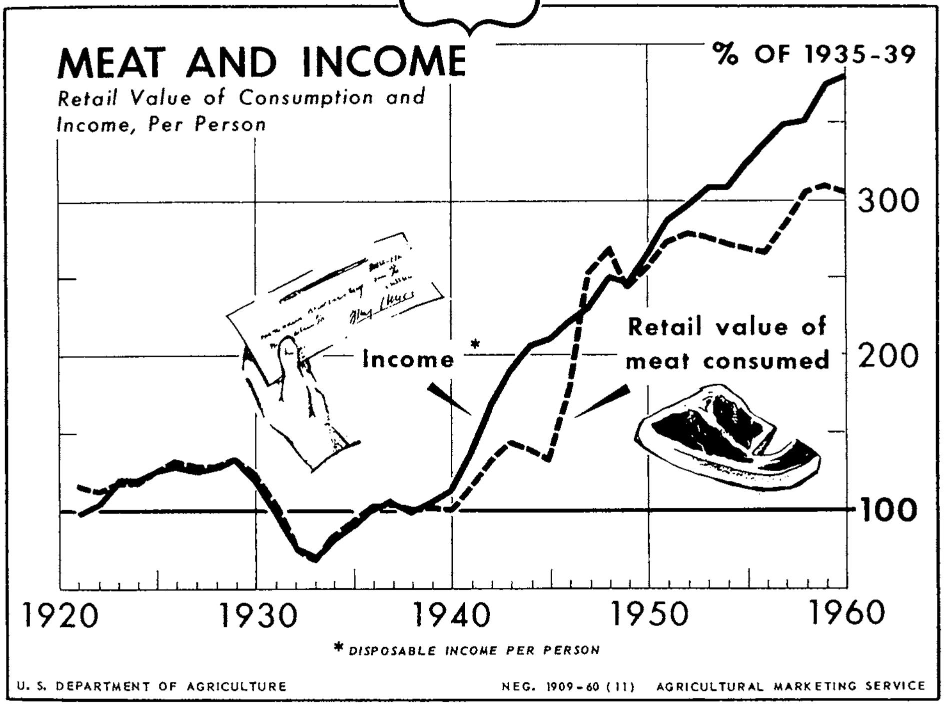
1961 OUTLOOK ISSUE
November 1960
FOR RELEASE
NOV. 15, P. M.

The LIVESTOCK and MEAT SITUATION

LMS-113

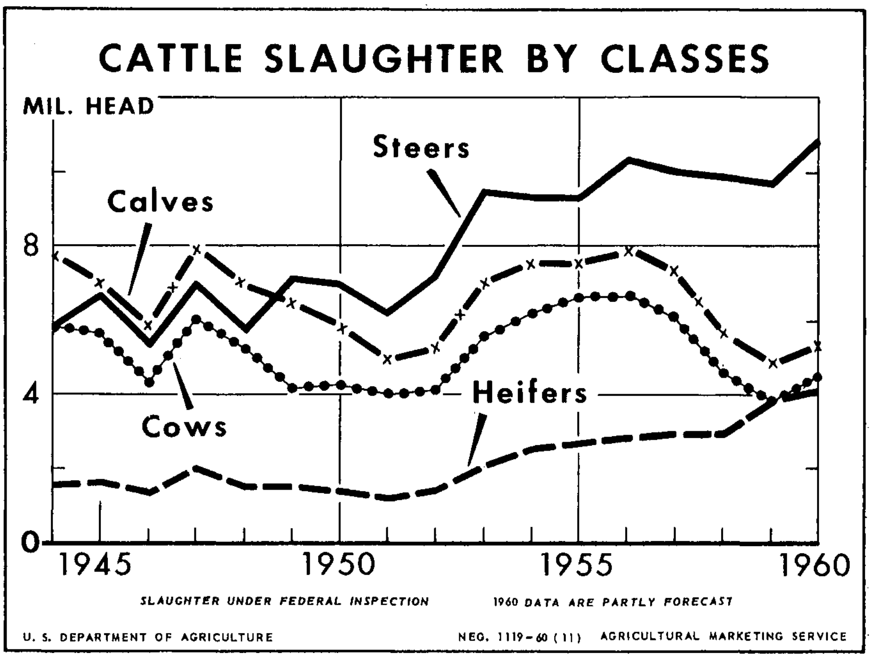
AMS



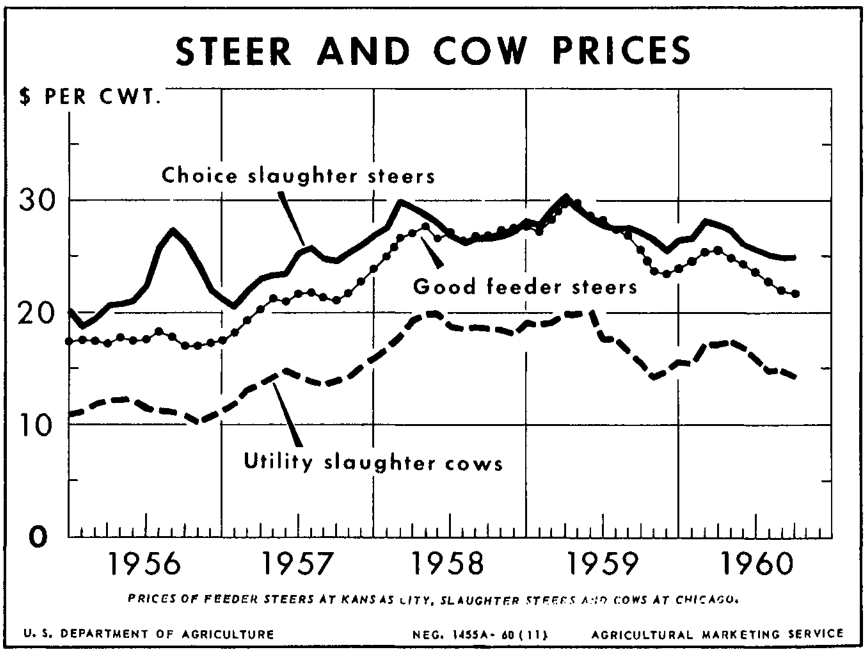
Income is the principal determinant of the money spent for meat. The retail value of meat consumed and disposable personal incomes traced similar patterns until interrupted by price controls and rationing during World War II.

Since 1947 the value of meat consumed has not increased as fast as income. The retail value of all meat was over 6 percent of disposable income in 1947; this year it will be around 4.6 percent.

Published bimonthly by
AGRICULTURAL MARKETING SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE



Cow and calf slaughter is turning upward after a 3-year decline. The lower slaughter rate has resulted in a large gain in the Nation's cow herd and has provided for record steer and heifer slaughter. Slaughter of all classes is expected to continue upward in 1961 and -



cattle prices will probably average lower than this year. Typically, feeder cattle prices have declined more at this phase of the current cycle than have prices of fed cattle. The relative decline has been greater for cows than other classes. Price pressures will likely be greater on all classes in the last half of next year than in the first half.

THE LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, November 8, 1960

Contents

SUMMARY

Increasing livestock production and prospective gains in marketings, together with their effect on prices, dominate the meat animal outlook. Only moderate changes are forecast for 1961. But record-high cattle numbers and uptrending hog production will almost certainly result in new highs in meat production and consumption during the next few years, and prices to producers will probably average substantially below current levels.

Cattle slaughter during 1961 will be considerably larger than in 1960, though probably not large enough to halt the uptrend in herd numbers. Slaughter of fed cattle will continue large but most of the gain will be in non-fed cattle. Grass cattle slaughter will be especially sensitive to range feed conditions. Despite some easing off in average slaughter weights, beef production will likely be large enough to supply about 4 pounds more beef per person next year than this--a new high in total output and rate of consumption.

Calf slaughter this year will total about 8 percent larger than last year and a further increase is expected in 1961. A large proportion of the beef calf crop will likely be held for feeding or breeding and the increase in slaughter is not expected to be as large as during this phase of the previous cycle.

The price received by farmers for beef cattle for 1960 will average about $2.00 per 100 pounds below 1959. Prices of feeder and stocker cattle and of calves declined more than those of slaughter cattle.

Under pressure of increased marketings, prices of cattle and calves will average somewhat lower in 1961. A severe cyclical break in prices

appears unlikely in 1961 and for the year as a whole, any decline may not differ greatly from that occurring in 1960. Lower grades of slaughter cattle, however, may suffer more price weakness than other classes. Downward pressure on all classes will likely be greater in the last half of the year than in the first half.

This outlook for cattle in 1961 should not be interpreted to mean that all is well with the beef cattle industry. Beef consumption is currently running at a near-record rate and cattle prices, though easing off, still are relatively favorable. But the size of the Nation's cattle herds means that beef production and consumption during the next few years will set new records. The price-depressing force of increased supplies is certain, though it cannot be pinpointed closely. Cattle producers should be alert to the possibility of cyclical increases in pork production coinciding with larger beef supplies at some time during the next 2 years.

Hog slaughter in the first half of 1961 will likely fall a little short of 1960, but by midyear the difference may be small. Hog raisers reduced production during the spring and in early fall of 1960. Producers apparently are planning an increase in late fall and early spring 1961 farrowings, according to a report from 10 Corn Belt States. As a consequence, hog slaughter in the last half of next year may climb to levels above a year earlier. The gain in pork output is expected to be moderate, however, and production for 1961 may total only a little larger than 1960.

Hog prices next year will probably not average greatly different from this year--until about midyear they will be above a year earlier. Price prospects for the last half of 1961 will depend largely on the actual size of the 1961 spring pig crop and supplies of other red meats, but larger marketings next fall would likely drop hog prices below this fall.

The relatively favorable outlook for hogs in 1961 carries with it a word of warning for 1962. In recent years hog production has usually increased for 2 years before turning downward. Should currently favorable conditions lead to a sharp increase in hog production, pork supplies per person could again be pushed up to the 68-70 pound rate--a level that led to significantly lower hog prices in 1955 and 1959. Danger of overproduction is accentuated by the probable increase in supplies of beef and veal.

Sheep and lamb slaughter during the first 9 months of 1960 was about 4 percent larger than a year earlier. If slaughter in the remaining months of 1960 continues above last year, as appears probable, the number of sheep and lambs on farms next January will be close to last January's inventory. And if sheep production does not change much in 1961, slaughter will be close to 1960, or only slightly larger.

Lamb prices to producers are about $2.00 per 100 pounds below a year earlier. Prices will probably continue below last fall during the remaining months this year, though last fall's sharp decline will probably not be repeated. Prospects are for lamb prices in 1961 to average a little below 1960. Marketings will be near the same level but supplies of other meat animals will be larger and prices lower.

Meat consumption in 1960 is expected to be about 161 pounds per person, a pound or so larger than last year. The outlook for next year is for an increase of about 4 pounds per person, mostly in beef. The average retail price for meats will probably be a little lower. Pork prices will probably not change much because of the small change in supplies per person. Consumer demand for beef is expected to continue strong but increasing supplies will probably result in lower prices.

REVIEW AND OUTLOOK

Cattle Slaughter Up; Meat Output A Record

Despite some reduction in hog slaughter, meat production is probably setting a new high this year. Total outturn of red meats in 1960 will be nearly 28.3 billion pounds, 3 percent above last year and greater than the previous 28.1 billion pound peak in 1956. Beef and veal production this year will be about 9 percent larger than last year but pork output will be some 4 percent smaller.

Increased production is pushing meat consumption in 1960 to about 161 pounds per person, up a pound from 1959. A gain of about 4 pounds more beef per person is more than offsetting the lower pork consumption rate. Total meat supplies have increased for 2 years but consumption per person is still below the record rate of 166.7 pounds set in 1956.

During the last quarter of 1960 supplies of meat will be somewhat smaller than a year earlier as a sharp reduction in pork output will offset gains in other meats. Total supplies per person will probably be close to those in the final quarters of 1957 and 1958.

Uptrend in Meat Production To Continue

The outlook is for meat production to increase enough during 1961 to supply each consumer with about 4 pounds more than during 1960. The increase will be mostly in beef, as cattle slaughter is expected to reach higher levels throughout 1961, but pork supplies will be less plentiful than a year earlier during the first half. In the second half of 1961, pork output will push above a year earlier if the 1961 spring pig crop is expanded, as now appears likely.

Beef consumption this year may top, by a slight margin, the record 85.4 pounds reached in 1956, and will undoubtedly set a new high in 1961. Consumption per person in 1961 is forecast at 89-90 pounds, up about 4 pounds from the quantity consumed this year. The 3-year increase in cattle numbers may push consumption to new highs for several years to come. Next year's slaughter of fed cattle, which provides the upper grades of beef, will continue large but most of the gain in beef output during the year will come from increased slaughter of cows and other grass cattle. Increased domestic supplies of the intermediate and lower grades of beef will likely mean smaller imports of the kinds of beef used in processing.

Table 1 .--Production and consumption per person of red meat and poultry, United States, 1957-60 and forecast for 1961

Production 1/

Year	Red meat: Beef	Red meat: Veal	Red meat: Lamb and mutton	Red meat: Pork	Red meat: Total	Poultry meat 2/	Red and poultry meat
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1957	14,211	1,528	707	10,478	26,924	5,440	32,364
1958	13,342	1,189	688	10,528	25,747	6,044	31,791
1959	13,608	1,016	738	12,110	27,472	6,301	33,773
1960 3/	14,850	1,130	760	11,600	28,340	6,510	34,850
1961 4/	15,900	1,235	765	11,700	29,600	6,800	36,400
	Consumption per person						
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1957	84.6	8.8	4.2	61.5	159.1	31.4	190.5
1958	80.5	6.7	4.1	60.7	152.0	34.1	186.1
1959	81.6	5.7	4.5	68.3	160.1	34.8	194.9
1960 3/	85.8	6.3	4.6	64.6	161.3	35.2	196.5
1961 4/	89.5	6.7	4.3	64.5	165	36	201

1/ Production of red meats is carcass weight equivalent of production from total United States slaughter.
2/ Chicken, including commercial broilers, and turkey, ready-to-cook (eviscerated) basis.
3/ Preliminary.
4/ Forecast.

Calf slaughter usually shows a sizable gain near this stage--the third or fourth year--of the cattle cycle, and this could happen next year. However, a large proportion of the calf crop probably will be withheld for feeding or breeding, and a sharp gain in slaughter is not forecast for 1961. Consumption of veal, including calf, per person will probably be up a little from the 6.3 pounds in prospect for 1960.

Buildup in Cattle Easing Off

Cattle numbers have been increasing for 3 years. The addition to herds during 1960 will be somewhat less than the increase during 1959. Increases during the first 2 years were proportionately greater for young stock than for cows, but additions this year will probably push the cow inventory to a record high. Cow and calf slaughter was reduced sharply as withholdings got under way, but it is now increasing and currently makes up a larger part of total slaughter than in the past 2 years. These trends indicate that the buildup in cattle herds is easing off.

Table 2.--Number of cattle and calves on farms January 1, calf crop, number slaughtered and imports, United States, 1951 to date

Year	Number on farms January 1: All cattle and calves	Number on farms January 1: Cows	Calf Crop	Imports	Number slaughtered: Cattle	Number slaughtered: Calves	Number slaughtered: Total
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1951	82,083	42,094	35,825	239	17,084	8,902	25,986
1952	88,072	43,923	38,273	140	18,625	9,388	28,013
1953	94,241	46,840	41,261	198	24,465	12,200	36,665
1954	95,679	48,946	42,601	86	25,889	13,270	39,159
1955	96,592	49,121	42,566	314	26,587	12,864	39,451
1956	96,804	48,729	42,010	159	27,754	12,997	40,751
1957	94,502	47,670	40,766	728	27,089	12,362	39,451
1958	93,350	46,520	40,409	1,152	24,396	9,752	34,148
1959	96,650	47,001	41,046	709	23,786	8,111	31,897
1960 1/	101,520	48,594	41,646	2/ 550	2/ 26,450	2/ 8,725	2/ 35,175

1/ Preliminary. 2/ Partly forecast.

Barring unfavorable conditions in pasture feed or unusual economic developments, cattle numbers will likely continue to increase in 1961. In the preceding cycle, cattle numbers on farms January 1 increased for 7 years, building up 26 percent during the upswing. The cyclical jump in slaughter and break in prices occurred in 1953, 4 years after upswing in numbers got under way.

Other distinguishing features of the current increase are a rapid accumulation of young slaughter stock and a big gain in beef steers and heifers, with an increasing proportion fattened on grain and other concentrates. This increase in slaughter of fed cattle has led to a quick turnabout in beef production. After 4 years we have surpassed the peak output of the previous cycle--this took 6 years in the last cycle. Thus a cyclical price boom in cattle was prevented from reaching the proportions of some past cycles; it may thereby moderate the current expansion in numbers.

Feed Grain Supplies Up; Prices Down

The total feed concentrate supply for 1960-61 is estimated at 270 million tons, a new high for the seventh straight year. Feed grain prices are a little lower this fall than a year ago and probably will average a little lower for the entire 1960-61 feeding year. Another big crop, a slight reduction in grain-consuming animals fed, and the 6-cent a bushel lower support for 1960 corn are the major factors.

Generally lower feed prices this fall have been accompanied by higher prices for hogs, resulting in a hog-corn price ratio more favorable than that of last fall. Cattle prices, however, have declined more than corn, pulling the beef steer-corn price ratio down from the very favorable level last year.

Corn prices are expected to continue low in relation to hog prices during much of next year. Lower cattle prices may result in a little less favorable feeding ratio for beef steers, though probably above average.

An abundance of feed is a strong stimulus to livestock production, and the plentiful supply has given a tremendous boost to cattle feeding. But feed is only one of the costs in livestock production--the effect of slightly lower feed costs will probably be less during the coming year than it has in the past few years. During 1960 the gain in cattle feeding has slowed down, narrowing the margin over a year earlier. On October 1 the number of cattle and calves on feed in 26 States was only 1 percent larger than a year earlier and 11 Western States accounted for all the gain. Moreover, cattlemen will probably not feed to as heavy weights next year as in 1960. At 12 leading markets the average weight of slaughter steers was above a year earlier for the first time in September; heifer weights have been consistently lower than last year. In the light of these developments cattle feeding may be expected to continue at a high level in 1961, but any gain will probably be small, and part of any increase in fed cattle slaughter during the year will likely be offset by lower average slaughter weights.

Table 3.--Number of cattle and calves slaughtered under Federal inspection, by class, United States, by months, 1960 compared with 1959

Month	Steers		Heifers		Cows		Calves	
	1960	1959	1960	1959	1960	1959	1960	1959
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
January	871	808	329	261	347	356	413	424
February	806	663	310	250	306	291	389	377
March	908	751	325	286	325	280	482	423
April	796	816	294	305	301	291	394	406
May	943	815	310	287	328	288	378	358
June	941	851	345	298	376	301	397	366
July	879	895	322	304	364	333	374	382
August	995	797	365	319	400	310	450	359
September	960	865	387	351	408	300	514	415
October		830		382		355		471
November		750		325		370		438
December		840		335		360		456
Total 1/	10,750	9,681	4,100	3,701	4,500	3,836	5,300	4,875

1/ Computed from unrounded numbers. 1960 totals are partly estimated.

Grass Cattle Slaughter To Increase

Slaughter of cows was reduced sharply in the early part of the current cattle cycle, as it usually is. The rate of cow slaughter in federally inspected plants was less than the corresponding month a year earlier from August 1957 through October 1959. Cow slaughter in 1959 made up only 22 percent of cattle slaughter, the smallest proportion on record. Cow slaughter has been above year-earlier levels since February this year.

It now appears likely that the 1960 percentage gain in cow slaughter may be about as large as the increases in steer and heifer slaughter.

Cow slaughter is expected to pick up noticeably in 1961, both in absolute numbers and relative to inventories. As beef cows now make up a larger part of our cow herd than ever before, most of the gain in cow slaughter will be in this class. Total cow slaughter will probably still be smaller than in any year in the period 1953-57. Reduced culling rate in the last 3 years has probably had the result of a considerable number of aged cows being retained in the breeding herd. The number of heifers available for replacing these cows has expanded sharply, and declining calf prices have lowered the desirability of retaining aged cows for one more calf.

The outlook for cattle as outlined up to this point appears relatively certain. While there is little uncertainty regarding an increase in slaughter of other grass cattle and calves, the real question remaining is the likely size of the increase.

Compared with earlier cattle cycles, inventory gains in the current cycle feature a much larger expansion in young stock and less in breeding stock. Virtually all the increase during the current cycle has been in beef classes. The gain in cattle feeding is associated with this expansion. Much of the incentive to withholding young stock has been lost--a sizable gain in marketings appears to be in prospect for 1961. If the number placed on feed is not much larger than that of 1960, slaughter of young cattle directly off grass in 1961 will probably show a larger gain than the slaughter of other classes, and the increase will probably be greater during the last half than the first.

Calf slaughter has set new lows relative to supplies during the current cycle due largely, as mentioned earlier, to the larger increase in beef calves on farms. In view of the large number of young stock already added to inventories, it appears likely that slaughter next year will be up more than the expected increase in the calf crop. However, producers will still retain a considerable number of calves for further feeding or breeding and a sharp gain in calf slaughter does not seem the most likely prospect for 1961.

Adding up all these factors, total cattle and calf slaughter in 1961 will be higher relative to inventories than in 1960, but probably not large enough to halt the uptrend in numbers. Prospective slaughter under such a projection would be about 10 percent larger in 1961 than this year. Cattle prices at this level of marketings would continue to trend downward. For the year as a whole, the average decline may not differ greatly from the reduction in 1960. Lower grades of slaughter cattle, however, may show more price weakness than other classes, and downward pressure on all classes will likely be greater in the last half of the year than in the first half.

The outlook for cattle in 1961 should not be interpreted to mean that all is well with the beef cattle industry. We are currently consuming beef at a near-record rate and cattle prices, while easing off, are still relatively favorable. However, the size of our cattle herds means that beef production and consumption in the next few years will set new records. The effect of increased supplies on prices probably cannot be pinpointed too closely, but the price depressing force is certain. Cattle producers should be alert to the possibility of cyclical increases in pork production coinciding with larger beef supplies sometime during the next 2 years.

Table 4.--Selected prices per 100 pounds of livestock, by months, 1959 and 1960

Month	Chicago				Kansas City			
	Choice slaughter steers 1/		Utility slaughter cows		Good feeder steers 2/		Good and Choice feeder steer calves 3/	
	1960	1959	1960	1959	1960	1959	1960	1959
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
January	26.42	28.13	15.52	19.11	23.84	27.69	27.18	34.12
February	26.69	27.85	15.48	18.86	24.59	27.13	29.28	33.50
March	28.08	29.11	17.07	19.08	25.37	28.34	30.44	34.31
April	27.76	30.33	17.16	19.97	25.69	29.60	30.01	35.60
May	27.43	29.34	17.33	19.78	24.96	29.69	29.52	35.50
June	26.04	28.48	16.76	20.08	24.37	28.72	28.52	34.25
July	25.64	27.89	15.78	17.67	23.58	28.24	27.44	33.41
August	25.07	27.56	14.62	17.70	22.66	27.50	25.97	33.00
September	24.80	27.62	14.86	16.69	21.99	26.80	25.50	32.14
October	24.94	27.19	14.24	15.53	21.82	25.59	26.04	30.62
November		26.53		14.20		23.68		28.38
December		25.57		14.79		23.46		26.96
Average		27.83		17.79		27.20		32.65

1/ Sold out of first hands. 2/ 500-800 pound steer. 3/ 500 pounds down.

Compiled from Market News, Livestock Division.

Cattle Feeding Profits Decline

Profits in various feeding programs in the 1959-60 feeding season just completed declined for the second year in a row, and for most feeding programs were below average. Feed costs, were a little lower but declining prices for fat cattle more than outweighed lower priced feeders.

Net returns over specified costs are shown in table 5 for 6 standard Corn Belt feeding programs. Returns ranged from $8.20 to $54.82 per animal fed.

Table 5 .--Specified costs and net returns in 6 selected Corn Belt cattle feeding programs, 1958-59 and 1959-60 1/

Feeding program	1958-59				1959-60			
	Price per 100 pounds			Net return per head 2/	Price per 100 pounds			Net return per head 2/
	Paid for feeder	Received for fed cattle	Margin		Paid for feeder	Received for fed cattle	Margin	
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Calves								
Heifer calves, short fed-- Bought as Good and Choice, Sept.-Oct. Sold as Choice, June-July	29.75	27.64	-2.11	29.04	28.46	25.27	-3.19	14.14
Steer calves, long fed-- Bought as Good and Choice, Sept.-Nov. Sold as Choice, Aug.-Oct.	33.73	27.46	-6.27	22.62	30.38	24.94	-5.44	13.26
Yearlings								
Medium yearling steers, short fed-- Bought as Medium, Sept.-Oct. Sold as Good-Standard, Jan.-Feb.	23.60	26.17	2.57	16.34	22.66	24.54	1.88	8.20
Good yearling steers, short fed-- Bought as Good, Sept.-Nov. Sold as Choice, Apr.-June	26.91	29.38	2.47	37.61	25.36	27.08	1.72	24.13
Yearling steers, long fed-- Bought as Good and Choice, Sept.-Nov. Sold as Prime, July-Sept.	28.33	28.83	.50	31.43	26.60	26.54	-.06	17.91
Heavy steers								
Heavy steers, short fed-- Bought as Good, Sept.-Nov. Sold as Choice and Prime, March-May	24.40	31.32	6.92	70.31	23.55	29.34	5.79	54.82

1/ Feeding programs designed to be fairly representative of average feeding programs in the Corn Belt. Feeders are purchased in Kansas City and sold at Chicago.

2/ Net return over cost of corn, hay, protein supplement, pasture, transportation and marketing expenses. Does not include labor, overhead, cost of other feeds and death loss, or credit for manure and for hogs following feeders.

Highest profits were again made, as in the previous 2 years, in short-feeding of heavy steers for March-May sale. This program is always highly speculative but sales during the last 3 years have been made at near peak prices. Short feeding of medium yearling steers for sale early in the year had the lowest net returns.

Over the years, longer-term feeding programs have generally been more profitable than shorter ones. Last year, cattle selling on the lower priced summer-fall market showed net returns of $13-$18 per head.

At the present time, prices of feeder cattle are further below year-earlier levels than prices of fat cattle, but if fat cattle prices continue to trend downward next year, as now seems likely, the advantage of cheaper feeders may be largely erased by selling time. It appears now that price trends for slaughter cattle next year will be similar to this year's trends and that profits will depend to a larger degree on careful buying and selling rather than on low cost gains. Feeding profits in 1960-61 will likely be below average for most if not all feeding programs, though, despite this outlook, feeders might still profit from finishing out cattle next year. Feeding provides a way to utilize feeds or roughages that may have little market value. It can often be carried out without additional cash expenses for labor and equipment. By spreading out slaughter supplies it results in a higher average price for total marketings. A substantial improvement in feeding profits, however, must await the stabilizing of cattle prices or a marked reduction in the level of feeding--conditions that do not appear likely in 1961.

Cattle and Beef Imports To Continue Lower

The Nation's beef and veal supplies are derived largely from domestic production, and the proportion from imports this year was less than last. Imports of cattle into the United States thus far in 1960 have been down about 20 percent from last year's rate. Imports from Canada have been smaller--Canadian exports of cattle to U. S. are primarily feeders and domestic supplies have increased. Imports from Mexico, which are often stockers to place on new pastures in the spring, are also down from a year earlier.

At the same time, imports of beef and veal have been below the high 1959 rate. For the first 8 months this year beef imports totaled 366 million pounds, product weight, 24 percent less than in these months a year earlier. Australia and New Zealand were our principal suppliers; their shipments to U. S. were largely intermediate and lower grades of beef for processing.

The volume of cattle and beef imported in any year is largely a reflection of domestic supplies. As United States production continues to increase next year, imports will probably continue to decline. A sizable gain in cow beef next year, for example, will likely mean that a larger part of sausage makers' supplies would come from domestic production and less from imports. Moreover, less beef may be available for shipment to the United States from some of the major exporters. Australia and New Zealand are currently reducing cattle slaughter, and less of the exportable surplus may be directed to the United States. Argentina is currently at the low period of its cattle cycle but will probably continue to export considerable quantities of canned beef.

Table 6.--Inspected imports of cattle, beef and pork, by months, 1960 compared with 1959 1/

Month	Cattle: From Canada 1960	Cattle: From Canada 1959	Cattle: From Mexico 1960	Cattle: From Mexico 1959	Beef and veal 1960	Beef and veal 1959	Pork 2/ 1960	Pork 2/ 1959
	Number	Number	Number	Number	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
January	13,338	21,878	34,510	65,349	48,104	55,996	15,431	15,847
February	21,865	14,011	44,752	57,023	33,180	42,730	14,637	16,680
March	34,946	21,090	42,063	39,769	35,304	49,096	14,581	18,169
April	25,542	40,667	61,532	15,739	53,074	66,020	14,712	20,031
May	28,936	40,223	43,969	58,821	33,395	46,242	17,240	15,405
June	22,151	42,579	10,977	19,554	40,894	72,542	16,400	16,559
July	8,968	29,709	2,285	8,741	48,084	65,236	13,349	14,139
August	7,135	17,387	3,698	15,107	59,934	84,418	16,159	17,146
September	9,147	13,887	2,333	4,110	62,633	88,490	12,306	9,654
October		39,509		7,723		46,301		13,153
November		38,770		28,290		44,582		12,298
December		23,189		32,345		57,660		13,846
Year		342,899		352,571		719,312		182,926

1/ Inspected when offered for importation.
2/ Includes sausage.

Compiled from reports of the Animal Inspection and Quarantine Division and the Meat Inspection Division of the Agricultural Research Service as published in Market News, Livestock Division.

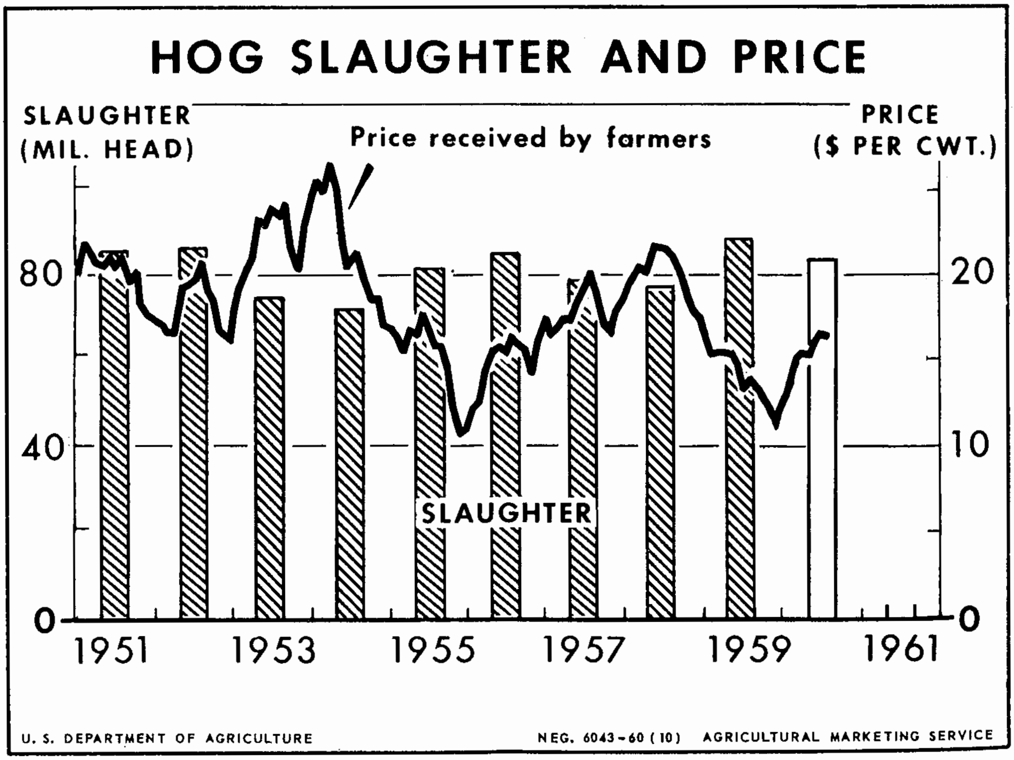
Cattle and calf imports will also likely be smaller next year. Our cattle prices are still high enough that our neighbors can profit from cattle and calves sent us. Sizable supplies of feeder cattle from Canada will be availabe in 1961 but they will have to compete with larger domestic supplies than last year. Imports from Mexico will also likely be smaller next year. In both these countries the demand for meat is apparently increasing at a faster rate than their production and exports will probably trend downward.

The relative importance of imports can be shown by a comparison with domestic production. Total imports of live animals converted to a beef and veal equivalent, plus imports of beef and veal, were equal to 8.6 percent of domestic production in both 1958 and 1959. During the first 8 months this year, imports were equivalent of 6.5 percent of U. S. beef and veal output. The relative importance of imports is expected to be still lower in 1961.

Table 7.--Pig crops and hog slaughter, United States, 1953 to date, with slaughter forecast for 1961

Year	Pig crop: Spring	Pig crop: Fall	Pig crop: Total	Total slaughter 1/
	1,000 head	1,000 head	1,000 head	1,000 head
1953	47,940	29,974	77,914	74,368
1954	52,852	33,978	86,830	71,495
1955	57,690	38,029	95,719	81,058
1956	53,186	36,386	89,572	85,193
1957	51,812	36,148	87,960	79,024
1958	52,336	42,163	94,499	77,339
1959	58,578	42,819	101,397	88,431
1960	49,103	2/ 41,500	2/ 90,603	3/ 84,800
1961				4/ 85,600

1/ Including farm.
2/ Approximation based on farrowing intentions report for U. S. in June and for 10 States in September.
3/ Partly forecast.
4/ Forecast.



Hog Production Turning Upward

Hog production is apparently turning upward again after a one-year decline, the quickest change on record. Beginning October 1959, hog producers reduced farrowings below a year earlier. The June and September Pig Crop Reports indicate that this situation is being reversed this fall. Because of the lag between farrowings and slaughter, hog slaughter in commercial plants the first 9 months this year was 2 percent larger than a year before. In October, prices of barrows and gilts were about 17.30 per 100 pounds at midwest markets. This was $4.19 more than a year earlier. For all of 1960 the average price to farmers will be about a dollar per 100 pounds higher than the $14.10 received in 1959. Prices continuing this fall well above last fall's prices will be largely responsible, as hog prices have been above a year earlier only since June.

Slaughter To Be Smaller Through First Half of 1961

Hog slaughter in the first half of 1961 will likely fall a little short of this year but the difference may be small by midyear. Hog raisers reduced farrowings during the 1960 spring pig crop and the early part of the 1960 fall crop. However, according to the report from 10 Corn Belt States, producers apparently are increasing late fall and early 1961 spring farrowings. Last June producers planned for a 3 percent smaller fall pig crop than in 1959. Producers in 10 Corn Belt States reported similar plans--a 2 percent reduction--but this was made up of a 6 percent decrease in farrowings in the first half and a 2 percent increase in September-October litters. In September these States indicated they were carrying out their plans fairly closely and intended to increase December-February farrowings 4 percent. If the entire spring pig crop should be up about this much, hog slaughter in the last half of 1961 would climb above a year earlier. The gain in pork output at that time would be moderate and production for 1961 would total only a little larger than this year.

Hog prices next year will probably not average greatly different from this year. Prices will be above a year earlier until about midyear. Price prospects for the last half of 1961 are dependent largely on the actual size of the 1961 spring pig crop and supplies of other red meats, but larger marketings next fall would likely cause hog prices to drop below a year earlier.

The relatively favorable outlook for hogs in 1961 carries with it a word of warning. In recent years hog production has usually increased for 2 years before turning downward. Should currently favorable conditions lead to a much sharper increase in hog production for 1961 than now seems likely, or to a continued increase in 1962, pork supplies per person could again be pushed up to the 68-70 pound mark--a level that led to significantly lower hog prices in 1955 and 1959. The danger of overproduction is accentuated by the probable increase in beef and veal.

The prospect of hog prices next year averaging close to this year depends on the actual size of the increase in early spring farrowings and on any gain in March-May farrowings for which intentions will be reported in December. With the exception of last year, the September report has provided a good indication of changes likely in the entire spring crop. A year ago the September report did not point to as large a decrease in sows farrowing as actually took place. If the margin between prices of corn and hogs continues as wide this fall as it is currently (October hog-corn ratio 17.1, farm basis) producers may again revise their early plans sharply. In that event, the spring pig crop would be up more than now anticipated, and prices lower next fall than now seems likely.

Sheep Inventory To Show Little Change

Slaughter of sheep and lambs the first 9 months this year has been about 4 percent greater than a year earlier. If slaughter in the final quarter continues above last year, as it probably will, slaughter for the year will top 16 million head for the first time since 1956.

The 1960 lamb crop was 21.6 million head, 2 percent larger than the 1959 crop. Total slaughter in 1960 plus an allowance for death losses will probably be close to the number born, allowing for little change in the sheep inventory this year. Thus the 3-year uptrend in numbers may be interrupted. Lower lamb prices were the principal deterrent, though range feed conditions were also less favorable.

The average price received by farmers for lambs in January-October this year was 3 percent less than a year before. For the year prices will probably average about $18.00 per 100 pounds, down $1.00 from last year and $3.00 below the recent high in 1958.

The shorn wool incentive price for the 1961 clip is 62 cents per pound--the same as for the first 6 years of the program. Weather conditions will continue to be an important factor in sheep production next year. But the current level of sheep and lamb prices is certainly not conducive to an expansion. The most likely prospect is for sheep numbers to show little change during 1961.

Lamb Prices May Trend Lower in 1961

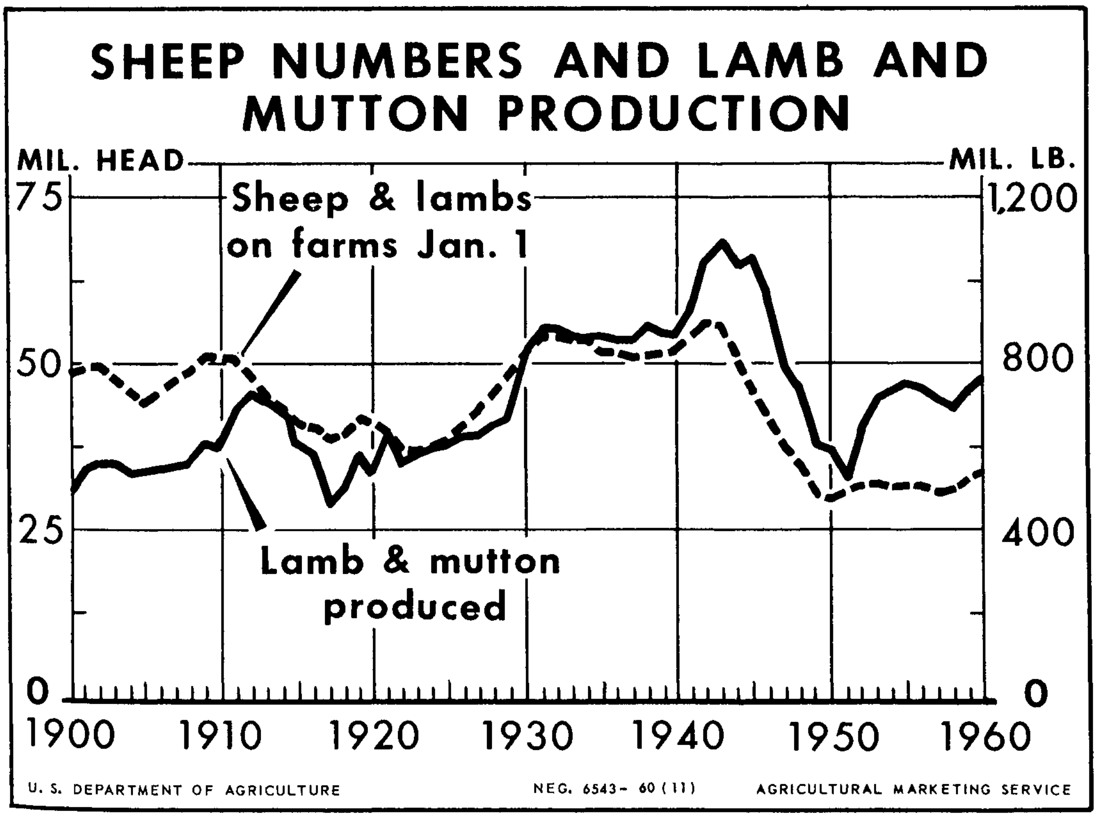
Over time, the level of cattle prices has an influence upon the prices of sheep and lambs. If cattle prices trend downward, as expected, and sheep and lamb slaughter in 1961 is as large as in 1960, lamb prices will likely also average somewhat lower in 1961.

During the past 3 years the average price to farmers for lambs has been below the price of beef cattle. Although lower lamb prices are in prospect in 1961, they may regain a more normal relationship to prices of other livestock. The lamb and mutton supply per person next year is forecast at 4.3 pounds, down from the approximately 4.6 pounds being consumed this year.

Table 8 .--Sheep and lambs on farms and ranches January 1, lamb crop, number slaughtered and wool production, United States, 1951 to date

Year	Number on farms January 1			Lamb crop	Total slaughter 1/	Shorn wool production
	Stock sheep	On feed	Total			
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	Mil. lb.
1951	27,251	3,382	30,633	17,978	11,416	228
1952	27,944	4,038	31,982	18,479	14,304	233
1953	27,593	4,307	31,900	19,497	16,321	232
1954	27,079	4,277	31,356	20,340	16,255	236
1955	27,137	4,445	31,582	20,187	16,553	234
1956	27,012	4,261	31,273	20,398	16,328	239
1957	26,538	4,302	30,840	19,925	15,292	236
1958	27,327	4,010	31,337	20,716	14,497	241
1959	28,497	4,448	32,945	21,218	15,534	257
1960 2/	29,481	4,140	33,621	21,584	3/ 16,125	265

1/ Including farm. 2/ Preliminary. 3/ Partly forecast.



Red Meat Output Near Record

With 2 months yet to be accounted for, 1960 red meat output will probably equal or surpass the record 28.1 billion pounds produced in 1956. Production this year is expected to total about 3 percent larger than that of 1959. A 9 percent increase in beef production overshadows small gains in veal and lamb and mutton. Pork output this year will be about 4 percent smaller than last year's total.

Imports of red meats for 1960 will be down a little from last year. Total meat consumption per person will be about a pound more than the 160 pounds consumed in 1959. Beef supplies per person will be about 4 pounds up from 1959 and near the previous peak rate in 1956. But this gain will be nearly offset by a lower pork consumption rate.

Beef consumption per person will almost certainly set a new mark in 1961-- up about 4 pounds from this year-- and will again dominate changes in other meats. The rate for veal will also go up. Lamb and mutton supplies per person may be down a little but pork will be close to this year. Hence, total supplies will probably be about 165 pounds per person--89.5 pounds of beef, 6.7 veal, 4.3 lamb and mutton, and 64.5 pounds of pork. This is an unusually high rate of consumption but still below the 1956 record of 166.7 pounds.

USDA Buys Beef, Lamb, Lard

As of November 4, 42.8 million pounds of frozen ground beef, 14.9 million pounds of canned beef and gravy and 42,000 pounds of frozen ground lamb had been purchased for schools participating in the National School Lunch Program. These purchases were made from funds transferred by Congress from Sec. 32 and totaled $24.4 million. The Department of Agriculture terminated the frozen ground lamb purchase program October 6. The USDA has also purchased 3.5 million pounds of lard with Section 32 funds (surplus removal) for distribution to needy persons and institutions.

The USDA purchased approximately 70.2 million pounds of meat products late in 1959 for distribution to schools and 61.6 pounds of lard between October 1959 and April 1960, for distribution to needy persons and eligible institutions.

Except for wool and mohair, there is no governmental price support operation on meat animals or their products. Instead, governmental price assistance programs for livestock have taken the form of diverting meat surpluses through additional outlets designed to expand consumption. The principal means has been the purchase of meats and lard under Section 32 (Section 32, Public Law 320, 74th Congress, 1935), for donation to school lunch programs, charitable institutions and welfare agencies. Smaller quantities of meat have been purchased for school lunches through the National School Lunch Act. Meat and byproducts have also been exported under the Agricultural Trade Development and Assistance Act (Public Law 480, 83rd Congress, 1954) and under programs financed by the International Cooperation Administration.

RETAIL MEAT OUTLOOK

Average retail meat prices for the year 1961 may be a little lower than in 1960, with higher average prices for pork about offsetting lower beef prices.

Average retail meat prices advanced early this year but have held relatively stable for several months. Prior to this rise, prices had trended downward from record highs reached in the summer of 1958. In September this year, the BLS index of retail meat prices was 115.8 (1947-49=100), slightly below a year earlier but nearly 7 points below September 1958. By September pork prices had climbed above, but beef prices were below a year before.

Retail prices for pork have risen from a 4-year low reached early this year and are currently above a year earlier. This is true for prices paid by both urban and farm consumers. The urban prices for selected pork cuts reported by BLS are shown in table 9 . Retail prices for whole hams were almost the same as a year earlier but other cuts were higher. Prices paid by farm families in September for sliced bacon, pork chops and pork sausage were each above September 1959.

The rise in retail pork prices has accompanied the downturn in hog production and an easing off in slaughter. Pork production early this year was appreciably higher than a year earlier but has now dropped below last year's rate.

At the same time beef production has continued above a year earlier and retail beef prices have shown little change during the year. Retail price changes by cuts during the year have generally been less than 3 cents per pound. For example, the average price to farmers for round steak in September was 93 cents per pound, 2.7 cents below September 1959. The price to urban consumers was down 3.0 cents.

Retail meat prices are expected to decline less than usual this fall and the price level for all meats combined will likely average a little above a year earlier this fall and in the early months of 1961. Beef prices will probably ease off slowly as beef output will likely continue above a year earlier. Pork prices will be above a year earlier during the first part of the year but will likely drop below later as pork production increases.

Demand for meat is expected to continue strong next year. The nature of the demand for meat indicates that the increased production will move into consumption at slightly lower prices. If personal incomes continue to increase next year as expected, the percentage of the consumer's dollar spent for meat may be a little below this year's ratio. The retail value of meat consumed in 1960--computed from the retail weight and average retail prices--is estimated to be $90.40 per person and equivalent to 4.6 percent of the average disposable personal income. This compares with 4.8 percent in 1959 and 5.5 percent 10 years ago.

The retail value of meat consumed has changed very little during the last 3 years as changes in prices and quantities have been nearly offsetting. (Table 10). However, as consumer incomes have been rising the retail value represents a smaller part of disposable income.

Table 9.--Average retail price of specified meat cuts, per pound, by months, 1957 to date

Year and item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
Beef, Choice 1/												
Round steak												
1957	88.7	88.1	87.1	90.7	92.6	94.0	96.9	98.1	98.0	96.3	95.6	96.9
1958	100.6	101.0	103.1	105.8	105.9	106.2	106.3	104.0	103.7	104.5	104.9	104.9
1959	106.7	107.1	107.2	107.7	107.7	108.1	108.9	107.0	107.8	106.5	107.0	106.4
1960	106.0	105.2	105.6	107.7	105.9	105.8	105.7	105.6	104.8			
Rib roast												
1957	72.3	69.7	69.6	71.3	73.4	74.4	75.4	76.0	76.6	75.5	75.0	76.3
1958	80.3	80.2	81.0	82.6	82.9	83.0	83.0	81.7	81.6	80.9	81.1	81.2
1959	82.5	82.4	82.1	82.9	83.1	82.9	83.5	82.5	83.0	82.9	82.6	82.3
1960	82.0	81.3	81.6	81.1	82.4	82.3	82.3	82.0	81.0			
Chuck roast												
1957	49.0	49.7	48.7	50.9	52.0	52.2	53.0	54.0	55.1	54.3	53.4	56.3
1958	59.1	61.1	64.1	65.7	64.8	65.5	65.1	62.7	62.4	62.5	62.6	63.4
1959	64.3	65.5	65.2	64.8	65.7	64.5	64.2	62.7	62.1	63.6	63.5	63.2
1960	62.7	62.6	62.6	64.0	63.0	61.9	60.6	60.8	59.9			
Hamburger												
1957	39.0	39.1	39.3	40.0	40.8	42.2	43.6	44.3	44.1	43.6	43.8	44.6
1958	47.8	49.0	50.3	53.1	54.0	54.6	54.8	53.7	53.8	54.3	54.4	54.7
1959	55.6	55.7	55.2	55.0	55.3	55.3	55.4	54.7	54.6	54.6	53.9	53.7
1960	53.2	52.5	52.7	53.2	52.8	52.6	52.9	52.2	51.7			
Pork, Chops												
1957	79.7	82.8	81.4	83.1	85.0	92.7	92.7	92.9	90.8	88.0	85.4	85.2
1958	87.9	88.6	89.5	91.2	91.3	96.0	96.9	94.6	93.5	92.3	90.7	89.1
1959	88.8	84.8	81.7	84.0	85.5	87.4	87.9	85.4	89.0	86.6	83.8	79.2
1960	78.4	78.2	80.8	84.1	82.3	86.0	89.6	89.8	90.1			
Bacon, sliced												
1957	64.4	69.4	67.7	68.5	71.4	74.9	80.7	87.5	85.4	75.5	69.8	70.4
1958	75.6	77.2	77.1	79.5	80.4	81.9	85.1	86.4	83.0	78.8	73.9	72.8
1959	72.1	69.4	67.4	68.4	68.8	68.6	68.4	66.6	65.9	63.1	60.7	58.4
1960	57.5	58.2	58.8	63.9	66.6	67.4	67.5	71.0	68.9			
Hams, whole												
1957	62.0	62.7	61.7	61.9	62.7	63.6	64.3	66.6	64.3	61.7	61.5	64.3
1958	66.3	66.5	68.4	68.6	67.9	69.1	69.2	68.9	66.3	65.8	66.4	67.7
1959	67.5	64.9	63.7	63.1	62.7	63.1	62.2	60.1	60.5	59.6	59.1	59.6
1960	58.6	58.2	58.8	58.1	61.3	61.4	61.5	61.6	60.4			
Veal cutlet												
1957	114.7	116.8	116.4	117.3	117.2	118.6	117.8	118.5	119.1	118.5	118.3	120.0
1958	125.1	129.3	131.2	131.8	133.0	133.9	133.8	134.2	135.0	135.1	135.3	137.9
1959	139.1	142.5	140.6	141.5	143.0	143.3	143.9	142.9	143.4	142.5	141.8	140.9
1960	141.9	143.1	144.0	143.1	143.1	143.2	141.1	140.1	140.9			
Leg of lamb												
1957	67.7	68.2	67.2	71.7	72.8	73.9	72.6	72.6	72.7	71.9	71.7	72.3
1958	76.1	78.0	77.5	78.1	77.0	77.6	77.9	76.8	77.1	77.4	77.6	77.3
1959	75.5	73.9	73.7	75.2	76.5	77.4	76.8	74.9	74.8	74.7	74.4	73.9
1960	73.3	72.5	73.7	75.0	76.2	77.1	75.1	73.5	73.3			

1/ Except hamburger, which has no grade designation.

Compiled from data of the Bureau of Labor Statistics.

Table 10.--Estimated retail value of meat consumed per person compared with disposable personal income per person, by major meats, 1950 to date

Year	Consumption per person 1/			Average retail price per pound			Retail value of meat consumed per person 4/			Disposable personal income per person 5/	Retail value of meat as percentage of disposable income		
	Beef	Pork	All meat 2/	All beef	Pork, retail cuts	All meat 2/ 3/	All beef	All pork	All meat 2/		Beef	Pork	All meat 2/
	Lb.	Lb.	Lb.	Ct.	Ct.	Ct.	Dol.	Dol.	Dol.	Dol.	Pct.	Pct.	Pct.
1950	63.4	69.2	144.6	69.3	55.1	60.1	34.70	33.20	75.40	1,369	2.5	2.4	5.5
1951	56.1	71.9	138.0	81.8	59.2	67.0	36.20	37.20	80.50	1,473	2.5	2.5	5.5
1952	62.2	72.4	146.0	76.5	57.5	64.7	37.60	36.30	82.00	1,520	2.5	2.4	5.4
1953	77.6	63.5	155.3	60.5	63.5	60.7	37.10	35.50	80.80	1,582	2.3	2.2	5.1
1954	80.1	60.0	154.7	58.5	64.8	60.2	37.00	34.20	79.60	1,582	2.3	2.2	5.0
1955	82.0	66.8	162.8	58.9	54.8	56.3	38.20	32.50	78.60	1,660	2.3	2.0	4.7
1956	85.4	67.4	166.7	57.8	52.1	54.7	39.00	31.40	78.10	1,742	2.2	1.8	4.5
1957	84.6	61.5	159.1	63.5	60.2	61.3	42.40	33.10	83.20	1,804	2.4	1.8	4.6
1958	80.5	60.7	152.0	75.1	64.8	69.5	47.80	35.10	90.30	1,826	2.6	1.9	4.9
1959	81.6	68.3	160.1	76.8	57.1	66.6	49.50	34.80	91.40	1,905	2.6	1.8	4.8
1960 6/	85.8	64.6	161.3				50.80	32.20	90.40	7/1,966	2.6	1.6	4.6

1/ Carcass weight equivalent of consumption by each civilian consumer.
2/ Beef, veal, lamb and mutton and pork.
3/ Price weighted by consumption of each meat in each year.
4/ Computed from retail weights of consumption and retail prices of all beef, veal, lamb and mutton and all pork (including minor pork products).
5/ Computed from data of U. S. Department of Commerce.
6/ **Partly estimated.**
7/ Average January-September.

OUTLOOK FOR SAUSAGE MEAT

January-September Sausage Output Up 3 Percent

During the first 9 months this year federally inspected sausage production has been running about 3 percent larger than a year earlier. Franks and weiners have accounted for much of the increase. Output of other smoked or cooked sausage has increased, however, and in recent weeks has outpaced other items. Production of fresh finished sausage is now below a year ago.

Some gain in sausage meat supplies from recent levels is in prospect, during the seasonally large output this fall. Cattle slaughter, including cows will be relatively large and hog slaughter will be at its seasonal peak. Compared with a year earlier, however, supplies may be a little smaller than last fall, due largely to the lower rate of hog slaughter.

Cow slaughter, which provides a good deal of the meat for processing, has been about 15 percent above a year earlier, and will continue well above last fall's rate. Grass cattle other than cows will also move to market at a faster pace this fall than last. Thus, production of the intermediate and lower grades of beef will be larger this fall than last.

Imports of meat, primarily for processing, have added less to sausage meat supplies this year than last. During the first 8 months this year meat imports, product weight, totaled 524 million pounds, 20 percent less than a year earlier. Beef imports were down 24 percent, pork down 6 percent and mutton 14 percent lower than in the corresponding months of 1959. Lamb imports, however, were up 3.4 million pounds or 55 percent.

Cold storage stocks of meat (see table, page 29) on October 1 totaled 398 million pounds, 2 percent below a year earlier. Beef, pork and lamb and mutton holdings were down but veal stocks were up.

Production of meats of the kinds generally used in processing will expand noticeably in 1961 with the significant gain in intermediate and lower grade beef, notably cow beef. Pork production will lag behind a year earlier during the early part of 1961 but supplies for the year may be up a little due to a larger output in the last half of the year. Hence, sausage makers will have considerably more processing meat available for processed items made largely from beef. Imports of processing meats in 1961 will likely continue to decline due to the increased availability of domestic supplies at somewhat lower prices.

Table 11.--Cattle and hog slaughter, meat imports and stocks, and sausage production, by quarters 1959 to date and October-December 1960 forecast

Period	Federally inspected slaughter					
	Cattle				Hogs	
	Total		Cows			
	1960	1959	1960	1959	1960	1959
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
Jan.-Mar.	4,578	3,995	978	928	18,474	17,304
Apr.-June	4,709	4,318	1,005	880	16,140	15,523
July-Sept.	5,161	4,546	1,172	943	14,672	15,929
Oct.-Dec.	1/5,200	4,600	1/1,345	1,085	1/16,514	19,952
Year	1/19,600	17,459	1/4,500	3,836	1/65,800	68,708

Period	Imports all meat 3/		Meat stocks in cold storage beginning of quarter 4/		Sausage production 5/	
	1960	1959	1960	1959	1960	1959
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Jan.-Mar.	168	206	544	462	581	545
Apr.-June	190	274	598	602	622	599
July-Sept.	250	277	591	582	604	610
Oct.-Dec.	2/190	197	398	408	2/575	565
Year	2/798	954			2/2,382	2,319

1/ Partly estimated.
2/ Forecast.
3/ Total red meat imports, product weight.
4/ Includes beef, veal, pork, lamb, mutton and canned meats in public cold storage.
5/ Federally inspected production of all sausage, including loaf, head cheese, jellied products and the following canned items: Luncheon meat, viennas, franks and weiners in brine, deviled ham, other potted or deviled meat food products, bulk sausage and sausage in oil.

LIST OF LIVESTOCK MARKETING PUBLICATIONS
Partial List of Those Released in Past Year

Agricultural Marketing Service

Capacity and Processing Trends in the Fats and Oils Industry, J. D. Peier and C. B. Gilliland, Mktg. Res. Rept. No. 360, September 1959

Changes in Processing and Marketing Hides, John W. Thompson, USDA, AMS Series No. 410, October 1960

Cleaning Cattle Pens on Terminal Stockyards--Methods and Equipment, Tarvin F. Webb, USDA, AMS Series No. 345, September 1959

Comparison of Two Methods of Estimating Backfat Thickness in Live Hogs--Human Judgement vs. Ultrasonics, R. O. Gaarder, USDA, AMS Series No. 318, June 1959

Improved Facilities for Washing and Disinfecting Livestock Trucks, Tarvin F. Webb, USDA, AMS Series No. 375, April 1960

The Inedible Tallow and Grease Industry, Changes in Markets, Practices, and Costs, V. Farnworth, Mktg. Res. Rept. No. 342, July 1959

Lard Marketing Margins and Costs, J. W. Thompson, Mktg. Res. Rept. No. 376, January 1960

Manual of Inspection and Sanitation Requirements of the Federal Meat Grading Service, USDA, AMS Series No. 332, September 1959

Marketing Hawaii's Beef Cattle, Wendell Calhoun, USDA, AMS Series No. 371, March 1960.

Market Potential for Fats and Oils as Plasticizers, Richard Hall, USDA, AMS Series No. 382, May 1960.

Meat Consumption Trends and Patterns, Agricultural Handbook No. 187, July 1960

Packers and Stockyards Act as it Applies to Livestock Dealers, USDA, AMS Series No. 319, July 1959

Prices Received by Farmers for Beef Cattle, United States and by States, Monthly and Annual Average, 1909-59, Stat. Bul. No. 265, May 1960

Pricing and Competition on Beef in Los Angeles, Willard F. Williams and Edward Uvacek, Mktg. Res. Rept. No. 413, July 1960

Questions and Answers on the Packers and Stockyards Act for Livestock Producers, USDA, AMS Series No. 348, November 1959

Rail Car and 'Piggyback' Transportation of Freshly Killed Beef, H. D. Johnson, R. W. Penney, and R. F. Guilfoy, Mktg. Res. Rept. No. 339, June 1959

Seasonality of California and Arizona Cattle Feedlot Operations, Raymond A. Dietrich and Willard F. Williams, USDA, AMS Series No. 384, May 1960

Sprinkling Hogs in Trucks to Reduce Losses From Heat, Russell H. Hinds, Jr. and Robert F. Guilfoy, Jr., Mktg. Res. Rept. No. 374, November 1959

Supplement for 1959 to Livestock and Meat Statistics, Stat. Bul. No. 230, June 1960

State Colleges (available from issuing source, not USDA)

Characteristics of Livestock Slaughter Plants in Northeastern United States, W. Va. Agr. Expt. Sta. Bul. No. 428, June 1959, University of Maryland, College Park

Combining Livestock with Cash Crops on Blackland Farms, A. C. Magee and R. H. Rogers, Texas Agr. Expt. Sta. MP-376, October 1959, Texas A. and M. College, College Station

Consumer Marketing Handbook, I. Meat, L. Kolmer, J. Gartner and F. A. Kutish, Ia. State Coop. Exten. Serv. Handbook--I. Meat, November 1959, Iowa State University, Ames

Cost and Returns from Sheep in Tennessee, H. A. Henderson and S. W. Atkins, Tenn. Agr. Expt. Sta. Bul. 306, December 1959, Tennessee Agricultural and Industrial State University, Nashville

Feeder Lamb Preconditioning and Effects on Shrinkage, J. Hugh Winn, Mont. Agr. Expt. Sta. Res. Rept. No. 12, November 1959, Montana State College, Bozeman

Forecasting Beef Cattle and Hog Prices by Quarter-Years, Wilbur R. Maki, Iowa Agr. and Home Econ. Expt. Sta. Res. Bul. No. 473, December 1959, Iowa State University, Ames

Increasing Production and Earnings on Farms with Beef-Cow Herds in the Unglaciated Area of Southern Illinois, H. S. Woods and W. D. Buddemeier, South. Ill. Univ. School Agr. Pub. 6, 1959, Southern Illinois University, Carbondale

Labor Used in Cattle Feeding, R. G. Johnson and T. R. Nodland, Minn. Agr. Expt. Sta. Stat. Bul. 451, March 1960, University of Minnesota, Minneapolis

Livestock Marketing in the North Central Region, Ohio Agr. Expt. Sta. Res. Bul. 846, December 1959, Agricultural Experiment Station, Wooster

Marketing Farm Flock Sheep and Lambs in Six Western States, Harold Ramsbacher, Mont. Agr. Expt. Sta. Bul. 551, January 1960, Montana State College, Bozeman

Oklahoma Beef Cattle, Management and Marketing--1960, Okla. Agr. Exten. Serv. Pub., November 1959, Oklahoma State University, Stillwater

Overhead Labor on Northern Nevada Cattle Ranches, R. D. Lloyd and R. W. Hecht, Nev. Agr. Expt. Sta. Bul. 209, September 1959, University of Nevada, Reno

Slaughter Cattle Trade on Southern Auctions, Southern Cooperative Series Bul. No. 65, June 1959, Agricultural Experiment Stations of Southern States

Other Publications

Animal Units of Livestock Fed Annually, 1909 to 1959, J. J. Csorba, U. S. Agr. Res. Serv. ARS 43-92, June 1959

Beef Cattle Production, K. A. Wagnon, R. Albaugh and G. H. Hart, 1960

Beef Production and Distribution, Herrell DeGraff, 1960

Changes in Farm Production and Efficiency, Stat. Bul. No. 233, Revised July 1960

The Changing Structure of the Meat Economy, Dale E. Butz and George L. Bober, Jr., 1960

The Science of Meat and Meat Products, American Meat Institute Foundation, 1960

The Use of Horses and Mules on Farms, J. J. Csorba, U. S. Agr. Res. Serv. ARS 43-92, June 1959

Supply and distribution of meat, April 1960 to date

Period	Commercially produced: Supply: Production	Supply: Beginning stocks	Supply: Imports	Distribution: Exports and shipments	Distribution: Ending stocks	Distribution: Military	Distribution: Civilian consumption: Total	Civilian consumption: Per person 1/	Total 2/: Production	Total 2/: Civilian consumption: Total	Civilian consumption: Per person
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.	Mil. lb.	Mil. lb.	Lb.
Beef:											
April	1,064	166	71	5	158	27	1,111	6.3	---	---	---
May	1,199	158	53	4	148	32	1,226	6.9	---	---	---
June	1,244	148	65	4	145	36	1,272	7.2	---	---	---
2nd quarter	3,507	166	189	13	145	95	3,609	20.4			3/21
July	1,163	145	80	4	146	28	1,210	6.8	---	---	---
August	1,304	146	108	5	153	31	1,369	7.7	---	---	---
September	1,295	153			162	31			---	---	---
3rd quarter	3,762	145			162	90					3/22
Veal:											
April	75	8	2	4/	8	2	75	.4	---	---	---
May	76	8	1	4/	8	2	75	.4	---	---	---
June	85	8	1	4/	8	2	84	.5	---	---	---
2nd quarter	236	8	4	4/	8	6	234	1.3			3/1.5
July	85	8	1	4/	8	2	84	.5	---	---	---
August	99	8	1	4/	8	2	98	.6	---	---	---
September	102	8			9	2			---	---	---
3rd quarter	286	8			9	6					3/1.7
Lamb and mutton:											
April	59	11	6	4/	12	4/	64	.4	---	---	---
May	61	12	4	1	10	1	65	.4	---	---	---
June	60	10	4	4/	12	4/	62	.3	---	---	---
2nd quarter	180	11	14	1	12	1	191	1.1			3/1.1
July	57	12	6	4/	13	4/	62	.3	---	---	---
August	65	13	6	4/	13	1	70	.4	---	---	---
September	68	13			13	4/			---	---	---
3rd quarter	190	12			13	1					3/1.1
Pork:											
April	909	338	17	13	383	15	853	4.8	---	---	---
May	904	383	15	12	386	19	885	5.0	---	---	---
June	852	386	19	10	351	22	874	4.9	---	---	---
2nd quarter	2,665	338	51	35	351	56	2,612	14.8			3/16
July	723	351	17	9	294	12	776	4.4	---	---	---
August	849	294	14	10	221	15	911	5.1	---	---	---
September	845	221			154	14			---	---	---
3rd quarter	2,417	351			154	41					3/15
All meat:											
April	2,107	523	96	18	561	44	2,103	11.9	---	---	---
May	2,244	561	73	17	552	54	2,251	12.7	---	---	---
June	2,241	552	89	14	516	60	2,292	12.9	---	---	---
2nd quarter	6,588	523	258	49	516	158	6,646	37.6			3/39.5
July	2,028	516	104	13	461	42	2,132	12.0	---	---	---
August	2,317	416	129	15	395	49	2,448	13.8	---	---	---
September	2,310	395			338	47			---	---	---
3rd quarter	6,655	516			338	138					3/40

1/ Derived from estimates by months of population eating out of civilian food supplies, unadjusted for underenumeration.
2/ Includes production and consumption from farm slaughter.
3/ Estimated.
4/ Less than 500,000 pounds.

Selected price statistics for meat animals and meat

Item	Unit	1959 September	1959 October	1960 August	1960 September	1960 October
Cattle and calves						
Beef steers, slaughter	Dollars per					
Chicago, Prime	100 pounds	28.78	28.32	26.35	25.91	25.89
Choice	do.	27.62	27.19	25.07	24.80	24.94
Good	do.	26.50	25.96	23.71	23.57	23.80
Standard	do.	24.57	24.23	21.00	21.29	21.88
Commercial	do.	---	23.51	20.00	21.49	20.12
Utility	do.	22.87	21.72	18.96	19.77	20.03
All grades	do.	27.48	27.06	24.75	24.62	24.83
Omaha, all grades	do.	26.32	25.36	23.30	23.25	23.29
Sioux City, all grades	do.	26.44	25.51	23.51	23.52	23.48
Cows, Chicago						
Commercial	do.	18.13	17.30	14.67	15.13	14.86
Utility	do.	16.69	15.53	14.62	14.86	14.24
Canner and Cutter	do.	15.21	13.81	13.23	13.13	12.26
Vealers, Choice, Chicago	do.	---	---	25.10	24.50	24.80
Stocker and feeder steers, Kansas City 1/	do.	25.38	24.41	21.33	20.91	21.59
Price received by farmers						
Beef cattle	do.	22.70	21.50	19.60	19.50	19.10
Calves	do.	26.50	25.20	21.20	20.90	20.80
Hogs						
Barrows and gilts						
Chicago						
160-180 pounds	do.	---	---	---	---	--
180-200 pounds	do.	13.57	12.91	16.77	16.50	17.50
200-220 pounds	do.	13.84	13.16	17.11	16.84	17.82
220-240 pounds	do.	13.91	13.14	17.08	16.89	17.81
240-270 pounds	do.	---	---	16.91	16.84	17.73
270-300 pounds	do.	---	---	---	---	
All weights	do.	13.87	13.07	16.94	16.67	17.60
8 markets 2/	do.	13.81	13.11	16.91	16.59	17.30
Sows, Chicago	do.	11.56	11.03	14.60	14.16	14.65
Price received by farmers	do.	13.30	12.60	16.40	15.60	16.90
Hog-corn price ratio 3/						
Chicago, barrows and gilts		11.9	11.9	14.3	14.3	16.3
Price received by farmers, all hogs		12.2	12.7	15.3	14.7	17.1
Sheep and lambs	Dollars per					
Sheep	100 pounds					
Slaughter ewes, Good and Choice, Chicago	do.	4.84	4.05	4.06	4.30	4.55
Price received by farmers	do.	5.53	5.35	4.78	4.75	4.69
Lambs						
Slaughter, Choice, Chicago	do.	21.13	20.52	19.42	18.90	18.33
Feeder, Good and Choice, Omaha	do.	19.08	18.80	17.21	17.34	15.98
Price received by farmers	do.	18.60	17.80	17.40	16.70	16.30
All meat animals						
Index number price received by farmers (1910-14=100)		308	292	290	285	288
Meat						
Wholesale, Chicago	Dollars per					
Steer beef carcass, Choice, 500-600 pounds	100 pounds	45.01	44.04	42.71	42.56	42.06
Lamb carcass, Choice, 45-55 pounds	do.	45.96	43.84	43.22	42.78	41.33
Composite hog products:						
Including lard						
71.90 pounds fresh	Dollars	16.33	15.73	18.96	18.64	19.37
Average per 100 pounds	do.	22.71	21.88	26.37	25.92	26.94
71.01 pounds fresh and cured	do.	20.60	19.54	22.90	22.10	22.98
Average per 100 pounds	do.	29.01	27.52	32.25	31.12	32.36
Excluding lard						
55.99 pounds fresh and cured	do.	18.70	17.63	20.62	19.97	20.80
Average per 100 pounds	do.	33.40	31.49	36.83	35.67	37.15
Retail, United States average	Cents					
Beef, Choice grade	per pound	82.1	82.2	80.4	79.6	
Pork, excluding lard	do.	57.2	55.5	59.7	58.7	
Index number meat prices (BLS)						
Wholesale (1947-49=100)		100.8	95.7	96.6	95.3	
Retail (1947-49=100) 4/		116.5	115.1	117.0	115.8	

1/ Average all weights and grades.
2/ Chicago, St. Louis N. S. Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis.
3/ Number bushels of corn equivalent in value to 100 pounds of live hogs.
4/ Includes beef and veal, pork, leg of lamb and other meats.

Selected marketing, slaughter and stocks statistics for meat animals and meat

Item	Unit	1959 September	1959 October	1960 August	1960 September	1960 October
Meat animal marketings						
Index number (1947-49=100)		146	166	137	145	
Stocker and feeder shipments to						
9 Corn Belt States	1,000					
Cattle and calves	head	856	1,133	388	783	
Sheep and lambs	do.	554	524	474	722	
Slaughter under Federal inspection						
Number slaughtered						
Cattle	do.	1,539	1,586	1,787	1,782	
Steers	do.	865	830	995	960	
Heifers	do.	351	382	365	387	
Cows	do.	300	355	400	408	
Bulls and stags	do.	23	19	27	27	
Calves	do.	415	471	450	514	
Sheep and lambs	do.	1,177	1,200	1,240	1,323	
Hogs	do.	5,767	6,646	5,203	5,165	
Percentage sows	Percent	9	8	12	10	
Average live weight per head						
Cattle	Pounds	1,028	1,033	1,003	1,019	
Calves	do.	212	206	238	209	
Sheep and lambs	do.	95	97	96	94	
Hogs	do.	232	235	239	235	
Average production						
Beef, per head	do.	594	592	579	582	
Veal, per head	do.	123	118	132	119	
Lamb and mutton, per head	do.	46	47	46	45	
Pork, per head	do.	134	136	138	137	
Pork, per 100 pounds live weight	do.	58	58	58	58	
Lard, per head	do.	32	32	33	31	
Lard, per 100 pounds live weight	do.	14	13	14	13	
Total production	Million					
Beef	pounds	911	936	1,032	1,034	
Veal	do.	51	55	59	61	
Lamb and mutton	do.	54	56	57	59	
Pork	do.	773	903	716	704	
Lard	do.	182	210	170	162	
Commercial slaughter 1/						
Number slaughtered	1,000					
Cattle	head	2,064	2,086	2,329	2,307	
Calves	do.	692	748	736	813	
Sheep and lambs	do.	1,359	1,376	1,414	1,507	
Hogs	do.	6,930	7,845	6,208	6,218	
Total production	Million					
Beef	pounds	1,177	1,186	1,304	1,295	
Veal	do.	87	92	99	102	
Lamb and mutton	do.	63	64	65	68	
Pork	do.	926	1,060	849	845	
Lard	do.	208	238	192	186	
Cold storage stocks first of month						
Beef	do.	163	171	146	153	162
Veal	do.	8	8	8	8	9
Lamb and mutton	do.	15	14	13	13	13
Pork	do.	184	163	294	221	154
Total meat and meat products 2/	do.	432	408	532	461	398

1/ Federally inspected, and other wholesale and retail.

2/ Includes stocks of canned meats in cooler in addition to the four meats listed.

LIST OF TABLES

Standard Summary Tables

LIST OF CHARTS

The next issue of The Livestock and Meat Situation is scheduled for release on January 11, 1961.

U. S. Department of Agriculture
Washington 25, D. C.

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICIAL BUSINESS

NOTICE
If you no longer need this publication, check here ☐ return this sheet, and your name will be dropped from the mailing list.

If your address should be changed, write the new address on this sheet and return the whole sheet to:

Administrative Services Division (ML)
Agricultural Marketing Service
U. S. Department of Agriculture
Washington 25, D. C.

L. C. CUNNINGHAM
EXT. SERV.
N. Y. STATE COLLEGE OF AGR.
1-31-47
FNS-3 ITHACA, N. Y.