend to be lower in countries with growing pork industries, such as Brazil and Mexico.

Poultry

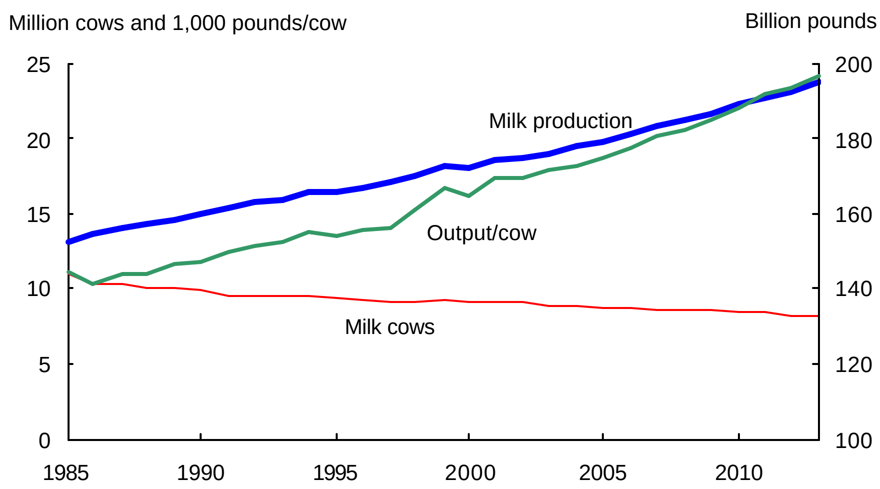
- U.S. broiler export growth is expected to slow from the rate of the 1990s. U.S. producers will face strong competition from other major broiler exporting countries, particularly Brazil and Thailand.
- Major U.S. export markets include Asia, Russia, Eastern Europe, and Mexico. Growth in U.S. poultry exports to Russia is not expected to return to the pace of the last decade, reflecting higher production in Russia, greater competition in that market, and current import quotas which are assumed to continue through early 2006.

Farm value of domestically produced meat



While U.S. meat exports grow in importance, the domestic market remains the dominant source of demand. Meat exports account for about 11 percent of the total value of domestically produced meat in 2003, growing to more than 12 percent in the second half of the projections.

Milk production and dairy herd



Farm milk prices during the next several years are expected to recover from recent low levels. Growth in milk production is projected to slow through 2005/06 because of the recent low prices and the loss of payments under Milk Income Loss Contracts after the 2004/05 marketing year. Meanwhile, demand for dairy products is expected to recover from its recent slump.

- Management and productivity gains are expected to boost milk output. Further development of large, specialized operations in many regions will be a significant contributor to these gains.

- Milk per cow is projected to continue to grow, while cow numbers decline. However, the rates of change may well be slower than in the past as milk per cow is less easily boosted by simply increasing the amount of concentrate feeds fed. Also, increasing specialization of dairy farms over time (and the associated less attractive salvage uses for dairy capital and other inputs) probably has made exit from milk production more sluggish than in past decades.

- Domestic dairy product use grows slowly throughout the baseline period, slightly faster than the growth in population. Cheese and butter demand benefit from greater consumption of prepared foods and increased away-from-home eating. Per capita consumption of fluid milk, however, is projected to shrink slowly.

- Following the near-term price adjustments, real farm milk prices are projected to decline slowly in the long run.

Table 21. Per capita meat consumption, retail and boneless weight

Item	Units	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Retail weight:													
Total beef	Pounds	67.6	65.5	62.3	61.1	60.6	60.0	59.5	59.2	59.0	58.9	58.8	58.7
Total veal	Pounds	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
Total pork	Pounds	51.5	51.4	51.1	51.3	51.4	51.8	52.2	52.5	52.7	52.6	52.4	52.3
Lamb and mutton	Pounds	1.2	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	0.9
Total red meat	Pounds	120.9	118.5	115.1	114.1	113.6	113.3	113.2	113.2	113.1	112.9	112.6	112.3
Broilers	Pounds	80.5	81.1	81.6	82.0	82.9	83.8	84.8	85.8	86.8	87.8	88.6	89.5
Other chicken	Pounds	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Turkeys	Pounds	17.7	17.8	17.8	17.8	17.9	17.9	17.9	17.9	17.9	17.9	17.9	17.9
Total poultry	Pounds	99.6	100.2	100.8	101.4	102.3	103.2	104.2	105.2	106.3	107.2	108.1	108.9
Red meat & poultry	Pounds	220.4	218.8	215.9	215.4	215.9	216.5	217.4	218.4	219.4	220.1	220.7	221.2
Boneless weight:													
Total beef	Pounds	64.0	62.1	59.0	57.9	57.4	56.8	56.4	56.1	55.9	55.8	55.7	55.6
Total veal	Pounds	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3
Total pork	Pounds	48.4	48.3	48.0	48.2	48.3	48.7	49.1	49.3	49.5	49.4	49.2	49.1
Lamb & mutton	Pounds	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7
Total red meat	Pounds	113.8	111.6	108.3	107.3	106.9	106.7	106.6	106.5	106.5	106.3	106.0	105.7
Broilers	Pounds	57.6	58.1	58.4	58.7	59.3	60.0	60.7	61.4	62.2	62.9	63.5	64.1
Other chicken	Pounds	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Turkeys	Pounds	14.0	14.0	14.1	14.1	14.1	14.1	14.1	14.2	14.2	14.2	14.2	14.2
Total poultry	Pounds	72.5	72.9	73.4	73.7	74.4	75.1	75.8	76.5	77.3	78.0	78.6	79.2
Red meat and poultry	Pounds	186.2	184.5	181.7	181.1	181.3	181.7	182.3	183.1	183.7	184.2	184.5	184.9

Table 22. Consumer expenditures for meats

Item	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Beef, dollars per person	224.50	245.04	236.12	236.79	236.89	234.68	234.88	235.69	237.44	240.55	243.39	246.61
Percent of income	0.83	0.88	0.82	0.78	0.75	0.71	0.68	0.66	0.63	0.61	0.59	0.58
Percent of meat expenditures	43.99	46.09	44.75	44.61	44.17	43.42	43.00	42.66	42.44	42.36	42.31	42.30
Pork, dollars per person	136.93	136.62	137.00	137.44	139.37	141.99	144.61	147.04	149.44	151.31	152.98	154.84
Percent of income	0.51	0.49	0.47	0.46	0.44	0.43	0.42	0.41	0.40	0.39	0.37	0.36
Percent of meat expenditures	26.83	25.70	25.97	25.89	25.98	26.27	26.47	26.61	26.71	26.64	26.60	26.56
Broilers, dollars per person	130.31	130.64	135.06	137.01	140.19	143.49	146.37	149.32	152.06	155.37	158.18	160.88
Percent of income	0.48	0.47	0.47	0.45	0.44	0.44	0.43	0.41	0.40	0.40	0.39	0.38
Percent of meat expenditures	25.53	24.57	25.60	25.81	26.14	26.55	26.79	27.02	27.18	27.36	27.50	27.60
Turkeys, dollars per person	18.63	19.41	19.42	19.55	19.90	20.34	20.41	20.46	20.51	20.65	20.65	20.65
Percent of income	0.07	0.07	0.07	0.06	0.06	0.06	0.06	0.06	0.05	0.05	0.05	0.05
Percent of meat expenditures	3.65	3.65	3.68	3.68	3.71	3.76	3.74	3.70	3.67	3.64	3.59	3.54
Total meat, dollars per person	510.37	531.71	527.60	530.80	536.35	540.51	546.28	552.51	559.45	567.87	575.20	582.98
Percent of income	1.90	1.92	1.83	1.76	1.70	1.64	1.59	1.54	1.49	1.45	1.40	1.36

Table 23. Beef baseline

Item	Units	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Beginning stocks	Mil. lbs.	606	691	500	550	540	540	540	540	540	540	540	540
Commercial production	Mil. lbs.	27,090	26,772	25,400	25,028	25,143	25,382	25,697	26,012	26,344	26,699	27,039	27,369
Change from previous year	Percent	3.8	-1.2	-5.1	-1.5	0.5	0.9	1.2	1.2	1.3	1.3	1.3	1.2
Farm production	Mil. lbs.	102	105	105	106	106	106	106	106	106	106	106	106
Total production	Mil. lbs.	27,192	26,877	25,505	25,134	25,249	25,488	25,803	26,118	26,450	26,805	27,145	27,475
Imports	Mil. lbs.	3,218	2,851	3,430	3,500	3,500	3,300	3,100	3,000	2,900	2,800	2,700	2,600
Total supply	Mil. lbs.	31,016	30,419	29,435	29,184	29,289	29,328	29,443	29,658	29,890	30,145	30,385	30,615
Exports	Mil. lbs.	2,447	2,628	2,660	2,675	2,725	2,800	2,875	2,975	3,075	3,125	3,175	3,250
Ending stocks	Mil. lbs.	691	500	550	540	540	540	540	540	540	540	540	540
Total consumption	Mil. lbs.	27,878	27,291	26,225	25,969	26,024	25,988	26,028	26,143	26,275	26,480	26,670	26,825
Per capita, carcass weight	Pounds	96.6	93.6	89.0	87.3	86.6	85.7	85.0	84.6	84.3	84.2	84.0	83.8
Per capita, retail weight	Pounds	67.6	65.5	62.3	61.1	60.6	60.0	59.5	59.2	59.0	58.9	58.8	58.7
Change from previous year	Percent	2.1	-3.1	-4.9	-1.9	-0.8	-1.0	-0.8	-0.5	-0.4	-0.1	-0.2	-0.2
Prices:													
Beef cattle, farm	$/cwt	66.61	81.78	81.54	83.76	83.89	83.19	81.66	78.83	78.12	78.23	79.05	80.02
Calves, farm	$/cwt	97.56	104.22	108.67	110.15	110.37	110.77	106.89	103.24	101.85	102.42	103.62	104.65
Choice steers, Nebraska	$/cwt	67.04	85.10	85.00	87.32	87.45	86.72	85.12	82.17	81.43	81.55	82.40	83.42
Deflated price	$/cwt	37.27	46.25	45.42	45.61	44.57	43.12	41.29	38.89	37.60	36.73	36.21	35.77
Yearling steers, Okla. City	$/cwt	80.04	89.19	92.50	93.76	93.95	94.28	90.99	87.88	86.69	87.18	88.20	89.08
Deflated price	$/cwt	44.50	48.47	49.43	48.98	47.88	46.88	44.14	41.59	40.03	39.27	38.76	38.19
Retail: Beef and veal	1982-84=100	160.6	175.0	178.0	182.0	183.5	183.7	185.4	186.9	189.0	191.7	194.4	197.4
Retail: Other meats	1982-84=100	161.9	165.5	166.0	167.9	170.5	173.0	175.5	178.1	180.8	183.7	186.6	189.5
ERS retail beef	$/lb.	3.32	3.74	3.79	3.87	3.91	3.91	3.95	3.98	4.02	4.08	4.14	4.20
Costs and returns, cow-calf enterprise:													
Variable expenses	$/cow	209.83	216.17	219.26	219.31	222.01	227.52	233.46	238.48	243.47	249.54	253.25	257.86
Fixed expenses	$/cow	120.58	122.25	124.89	130.62	137.15	139.95	142.70	145.77	148.73	151.87	155.04	158.73
Total cash expenses	$/cow	330.41	338.42	344.15	349.94	359.16	367.47	376.16	384.25	392.20	401.41	408.28	416.59
Returns above cash costs	$/cow	40.84	82.82	93.01	94.17	88.33	82.50	59.75	38.17	28.97	25.91	27.71	26.74
Cattle inventory	1,000 head	96,704	96,106	95,133	95,100	95,598	96,183	97,090	97,869	98,436	99,429	100,130	100,791
Beef cow inventory	1,000 head	33,118	32,947	32,775	32,650	33,229	33,522	33,861	34,162	34,291	34,389	34,503	34,821
Total cow inventory	1,000 head	42,229	42,099	41,790	41,575	42,059	42,282	42,556	42,797	42,866	42,904	42,963	43,231

Projections were completed prior to the diagnosis of a case of BSE in an adult Holstein cow in Washington State in December 2003.

Table 24. Pork baseline

Item	Units	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Beginning stocks	Mil. lbs.	536	533	540	540	540	540	540	540	540	540	540	540
Commercial production	Mil. lbs.	19,664	19,719	19,725	19,987	20,229	20,599	20,976	21,295	21,556	21,727	21,872	22,018
Change from previous year	Percent	2.7	0.3	0.0	1.3	1.2	1.8	1.8	1.5	1.2	0.8	0.7	0.7
Farm production	Mil. lbs.	21	22	22	22	22	22	22	22	22	22	22	22
Total production	Mil. lbs.	19,685	19,741	19,747	20,009	20,251	20,621	20,998	21,317	21,578	21,749	21,894	22,040
Imports	Mil. lbs.	1,070	1,250	1,375	1,430	1,455	1,480	1,505	1,535	1,570	1,600	1,630	1,665
Total supply	Mil. lbs.	21,291	21,524	21,662	21,979	22,246	22,641	23,043	23,392	23,688	23,889	24,064	24,245
Exports	Mil. lbs.	1,611	1,681	1,715	1,755	1,800	1,845	1,890	1,940	1,985	2,035	2,090	2,140
Ending stocks	Mil. lbs.	533	540	540	540	540	540	540	540	540	540	540	540
Total consumption	Mil. lbs.	19,147	19,303	19,407	19,684	19,906	20,256	20,613	20,912	21,163	21,314	21,434	21,565
Per capita, carcass weight	Pounds	66.3	66.2	65.9	66.2	66.3	66.8	67.3	67.7	67.9	67.8	67.5	67.4
Per capita, retail weight	Pounds	51.5	51.4	51.1	51.3	51.4	51.8	52.2	52.5	52.7	52.6	52.4	52.3
Change from previous year	Percent	2.4	-0.2	-0.5	0.4	0.1	0.8	0.8	0.5	0.3	-0.2	-0.3	-0.3
Prices:													
Hogs, farm	$/cwt	33.28	37.02	38.00	37.76	38.14	37.94	37.76	37.78	38.31	39.10	40.14	41.23
National base, live equivalent	$/cwt	34.92	38.98	40.00	39.75	40.15	39.94	39.74	39.77	40.33	41.15	42.25	43.41
Deflated price	$/cwt	19.42	21.19	21.43	20.95	20.59	19.98	19.40	18.94	18.74	18.65	18.68	18.72
Retail: pork	1982-84=100	161.8	164.8	166.2	166.1	168.2	170.0	171.7	173.7	176.0	178.5	181.1	183.7
ERS retail pork	$/lb.	2.66	2.66	2.68	2.68	2.71	2.74	2.77	2.80	2.84	2.88	2.92	2.96
Costs and returns, farrow to finish:													
Variable expenses	$/cwt	28.08	30.88	31.26	29.54	28.89	29.23	29.95	30.56	31.13	32.01	32.13	32.41
Fixed expenses	$/cwt	4.88	4.90	4.92	4.95	4.97	5.00	5.02	5.05	5.07	5.10	5.13	5.15
Total cash expenses	$/cwt	32.95	35.78	36.18	34.49	33.87	34.23	34.98	35.61	36.20	37.11	37.26	37.56
Returns above cash costs	$/cwt	1.97	3.20	3.82	5.26	6.28	5.71	4.77	4.17	4.13	4.05	4.99	5.84
Hog inventory,													
Dec. 1, previous year	1,000 head	59,804	59,513	58,900	59,633	60,309	61,344	62,399	63,291	64,021	64,501	64,906	65,314

Table 25. Young chicken baseline

Item	Units	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Beginning stocks	Mil. lbs.	712	763	625	650	650	650	650	650	650	650	650	650
Federally inspected slaughter	Mil. lbs.	32,240	32,634	33,450	33,969	34,648	35,387	36,128	36,922	37,673	38,386	39,081	39,755
Change from previous year	Percent	3.1	1.2	2.5	1.6	2.0	2.1	2.1	2.2	2.0	1.9	1.8	1.7
Production	Mil. lbs.	31,895	32,285	33,092	33,606	34,278	35,008	35,742	36,527	37,270	37,976	38,663	39,330
Total supply	Mil. lbs.	32,619	33,060	33,729	34,268	34,940	35,670	36,404	37,189	37,932	38,638	39,325	39,992
Change from previous year	Percent	2.7	1.4	2.0	1.6	2.0	2.1	2.1	2.2	2.0	1.9	1.8	1.7
Exports	Mil. lbs.	4,807	4,916	5,100	5,200	5,310	5,425	5,540	5,660	5,750	5,840	5,920	6,000
Ending stocks	Mil. lbs.	763	625	650	650	650	650	650	650	650	650	650	650
Consumption	Mil. lbs.	27,049	27,519	27,979	28,417	28,980	29,595	30,213	30,879	31,532	32,148	32,755	33,342
Per capita, carcass weight	Pounds	93.7	94.4	95.0	95.5	96.5	97.6	98.7	99.9	101.1	102.2	103.2	104.2
Per capita, retail weight	Pounds	80.5	81.1	81.6	82.0	82.9	83.8	84.8	85.8	86.8	87.8	88.6	89.5
Change from previous year	Percent	5.0	0.7	0.6	0.5	1.0	1.1	1.1	1.2	1.2	1.1	1.0	1.0
Prices:													
Broilers, farm	Cents/lb.	29.8	34.6	34.8	34.8	35.3	35.8	36.0	36.2	36.2	36.6	36.8	36.9
12-city market price	Cents/lb.	55.6	61.3	61.8	62.1	63.0	64.0	64.3	64.6	64.6	65.4	65.7	65.9
Deflated wholesale price	Cents/lb.	30.9	33.3	33.0	32.5	32.1	31.8	31.2	30.6	29.8	29.4	28.9	28.3
Change from previous year	Percent	-7.4	7.8	-0.9	-1.7	-1.0	-1.0	-1.8	-2.1	-2.4	-1.3	-1.9	-2.1
Composite retail broiler price	Cents/lb.	161.9	161.1	165.5	167.0	169.1	171.2	172.6	174.0	175.1	177.0	178.4	179.7
Costs and returns:													
Total costs	Cents/lb.	46.29	51.85	53.62	52.10	51.71	52.86	54.62	55.96	57.24	59.01	59.60	60.20
Net returns	Cents/lb.	9.31	9.45	8.18	10.02	11.31	11.09	9.72	8.64	7.35	6.36	6.14	5.74

Table 26. Turkey baseline

Item	Units	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Beginning stocks	Mil. lbs.	241	333	325	325	325	325	325	325	325	325	325	325
Federally inspected slaughter	Mil. lbs.	5,713	5,697	5,790	5,884	5,954	6,021	6,096	6,164	6,227	6,287	6,345	6,404
Change from previous year	Percent	2.7	-0.3	1.6	1.6	1.2	1.1	1.3	1.1	1.0	1.0	0.9	0.9
Production	Mil. lbs.	5,638	5,622	5,714	5,807	5,876	5,942	6,016	6,083	6,145	6,205	6,262	6,320
Total supply	Mil. lbs.	5,879	5,956	6,040	6,133	6,202	6,268	6,342	6,409	6,471	6,531	6,588	6,646
Change from previous year	Percent	2.6	1.3	1.4	1.5	1.1	1.1	1.2	1.1	1.0	0.9	0.9	0.9
Exports	Mil. lbs.	439	452	465	500	511	524	535	544	553	559	568	580
Ending stocks	Mil. lbs.	333	325	325	325	325	325	325	325	325	325	325	325
Consumption	Mil. lbs.	5,107	5,179	5,250	5,308	5,366	5,419	5,482	5,540	5,594	5,647	5,695	5,741
Per capita	Pounds	17.7	17.8	17.8	17.8	17.9	17.9	17.9	17.9	17.9	17.9	17.9	17.9
Change from previous year	Percent	1.0	0.4	0.4	0.1	0.1	0.0	0.2	0.1	0.1	0.1	0.0	-0.1
Prices:													
Turkey, farm	Cents/lb.	36.5	35.1	36.0	36.3	36.9	37.7	37.7	37.8	37.9	38.1	38.1	38.1
Hen turkey (whsle.) East	Cents/lb.	64.5	61.7	63.3	63.6	64.7	66.1	66.2	66.3	66.4	66.8	66.8	66.9
Deflated hen turkey	Cents/lb.	35.9	33.5	33.8	33.2	33.0	32.9	32.1	31.4	30.7	30.1	29.4	28.7
Retail frozen turkey	Cents/lb.	105.3	109.3	109.0	109.6	111.4	113.9	114.0	114.1	114.4	115.0	115.1	115.2
Retail: poultry	1982-84=100	167.0	168.7	174.0	175.3	177.6	180.1	181.4	182.6	183.6	185.4	186.6	187.7
Costs and returns:													
Total costs	Cents/lb.	58.01	60.89	61.53	60.63	60.23	60.62	61.32	61.78	62.21	62.87	62.94	63.00
Net returns	Cents/lb.	6.49	0.81	1.77	3.01	4.49	5.51	4.89	4.50	4.20	3.94	3.89	3.87

Table 27. Egg baseline

Item	Units	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Beginning stocks	Mil. doz.	10	10	12	12	12	12	12	12	12	12	12	12
Production	Mil. doz.	7,221	7,203	7,260	7,383	7,494	7,584	7,675	7,760	7,845	7,931	8,018	8,099
Change from previous year	Percent	0.9	-0.2	0.8	1.7	1.5	1.2	1.2	1.1	1.1	1.1	1.1	1.0
Imports	Mil. doz.	15	13	12	10	10	10	10	10	10	10	10	10
Total supply	Mil. doz.	7,246	7,227	7,284	7,405	7,516	7,606	7,697	7,782	7,867	7,953	8,040	8,121
Change from previous year	Percent	1.0	-0.3	0.8	1.7	1.5	1.2	1.2	1.1	1.1	1.1	1.1	1.0
Hatching use	Mil. doz.	961	957	980	993	1,008	1,023	1,039	1,055	1,070	1,084	1,097	1,111
Exports	Mil. doz.	174	155	173	175	178	182	186	190	193	197	201	205
Ending stocks	Mil. doz.	10	12	12	12	12	12	12	12	12	12	12	12
Consumption	Mil. doz.	6,101	6,103	6,119	6,225	6,318	6,389	6,460	6,525	6,592	6,660	6,730	6,793
Per capita	Number	253.6	251.1	249.2	251.1	252.3	252.7	253.2	253.4	253.7	254.1	254.5	254.6
Change from previous year	Percent	0.4	-1.0	-0.7	0.7	0.5	0.2	0.2	0.1	0.1	0.1	0.2	0.1
Prices:													
Eggs, farm	Cents/doz.	59.7	73.6	78.8	74.8	68.6	66.9	68.6	70.4	72.2	73.9	75.7	77.4
New York, Grade A large	Cents/doz.	67.1	85.3	90.0	85.0	78.0	76.0	78.0	80.0	82.0	84.0	86.0	88.0
Deflated wholesale prices	Cents/doz.	37.3	46.4	48.1	44.4	39.8	37.8	37.8	37.9	37.9	37.8	37.8	37.7
Retail, Grade A, large	Cents/doz.	103	120	122	117	109	108	112	115	118	121	124	127
Retail: Eggs	1982-84=100	138.2	155.1	155.0	149.6	141.2	140.6	147.3	152.1	156.9	161.8	166.5	171.4
Costs and returns:													
Total costs	Cents/doz.	62.43	69.93	72.31	70.26	69.74	71.29	73.67	75.47	77.20	79.59	80.38	81.18
Net returns	Cents/doz.	4.67	15.37	17.69	14.74	8.26	4.71	4.33	4.53	4.80	4.41	5.62	6.82

Table 28. Dairy baseline

Item	Units	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Production data:													
Number of cows	1,000	9,120	8,980	8,890	8,795	8,725	8,660	8,600	8,540	8,480	8,425	8,375	8,330
Milk per cow	Pounds	18,630	19,085	19,460	19,865	20,305	20,815	21,235	21,710	22,195	22,725	23,140	23,635
Milk production	Bil. lbs.	169.9	171.4	173.0	174.7	177.2	180.3	182.6	185.4	188.2	191.5	193.8	196.9
Commercial use:													
Milkfat basis	Bil. lbs.	172.7	176.7	175.9	178.0	180.4	183.6	186.0	188.8	191.7	194.9	197.4	200.4
Skim solids	Bil. lbs.	164.3	169.5	171.6	174.9	178.8	182.1	185.4	188.0	191.1	194.0	196.8	199.5
Net removals:													
Milkfat basis	Bil. lbs.	1.2	0.5	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Skim solids	Bil. lbs.	9.2	6.1	5.2	3.9	2.5	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Prices:													
All milk	$/cwt	11.90	12.50	12.95	13.60	13.95	14.25	14.30	14.45	14.60	14.70	14.90	15.15
Manufactured milk value[1]	$/cwt	11.05	11.50	11.90	12.45	12.75	13.00	13.05	13.20	13.35	13.45	13.65	13.85
Retail, all dairy products	1982-84=100	166.6	173.3	179.0	182.5	187.5	192.5	197.0	201.5	206.5	211.0	216.5	222.0
Costs and returns:													
Ration value	$/cwt	7.76	7.86	7.70	7.75	7.90	8.05	8.10	8.15	8.30	8.35	8.30	8.45
Returns above concentrate costs	$/cwt	8.68	9.24	9.75	10.38	10.67	10.91	10.94	11.07	11.16	11.23	11.46	11.64
Milk-feed ratio	ratio	1.53	1.59	1.68	1.75	1.77	1.77	1.77	1.77	1.76	1.76	1.80	1.79

1/ Estimated value of milk used in manufactured products.