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# THE Livestock and Meat SITUATION

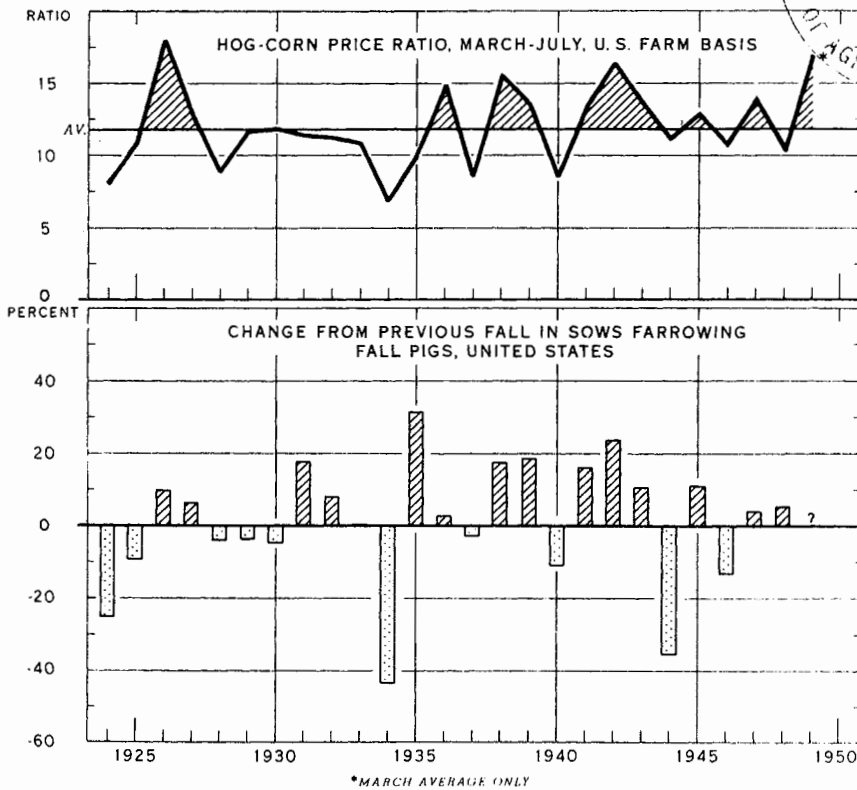
BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE

LMS-26



NEW YORK APRIL 1949  
MAY 11 1949  
DEPARTMENT OF AGRICULTURE

HOG-CORN PRICE RATIO AND PERCENTAGE CHANGE IN  
FALL SOWS FARROWING, UNITED STATES, 1924-49



U. S. DEPARTMENT OF AGRICULTURE

NEG. 46732 BUREAU OF AGRICULTURAL ECONOMICS

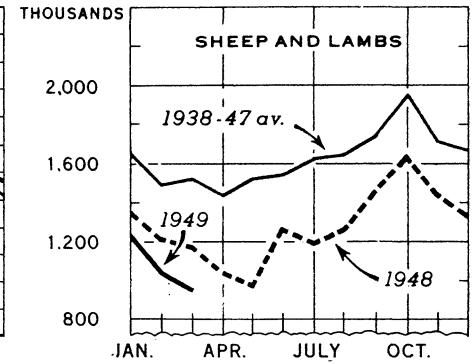
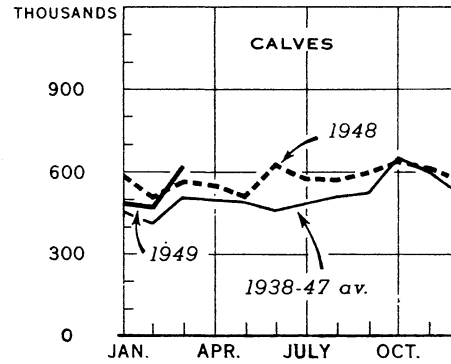
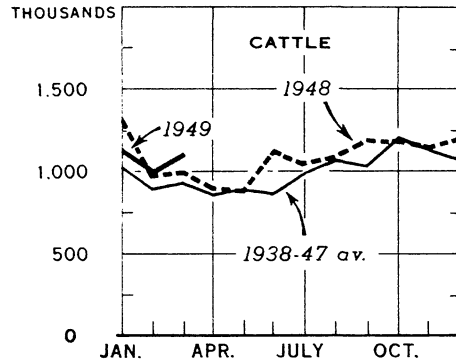
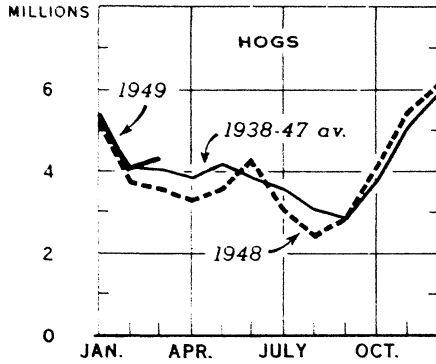
The hog-corn price ratio in March this year was unusually favorable for feeding hogs compared with the average for this time of year. Some decrease in the ratio is in prospect until early summer but the March-July average probably will be considerably higher than usual. According to past average relationships, a springtime ratio this high would be followed by substantially more sows to farrow this fall than the 5.2 million last fall. If such an increase should occur and litters should be as large as the average of the past 10 years, the fall pig crop would approximate 37 million. The 1949 total pig crop would be well above 90 million and the third largest on record.

A poor growing season for feed crops, farmers' responses to the USDA pig crop goal, and declines in hog prices, could result in fewer farrowings than the hog-corn ratio indicates. 1/

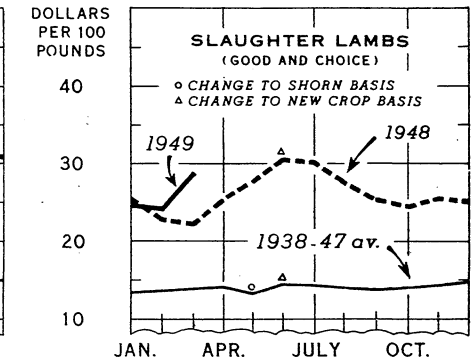
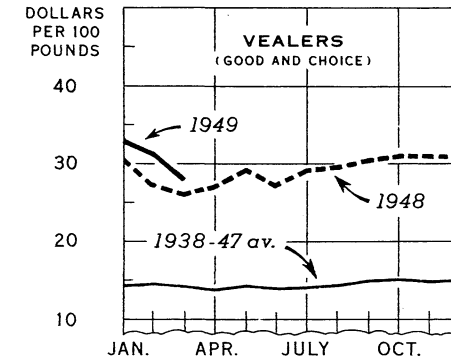
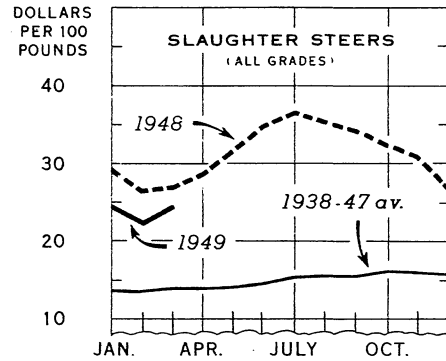
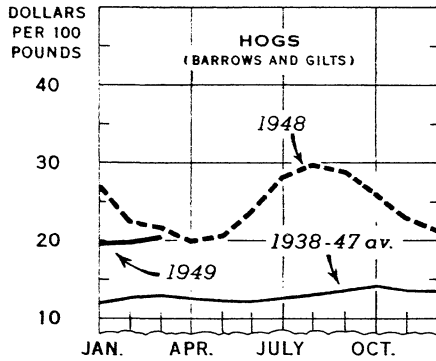
1/ Official estimates of the spring pig crop and intentions for fall farrowings will be released on June 22. No estimate of the fall pig crop will be available until December 21.

# LIVESTOCK AND MEAT SITUATION

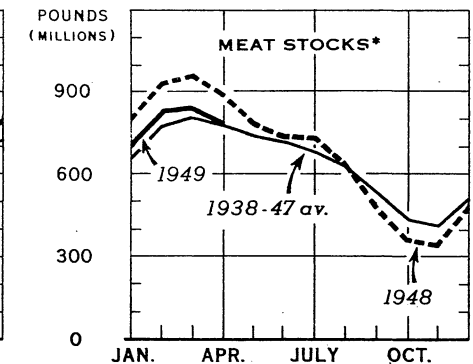
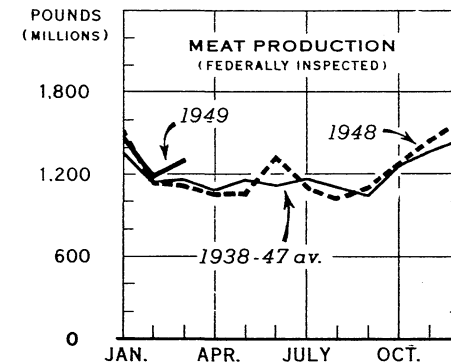
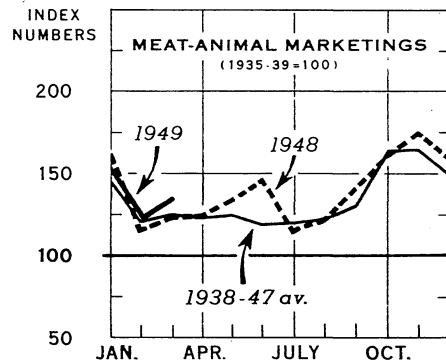
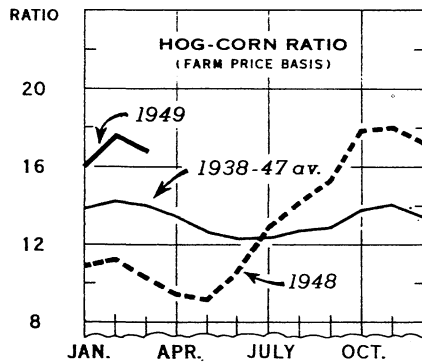
## FEDERALLY INSPECTED SLAUGHTER, UNITED STATES



## MARKET PRICES, CHICAGO



## HOG-CORN RATIO, MEAT ANIMAL MARKETINGS, MEAT PRODUCTION, AND STOCKS, UNITED STATES



\* BEEF, LAMB AND MUTTON, PORK, AND MISCELLANEOUS MEATS IN MEAT PACKING PLANTS AND COMMERCIAL COLD STORAGE HOUSES, BEGINNING OF MONTH

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THE LIVESTOCK AND MEAT SITUATION  
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Approved by the Outlook and Situation Board, April 29, 1949

## SUMMARY

Prices of meat animals during the next few months are expected to reflect both seasonal variations in marketings and a longer-run uptrend in total meat production--a trend now in progress. Declines in prices during the spring and early summer may be sharper than usual, and the midsummer increase may be less than it frequently is. No great advance in prices such as occurred in the summer of 1948 is in prospect this year.

Hog prices have declined seasonally since late March and some further reduction is likely. The price probably will average lower than a year earlier. More hogs will be slaughtered this spring and summer than a year earlier because the pig crop last fall was 8 percent larger than the previous fall crop and because more sows will be slaughtered. The difference between the number of hogs slaughtered this spring and the spring of 1948 will be greater in the weeks ending in late May, during which slaughter was limited last year by labor difficulties in most packing houses.

Prices of the higher grades of steers may also be reduced slowly. A considerably larger number of grain-fed cattle will be slaughtered in the peak season of late spring this year than last. Cattle-feeding activity has continued high. About 23 percent more cattle were on feed in 11 Corn Belt States April 1 this year than a year ago, nearly the same percentage increase as was reported for that area January 1. In contrast with the better grades, lower grades of steers may increase in price seasonally. However, there can be only a moderate closing of the spread between prices of highest and lowest grades, which at Chicago in April was slightly under \$5 per 100 pounds. Last April it was almost \$8.

Lamb prices declined in mid-April but have averaged around one-fifth higher than last April. They are likely to remain comparatively higher than prices of other meat animals. Fewer lambs will be slaughtered this year than last. The early lamb crop was down 6 percent from last year, and the late crop also is likely to be smaller. Progress of lambs of the early crop has recently been generally good, although it began slowly in California and the Pacific Northwest. Conditions in Texas have been unusually favorable for spring lambs.

Total production of all meats through the rest of 1949 promises to surpass corresponding 1948 levels. Production of pork will increase rapidly in the fall, when hogs from the large current spring pig crop move to market. The higher plane of pork output may be maintained through much of next year. According to the usual relationship to the springtime hog-corn ratio, a substantial increase could be expected in number of sows to farrow in the fall. But trends in hog prices and prospects for feed crops this summer will have an influence on farmers' plans for farrowings.

## OUTLOOK

### Hog Prices Declining Seasonally

Hog prices have declined seasonally since late March. Barrows and gilts at Chicago averaged \$18.22 during the week ended April 23, \$2.44 below the price during the week of March 26 and 80 cents less than the previous low this year which occurred in the week of February 12.

Some further price reduction is likely in the next few weeks. Prices of hogs will average lower this spring than the \$19 to \$20 level in April-May last year. Although the usual midsummer price rise is in prospect this year, it may be less than average and will be smaller than the advance in the summer of 1948. Chicago prices of barrows and gilts increased from \$20 in mid-May of 1948 to \$30 in mid-August.

The number of hogs slaughtered is increasing, as marketings from the fall pig crop rise toward their seasonal peak. More fall-farrowed hogs will be slaughtered this spring and summer than last because the pig crop last fall was 8 percent larger than the crop a year previously. The gain in slaughter over a year earlier will be greater in the weeks ending in late May than after that time, since slaughter was limited through May last year by labor difficulties in the packing industry. Moreover, the total slaughter for the season will be relatively high in comparison with the number slaughtered during the winter. This comparison is based on the relative sizes of the two 1948 pig crops. The fall crop last year was 66 percent as large as the spring crop. In 1947, the fall crop was but 59 percent of the spring crop.

In recent years fall farrowings have been larger relative to spring farrowings than 15 or 20 years ago, and the fall pig crop has grown to 60-65 percent of the spring crop. In the 1920's and early 1930's, the fall crops averaged only slightly over 50 percent of the size of the spring crops. The increased proportion of the fall pigs, which arises from regional shifts in areas of production together with some change in practices of hog raising, has caused a relatively larger slaughter of hogs in the spring months than formerly. If this continues, as is likely, seasonal declines in hog prices during the early spring may be more pronounced than they have been in the past, and variations in the early fall may be less pronounced. The big seasonal swing in prices of each year has usually taken place in the fall months, beginning as a price rise in late summer and ending in a sharp drop commencing in the autumn and continuing to early winter.

There are evidences of some additional smoothing of seasonal variations in marketings of hogs during the fall due to improved practices and better facilities that advance the dates of many farrowings in the winter and early spring, and possibly due also to a faster rate of raising and feeding hogs. Reports from Iowa show that nearly 50 percent more litters had been farrowed in that State by April 1 this year than a year earlier. As average feeding periods apparently are no longer now than before the war, even though hogs are being fed to heavier weights, the prospect this year is for many spring pigs to be marketed early in the fall. The summer rise in price of hogs may be less than usual, and may end earlier.

More sows will be marketed this summer than last. The increase will reflect the greater number that will have farrowed this winter and spring than a year earlier. Last December, farmers reported their intentions to have 14 percent more sows farrowing for the spring pig crop this year than last.

Prices for packing sows and for heavy butcher hogs this summer may be lower than usual relative to prices for medium butchers. The differential between prices of heavy and medium butcher hogs is currently smaller than it was a few months ago, but the narrowing is mainly a seasonal change that occurs at this time in most years. The differential is likely to increase some, and to be unusually wide this summer.

The larger supply of packing sows expected this summer and the heavy average weights of butcher hogs will contribute to the comparative weakness in price for heavy hogs. A major factor, however, is the low price for lard. Lard is a proportionately bigger part of the combined pork-and-lard yield from heavy hogs than from light ones. Moreover, the fatty cuts of pork are a more important product of heavy than of light hogs. Prices of fat cuts tend to vary with the prices of lard.

In April, refined prime steam lard in 1-pound cartons sold at wholesale in Chicago for less than 15 cents a pound. A year earlier, the price was about 25 cents. Under OPA control it was 15.5 cents. From 1940 through 1948 lard of this grade consistently sold for more per pound than the price of barrows and gilts at Chicago. The price this April was less than three-fourths the live-animal price.

Prices for Best Steers Hold Steady;  
May Fall Slightly.

Prices of the better grades of steers have been nearly unchanged in the last two months. Good steers averaged \$24.37 per 100 pounds at Chicago in April, and the March average was \$24.19. The April price was \$3.80 or 13.5 percent lower than the price for April a year ago, when grain-fed steers were unusually scarce.

A small reduction in prices of top grades of steers is likely in the next month or two--the peak season of slaughter of those grades. High activity in grain feeding of cattle has resulted in a more plentiful supply of slaughter cattle of the higher grades this year than last. The March live weight for Federally inspected slaughter averaged 999.6 pounds per head, the largest average weight for March since 1922. A record number of cattle was on feed

in the United States January 1 this year. The number continued high through April 1, when 23 percent more cattle than a year earlier were on feed in 11 Corn Belt States. This percentage was almost the same as the 22 percent increase for the same States in January, relative to January 1948.

Corn Belt feeders are averaging a longer feeding period and are feeding more young stock this year than in the early part of 1948. However, feeders reported on April 1 this year that the additional feeding had been completed by that time and that they expected to market about the same percentage of their cattle then on feed by July 1 this year as they did last year. The reported percentage to be marketed by July 1 this year is 49 percent, compared with 50 percent last year.

Biggest increases in numbers on feed April 1, 1949 over a year ago were 31 percent in Nebraska, and 30 percent in Kansas.

Reports from Colorado indicate slightly more cattle on feed there on April 1 than a year earlier. On January 1, 7 percent fewer were on feed than on the same date of 1948.

The increased supply of corn on cattle feeders' farms on April 1 supported the increase in the number of cattle on feed. In 8 of the States where corn stocks on the farms of cattle feeders were reported, stocks on April 1 were about double the supply last year.

Prices of Lower Grades  
of Cattle about Same

Prices of the lower grades of slaughter steers varied little in the month ending late April. They are expected to remain seasonally strong until summer. The spread between prices of Common steers and those of Choice and Prime steers, already comparatively narrow at \$4.59 per 100 pounds compared with \$7.78 last April, may close somewhat further. Demand for cattle for summer feeding on grain and for stocking of pastures and ranges will compete with slaughter demand for the rather limited supply of cattle.

Veal Calves Steady and Lamb  
Prices up from Last Year

Prices of veal calves in April were about the same as a year earlier. Prices of lambs were higher than in April last year. Woolled slaughter lambs dropped about \$2 from their price of around \$31 per 100 pounds at Chicago in early April, but have averaged one-fifth higher than in April last year. Prices to date this spring have been second only to the record set for spring slaughter lambs last June and July.

Sheep and lambs are in such short supply compared with other meat animals that their prices are likely to hold up much better during 1949 than will the average for all meat animals. Fewer lambs will be raised this year than in any year since records were begun in 1924. The early lamb crop was down 6 percent from that crop of last year, and a reduction in the fall crop also is probable.

Early lambs have generally made good progress recently. Their gains started slowly in the Pacific Northwest and in California. Marketings will be later than usual from those areas. In other producing regions, the early lamb crop has developed well. Conditions in Texas have been very favorable.

#### Meat Production on Slow General Increase

Prices of most meat animals may continue through 1949 to vary seasonally about a slowly declining trend. Meat production is now generally increasing. Total production in 1949 may exceed that of 1948 by 2 to 3 percent, with the largest part of the gain in production of pork. Pork production will increase rapidly in the fall when hogs from the current larger spring pig crop are marketed. If farmers farrow as many sows as they intended last December and if litters are of average size, 10 percent more pigs will be saved from the spring crop this year than last. If litters should be as large as they were last year, the increase in numbers raised would be 14 percent.

Total consumption of all meat per person in 1949 may be as large or slightly larger than the 147 pounds consumed in 1948. Consumption in the first quarter was nearly the same as that a year earlier, and consumption in each of the remaining quarters may be one-half pound per person larger than in the corresponding quarter of 1948.

#### Hog-Corn Price Ratios May Lead to More Fall Pigs

In mid-March, the United States average hog-corn price ratio was 16.9. This ratio, based on prices received by farmers for hogs and for corn, was the second highest for the month in 23 years. Because of declines in hog prices while corn prices are steadier, the springtime average ratio may be somewhat lower, but it will nevertheless be favorable for hog producers. Over 25 years, the March-July hog-corn ratio has averaged 11.8. (See table 1.)

Ordinarily, a high ratio in the spring is followed by a larger number of sows farrowing in the following fall than in the previous one. On the average, a ratio of around 14 to 15 would bring a 10 to 15 percent increase in the number farrowing.

Price ratios are not an invariable signpost to future hog production. Last year, for example, the March-July ratio was unfavorable for hog production, but producers increased their sow numbers by 5 percent. The low ratio last spring was due to record-high corn prices as a consequence of the small corn crop in 1947. When crop prospects became bright during the summer of 1948 and some feed prices declined, enough sows were held to increase the number farrowing in the fall over the previous year. Furthermore, the Department of Agriculture encouraged an increase in hog production by recommending 10 percent more sows to farrow fall pigs.

Table 1.- Array of hog-corn price ratios during breeding season, March-July, with increases or decreases in number of sows farrowing fall pigs

| Year | Hog-corn ratio, March-July |                      | Number of sows farrowing in the fall | Increases or decreases from previous year in sows farrowing |         |
|------|----------------------------|----------------------|--------------------------------------|---|---------|
|      | United States              | North Central States |                                      | Number  | Percent |
|      |                            |                      | 1,000 head                           | 1,000 head  | Percent |
| 1926 | 18.0                       | 20.3                 | 4,330                                | 391   | 9.9     |
| 1942 | 16.4                       | 17.6                 | 6,840                                | 1,305   | 23.6    |
| 1949 | 16.0*                      | 16.6*                | ---                                  | ---   | ---     |
| 1938 | 15.5                       | 17.3                 | 4,517                                | 672   | 17.5    |
| 1936 | 14.9                       | 16.5                 | 3,957                                | 100   | 2.6     |
| 1947 | 13.8                       | 14.2                 | 4,907                                | 194   | 4.1     |
| 1939 | 13.6                       | 15.5                 | 5,352                                | 835   | 18.5    |
| 1943 | 13.6                       | 14.6                 | 7,565                                | 725   | 10.6    |
| 1941 | 13.3                       | 14.1                 | 5,535                                | 772   | 16.2    |
| 1945 | 12.9                       | 14.0                 | 5,426                                | 544   | 11.1    |
| 1927 | 12.8                       | 13.5                 | 4,609                                | 279   | 6.4     |
| 1930 | 11.8                       | 13.2                 | 4,073                                | -191  | -4.5    |
| 1929 | 11.6                       | 12.7                 | 4,264                                | -165  | -3.7    |
| 1931 | 11.4                       | 13.0                 | 4,797                                | 724   | 17.8    |
| 1932 | 11.2                       | 12.6                 | 5,179                                | 382   | 8.0     |
| 1944 | 11.1                       | 12.3                 | 4,882                                | -2,683  | -35.5   |
| 1933 | 10.8                       | 12.9                 | 5,207                                | 28  | 0.5     |
| 1925 | 10.8                       | 11.8                 | 3,939                                | -405  | -9.3    |
| 1946 | 10.8                       | 11.5                 | 4,713                                | -713  | -13.1   |
| 1948 | 10.4                       | 10.4                 | 5,169                                | 262   | 5.3     |
| 1935 | 10.1                       | 10.8                 | 3,857                                | 921   | 31.4    |
| 1928 | 8.8                        | 9.4                  | 4,429                                | -180  | -3.9    |
| 1940 | 8.5                        | 9.2                  | 4,763                                | -589  | -11.0   |
| 1937 | 8.5                        | 8.6                  | 3,845                                | -112  | -2.8    |
| 1924 | 8.0                        | 8.9                  | 4,344                                | -1,448  | -25.0   |
| 1934 | 6.9                        | 8.0                  | 2,936                                | -2,271  | -43.6   |

\* March-April average.

The hog-corn price ratio during the spring is not a reliable guide to future profits from hog production. The ratio as of a given time is determined mainly by the concurrent market forces, and it can change greatly by the time hogs from the next pig crop are raised, fattened, and marketed.

As a general rule, changes in the hog-corn ratio over a 6 to 12 month period are due more largely to changes in the price of corn than in the price of hogs. Corn supplies and prices in the past have varied more from year to year than have hog production and prices. An example is the low hog-corn ratio in the spring of 1948, which was temporary and later increased greatly when a large corn crop was raised and the price of corn declined.



This year, however, the reliability of the present hog-corn ratio as a guide to future profits from hogs is more likely to depend on changes in hog production and prices than on changes in the price of corn. In the last few weeks the cash price of corn has been around 20 cents below the loan price.

The index of prices paid by farmers, including interest and taxes, has declined three points since the beginning of the corn marketing year, indicating that the loan price of corn next fall may be a little lower than the present loan. Carry-over stocks of corn will be large enough that market prices could not rise greatly except in the event of a small crop in 1949.

A moderate decline in the general level of hog prices may be expected beginning in the fall, due to the expansion in hog production. The hog-corn ratio is thus likely to decline in the 1949-50 feeding year. How much it will decline, and whether it will be favorable or unfavorable to hog producers, will depend mainly on the rate at which hog production increases. It will also be affected by any changes in consumer demand for meat.

In past years, when hog-corn price ratios have been so low as to be unfavorable for producers, they have usually been caused by small corn crops which in the absence of large carry-over stocks brought high corn prices. Sometimes, however, they came about because of a very rapid expansion in hog-raising.

If producers should make an average response to the springtime hog-corn ratio this year, around 5.8 million sows would farrow fall pigs. There are as yet no means of indicating whether this response will actually occur. <sup>1/</sup> However, it may be useful to translate such an average response into the equivalent number of pigs raised, hogs slaughtered, and pork produced. At a 10-year average size of litters, about 37 million pigs would be raised from 5.8 million sows. Litters as large as in the last few years would add another one-half million pigs. Intentions of last December indicated a 1949 spring pig crop of 56.5 millions, at 10-year average size of litter. Thus, if 5.8 million sows should farrow this fall, the 1949 pig crop would be 93.5 million or more, according to these calculations. This number would be almost 10 percent more than the 1948 crop, 11 percent more than the number saved in 1947, and the third largest annual crop on record. It would be equivalent to an annual hog slaughter (in the year beginning October 1949) of about 82 to 83 million head. If, because of an increasing price disparity for heavy hogs, the average slaughter weights should decline moderately, approximately 11 to 11.2 billion pounds of pork, excluding lard, would be produced. This quantity would be larger than in any year except 1943, 1944, and possibly 1946. Consumption of pork per capita would be at an annual rate less than in each of those three years, but would be greater than in any other year since 1908.

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<sup>1/</sup> Farmers intentions on June 1 for the number of sows to farrow in the fall will be reported June 22. However, the first estimate of the fall pig crop will not be released until December 21.

Table 2.- Number of pigs raised, number of hogs slaughtered, and production and consumption of pork, United States, 1939-48

| Year | Pig crop   |            |            | Number of hogs slaughtered |            | Pork production, excluding lard |          | Civilian consumption of pork, excluding lard |            |
|------|------------|------------|------------|----------------------------|------------|---------------------------------|----------|--|------------|
|      | Spring     | Fall       | Total      | Federally inspected        | Total      | Federally inspected             | Total    | Total  | Per capita |
|      | 1,000 head | 1,000 head | 1,000 head | 1,000 head                 | 1,000 head | Mil. lb.                        | Mil. lb. | Mil. lb.                                     | Pound      |
| 1939 | 53,238     | 33,714     | 86,952     | 41,368                     | 66,561     | 5,552                           | 8,660    | 8,474  | 64.3       |
| 1940 | 49,584     | 30,282     | 79,866     | 50,398                     | 77,610     | 6,514                           | 10,044   | 9,701  | 73.0       |
| 1941 | 49,368     | 35,584     | 84,952     | 46,520                     | 71,397     | 6,345                           | 9,528    | 9,007  | 67.9       |
| 1942 | 61,093     | 43,810     | 104,903    | 53,897                     | 78,547     | 7,562                           | 10,876   | 8,368  | 63.3       |
| 1943 | 74,223     | 47,584     | 121,307    | 63,431                     | 95,226     | 9,308                           | 13,640   | 10,172                                       | 78.5       |
| 1944 | 55,754     | 30,905     | 86,659     | 69,017                     | 98,068     | 9,456                           | 13,304   | 10,230                                       | 79.2       |
| 1945 | 52,189     | 34,593     | 86,782     | 40,960                     | 71,891     | 6,387                           | 10,697   | 8,598  | 66.3       |
| 1946 | 52,392     | 30,548     | 82,940     | 44,394                     | 76,244     | 6,642                           | 11,173   | 10,530                                       | 75.6       |
| 1947 | 52,302     | 31,345     | 84,147     | 49,116                     | 74,710     | 7,080                           | 10,601   | 10,018                                       | 69.8       |
| 1948 | 51,286     | 33,995     | 85,281     | 47,615                     | 72,311     | 6,832                           | 10,246   | 1/10,044                                     | 1/68.7     |

1/ Estimated.

At the least, expansion at this rate would reduce hog prices to a level at which the favorableness of the hog-corn ratio would be sensitive to consumer demand for pork. Any marked weakening in demand would cause the hog-corn ratio to become unfavorable to hog producers. This outlook could be affected by Government-support prices for hogs, and later by support prices for corn. Support of hog prices at 90 percent of parity has been announced for the period through March 31, 1950, and support of corn prices will continue at 90 percent of parity until September 30, 1950. Present legislation authorizes but does not require support for hogs, and grants more latitude in support level for corn, after those dates.

Feed Supplies Ample; Will Remain  
So Unless Yields Are Low

An 89 percent larger tonnage of feed grains was on hand April 1 this year than last. The increase relative to animal units fed was nearly as large. Stocks of corn more than doubled; they jumped from 880 million bushels in April 1948 to 1,833 million in April this year.

Much of the present stocks will still be on hand at the end of the feeding season. The carry-over of corn next October 1 probably will exceed the record of 688 million bushels set in 1940.

Large carry-overs this summer and fall will assure adequate feed supplies if yields are average or better, even though a smaller total acreage of feed grains than last year's is in prospect. On March 1, farmers indicated their intentions to plant 2 percent fewer acres in corn and somewhat less of other feed grains than they planted last year. If yields by States should be the same as the 1942-46 average for corn and the 1943-47 average for other feed grains, 111 million tons of all feed grains combined would be produced. With the large carry-over in prospect, total supply would be around 135 to 140 million tons. This would be nearly one-fifth larger than the 1937-41 average supply and larger than in most other recent years, and only a little smaller than the record supply in 1948-49.

Table 3.- Average prices and values of important items affecting returns from lamb feeding, 1943-44 to 1948-49

| Item  | 1943- | 1944- | 1945- | 1946- | 1947- | 1948- |
|---|-------|-------|-------|-------|-------|-------|
|   | 1944  | 1945  | 1946  | 1947  | 1948  | 1949  |
|   | Dol.  | Dol.  | Dol.  | Dol.  | Dol.  | Dol.  |
| Price per 100 pounds of Good and Choice grade slaughter lambs, Chicago, Dec.-March.....         | 15.67 | 15.93 | 15.12 | 23.34 | 23.83 | 25.72 |
| Direct subsidy to producers, per 100 pounds.....  | 0     | 0     | 2.25  | 0     | 0     | 0     |
| Price per 100 pounds of Good and Choice grade feeder lambs, Omaha, Sept.-Dec.....               | 11.87 | 12.44 | 14.56 | 17.73 | 21.29 | 22.90 |
| Price per bushel received by farmers for corn, North Central States, Oct.-Mar.....              | 1.028 | 0.993 | 1.036 | 1.292 | 2.222 | 1.190 |
| Price per ton received by farmers for alfalfa hay, loose, North Central States, Oct.-March..... | 16.64 | 18.12 | 15.93 | 19.38 | 21.08 | 20.17 |
| <u>Total value</u>  |       |       |       |       |       |       |
| Market value at Chicago of Good and Choice grade 85 pound slaughter lambs.....                  | 13.32 | 13.54 | 12.85 | 19.84 | 20.26 | 21.86 |
| Subsidy credit.....   | 0     | 0     | 1.91  | 0     | 0     | 0     |
| Market cost at Omaha of 60 pound feeder lambs.....  | 7.12  | 7.46  | 8.74  | 10.64 | 12.77 | 13.74 |
| Cost of 2 $\frac{1}{2}$ bushels of corn.....  | 2.57  | 2.48  | 2.59  | 3.23  | 5.56  | 2.98  |
| Cost of 150 pounds of alfalfa hay   | 1.25  | 1.36  | 1.19  | 1.45  | 1.58  | 1.51  |
| Total of cost items shown 1/...   | 10.94 | 11.30 | 12.52 | 15.32 | 19.91 | 18.23 |
| Margin of market value per lamb over total of cost items shown 1/:                              | 2.38  | 2.24  | 2.24  | 4.52  | .35   | 3.63  |

1/ Does not include purchasing or marketing expenses, labor cost, death losses, overhead costs or costs of other feed ingredients, or credits for manure. The prices shown are averages for the lamb-feeding season for the North Central region, and do not necessarily coincide with the experience of individual feeders.

Returns from Lamb Feeding  
Comparatively Good this Winter

Average returns from feeding of lambs apparently were much better this winter than last, and compare favorably with other recent years. The spread between the cost of feeder lambs and the value of fed lambs for slaughter was little different from last year, but the feed that was fed cost only a little more than one-half as much as it did a year earlier.

Returns to individual feeders probably varied greatly from these averages. Costs are far from uniform, and the rise in lamb prices made returns larger from the later sales than from the earlier sales. Slaughter lambs held generally below \$25 per 100 pounds until the middle of February, than advanced to more than \$30.

### World Cattle Numbers

#### Record High

World cattle numbers increased about 10 million head or 1 percent during 1948. Numbers at the beginning of 1949 are estimated by the Office of Foreign Agricultural Relations at 761 million head, a record level. <sup>1/</sup> Present numbers are now 28 million head or 4 percent above the 1936-40 average.

The largest increases in numbers since the 1936-40 period occurred in North and South America. The United States and several South American countries have more cattle now than before the war. Numbers in Canada have been declining for several years and are now at about the prewar level.

In Australia and New Zealand, cattle numbers have not changed much in the last few years and are about 5 percent greater than in 1936-40. In Africa, the cattle numbers exceed prewar. Cattle numbers in Europe have increased gradually since the war but are still considerably below the 1936-40 average.

### World Sheep Numbers

#### Highest Since 1944

World sheep numbers in 1949 continued to increase for the second consecutive year, being the highest since 1944. Sheep numbers are estimated at 720,100,000 head by the Office of Foreign Agricultural Relations and are still more than 20,000,000 head, or 3 percent, below the 1936-40 prewar average. <sup>2/</sup> Sizeable increases in numbers reported in Australia, Turkey, Spain, United Kingdom and the Soviet Union more than offset the decreases that took place in the United States, Argentina and China. Competitive agricultural enterprises and effects of war (China and Greece) have prevented a further recovery of sheep numbers in many countries.

### April-June Export Allocation

#### Increased

A supplementary allocation of meats for export from the United States in the April-June quarter permits the export of 73 million additional pounds of pork, about 3 percent of expected United States production in the same period. Of the total additional allocation, 66 million pounds are marked for the United Kingdom. If second quarter exports are of the volume permitted by the allocation, they will be more than double the quarterly exports of all meat recorded in 1948.

<sup>1/</sup> See Foreign Crops and Markets, Volume 58, No. 15.

<sup>2/</sup> See Foreign Crops and Markets, Volume 58, No. 17.

Table 4.- Hog-corn price ratio, United States, by months, 1945 to date <sup>1/</sup>

| Year | Jan. | Feb. | Mar. | Apr. | May  | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Year average |
|------|------|------|------|------|------|------|------|------|-------|------|------|------|--------------|
| 1945 | 12.9 | 13.2 | 13.1 | 13.2 | 13.1 | 12.7 | 12.6 | 12.4 | 12.6  | 12.5 | 12.8 | 13.0 | 12.8         |
| 1946 | 12.8 | 12.8 | 12.5 | 12.2 | 10.6 | 10.1 | 8.8  | 11.6 | 9.3   | 13.1 | 18.1 | 18.7 | 12.6         |
| 1947 | 18.1 | 19.8 | 17.7 | 14.7 | 14.0 | 11.9 | 10.9 | 10.8 | 11.1  | 12.2 | 11.1 | 10.6 | 13.6         |
| 1948 | 10.8 | 11.2 | 10.2 | 9.3  | 9.2  | 10.6 | 12.5 | 14.1 | 15.4  | 17.9 | 18.0 | 17.0 | 13.0         |
| 1949 | 16.1 | 17.5 | 16.9 | 15.2 |      |      |      |      |       |      |      |      |              |

<sup>1/</sup> Number of bushels of corn equivalent in value to 100 pounds of live hogs, based on local market prices.

<sup>2/</sup> Unweighted average of ratios for individual months.

Revises and brings to date the lower section of table 17 of Livestock and Meat Situation, February 1949.

Table 5.- Number of cattle and calves on farms, calf crop and disposition, and live weight of farm production, United States, 1945 to date <sup>1/</sup>

| Year | On hand, Jan. 1 |                   | Calves born              |            | Marketings <sup>3/</sup>  |            | Farm slaughter |            | Deaths     |            | Live weight of farm production |                |
|------|-----------------|-------------------|--------------------------|------------|---------------------------|------------|----------------|------------|------------|------------|--------------------------------|----------------|
|      | All cattle      | All cows 2 yrs. + | Percent of cows 2 yrs. + | Number     | Inshipments <sup>2/</sup> | Cattle     | Calves         | Cattle     | Calves     | Cattle     |                                | Calves         |
|      | 1,000 head      | 1,000 head        | Percent                  | 1,000 head | 1,000 head                | 1,000 head | 1,000 head     | 1,000 head | 1,000 head | 1,000 head | 1,000 head                     | Million pounds |
| 1945 | 85,573          | 44,226            | 80                       | 35,176     | 8,254                     | 27,391     | 13,197         | 916        | 741        | 1,644      | 2,680                          | 19,345         |
| 1946 | 82,434          | 43,014            | 80                       | 34,550     | 8,877                     | 26,188     | 12,656         | 943        | 758        | 1,566      | 2,543                          | 18,782         |
| 1947 | 81,207          | 42,567            | 83                       | 35,234     | 8,281                     | 26,995     | 14,117         | 860        | 682        | 1,473      | 2,469                          | 19,055         |
| 1948 | 78,126          | 41,039            | 82                       | 33,808     | 7,770                     | 23,325     | 12,826         | 800        | 561        | 1,405      | 2,292                          | 18,376         |
| 1949 | 78,495          | 40,483            |                          |            |                           |            |                |            |            |            |                                |                |

<sup>1/</sup> Balance sheet estimates. Total marketings, farm slaughter, deaths, and on hand end of year equals total of calf crop, inshipments and on hand beginning of year.

<sup>2/</sup> Sum of the interstate shipments and imports of feeding and breeding animals.

<sup>3/</sup> Excludes interfarm sales within States.

Revises and brings to date table 4 of statistical appendix of Livestock and Meat Situation for February 1949.

Table 6.- Number of hogs on farms, pig crops and disposition, and live weight of farm production, United States, 1945 to date 1/

| Year | On hand<br>January 1 | Pigs saved    |               | Inshipments<br>2/ | Marketings<br>3/ | Farm<br>slaughter | Deaths        | Live weight<br>of farm<br>production |
|------|----------------------|---------------|---------------|-------------------|------------------|-------------------|---------------|--------------------------------------|
|      |                      | Spring        | Fall          |                   |                  |                   |               |                                      |
|      | 1,000<br>head        | 1,000<br>head | 1,000<br>head | 1,000<br>head     | 1,000<br>head    | 1,000<br>head     | 1,000<br>head | Million<br>pounds                    |
| 1945 | 59,331               | 52,189        | 34,593        | 464               | 60,959           | 13,631            | 10,686        | 19,096                               |
| 1946 | 61,301               | 52,392        | 30,548        | 464               | 64,370           | 13,850            | 9,564         | 19,041                               |
| 1947 | 56,921               | 52,802        | 31,345        | 497               | 63,524           | 12,781            | 10,232        | 18,667                               |
| 1948 | 55,028               | 51,286        | 33,995        | 457               | 61,833           | 12,267            | 9,527         | 18,789                               |
| 1949 | 57,139               | 56,500        |               |                   |                  |                   |               |                                      |

1/ Balance sheet estimates. Total of marketings, farm slaughter, deaths, and on hand end of year equals total of pig crop, inshipments, and on hand beginning of year.

2/ Sum of the interstate shipments and imports of feeding and breeding animals.

3/ Excludes interfarm sales within States.

Revises and brings to date table 5 of statistical appendix of Livestock and meat Situation for February 1949.

Table 7.- Number of sheep and lambs on farms, lamb crop and disposition, and live weight of farm production, United States, 1945 to date 1/

| Year | On hand<br>January 1 | Lambs saved   | Percent of<br>ewes | Inshipments<br>2/ | Marketings 3/ |               | Farm<br>slaughter | Deaths        | Live weight<br>of farm<br>production |               |                   |       |
|------|----------------------|---------------|--------------------|-------------------|---------------|---------------|-------------------|---------------|--------------------------------------|---------------|-------------------|-------|
|      |                      |               |                    |                   | Sheep         | Lambs         |                   |               |                                      |               |                   |       |
|      | 1,000<br>head        | 1,000<br>head | Percent            | 1,000<br>head     | 1,000<br>head | 1,000<br>head | 1,000<br>head     | 1,000<br>head | 1,000<br>head                        | 1,000<br>head | Million<br>pounds |       |
| 1945 | 46,520               | 27,042        | 86                 | 591               | 7,005         | 7,257         | 24,986            | 274           | 297                                  | 3,418         | 2,490             | 1,912 |
| 1946 | 42,436               | 24,540        | 89                 | 730               | 6,808         | 6,496         | 24,172            | 276           | 304                                  | 3,170         | 2,278             | 1,763 |
| 1947 | 37,818               | 22,082        | 88                 | 652               | 6,000         | 5,052         | 21,116            | 257           | 302                                  | 2,890         | 2,108             | 1,579 |
| 1948 | 34,827               | 20,011        | 85                 | 623               | 5,653         | 4,565         | 19,013            | 244           | 298                                  | 3,000         | 2,031             | 1,407 |
| 1949 | 31,963               |               |                    |                   |               |               |                   |               |                                      |               |                   |       |

1/ Balance sheet estimates. Total of marketing, farm slaughter, deaths, and on hand end of year equals total of lamb crop, in shipments, and on hand beginning of year.

2/ Sum of the interstate shipments and imports of feeding and breeding animals.

3/ Excludes interfarm sales within States.

Revises and brings to date table 6 of statistical appendix of Livestock and Meat Situation for February 1949.

Table 8.- Live weight of marketings of meat animals, cash receipts from marketings, and gross income, by classes, 1945 to date.

| Year | Live weight of marketings 1/ |                    |                   | Cash receipts from marketings 1/ 2/ |                    |                    |                     | Gross income 2/ 3/      |                    |                    |                     |
|------|------------------------------|--------------------|-------------------|-------------------------------------|--------------------|--------------------|---------------------|-------------------------|--------------------|--------------------|---------------------|
|      | Cattle<br>and<br>calves      | Sheep and<br>lambs | Hogs              | Cattle<br>and<br>calves             | Sheep and<br>lambs | Hogs               | All meat<br>animals | Cattle<br>and<br>calves | Sheep and<br>lambs | Hogs               | All meat<br>animals |
|      | Million<br>pounds            | Million<br>pounds  | Million<br>pounds | Million<br>dollars                  | Million<br>dollars | Million<br>dollars | Million<br>dollars  | Million<br>dollars      | Million<br>dollars | Million<br>dollars | Million<br>dollars  |
| 1945 | 26,839                       | 2,835              | 15,738            | 3,290                               | 319                | 2,298              | 5,907               | 3,346                   | 323                | 2,674              | 6,343               |
| 1946 | 24,964                       | 2,673              | 16,233            | 3,722                               | 362                | 2,961              | 7,045               | 3,793                   | 366                | 3,449              | 7,608               |
| 1947 | 25,902                       | 2,274              | 16,015            | 4,932                               | 403                | 4,005              | 9,340               | 5,017                   | 408                | 4,635              | 10,060              |
| 1948 | 22,823                       | 2,061              | 15,524            | 5,223                               | 408                | 3,728              | 9,359               | 5,318                   | 413                | 4,320              | 10,051              |
| 1949 |                              |                    |                   |                                     |                    |                    |                     |                         |                    |                    |                     |

1/ Excludes interfarm sales.

2/ Does not include government payments.

3/ Cash receipts plus value of home consumption.

Revises and brings to date table 12 of statistical appendix of Livestock and meat Situation for February 1949.

Livestock prices per 100 pounds (except where noted), marketings and slaughter statistics, by species, March 1949 with comparisons

Prices

| Item  | Annual      |       | January-March |       | 1948  |       | 1949  |       |       |
|---|-------------|-------|---------------|-------|-------|-------|-------|-------|-------|
|   | 1938-47 Av. |       | 1948          | 1949  | Feb.  | March | Feb.  | March | April |
|   | Dol.        | Dol.  | Dol.          | Dol.  | Dol.  | Dol.  | Dol.  | Dol.  | Dol.  |
| <b>Cattle and calves</b>                              |             |       |               |       |       |       |       |       |       |
| Beef steers sold out of first hand:                   |             |       |               |       |       |       |       |       |       |
| Chicago, Choice and Prime.....                        | 16.19       | 32.26 | 26.97         | 30.57 | 29.42 | 25.61 | 25.88 | 25.81 |       |
| Good.....   | 14.73       | 28.13 | 23.97         | 27.10 | 26.92 | 22.99 | 24.19 | 24.37 |       |
| Medium.....   | 12.88       | 24.67 | 21.83         | 23.91 | 24.41 | 20.49 | 22.58 | 22.87 |       |
| Common.....   | 10.73       | 21.61 | 20.03         | 20.95 | 22.07 | 18.39 | 21.21 | 21.22 |       |
| All grades.....                                       | 14.66       | 36.91 | 23.58         | 26.43 | 26.71 | 22.25 | 24.14 | 24.20 |       |
| All grades, Omaha.....                                | ---         | ---   | 22.50         | ---   | ---   | 21.34 | 23.31 | 23.14 |       |
| All grades, Sioux City.....                           | ---         | ---   | 22.07         | ---   | ---   | 20.68 | 23.00 | 23.10 |       |
| Cows, Chicago, Good grade.....                        | 11.41       | 22.07 | 18.59         | 21.12 | 21.90 | 17.52 | 19.11 | 19.88 |       |
| Cows, Chicago, Cutter and Common 1/.....              | 8.29        | 17.14 | 16.03         | 16.94 | 17.74 | 15.61 | 15.99 | 16.47 |       |
| Vealers: Good and Choice, Chicago.....                | 14.39       | 27.87 | 30.55         | 27.15 | 26.06 | 31.06 | 27.98 | 27.58 |       |
| Stocker and feeder steers, Kansas City.....           | 11.97       | 25.34 | 22.56         | 24.15 | 25.57 | 21.25 | 24.37 | 23.66 |       |
| Average price received by farmers:                    |             |       |               |       |       |       |       |       |       |
| Beef cattle.....                                      | 10.86       | 20.97 | 19.73         | 20.10 | 21.50 | 18.70 | 20.50 | 20.80 |       |
| Veal calves.....                                      | 12.22       | 23.33 | 24.63         | 22.50 | 23.10 | 24.30 | 24.50 | 24.90 |       |
| <b>Hogs</b>   |             |       |               |       |       |       |       |       |       |
| Average market price, Chicago:                        |             |       |               |       |       |       |       |       |       |
| Barrows and gilts.....                                | 13.07       | 23.73 | 20.00         | 22.48 | 21.64 | 19.78 | 20.49 | 18.60 |       |
| Sows.....   | 12.20       | 20.41 | 15.54         | 19.58 | 17.73 | 16.50 | 16.72 | 15.34 |       |
| Average price received by farmers:                    |             |       |               |       |       |       |       |       |       |
| Hogs.....   | 12.38       | 23.23 | 19.90         | 21.60 | 21.50 | 19.60 | 20.00 | 18.0  |       |
| Corn, cents per bushel.....                           | 95.3        | 216.3 | 118.3         | 192.0 | 211.0 | 112.0 | 118.0 | 122.0 |       |
| Hog-corn price ratio (farm basis) 2/:                 |             |       |               |       |       |       |       |       |       |
| North Central Region.....                             | 14.4        | 10.8  | 17.3          | 11.6  | 10.3  | 18.1  | 17.5  | 15.8  |       |
| United States.....                                    | 13.3        | 10.7  | 16.8          | 11.2  | 10.2  | 17.5  | 16.9  | 15.2  |       |
| <b>Sheep and Lambs</b>                                |             |       |               |       |       |       |       |       |       |
| Lambs, Good and Choice slaugh., Chicago 3/:           | 14.02       | 23.50 | 25.94         | 22.95 | 22.13 | 24.38 | 28.78 | 29.39 |       |
| Feeding lambs, Good and Choice, Omaha.....            | 12.37       | 20.56 | 0             | 20.44 | 19.47 | 0     | 0     | 0     |       |
| Ewes, Good and Choice, Chicago.....                   | 6.35        | 12.73 | 11.79         | 12.91 | 12.76 | 11.19 | 13.34 | 13.70 |       |
| Average price received by farmers:                    |             |       |               |       |       |       |       |       |       |
| Sheep.....  | 5.72        | 9.36  | 9.50          | 9.31  | 9.44  | 9.24  | 10.10 | 10.80 |       |
| Lambs.....  | 11.86       | 21.03 | 22.33         | 20.80 | 20.10 | 21.50 | 23.60 | 25.80 |       |
| <b>Meat</b>   |             |       |               |       |       |       |       |       |       |
| Wholesale, Chicago:                                   |             |       |               |       |       |       |       |       |       |
| Steer beef, carcass (Good 500-600 lb.)....            | 21.28       | 44.04 | 38.19         | 41.80 | 43.18 | 36.33 | 38.78 | 39.62 |       |
| Composite hog products (incl. lard) 4/ ..             | 21.39       | 41.14 | 35.94         | 39.47 | 39.99 | 35.38 | 36.23 |       |       |
| Lamb carcasses (Good 30-40 lb.).....                  | 23.66       | 43.19 | 47.81         | 41.92 | 42.94 | 44.88 | 51.66 | 57.97 |       |
| B.L.S. index retail meat prices 5/ .....              | 124.3       | 223.2 | 221.0         | 218.0 | 218.2 | 212.3 | 222.5 |       |       |
| BLS index wholesale meat prices 6/ .....              | ---         | 239.8 | 219.2         | 230.7 | 240.6 | 212.5 | 222.4 |       |       |
| Index income of industrial workers 1935-39 = 100..... | 228.3       | 357.3 | ---           | 354.0 | 358.4 | 354.7 | ---   |       |       |

Livestock Marketing and Slaughter Statistics

| Item                                | Unit     | 1938-47 Av. | 1948   | 1949   | Feb.  | March | Feb.  | March | April |
|-------------------------------------|----------|-------------|--------|--------|-------|-------|-------|-------|-------|
| <b>Meat-animal marketings:</b>      |          |             |        |        |       |       |       |       |       |
| Index numbers (1935-39 = 100)....   | ---      | 134         | 133    | 137    | 115   | 122   | 123   | 135   |       |
| Stocker and feeder shipments to 8:  |          |             |        |        |       |       |       |       |       |
| Corn Belt States:                   |          |             |        |        |       |       |       |       |       |
| Cattle and calves.....              | Thous.   | ---         | 216    | 291    | 59    | 54    | 72    | 126   |       |
| Sheep and lambs.....                | Thous.   | ---         | 211    | 286    | 64    | 65    | 74    | 61    |       |
| Slaughter under Federal Inspection: |          |             |        |        |       |       |       |       |       |
| Number: 7/                          |          |             |        |        |       |       |       |       |       |
| Cattle.....                         | Thous.   | 11,943      | 3,275  | 3,222  | 977   | 986   | 994   | 1,102 |       |
| Calves.....                         | Thous.   | 6,111       | 1,663  | 1,579  | 511   | 566   | 476   | 619   |       |
| Sheep and lambs.....                | Thous.   | 19,541      | 3,730  | 3,229  | 1,209 | 1,175 | 1,046 | 949   |       |
| Hogs.....                           | Thous.   | 49,529      | 12,543 | 13,771 | 3,746 | 3,574 | 4,080 | 4,315 |       |
| Percent sows are of hogs.....       | Percent: | ---         | 7      | 8      | 8     | 4     | 8     | 9     |       |
| Average live-weight:                |          |             |        |        |       |       |       |       |       |
| Cattle.....                         | Pound    | 942         | 953    | 990    | 957   | 966   | 991   | 1,000 |       |
| Calves.....                         | Pound    | 202         | 176    | 183    | 175   | 160   | 180   | 165   |       |
| Sheep and lambs.....                | Pound    | 90          | 99     | 98     | 100   | 101   | 98    | 99    |       |
| Hogs.....                           | Pound    | 271         | 253    | 250    | 255   | 250   | 250   | 246   |       |
| Meat Production:                    |          |             |        |        |       |       |       |       |       |
| Beef.....                           | Mil. lb. | 5,972       | 1,643  | 1,739  | 493   | 513   | 536   | 607   |       |
| Veal.....                           | Mil. lb. | 687         | 160    | 158    | 49    | 50    | 47    | 57    |       |
| Lamb and mutton.....                | Mil. lb. | 807         | 171    | 146    | 56    | 55    | 48    | 43    |       |
| Pork (excluding lard).....          | Mil. lb. | 6,983       | 1,783  | 1,919  | 531   | 506   | 563   | 594   |       |
| Storage stocks first of month:      |          |             |        |        |       |       |       |       |       |
| Beef.....                           | Mil. lb. | ---         | ---    | ---    | 176   | 165   | 151   | 140   |       |
| Veal.....                           | Mil. lb. | ---         | ---    | ---    | 17    | 13    | 20    | 18    |       |
| Lamb and mutton.....                | Mil. lb. | ---         | ---    | ---    | 19    | 17    | 22    | 15    |       |
| Pork.....                           | Mil. lb. | ---         | ---    | ---    | 659   | 700   | 585   | 611   |       |
| Total meat and meat products.....   | Mil. lb. | ---         | ---    | ---    | 996   | 1,031 | 889   | 903   |       |

1/ Common until July 1939 changed to Cutter and Common. 2/ Number of bushels of corn equivalent in value to 100 pounds of live hogs. 3/ Wooled lambs. 4/ Calculated from value of 71.32 pounds of fresh and cured-hog products including lard. 5/ 1935-39 = 100. 6/ 1926 = 100. 7/ 1948-49 slaughter excludes Hawaii and Virgin Islands.





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