

RECEIVED

NOV 17 1961

Agricultural Economics Research Service

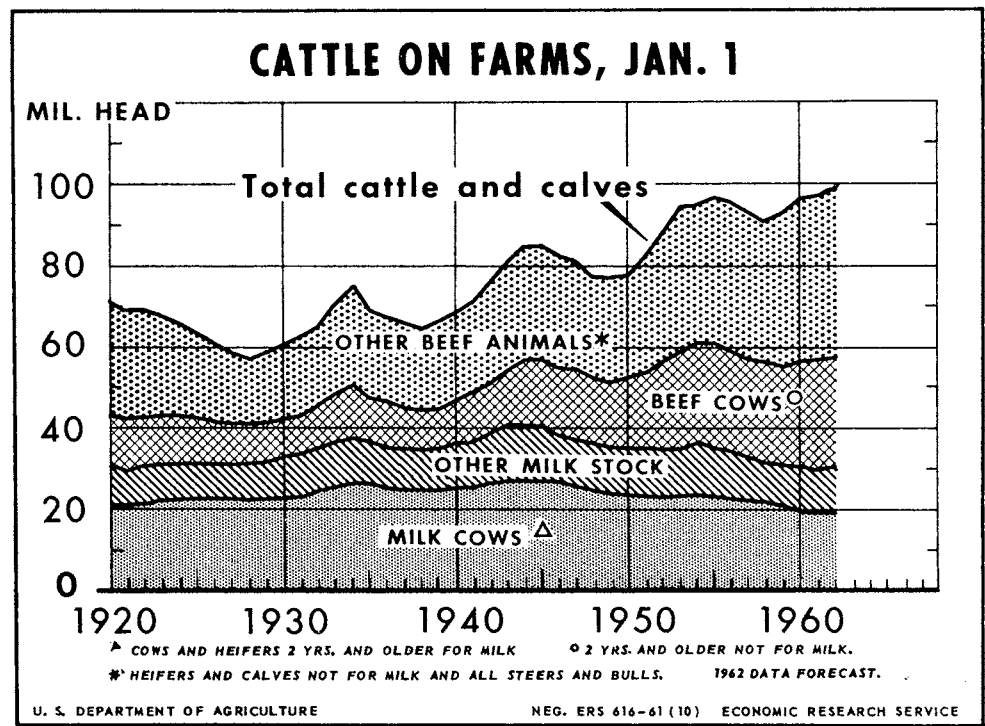
NOVEMBER 1961  
FOR RELEASE  
November 17, P. M.

LMS-120

# The LIVESTOCK and MEAT SITUATION

Total cattle and calf slaughter in 1961 was about the same as in 1960. Therefore, the 1 percent larger calf crop this year will likely result in a slightly larger increase in cattle numbers than occurred in 1960.

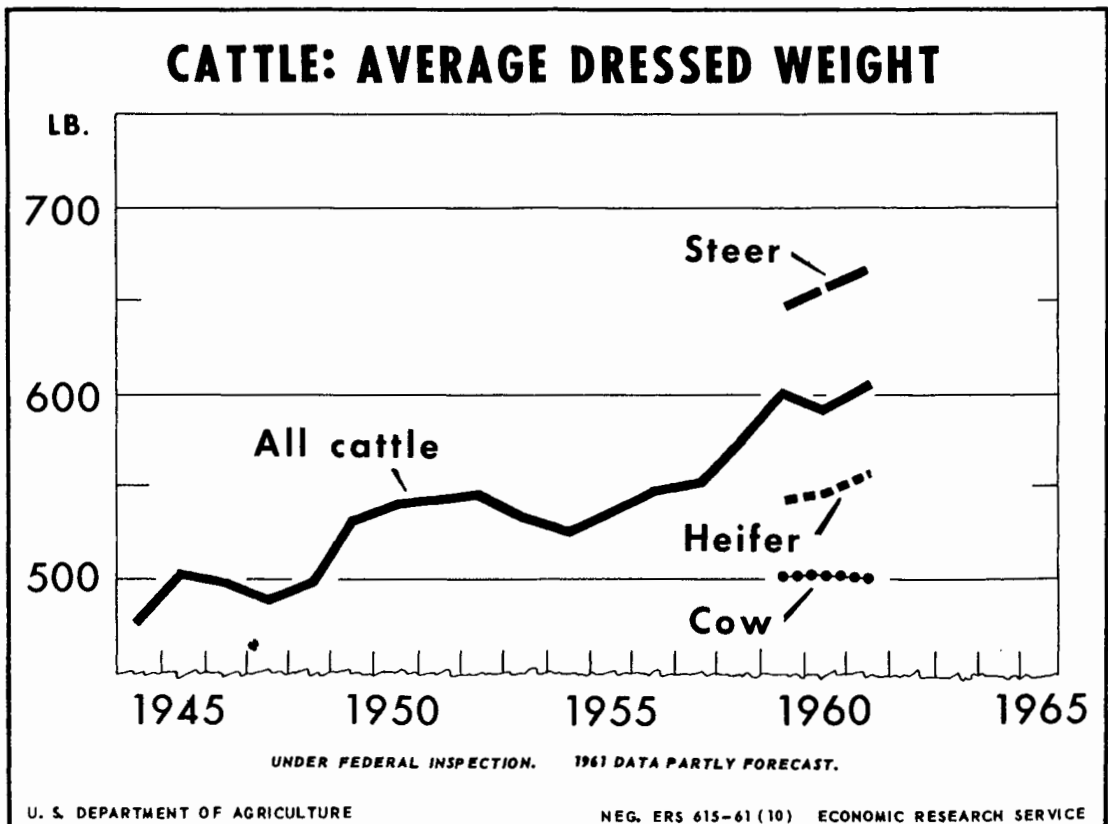
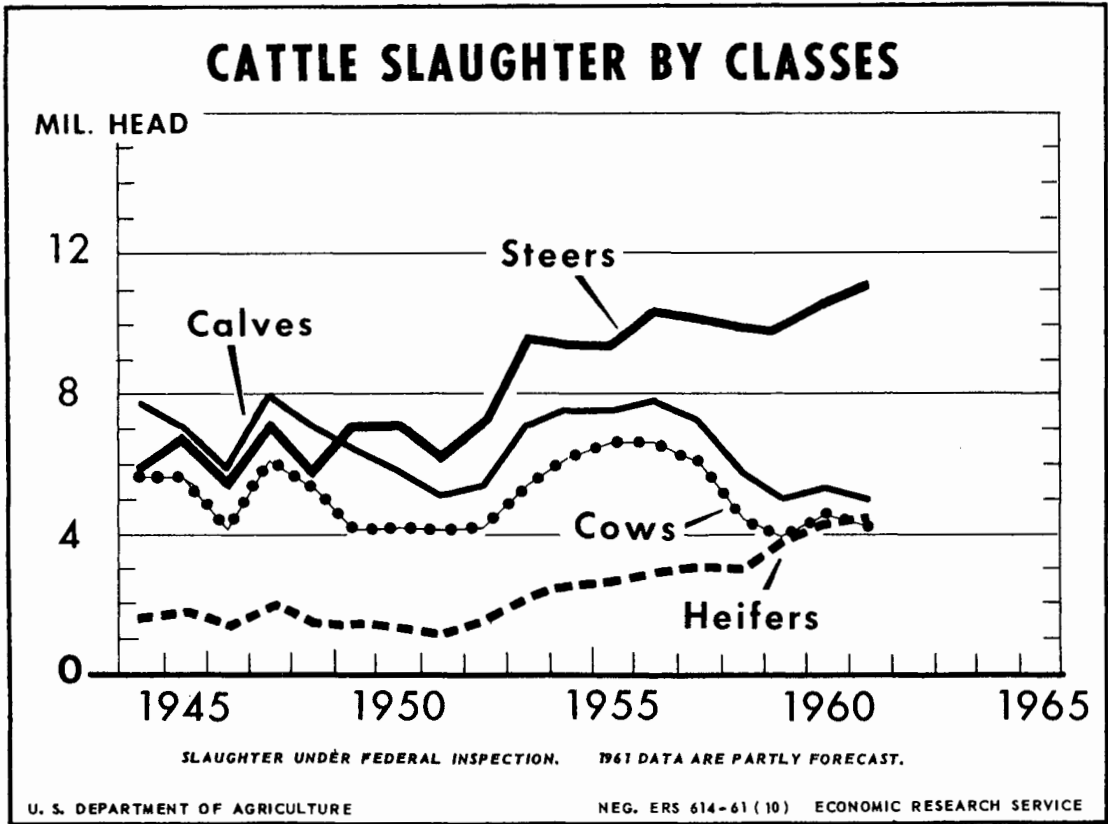
The number of cows, heifers, and calves kept for milk production on January 1, 1962, probably will be slightly under that of a year earlier. Thus, the increase in cattle numbers will be cattle kept for meat production with the gain expected to be concentrated in cow and calf categories.



## IN THIS ISSUE

Outlook for Sausage Meats

Range Conditions



- - - - -  
 T H E L I V E S T O C K A N D M E A T S I T U A T I O N  
 - - - - -

Approved by the Outlook and Situation Board, November 8, 1961

CONTENTS	<u>Page</u>
: Summary .....	3
: Review and Outlook: .....	4
: Cattle .....	7
: Hogs .....	20
: Sheep and Lambs .....	24
: Outlook for Sausage Meats .....	30
: Range Conditions and Beef Cattle Numbers .....	32
: List of Publications .....	37
: List of Tables .....	42
: List of Charts .....	43
:	

#### SUMMARY

The outlook for 1962 is for hog prices to average a little below the 1961 level; and lamb prices to improve; and an average farm price for all cattle and calves sold about the same as for 1961.

Some changes in prices for certain grades and classes of cattle are in prospect for next year. Fed cattle prices next spring and early summer are not expected to break as sharply as they did this year, but slaughter cow prices are expected to be lower during the late summer and fall than for the same period this year due to an increase in cow slaughter.

Cattle slaughter in 1961 is about 1 percent above 1960 but due to a heavier average weight per head slaughtered, beef production is up about 3 percent from 1960. A larger calf crop this year, together with larger imports of live cattle than in 1960, will result in an increase in cattle numbers in 1961 slightly above the 1 million head added in 1960. Cattle numbers January 1, 1962, are expected to range between 98.5 and 99 million head.

Cattle numbers and slaughter are likely to continue to increase for the next year or two. However, the increase in slaughter now in prospect appears to be in line with the rate of increase of population and per capita income. Commercial slaughter in 1962 is expected to rise to about 26.5 million head--an increase of 4 percent over this year. Slaughter next year probably will include more cows and fewer heifers.

A 7 percent increase in this year's spring pig crop has been reflected in increased hog slaughter and lower prices since mid-September. However, the increase in pork production the last quarter of 1961 will not be sufficient to offset the decrease in pork production the first 9 months of the year. Per capita supplies of pork for the year will be about 2.3 pounds below the 65.3 pounds consumed in 1960.

Based on the September 1 survey of producers' intentions in 10 Corn Belt States, the 1961 fall pig crop will be about 2 percent above last year. All of this increase is expected to come in the last half of the fall farrowing period. This larger fall pig crop will provide for a slightly larger hog slaughter in the late winter and early spring months of 1962.

Marketings for the last half of 1962 will depend on the extent of the increase in the 1962 spring pig crop. The hog-corn price ratio at the farm level probably will not drop below the 15-1 level this fall and early winter. A hog-corn ratio of this magnitude would suggest an increase in next year's spring pig crop. Producers reported intentions in the September survey to increase December-February farrowings by 4 percent.

Liquidation in the sheep industry has brought about one of the highest levels of sheep slaughter since 1948. Commercial sheep and lamb slaughter for 1961 totaled nearly 17 million head--an increase of 1 million head over 1960, which was also a year of liquidation.

The 6 percent increase in slaughter more than offset the 1 percent larger lamb crop of this year. Sheep and lamb numbers will be reduced to near 32 million head by January 1. A winter price rise above that of last year is expected for lambs and a strong market for early milk fat lambs is in prospect.

#### REVIEW AND OUTLOOK

##### Record Meat Output Expected Next Year

Red meat production in the United States in 1961 is expected to set a new record at 28.6 billion pounds. This represents an increase of 1 percent from last year's record of 28.2 billion pounds. The increase this year arises mainly from the increase in beef production. Lamb and mutton production is up slightly but the production of veal and pork are both down from 1960.

With red meat production only 1 percent above 1960, but population up by 1.6 percent, per capita supplies were reduced slightly from year-earlier levels. Per capita consumption of all red meats is expected to be about 160.6 pounds this year compared with 161.5 last year. The per capita total includes a record 86.7 pounds of beef but less pork and veal per person.

Increased production of both beef and pork are in prospect for 1962. Veal production next year likely will be about the same as this year but lamb

Table 1.--Production and consumption per person of red meat and poultry, United States, 1955-61 and forecast for 1962

Production <sup>1/</sup>							
Year	Red meat					Poultry	Red and
	Beef	Veal	Lamb and mutton	Pork	Total	meat <sup>2/</sup>	poultry meat
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	13,569	1,578	758	10,990	26,895	4,390	31,285
1956	14,462	1,632	741	11,200	28,035	5,174	33,209
1957	14,202	1,526	707	10,424	26,859	5,438	32,297
1958	13,330	1,186	688	10,454	25,658	6,043	31,701
1959	13,580	1,008	738	11,993	27,319	6,353	33,672
1960	14,725	1,108	768	11,630	28,231	6,409	34,640
1961 <sup>3/</sup>	15,200	1,100	800	11,500	28,600	7,350	35,950
1962 <sup>4/</sup>	15,600	1,100	760	11,800	29,260	7,050	36,310
Consumption per person							
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1955	82.0	9.4	4.6	66.8	162.8	26.3	189.1
1956	85.4	9.5	4.5	67.3	166.7	29.6	196.3
1957	84.6	8.8	4.2	61.1	158.7	31.4	190.1
1958	80.5	6.7	4.2	60.2	151.6	34.1	185.7
1959	81.4	5.7	4.8	67.6	159.5	35.2	194.7
1960	85.2	6.2	4.8	65.3	161.5	34.6	196.1
1961 <sup>3/</sup>	86.7	5.9	5.0	63.0	160.6	37.5	198.1
1962 <sup>4/</sup>	87	5.9	4.7	63.5	161	37	198

<sup>1/</sup> Production of red meats is carcass weight equivalent of production from total United States slaughter.

<sup>2/</sup> Chicken, including commercial broilers, and turkeys, ready-to-cook (eviscerated) basis.

<sup>3/</sup> Preliminary

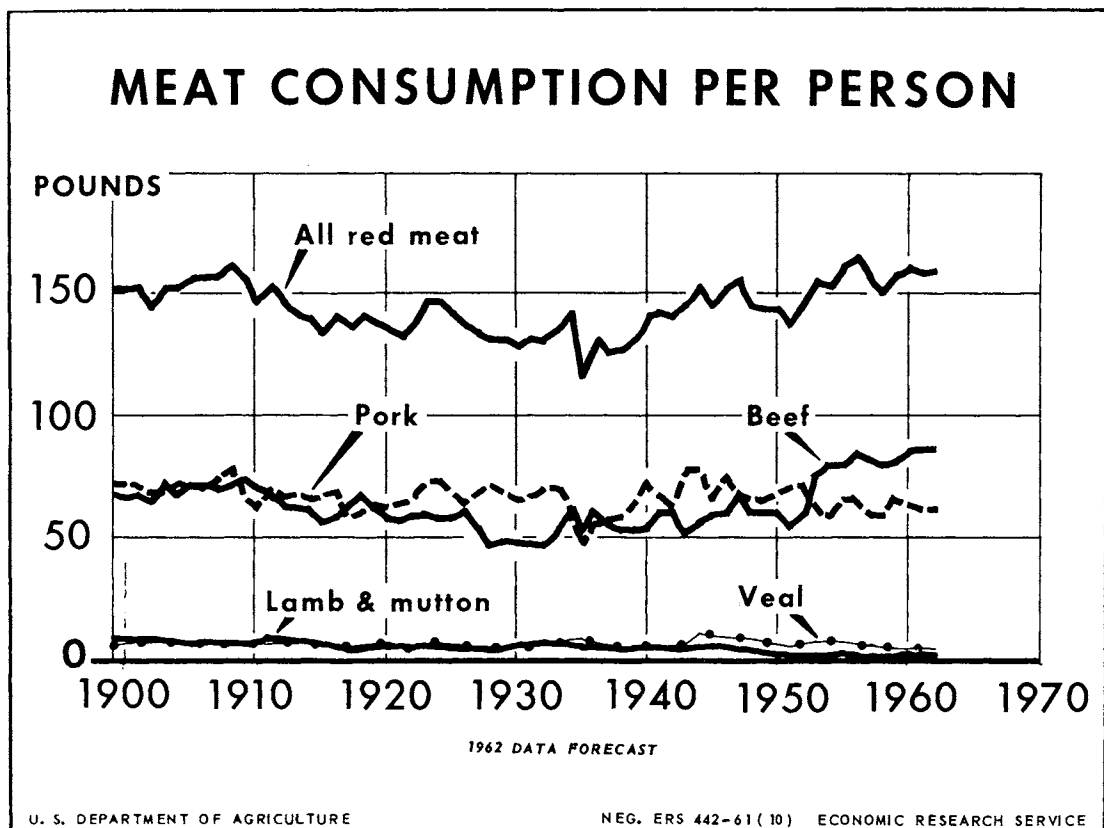
<sup>4/</sup> Forecast.

and mutton production is expected to be down. With the two main components of red meat production on the increase, a new record production of 29.3 billion pounds is expected in 1962.

The increase in total red meat production for next year will slightly more than offset population growth resulting in a small rise in per capita consumption. Civilian per capita consumption for 1962 is forecast at 161 pounds, up 0.4 of a pound from this year but still a half pound below 1960 and 5.7 pounds below the record per capita consumption of meat of 166.7 pounds in 1956.

Meat imports have played an important role in the supply of meat in the United States the past four years. Imports of all meat rose from 543 million pounds in 1957 to 1.1 billion pounds in 1958 and to a record 1.4 billion pounds in 1959. This year, they are expected to approximate 1.2 billion pounds, up slightly from the billion pounds imported last year but below the record imports of 1959.

One of the most important items in the high level of imports of meat the past four years has been boneless processing beef. Beef imports are expected to decline next year as cow slaughter returns to a more normal level and a greater proportion of needs for processing beef are furnished by domestic production.



Imports accounted for about 4 percent of civilian consumption of red meat in 1960 and added about 5.9 pounds to per capita consumption. This year imports also represented about 4 percent of total red meat consumption but furnished 6.4 pounds per person.

USDA Purchases of Frozen Ground Beef,  
Canned Chopped Meat and Lard

In late August, the U. S. Department of Agriculture announced programs for the purchase of meat and livestock products.

Purchases of frozen ground beef for the National School Lunch Program were started August 23. Purchases under this program through November 8, totaled 32.6 million pounds at a cost of \$13.7 million.

On September 7, purchases of canned chopped meat were initiated--consisting of beef, pork, and other meat products--for distribution to needy families. On the same date, a lard purchase program was also started for distribution to schools, institutions, and needy families. Through November 9 purchases of canned chopped meat totaled 52.9 million pounds at a cost of \$21.6 million and lard purchases amounted to 44.8 million pounds at a cost of \$5.3 million.

In early November, plans were announced to terminate the purchase of frozen beef which began August 23, and start purchasing canned pork and gravy for the School Lunch Program. Plans call for the purchase of approximately 30 million pounds of canned pork and gravy over a 3-4 month period. First offers were submitted November 13 with deliveries starting the week of December 11.

CATTLE

Steer and Heifer Slaughter Up;  
Cow and Calf Slaughter Down

Approximately 25.4 million head of cattle will be slaughtered in commercial slaughtering establishments in 1961. This is an increase of about 1 percent from the 25.2 million head slaughtered commercially in 1960.

Calf slaughter turned down in February and has continued below year-earlier levels since then. For the first three quarters of this year, it amounted to 5.6 million head. For the fourth quarter it is expected to total 2.1 million head. Total commercial calf slaughter for 1961 at 7.7 million head would be 6 percent below the 8.2 million head slaughtered in 1960.

Some significant patterns of slaughter are disguised in commercial slaughter totals. Whereas total commercial slaughter will be only about 1 percent above 1960, steer and heifer slaughter will be up about 5 percent. The increase in steer and heifer slaughter has been largely offset by a 9 percent reduction in cow slaughter.

Cow slaughter turned up in 1960 after two years of below-average slaughter. This increase is accredited to the generally pessimistic attitude that prevailed in the cattle industry last summer and fall. Excellent

Table 2.--Number of cattle and calves slaughtered under Federal inspection, by class, United States, by months, 1961 compared with 1960

Month:	Steers		Heifers		Cows		Calves	
	1961	1960	1961	1960	1961	1960	1961	1960
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
Jan.	868	871	370	329	372	347	427	413
Feb.	788	806	336	310	294	306	385	389
Mar.	901	908	389	325	314	325	457	482
Apr.	856	796	339	294	285	301	378	394
May	1,042	943	389	310	296	328	381	378
June	1,057	941	380	345	325	376	364	397
July	978	879	327	322	299	364	341	374
Aug.	1,039	995	391	365	350	400	421	450
Sept.	944	960	416	387	331	408	456	514
Oct.		882		395		445		516
Nov.		790		372		442		502
Dec.		786		372		399		451
<b>Total 1/:</b>	<b>11,050</b>	<b>10,557</b>	<b>4,400</b>	<b>4,124</b>	<b>4,000</b>	<b>4,441</b>	<b>4,950</b>	<b>5,259</b>

1/ Computed from unrounded numbers. 1961 totals are partly estimated.

wheat pasture and improved prices in the winter of 1960, coupled with a downward revision in cattle numbers this spring, and improved outlook for business conditions this summer, all aided in turning the attitude of pessimism into one of optimism. Cow slaughter fell below year-earlier levels in March and has continued under 1960 for the balance of the year to date.

#### New Record Set for Beef Production

Although cattle slaughter is up only slightly above last year, a heavier average dressed weight per head slaughtered will result in record beef production of approximately 15.2 billion pounds in 1961. This is 3 percent above the previous high of 14.7 billion pounds set in 1960 and 5 percent above 1956, when a record 27.8 million head of cattle were slaughtered. Domestic production for the year will be supplemented by imports of beef of approximately 850 million pounds (carcass weight equivalent) bringing total civilian consumption to a record high of 15.6 billion pounds.

The increase in beef production more than offset population growth resulting in per capita consumption rising to the record level of 86.7 pounds. This is an increase of 1.5 pounds per person over last year's per capita consumption of 85.2 pounds and exceeds the previous record of 85.4 pounds in 1956.



Inventory Increase To Exceed Last Year

The source of supply of animals to be added to the cattle inventory is the calf crop and net imports. If these exceed slaughter and death losses, the result is an increase in the inventory of cattle and calves. Conversely, when slaughter and death losses exceed the number of calves dropped plus net imports, inventory liquidation results.

Total disposition of cattle and calves for 1961 probably is near that of a year ago, due to the reduction in calf slaughter. Commercial slaughter of cattle and calves this year is estimated to total about 33.1 million head compared with 33.4 million head last year. Farm slaughter and death losses are estimated at 5.4 million head this year as against 5.3 in 1960. See chart on page 10.

Calf Crop and Imports Above 1960

The preliminary estimate for the 1961 calf crop was placed at 39,658,000 head, 1 percent above the 1960 calf crop of 39,280,000. With the lowest rate of calf slaughter of record, the number of calves added to the inventory will be at an all-time high. With cows for other than milking purposes, now representing 58 percent of the January 1, 1961, inventory of cows 2 years old and over, as compared with the only 44 percent 10 years ago, a larger proportion of the calf crop can be considered to be of beef breeding than formerly. For this reason, calf slaughter is not expected to return to levels that were typical in earlier years.

The number of cattle imported from Canada from January through September totaled 245,756 this year compared with 172,028 a year ago. Imports from Canada had been below 1960 the first half of this year but turned up sharply in July. Drought conditions in the Prairies Provinces of Canada forced an early movement of cattle this year resulting in a large increase in imports in the third quarter. Some of the July-September imports are cattle that would normally have entered the U. S. in the last quarter of the year. Therefore, imports are not expected to continue at third quarter rates the remainder of the year. However, total shipments from Canada for the calendar year of 1961 will exceed those of 1960.

The Mexican Government has announced export quotas for cattle and meat for the marketing year that began September 1. The quota is the same as last year-a maximum 384,000 head of live cattle and 366,000 head to be slaughtered for export of meat. An additional reserve quota of 250,000 head has been set aside for use in case of an emergency in the Mexican cattle industry.

Range conditions have been poor in northern Mexico this year and live-stock producers in Sonora and Chihuahua have requested permission of this government to export heifers because of low domestic prices. Imports of live cattle from Mexico through September amounted to 313,781 head compared with 246,119 for the same period last year. Total imports for the year likely will exceed 1960.

Table 3.--Number of cattle and calves on farms January 1, calf crop, number slaughtered and imports, United States, 1955 to date

Year	Number on farms			Imports	Number slaughtered		
	January 1	January 1	Calf crop		Cattle	Calves	Total
	Cattle and calves	Cows					
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1955	96,592	49,121	42,112	314	26,587	12,864	39,461
1956	95,900	48,283	41,376	159	27,755	12,999	40,754
1957	92,860	46,859	39,905	728	27,068	12,353	39,421
1958	91,176	45,430	38,860	1,152	24,368	9,738	34,106
1959	93,322	45,244	38,938	709	23,722	8,072	31,794
1960	96,236	45,871	39,280	663	26,021	8,611	34,632
1961	<u>1/97,139</u>	46,275	39,658	<u>2/700</u>	<u>2/26,200</u>	<u>2/8,100</u>	<u>2/34,300</u>

1/ Preliminary. 2/ Partly forecast.

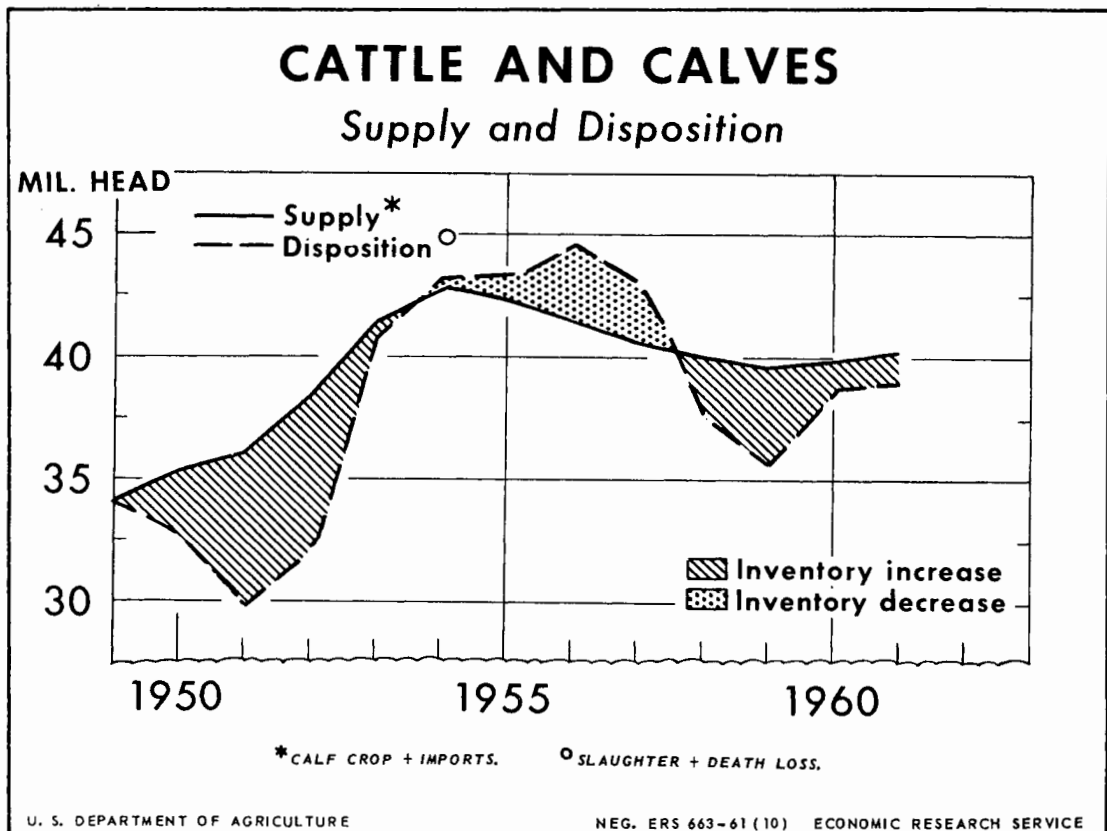


Table 4.--Inspected imports of cattle, by months, 1959 to date 1/

Month	From Canada			From Mexico		
	1961	1960	1959	1961	1960	1959
	Number	Number	Number	Number	Number	Number
Jan.	22,321	13,338	21,878	68,909	34,510	65,349
Feb.	8,618	21,865	14,011	47,411	44,752	57,023
Mar.	9,837	34,946	21,090	59,976	42,063	39,769
Apr.	14,744	25,542	42,690	65,741	61,532	15,739
May	18,560	28,936	40,223	32,109	43,969	58,821
June	13,822	22,151	42,579	8,311	10,977	19,554
July	32,867	8,968	29,709	3,944	2,285	8,741
Aug.	59,886	7,135	15,364	11,061	3,698	15,107
Sept.	65,101	9,147	13,887	16,319	2,333	4,110
Oct.		27,214	39,509		7,441	7,723
Nov.		47,204	38,770		51,793	28,290
Dec.		26,685	23,189		94,207	32,345
Year		273,131	342,899		399,560	352,571

1/ Inspected when offered for importation.

Compiled from reports of the Animal Inspection and Quarantine Division of the Agricultural Research Service.

The combination of a slightly smaller disappearance of cattle and calves and a larger net inflow due to the larger calf crop and increased imports will result in a somewhat larger increase in the January 1, 1962 inventory than from 1960 to 1961. The cattle and calf inventory next January is expected to range between 98.5 and 99 million head--compared with 97.1 this January 1, and 96.2 January 1, 1960. The increase in numbers this year is likely to be concentrated largely in the cow and calf categories.

#### Slaughter To Increase in 1962

The January 1 inventory of cattle and calves is an important factor determining the level of slaughter to be achieved during the year. However, within the limits imposed by the beginning inventory, slaughter is also dependent on whether producers are building or liquidating cattle numbers.

At the outset, cattle numbers are not expected to be reduced in 1962. Liquidation of cattle numbers generally is brought about by price or drought and feed shortages. At this time, it does not appear that either one of these factors is likely to force liquidation in 1962. A study of range conditions for the 17 Western States does not disclose a well defined range condition cycle. Furthermore, past history of range conditions does not indicate a widening of this year's drought in the Northern Plains. (For details see page 32.)

Certain limiting factors on cattle slaughter are built into the cattle industry as a result of biological limitations and past decisions. Calving rates and death losses cannot be changed significantly in the short run by management practices. The number and average age of the cows in the breeding herd as well as the number of bred heifers available are determined by past decisions.

As a result of these factors, commercial cattle slaughter in 1962 could equal about 28 percent of the January 1 inventory or about 27.7 million head, without reducing numbers. This will hold true only provided that calf slaughter does not absorb a larger proportion of the calf crop than in 1961, and that imports of live cattle are about equal to the average for the past four years. However, in light of the strong market for feeder cattle in 1961, and large supplies of feed and forage on hand, cattle numbers are expected to expand further in 1962. Therefore, commercial slaughter next year is expected to be in the neighborhood of 26.5 million head with cattle numbers increased by the balance.

#### More Cows; Fewer Heifers in 1962 Slaughter

In certain respects, a close parallel can be drawn between 1949-52 and 1958-61. In both of these four year periods, cow slaughter continued at a below-average rate and cow numbers increased. However, in the past four years, heifer slaughter was maintained at a relatively high level and the extent of the increase in cow numbers was much less than that of the 1949-52 period.

In 1953, federally inspected cow slaughter was reported at 5.6 million head--an increase of 1.5 million head from 1952. However, in spite of this increase in cow slaughter, 2.1 million cows were added to the cow herd in 1953. Therefore, heifers were added to the herd in sufficient number to offset the increase in cow slaughter as well as to provide the increase in cow numbers. In light of the continued increase in cow numbers, the slaughter of 1953 must be viewed as a natural consequence of four years of below-average culling of cow herds.

We face somewhat the same situation in 1962. Cow slaughter is expected to increase substantially next year along with some additional increase in cow numbers. But, it is doubtful that sufficient heifers can be made available to the cow herd without decreasing the rate at which heifers are going through feed lots and to slaughter. The low rate of cow slaughter and high rate of heifer slaughter in 1960 only allowed an increase in beef cow numbers of 600,000 head. Therefore, even with more heifer calves available in the inventory next January 1, it is questionable if we can maintain 29 percent of the cattle on feed inventory in the form of heifers and still have sufficient bred heifers to replace the cow slaughter expected for next year.

Lower Dressed Weights Expected in 1962

Heavier average dressed weights for cattle slaughtered have added about 2 percent of this year's supply of beef. (See chart inside cover.) This increase in yield of beef per animal slaughtered is due to several factors. The combination of heavier live weights and a higher dressing yield have produced heavier carcass weights for steers and heifers. A decrease in the proportion of cows included in total slaughter also tended to raise the average dressed weight for total federally inspected slaughter.

Average dressed weights next year are expected to be somewhat lower than this year due to a reversal of the factors that brought about the increase in dressed weights this year. A little higher feed grain prices in 1962 will discourage carrying steers and heifers in feedlots to the heavy weights achieved this year. Increased cow slaughter next year will also have a tendency to lighten the average dressed weight of cattle slaughtered, particularly if the increase in cow slaughter necessitates a cut back in the number of heifers going on feed.

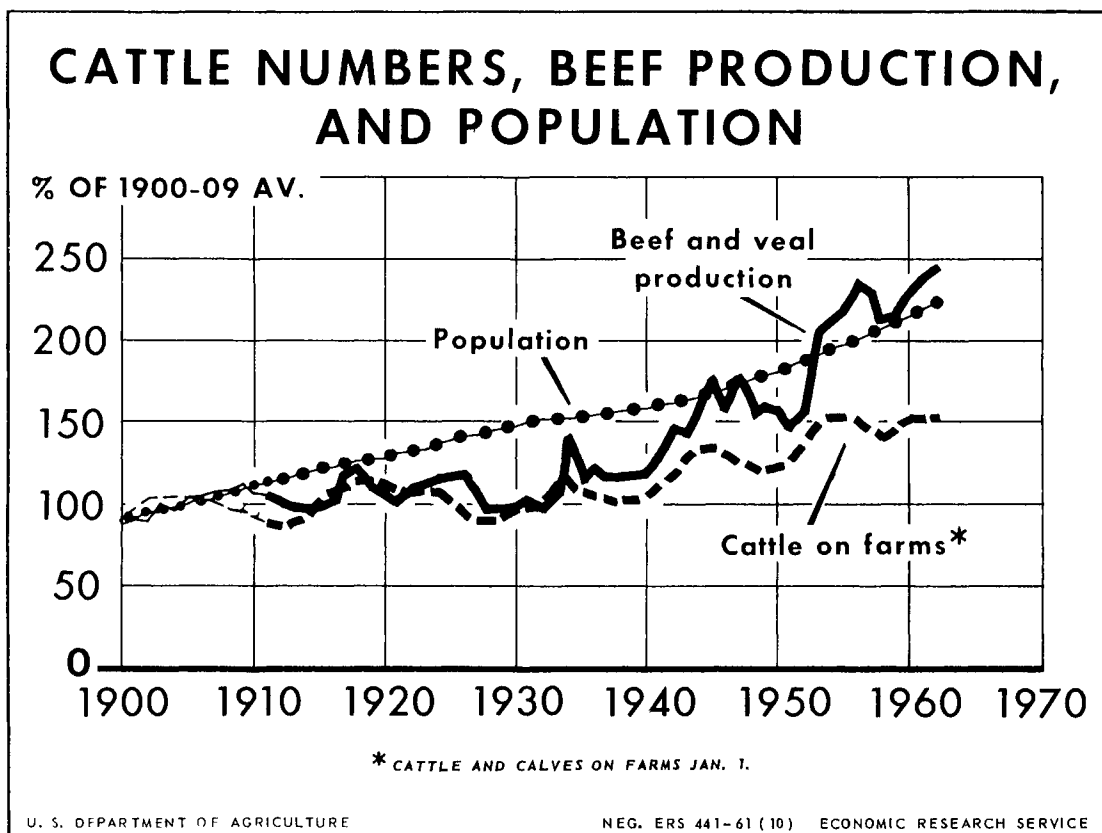
Beef Imports May Decline  
Next Year

The shortage of processing beef brought about by the cut back in cow slaughter in 1958 was accompanied by a sharp increase in the price of processing beef which in turn stimulated imports of beef. The carcass weight equivalent of beef and veal imported, rose from 395 million pounds in 1957 to 909 million pounds in 1958 and reached a record 1.1 billion pounds in 1959.

As domestic cow slaughter turned up in the summer of 1960, the price for slaughter cows broke sharply and the volume of beef entering the U. S. from abroad decreased rapidly. The quantity of boneless beef imported in the fourth quarter of 1960 was 42 percent below the amount imported the corresponding quarter of 1959. As cow slaughter turned down again in March of this year and adequate supplies of domestic cow beef failed to materialize, imports were again stimulated.

A larger proportion of our needs for processing beef is expected to be forthcoming from domestic cow slaughter in 1962. If cow slaughter increases as expected next year, cow prices and the wholesale price of deboned cow beef can be expected to fall accordingly. This price decline will erase some of the price advantage of the U. S. market to the exporting countries and imports of beef are expected to decline.

Beef imports have tended to trend upward over time. However, the two post World War II periods of larger than normal imports of beef, (1948-52 and 1958-61), can be associated with a level of cow slaughter so low that prices for Canner and Cutter cows at Chicago rose well above \$12.00 cwt. On the other hand, when the price for Canner and Cutter cows remained below \$12.00 cwt., imports dropped sharply. Currently, Canner and Cutter cows at Chicago are bringing about \$13.50. A year ago, when cow slaughter was up slightly and imports tended to decline, this price had dropped to about



\$12.25. Therefore, it is felt that when cows come to slaughter in sufficient quantity to hold the price of Canner and Cutter cows in the \$11.00-\$12.00 range, imports will decrease accordingly. This situation is expected to develop in the last half of 1962.

### Increase in Beef Production in Line With Population

Cattle slaughter in 1962 is expected to be about 4 percent above this year. However, due to a lighter average dressed weight per animal slaughtered, beef production is expected to exceed this year by about 3 percent. Therefore, the increase in domestically produced beef will be only slightly above the increase in population. The expected decrease in the quantity of beef imported, next year probably will prevent per capita consumption from rising above the 86.7 pounds in prospect for this year.

### Price Outlook for 1962

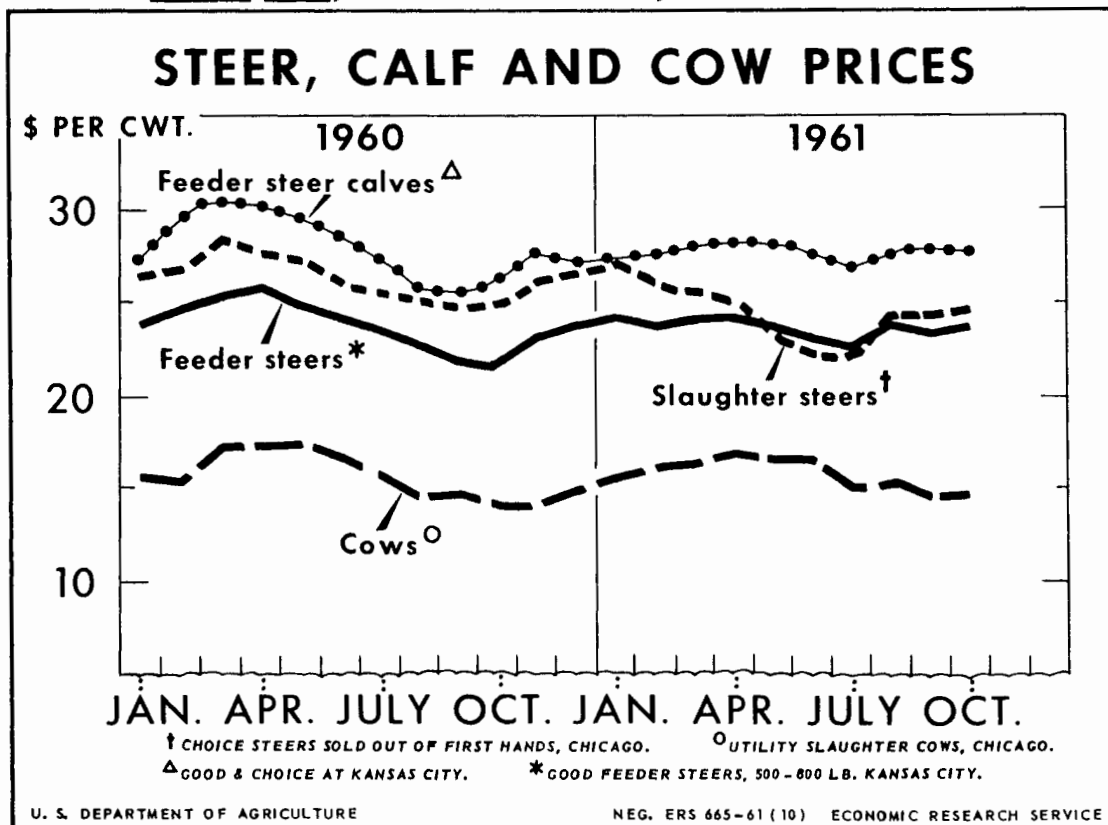
Relatively little additional price strength is expected the remainder of this year. Marketings of fed cattle out of feed lots in 26 States for the fourth quarter are likely to be about 5 percent greater than a year ago, but down seasonally from the third quarter. Slaughter of non-fed cattle is also expected to be seasonally lower than during the July-September quarter. However, increased supplies of turkeys and pork will tend to offset the seasonal decrease in beef production.

Table 5.--Selected prices per 100 pounds of cattle, by months, 1960 and 1961

Month:	Chicago				Kansas City			
	Choice slaughter steers <u>1/</u>		Utility slaughter cows		Good feeder steers <u>2/</u>		Good and Choice feeder steer calves <u>3/</u>	
	1961	1960	1961	1960	1961	1960	1961	1960
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Jan.	27.42	26.42	15.70	15.52	24.09	23.84	27.44	27.18
Feb.	26.17	26.69	16.14	15.48	23.90	24.59	27.69	29.28
Mar.	25.70	28.08	16.48	17.07	24.11	25.37	28.11	30.44
Apr.	25.05	27.76	16.95	17.16	24.31	25.69	28.32	30.01
May	23.43	27.43	16.53	17.33	23.85	24.96	28.35	29.52
June	22.45	26.04	16.52	16.76	23.10	24.37	27.58	28.52
July	22.38	25.64	15.02	15.78	22.86	23.58	26.96	27.44
Aug.	24.13	25.07	15.42	14.62	23.91	22.66	27.72	25.97
Sept.	24.34	24.80	14.70	14.86	23.45	21.99	27.86	25.50
Oct.	24.55	24.94	14.78	14.24	23.61	21.82	27.73	26.04
Nov.		26.08		14.31		23.16		27.56
Dec.		26.86		14.98		23.99		27.05
Average:		26.24		15.68		23.84		27.88

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

Compiled from Market News, Livestock Division, AMS.



The 8 percent increase in cattle on feed, October 1, in 26 States will provide a carryover into the January 1, inventory of cattle on feed about 13 percent greater than last year. However, even if placements during the fourth quarter are no larger than in 1960, the January 1, 1962, inventory of cattle on feed would still show an increase of 4 percent over this January.

Marketings out of feedlots during the first quarter of 1962 will still depend to a great extent on placements the fourth quarter of this year. Forty-six percent of the cattle marketed out of feedlots in 26 States during the first quarter of 1961 were placed on feed during the fourth quarter of 1960. Next year, we might see more of the first quarter marketings come out of the carryover from October 1, and fewer from fourth quarter placements.

Fed cattle prices broke rather sharply during the first quarter of this year. In April, Choice steers at Chicago averaged \$2.37 below the January price. The market took another \$2.60 off of the price of Choice steers from April to June. Next year, prices are expected to hold relatively stable during most of the first quarter and then to work lower during the spring and summer, but are not expected to break as sharply as this year. By the first of May, prices for fed cattle may exceed this year's price level and are expected to be above it throughout the summer.

Slaughter cow prices the latter half of 1962 are expected to be below this year as cow slaughter increases. The greatest price weakness is expected for Canner and Cutter cows. Prices for Commercial cows and the lower grades of steers and heifers will decrease to a lesser extent.

### The Longer Range Outlook

The rate of increase in cattle numbers during the past two years appears to be in line with the rate of population growth and gain in per capita disposable income. Cattle slaughter will have to increase almost 500,000 head annually just to hold per capita consumption constant at the present rate of population growth. If slaughter can equal about a maximum of 28 percent of beginning inventories without resulting in liquidation, then total cattle numbers could increase somewhere in the neighborhood of  $1\frac{3}{4}$  million head annually without resulting in downward pressure on prices.

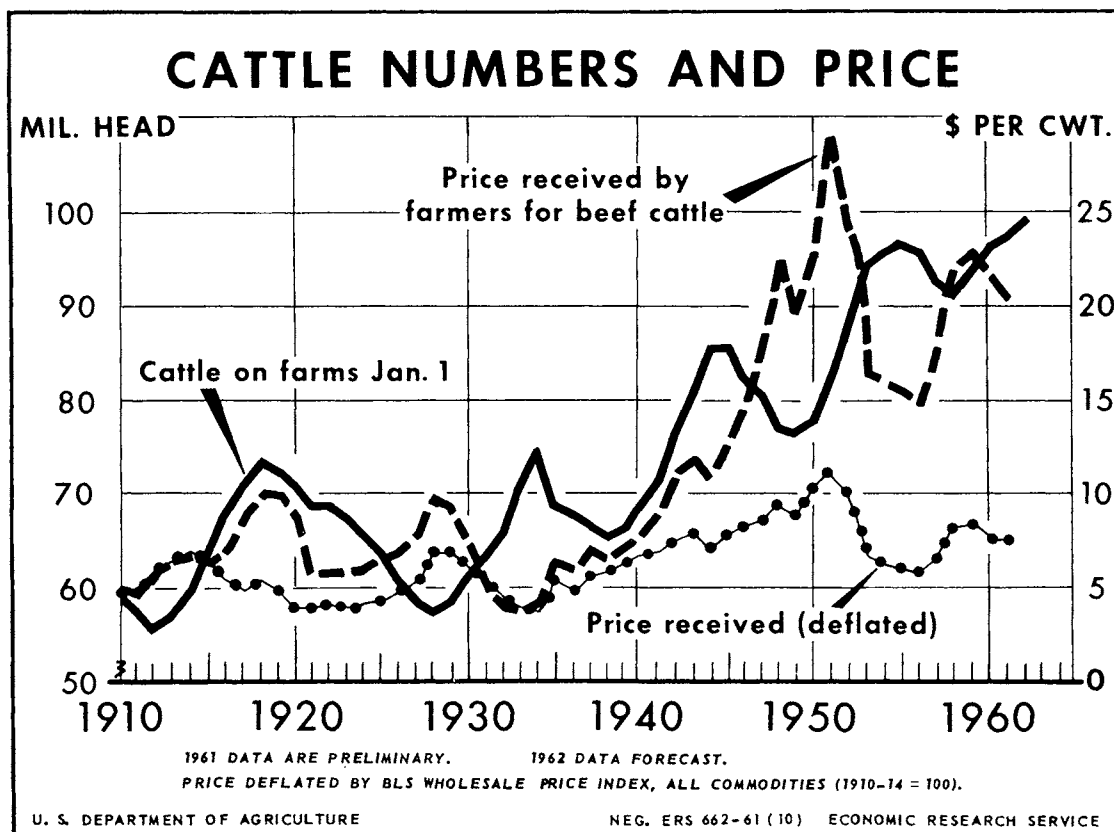
Some adjustments are still in order in the cattle industry. We may have as many as 4 million head of over-aged cows in the cow herd that will have to be sent to slaughter along with the normal cull in the next three or four years. These cows will have to be replaced with heifers which will in turn limit the rate of heifer feeding while this process is underway. In turn, the impact of the rise in cow slaughter as these older cows are replaced will be cushioned somewhat by a decrease in the importation of processing beef.



Long-Run Price and Output Show  
Consumer Preference for Beef

The sound basis of a strong consumer demand underlying the cattle industry is illustrated by the long-run adjustment of cattle prices and cattle numbers. The post World War II years, characterized by rapid technological change and rapid growth in disposable personal income, have been particularly important in raising the real price received by farmers for cattle.

Per capita consumption of beef in the 5-year period, 1910-14, averaged 65.8 pounds. At the same time, the average price received by farmers for all cattle averaged \$5.52. In the 5-year period, 1956-60, per capita consumption averaged 83.4 pounds and price received by farmers averaged \$19.40. See chart on this page. In the meantime, wholesale prices rose 2.6 times above their 1910-14 level. Adjusting the 1956-60 average price for the rise in wholesale prices, yields a deflated average price of \$7.30. Therefore, a 27 percent increase in the per capita consumption of beef was accompanied by a 32 percent increase in the real price received by farmers for cattle. This combination of improved prices and rising consumption over time attests to the increasing preference for beef as a meat and the rising real level of income enjoyed by the consuming public.



## Growth Continues in Cattle Feeding Industry

One of the important developments of the cattle industry in the late 1950's and early 1960's has been the rapid expansion of the cattle feeding industry. The construction of new feedlots and expansion of lots already in operation have produced an upward trend in the number of steers and heifers on feed.

The modern feeding industry, based on an ample supply of relatively low cost feed grains, has illustrated two important points. First, a profitable feeding enterprise can be built around feeding heifers; and second, low quality cattle, formerly thought impractical for a feeding program, have proven to be profit makers.

Two distinct advantages are developing out of the modern feeding industry. From the viewpoint of the consumer, supplies of quality fresh beef are being evened out over the year. This will also have the tendency to decrease the amplitude of seasonal variation in price. Secondly, with the vast capacity of feedlots in existence, the range cattle industry does not suffer as severe consequences from drought and feed shortage as formerly. The surplus cattle resulting from feed shortages in a given area, have greater value in a feeding program than for immediate slaughter. This situation was aptly illustrated by the drought of the Northern Plains this year.

## Feeding Returns Up on Most Corn Belt Feeding Programs

Net return per head on various Corn Belt feeding programs for the 1960-61 feeding year just finished showed an increase over the 1959-60 feeding year. The two exceptions to this were the yearling steer program, feeding from fall to spring, and the heavy steer program feeding from fall to late winter and spring. Both of these programs netted smaller returns than the preceding year.

The greatest gain in feeding profits over a year earlier occurred in the short fed Medium yearling steer program feeding Medium steers from the fall of 1960 to the following January or February. These feeder cattle were bought on a low market and enjoyed a substantial seasonal price increase at time of sale.

Most commercial feed lots, feeding on a year-round basis of a 140-160 day feeding period with a turnover of 2 times annually, have felt profits squeezed since April. Some improvement in the profit picture for this type of enterprise is in view for the cattle placed on feed from May through July. The outlook for fat cattle prices through March next year precludes much chance of normal returns on feeding from fed cattle marketed in this period, considering the price at which many cattle were put in feed lots this summer and fall.

Table 6.--Specified costs and net returns in 6 selected Corn Belt cattle feeding programs, 1959-60 and 1960-61 <sup>1/</sup>

Feeding program	1959-60				1960-61			
	Price per 100 pounds			Net return per head <u>2/</u>	Price per 100 pounds			Net return per head <u>2/</u>
	Paid for feeder	Received for fed cattle	Margin		Paid for feeder	Received for fed cattle	Margin	
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
<u>Calves</u>								
Heifer calves, short fed--								
Bought as Good and Choice, Sept.-Oct.	28.46	25.27	-3.19	14.94	22.60	22.53	-0.07	19.20
Sold as Choice, June-July								
Steer calves, long fed--								
Bought as Good and Choice, Sept.-Nov.	30.38	24.94	-5.44	13.26	26.37	24.34	-2.03	26.82
Sold as Choice, Aug.-Oct.								
<u>Yearlings</u>								
Medium yearling steers, short fed--								
Bought as Medium, Sept.-Oct.	22.66	24.54	1.88	8.20	19.52	24.51	5.19	32.78
Sold as Good-Standard, Jan.-Feb.								
Good yearling steers, short fed--								
Bought as Good, Sept.-Nov.	25.36	27.08	1.72	24.13	22.32	23.64	1.32	13.00
Sold as Choice, Apr.-June								
Yearling steers, long fed--								
Bought as Good and Choice, Sept.-Nov.	26.60	26.54	-.06	17.91	23.46	24.41	.95	18.47
Sold as Prime, July-Sept.								
<u>Heavy steers</u>								
Heavy steers, short fed--								
Bought as Good, Sept.-Nov.	23.55	29.34	5.79	54.82	21.53	25.64	4.11	33.18
Sold as Choice and Prime, March-May								

<sup>1/</sup> 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.

<sup>2/</sup> 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 hoys following feeders.

## HOGS

Hog Production Up;  
Prices Lower

The mid-October price received by farmers for hogs was \$16.40 per 100 pounds, 30 cents less than a year earlier. Since then, prices have weakened and in early November barrow and gilt prices at 8 midwest markets were \$16.25, down 83 cents from a year ago. For all of 1961, hog prices will average a little better than \$16.00 per 100 pounds, which is a little higher than 1959 and 1960 averages of \$14.10 and \$15.30.

The 1961 average price of \$16.00 is also higher than prices in prospect for 1962, although not greatly so. Production is increasing. Slaughter has been above a year earlier since September and the number of hogs on hand plus intentions for greater farrowings assure marketings above year-earlier levels through most if not all of next year.

The increase in pork production during the last 3 months of 1961 will not be enough to offset the 4 percent decrease during the first 9 months this year. Hence total 1961 pork output will be less than in 1960 but a small gain is in prospect for 1962. Per capita consumption of pork this year is currently expected to be about 63 pounds, compared with 65.3 pounds per person in 1960 and around 63.5 pounds forecast for 1962.

Large Fall Slaughter in Prospect;  
Some Further Price Weakness

The weekly hog slaughter rate in federally inspected plants has been 8-14 percent above a year earlier in recent weeks and has led to a sharp decline in hog prices. Prices of barrows and gilts at 8 markets the last week in September averaged \$18.04 per 100 pounds. By the beginning of November, prices had dropped to around \$16.25. Most of the adjustment to higher slaughter rates has probably been made although some further price weakness is likely this fall before the season's low point is reached near the end of the year. The bulk of slaughter supplies is now coming from April and May farrowings, which were up 9 percent from a year earlier. More sows farrowed in April than in any other month this year. Hence, slaughter will soon begin to ease off seasonally although it will remain well above last fall's slaughter rates.

Larger 1961 Fall Pig Crop  
and 1962 Spring Crop Likely

Last June, producers planned for a 3 percent larger fall pig crop than in 1960. Hog raisers in 10 Corn Belt States indicated in September that the gain in fall farrowings might be a little smaller than indicated by July intentions and that most of the gain would be late fall pigs. Hogs from the fall

Table 7.--Farrowings, hog slaughter, pork consumption and hog prices, by quarters, 1958 to date

Year	Farrowings				Commercial slaughter <sup>2/</sup>			
	Dec.- Feb. 1/ <sub>1</sub>	Mar.- May	June- Aug.	Sept.- Nov.	Aug.- Oct.	Nov.- Jan.	Feb.- Apr.	May- July
	1,000 head	1,000 head	1,000 head	1,000 head	Mil. head	Mil. head	Mil. head	Mil. head
1958	2,680	4,601	3,141	2,746	18.5	20.2	20.2	17.9
1959	3,053	4,943	3,346	2,782	20.7	23.5	21.0	17.8
1960	2,508	4,269	3,059	2,823	18.9	20.4	19.1	17.7
1961	2,531	4,500	3/6,000		4/19.8	5/21.7	5/38.0	
1962	7,200(+2- $\frac{1}{2}$ %)				42.3			
	7,400(+5%)				43.5			
	7,600(+8%)				44.6			
	Pork consumption per person				Hog prices, per 100 pounds			
	July- Sept.	Oct.- Dec.	Jan.- Mar.	Apr.- June	July- Sept.	Oct.- Dec.	Jan.- Mar.	Apr.- June
	Lb.	Lb.	Lb.	Lb.	Dol.	Dol.	Dol.	Dol.
1958	14.2	16.9	16.7	15.7	20.80	17.97	15.77	15.27
1959	16.0	19.2	17.5	15.7	13.50	12.00	13.37	15.63
1960	15.2	16.9	16.0	15.1	16.20	16.60	17.07	16.20
1961	14.7	4/17.2	5/31.2		17.07	4/15.50		
1962	32.0							
	33.0							
	35.0							

1/ December of previous year.

2/ Quarters correspond approximately to farrowing months shown.

3/ Estimate based on September intentions.

4/ Partly forecast.

5/ Forecast.

Table 8.--Pig crops and hog slaughter, United States, 1955 to date, with slaughter forecast for 1962

Year	Pig crop			Total slaughter
	Spring	Fall	Total	<u>1/</u>
	<u>1,000 head</u>	<u>1,000 head</u>	<u>1,000 head</u>	<u>1,000 head</u>
1955	57,610	38,119	95,729	81,051
1956	53,124	36,302	89,426	85,064
1957	51,263	36,099	87,362	78,636
1958	51,354	42,179	93,533	76,822
1959	56,620	42,775	99,395	87,606
1960	47,191	41,301	88,492	84,375
1961	50,456	<u>2/</u> 42,150	<u>2/</u> 92,606	<u>3/</u> 83,100
1962				<u>4/</u> 85,500

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.

crop will begin to arrive at markets early in 1962. Hence, wintertime supplies will probably be only slightly larger than a year earlier and a significant early-winter price raise is likely. Hog prices will turn downward in late winter or early spring before starting their usual rise to a summertime high. Prices are expected to continue a little below those of a year earlier throughout this period.

Producers in the 10 States further reported in September 1961 plans for a 4 percent increase in farrowings for the first half of the 1962 spring pig crop (December-February litters). At that time it appeared that such intentions probably overstated the actual increase likely in the entire spring crop for the U. S., as late season farrowings were not expected to show much gain over a year earlier. However, hog prices held above year-earlier levels much of the time since then and a relatively favorable hog-corn price ratio probably has led to upward revisions in farrowing plans. The hog-corn ratio has been 15 (U.S. farm basis) or better since September 1960. In September, this year the ratio was 16.8, the third highest September on record (table 9). Moreover, favorable weather gave another boost to corn yields in September and may have lessened prospects for higher feed costs during the coming feeding season. Farrowing intentions for the entire 1962 spring pig crop will be released December 21.

Prices of hogs will average lower in 1962 than in 1961. The question of how much they will decline next fall depends on the size of the 1962 spring pig crop. Data in table 7 illustrates this. In 1959, the spring pig crop

was 56.6 million head, 10 percent larger than a year earlier. Following this increase, November-January hog slaughter in commercial plants rose to 23.5 million head; October-December pork consumption was 19.2 pounds per person; and hog prices to producers averaged \$12.00 per 100 pounds. Slaughter and pork consumption has been forecast for the fall of 1962 at 3 levels of production. Due to other factors, such as litter size, the forecasts should be regarded as general guidelines rather than specific goals. However, it appears that if the spring pig crop should expand moderately, pork supplies would not be excessive and prices to farmers for hogs would not be widely depressed. At the same time, production would not need to expand greatly to push pork supplies per person up to a level that has led in recent years to sharply lower hog prices.

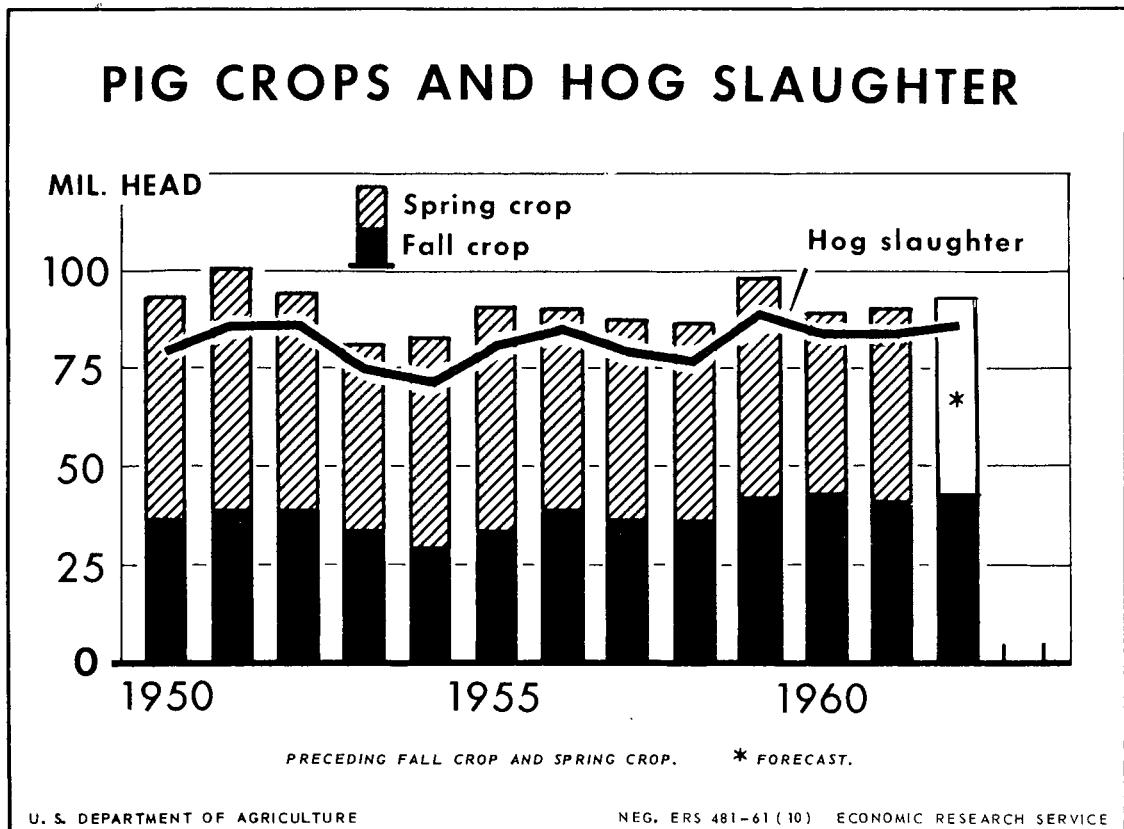


Table 9.--Prices received by farmers for hogs and corn, hog-corn price ratio and corn support prices, Sept.-Dec., 1956 to date

Year	Hog price, per 100 pounds				Corn price, per bushel			
	Sept.	Oct.	Nov.	Dec.	Sept.	Oct.	Nov.	Dec.
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1956	15.70	15.50	14.30	16.20	1.43	1.19	1.21	1.22
1957	19.10	17.00	16.60	17.80	1.15	1.06	.985	.984
1958	19.90	18.50	17.90	17.50	1.13	1.04	.942	1.02
1959	13.30	12.60	12.10	11.30	1.09	.990	.982	.959
1960	15.70	16.70	16.60	16.50	1.06	.991	.866	.911
1961	17.50	16.40			1.04	1.02		

Year	Hog-corn price ratio				Corn support price per bushel <sup>1/</sup>	
	Sept.	Oct.	Nov.	Dec.	For compliers	For non-compliers
					Dol.	Dol.
1956	11.0	13.0	11.8	13.3	1.50	1.25
1957	16.6	16.0	16.9	18.1	1.40	1.10
1958	17.6	17.8	19.0	17.2	1.36	1.06
1959	12.2	12.7	12.3	11.8		1.12
1960	14.8	16.9	19.2	18.1		1.06
1961	16.8	16.1			1.20	

<sup>1/</sup> National average support prices for farmers complying or not complying with their acreage allotments.

### SHEEP

#### Sheep and Lamb Numbers To Decrease Again This Year

Commercial sheep and lamb slaughter in 1960 of 15.9 million head resulted in a slight decrease in the sheep and lamb inventory. The total number of sheep and lambs on farms January 1, 1961, was 32.9 million head compared with 33.2 million head the preceding January 1.

The inventory reduction occurred mainly in ewe lambs for breeding purposes. Ewe slaughter in 1960 increased only nominally with the number of ewes 1 year old and over on farms January 1, 1961, up slightly from 1960.



Table 10.--Sheep and lambs on farms and ranches January 1, lamb crop, number slaughtered, and wool production, United States, 1955 to date

Year	Number on farms January 1			Lamb crop	Total slaughter <u>1/</u>	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.
1955	27,137	4,445	31,582	20,214	16,553	241
1956	26,890	4,267	31,157	20,336	16,328	242
1957	26,348	4,306	30,654	19,810	15,292	239
1958	27,167	4,050	31,217	20,686	14,495	244
1959	28,108	4,498	32,606	21,120	15,528	260
1960	28,849	4,321	33,170	21,323	16,239	267
1961 <u>2/</u>	28,677	4,255	32,932	21,532	<u>3/</u> 17,300	264

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

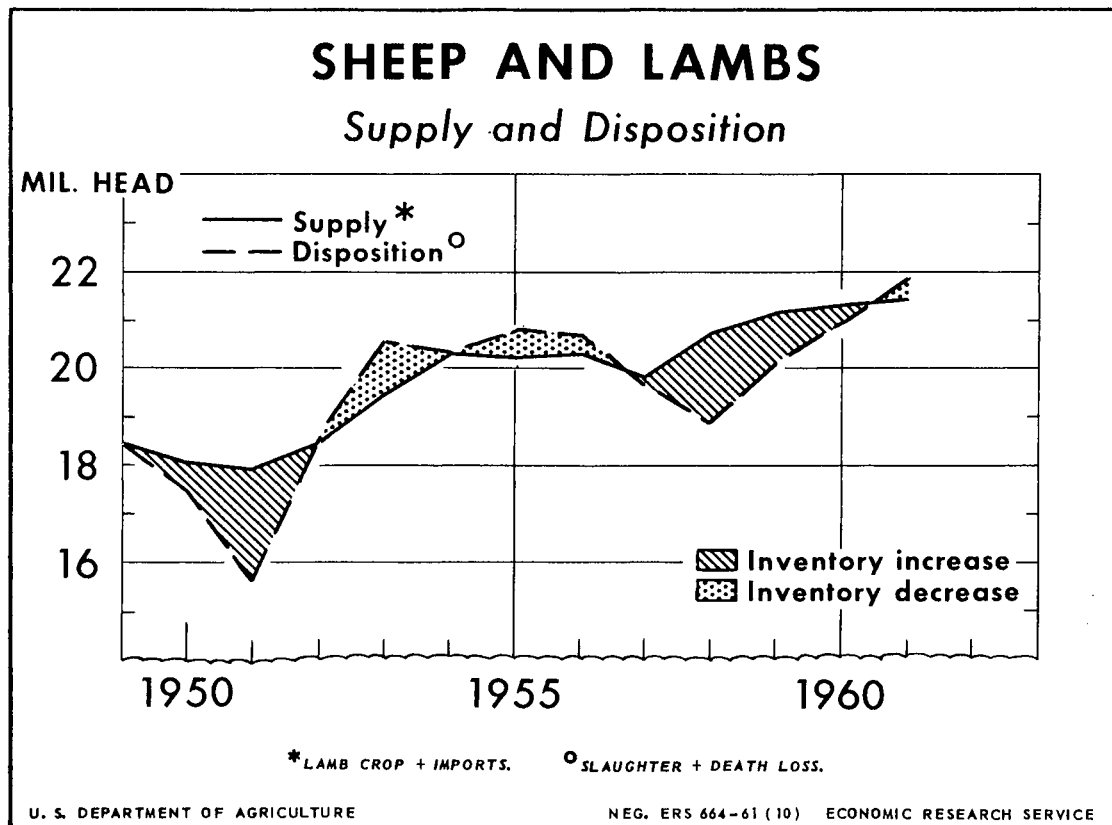
The 1961 lamb crop, estimated at 21.5 million head, was 1 percent larger than the 1960 lamb crop of 21.3 million head. The increase came partly from the larger inventory of ewes and also from an increase in the percentage of lambs saved due to milder weather during lambing season.

Sheep and lamb slaughter in commercial slaughtering establishments through September of this year totaled 12.9 million head, up 1.1 million head over the 11.8 million head slaughtered during the same period in 1960. Slaughter the final quarter of this year is estimated at 4.1 million head for a total commercial slaughter for the year of about 17 million head. With slaughter up by about 1 million head over last year, but an increase of only 200,000 head in the lamb crop, sheep numbers likely will be reduced to near 32 million head.

#### Lamb Prices May Improve Next Year

Sheep and lamb slaughter the first quarter of 1961 exceeded year earlier slaughter by 10 percent. Part of this increase was due to slaughter of ewe lambs that were originally intended for ewe replacement. This situation will not be repeated next year and due to the lack of ewe replacements in 1961, the lamb crop in 1962 will likely be down from this year.

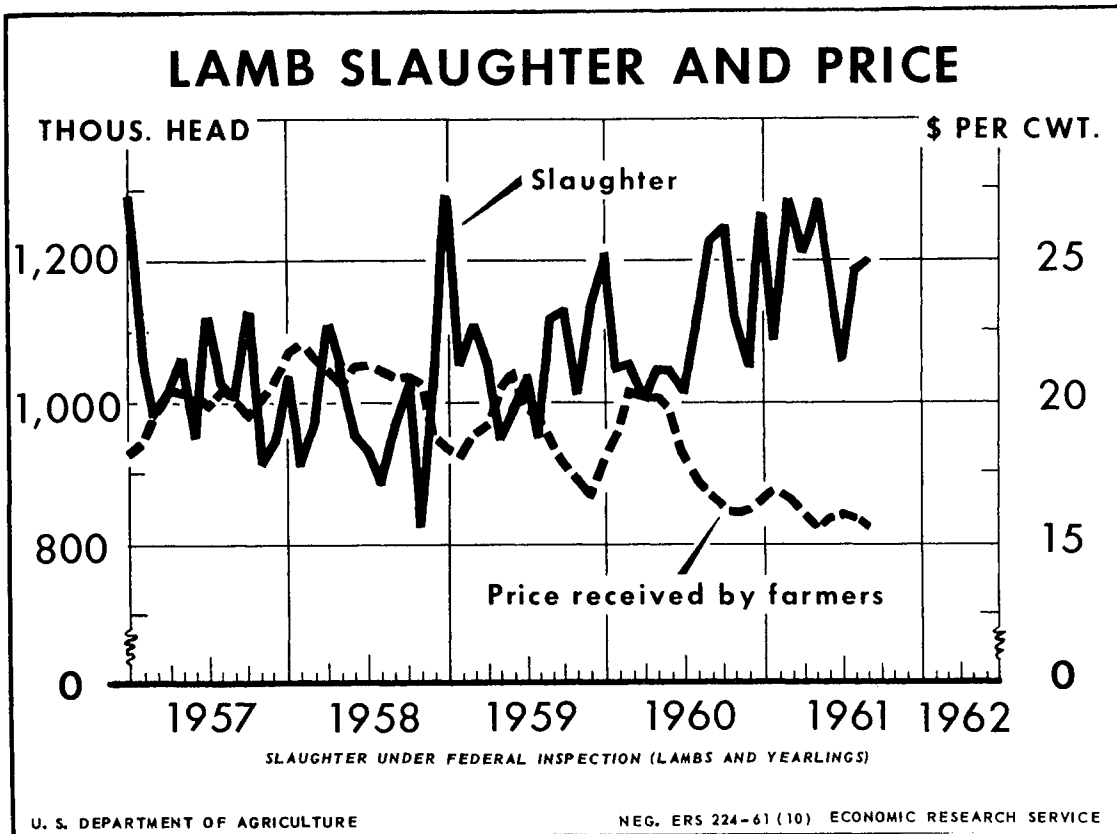
These factors suggest a strong lamb market in the first quarter of 1962 and a return to a more normal pattern of seasonal price movement the first half of the year. Milk fat lambs are again likely to bring a good premium next spring.



### Per Capita Consumption of Lamb and Mutton Highest Since 1948

The 7 percent increase in sheep and lamb slaughter in sight for this year, indicates a per capita consumption of lamb and mutton for 1961 of about 5.0 pounds. This will be 0.2 of a pound above 1960 and the highest level of per capita consumption since 1948. A lower level of sheep and lamb slaughter in sight for next year likely will pull per capita consumption back to about 4.7 pounds.

This increase in per capita consumption came about by a rather severe downward adjustment in price. Choice woolled lambs at Chicago the first quarter of 1961 averaged 17 percent below 1960. This decrease in price was accompanied by a 10 percent increase in slaughter. In May of this year, when lamb slaughter exceeded year-earlier slaughter by 22 percent, Choice shorn lambs at Chicago were 25 percent below 1960 prices.



Retail Prices for Beef and Lamb Lower;  
Pork Higher at Retail

The index of retail meat prices, published by the Bureau of Labor Statistics, was above year-earlier levels from January through May of this year. Higher retail prices for pork cuts were instrumental in holding the index of meat prices above the 1960 level. Sharply lower retail prices for beef and lamb this summer brought the cost of meat to consumers below 1960. A good recovery in the retail prices for beef and lamb in August and September resulted in the index again rising above the year-earlier level in September.

The average retail price for Choice grade cuts of beef at 76.3 cents per pound in July of this year is the lowest retail price since December 1957. The retail price of lamb this summer averaged the lowest for any period since March of 1957.

The average consumer spent slightly less for beef in 1961 than in 1960 but about the same as for 1959. However, in 1961 he was able to purchase 5.3 more pounds of beef than he bought for the same amount of money in 1959. The consumer outlay for pork in 1961 was slightly above 1960 as per capita supplies decreased by 2.3 pounds and retail prices averaged above 1960 prices.

Table 11.--Average retail price of meat per pound,  
United States, by months, 1959 to date

Pork, retail cuts													
Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
1959	61.1	58.7	57.5	58.0	58.2	58.5	58.1	56.5	57.2	55.5	53.8	52.2	57.1
1960	51.9	51.9	53.0	54.8	56.1	57.6	59.0	59.7	58.7	59.0	58.5	59.0	56.6
1961	59.5	59.7	59.5	59.1	57.9	57.9	59.1	60.1	61.0				
Beef, Choice grade													
1959	82.6	83.3	83.2	83.3	83.7	83.3	83.6	82.0	82.1	82.2	82.3	81.9	82.8
1960	81.5	81.0	81.2	82.6	81.6	81.0	80.4	80.4	79.6	79.4	79.3	80.2	80.7
1961	82.1	81.8	81.3	80.6	79.4	77.3	76.3	76.6	77.7				
Lamb, Choice grade													
1959	70.4	68.3	68.3	71.5	73.3	73.3	74.1	75.0	71.7	67.4	67.1	66.6	70.6
1960	66.9	69.2	70.4	69.2	71.9	73.3	68.9	68.0	70.1	68.8	69.9	69.9	69.7
1961	68.0	67.9	67.3	64.8	64.0	65.0	64.4	65.0	66.3				

The total outlay for all meat in 1961 was slightly below 1960 in spite of a 1 percent increase in disposable per capita income. At the same time, per capita consumption of all meat decreased by 0.9 of a pound. The expenditure for meat in 1961 represented the lowest proportion of per capita disposable income since 1956 when a record 166.5 pounds of meat were consumed per person.

Table 12.--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 <u>1/</u>			Average retail price per pound			Retail value of meat consumed per person <u>4/</u>			Disposable personal income per person <u>5/</u>	Retail value of meat as percentage of disposable income		
	Beef	Pork	All meat <u>2/</u>	All beef	Pork, retail cuts <u>2/</u>	All meat <u>3/</u>	All beef	All pork	All meat <u>2/</u>	Dol.	Beef	Pork	All meat <u>2/</u>
	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	67.3	166.7	57.8	52.1	54.7	39.00	31.30	78.10	1,742	2.2	1.8	4.5
1957	84.6	61.1	158.7	63.5	60.2	61.3	42.40	32.90	83.00	1,804	2.4	1.8	4.6
1958	80.5	60.2	151.6	75.1	64.8	69.6	47.80	34.80	90.00	1,826	2.6	1.9	4.9
1959	81.4	67.6	159.5	76.8	57.1	66.6	49.40	34.50	91.10	1,906	2.6	1.8	4.8
1960	85.2	65.3	161.5	74.2	56.6	65.5	49.90	32.90	90.30	1,947	2.6	1.7	4.6
1961 <u>6/</u>	86.7	63.0	160.6				49.40	33.00	89.50	<u>7/</u> 1,970	2.5	1.7	4.5

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 MEATS

By Earl E. Miller

Sausage production continues to trend upward, although the relative increase in the last 10 years has not been as large as the rise in meat output. About 2,420 million pounds of sausage products in their many varieties and forms will be processed in federally inspected plants this year. This is only a little more than 1960 production, but about a fifth larger than in 1951, and is equivalent to nearly 13½ pounds per person.

Sausage as used here includes fresh finished sausage, frankfurters, weiners, other luncheon meats, loaf, jellied products, and various canned sausages. Meats consumed in sausage are included in overall consumption data per person. The relatively stable consumption rate for sausage while total meat use has been rising means most of the uptrend in consumption has been as fresh meat.

Most of the meat used in sausage preparation comes from the slaughter of cows, bulls, sows, ewes or underfinished animals. Edible offal and meat trimmings are also used. The trend toward producing more meat of the upper grades, which are generally sold as retail cuts, has limited the output of lower grades and has encouraged the importation of processing meats. Since 1958 about 4 percent of our meat supplies have been imported. Most of these have been specialty items and boneless meats for processing.

January-September SausageOutput Up Slightly

During the first 9 months this year, federally inspected sausage production has totaled 1 percent larger than a year earlier. Franks and weiners and other smoked or cooked sausage (bologna types) have accounted for most of the increase. Hog slaughter below a year earlier has meant some reduction in fresh finished sausage but output of such items is currently equal to a year ago.

Imports of meat have been used to supplement the lower rate of cow beef production. During the first 8 months this year meat imports, product weight, totaled 596 million pounds, 14 percent more than a year earlier. Beef and veal imports were up 20 percent, and mutton 16 percent above the corresponding months in 1960. Pork imports were down 6 percent and lamb 8 percent less than a year before.

Some gain in sausage meat supplies from recent levels is in prospect during the next few months largely due to seasonally large hog slaughter. Cow slaughter this fall will probably continue below year-earlier rates.

Production of meats of the kinds generally used in processing will likely show a significant increase in 1962. Cattle slaughter next year is expected to show a gain of about 4 percent over 1961 and cow slaughter will probably increase by a somewhat larger percentage. Hog slaughter will also be larger next year than this but lamb and mutton output will probably be smaller.

However, domestic production of the lower grades of meat will not be large enough to permit some uptrend in sausage output next year without relatively high imports. Imports, notably beef, will likely show some reduction if cow slaughter increases as expected.

Table 13.--Cattle and hog slaughter, meat imports and stocks, and sausage production, by quarters 1960 to date

Period	Federally inspected slaughter					
	Cattle				Hogs	
	Total		Cows		1961	1960
	1961	1960	1961	1960		
head		head		head	head	
Jan.-Mar.	4,695	4,578	980	978	16,932	18,474
Apr.-June	5,041	4,709	906	1,005	15,738	16,140
July-Sept.	5,043	5,161	980	1,172	14,674	14,672
Oct.-Dec.	<u>1/5,100</u>	4,946	<u>1/1,125</u>	1,286	<u>1/18,350</u>	16,867
Year	<u>1/19,900</u>	19,394	<u>1/4,000</u>	4,441	<u>1/65,700</u>	66,153
	Imports all meat <u>3/</u>		Meat stocks in cold storage beginning of quarter <u>4/</u>		Sausage production <u>5/</u>	
	1961	1960	1961	1960	1961	1960
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Jan.-Mar.	173	168	423	544	569	<u>6/619</u>
Apr.-June	<u>2/30</u>	190	477	594	635	621
July-Sept.	<u>1/268</u>	232	496	591	617	603
Oct.-Dec.	<u>2/175</u>	144	373	403	<u>2/600</u>	582
Year	<u>1/845</u>	734			<u>1/2,420</u>	2,425

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.

6/ 14 weeks, included in total.

## RANGE CONDITIONS AND BEEF CATTLE NUMBERS

By Donald Seaborg

It would be helpful in our outlook work if from the charts and statistical information available, we could make a reliable estimate of expected range feed production for the next few years. This does not seem possible from a preliminary analysis of range condition data for the 17 Western States. Only a few of the 17 Western States have statistically significant trends for these conditions and in none of them can a distinct cycle of the general range condition be noted. Perhaps in another 30 years, a general pattern will be apparent.

Range conditions in our Western States may become a more useful tool in estimating cattle numbers in the future. Foundation herds for the bulk of the beef cattle industry are in areas where range conditions often determine to a great extent the number of cattle and calves on farms. Also the change in the make-up of the U. S. cattle herd tends to emphasize this factor.

The number of beef cattle on farms has outnumbered cattle kept for milk since January 1, 1943, and in recent years there has been more than twice as many beef animals on farms January 1 as dairy animals. The rapid growth in importance of beef cattle in the total cattle population has been due to decreasing numbers of dairy cattle as well as the growth of the beef cattle industry.

Both dairy and beef cattle have been characterized by similar cyclical patterns since the late 1920's. However, following World War II, dairy cow numbers have trended downwards. See cover chart. The decrease in dairy cow numbers has been particularly pronounced since 1953. Beef cattle numbers, on the other hand, have fluctuated more from year to year, but have been trending sharply upward. Each low point in beef cattle numbers has been followed by a rapid increase with the succeeding low in each case at a higher inventory level.

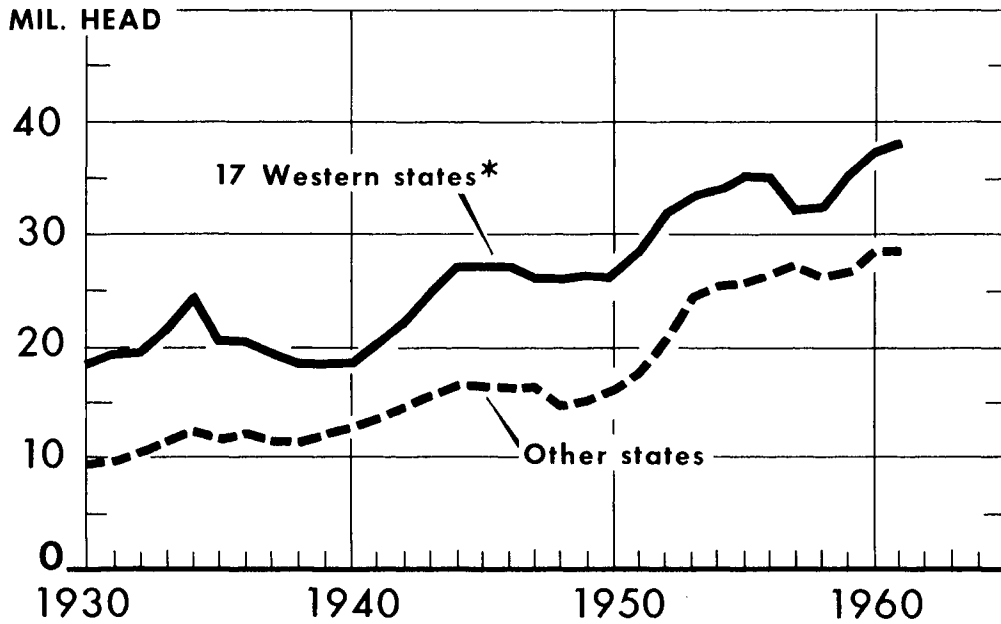
As beef cattle comprise a larger proportion of total cattle and calves on farms, the year-to-year changes in cattle other than those kept for milk are increasingly more significant. Therefore, factors that affect the number of beef cattle on farms and ranches most likely will determine the shape of the general cattle cycle. Range condition is such a factor.

About 57 percent of the January 1, inventory of beef cattle and calves are in the 17 Western States. This area also has about 62 percent of the beef cows two years old and over. Once a rancher has stocked his grazing land to capacity, any decrease in range conditions means that he must provide additional feed or suffer deterioration in his herd and ranges. Furthermore, vulnerability to a decrease in range condition increases as the stocking rate approaches capacity.

There may be a better correlation between range conditions and cattle numbers, especially for calves and steers and heifers one year and older in coming years. The number of beef cattle has increased rather moderately in the 17 Western States since the late 1930's without an appreciable increase in range acreage. Therefore, there are a larger number of cattle and calves com-



### BEEF CATTLE ON FARMS JAN. 1



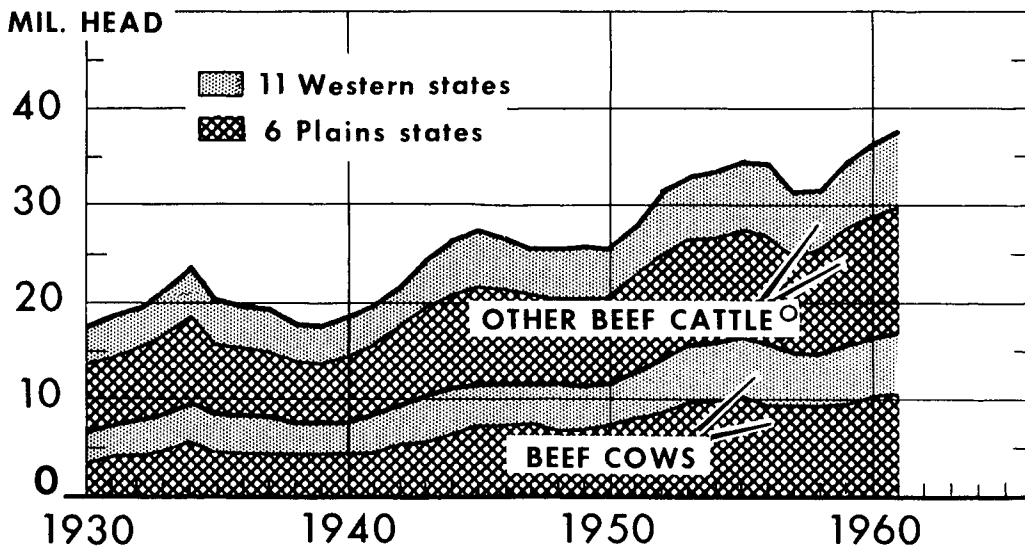
1961 DATA ARE PRELIMINARY.

\*11 WESTERN STATES AND 6 PLAINS STATES.

U. S. DEPARTMENT OF AGRICULTURE

NEG. ERS 676-61 (11) ECONOMIC RESEARCH SERVICE

### BEEF CATTLE ON FARMS 17 WESTERN STATES\*



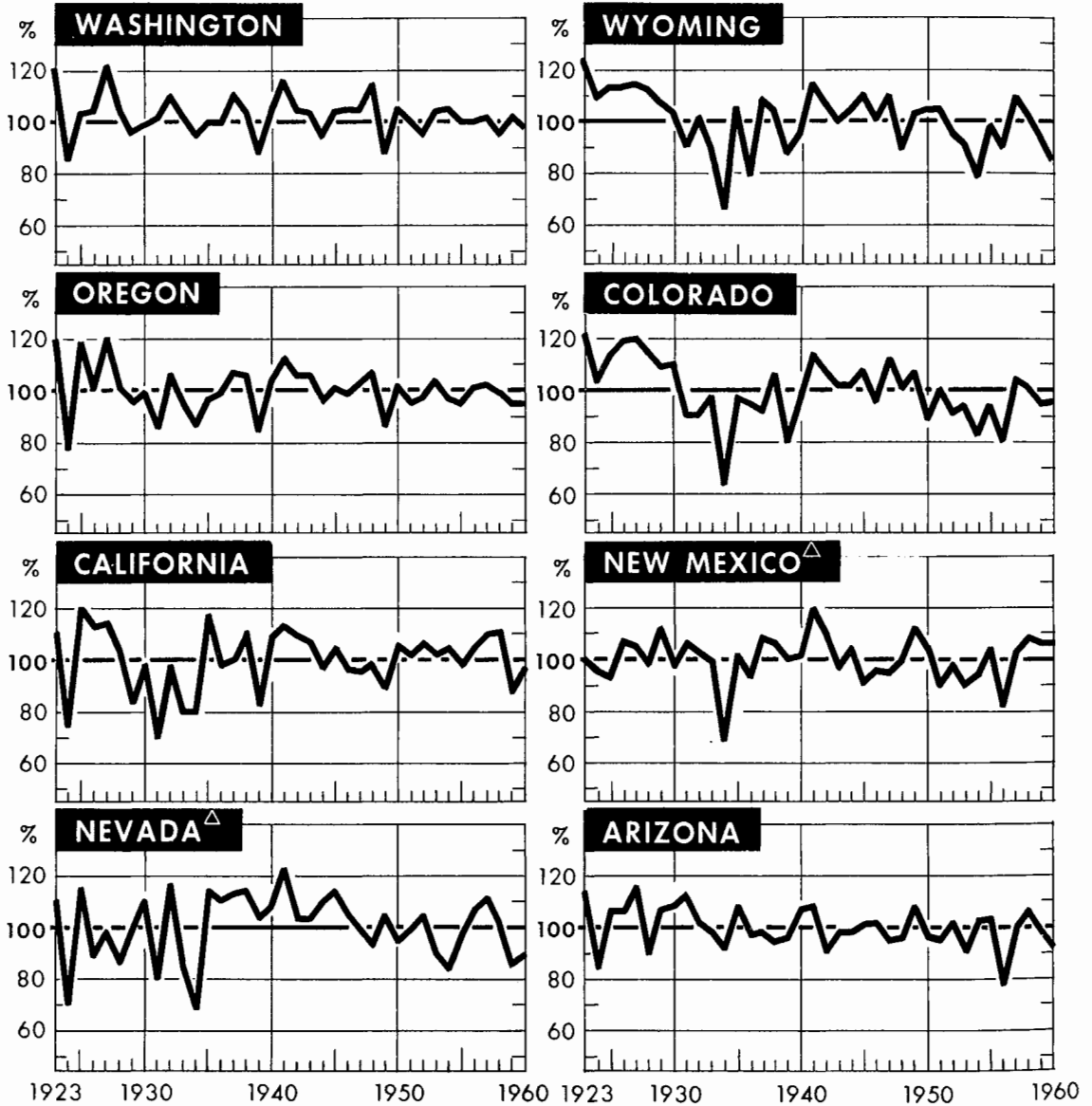
\*11 WESTERN & 6 PLAINS STATES

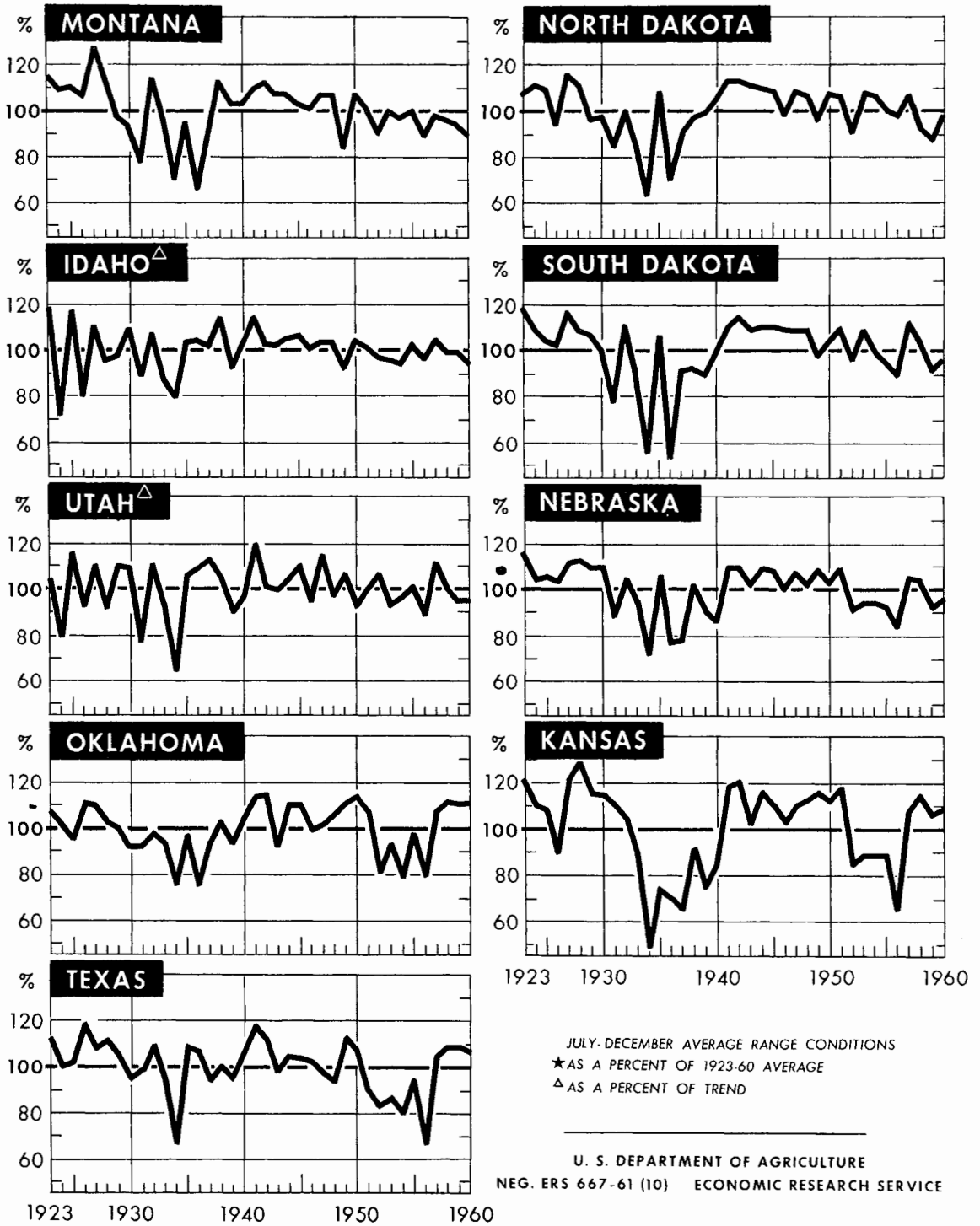
○ HEIFERS, 1-2 YEARS, CALVES AND STEERS 1 YEAR & OLDER. EXCLUDES BULLS.

U. S. DEPARTMENT OF AGRICULTURE

NEG. ERS 675-61 (11) ECONOMIC RESEARCH SERVICE

# WESTERN RANGE CONDITIONS★





peting for the available feed supplies. The balance then, between the cattle herd and the feed supply is closer than in the past.

Very poor range conditions bring about a faster adjustment in the number of cattle a range will support than when range conditions improve substantially from the previous year. Losses are minimized by selling cattle in excess of what a range will support while the cattle are still in good condition. This also lessens the amount of feed that will have to be purchased. When ranges will support more cattle than in the previous season ranchers increase their herds, but only at a natural rate of calf retention.

In what States would you expect the greatest changes in range conditions from one year to the next? States in the wettest areas or in the driest? Actually it appears that States that are neither usually wet or dry show the most variation. These are the States where ranchers cannot depend on consistently good weather conditions and do not have a program geared to a consistently low level of rainfall.

The charts on pages 34 and 35 show the average July-December range conditions, either as a percent of the 38-year average or as a percent of trend for each of the 11 Western States and the tier of 6 Plains States from North Dakota to Texas.<sup>1/</sup> At a glance, it can be seen that the variations in range conditions from one year to the next can be considerable. Kansas shows the widest changes. Statistically this can be measured by computing the standard deviation of range conditions for each State.<sup>2/</sup> This was done for all the States mentioned above. Kansas had the largest standard deviation--almost 15. Other States with large standard deviations were Nevada (11.7), California (11.6), South Dakota (10.5), North Dakota (10.3), and Montana (10.2). States with much smaller variation were Arizona (6.5), Colorado (6.3), and Washington (6.3). All other States for which range conditions are reported had standard deviations that were in a range between 7.3 and 9.8.

Kansas, Texas, and Oklahoma do have fairly well defined lows and highs. If these are in fact part of a cyclical pattern, then the cycle takes about 20 years to go from one low to the next low. So far only one peak is discernable in these three Southern Plains States, and this is more of a high plateau than a sharply defined cyclical high. Therefore, on the basis of range condition history to date, the long run average condition is still the best estimate, in most cases, for the next year ahead.

---

<sup>1/</sup> Only States for which range conditions are reported.

<sup>2/</sup> Standard deviation is a measure of the amount of scatter or dispersion about an average.

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

U. S. Department of Agriculture

Animal Units of Livestock Fed Annually, 1909 to 1959, E. F. Hodges, USDA, ARS, Stat. Bul. 275, December 1960.

Beef Muscle Characteristics as Related to Carcass Grade, Carcass Weight, and Degree of Aging, D. M. Doty and J. C. Pierce, USDA, AMS, Tech. Bul. No. 1231, July 1961.

Cattle Productivity, Donald Seaborg, USDA, AMS, Livestock and Meat Situation No. 117, July 1961.

Changes In Organization, Costs and Returns On Dairy-Hog Farms in Southeastern Minnesota, 1930-59, USDA, ARS series No. 43-124, October 1960.

Developments in Marketing Spreads for Agricultural Products in 1960, USDA, ERS series No. 14, July 1961.

Farm-Retail Spreads for Food Products, Supplement for 1956-60, USDA, AMS, Mis. Pub. No. 741, January 1961.

Improving Methods and Facilities for Cattle Slaughtering Plants in the Southwest, D. R. Hammons and J. E. Miller, USDA, AMS, Mkt. Res. Rept. No. 436, February 1961.

Livestock and Meat Statistics, Supplement for 1960, USDA, AMS, Stat. Bul. No. 230, June 1961.

Livestock-Production Units, 1910-1958, Earl F. Hodges, USDA, ARS, Stat. Bul. No. 275, December 1960.

Marketing Costs and Margins for Livestock and Meats, D. L. Wilson, B. S. Pence and V. B. Phillips, USDA, AMS, Mkt. Res. Rept. No. 418, November 1960.

Measures and Procedures for Analysis of U. S. Food Consumption, M. C. Burk, USDA, ERS, Agr. Handbook No. 206, June 1961.

Pig Crops by States, 1955-59; Selected States, 1954-59, USDA, AMS, Stat. Bul. No. 276, January 1961.

Prospects for Foreign Trade in Livestock and Meat, USDA, FAS report, January 1961.

Seasonal Demand for Beef, Pork, and Broilers, B. F. Stanton, USDA, ERS series No. 24, August 1961.

Seasonal Variation in Farm Food Prices and Price Spreads, Hazen F. Gale, USDA, AMS, Mis. Pub. No. 840, January 1961.

Transportation of Hanging Beef by Refrigerated Rail Cars and "Piggyback" Trailers, H. D. Johnson, R. F. Guilfooy, and R. W. Penney, USDA, AMS, Mkt. Res. Rept. No. 485, June 1961.

Trends and Patterns in U. S. Food Consumption, M. C. Burk, USDA, ERS, Agr. Handbook No. 214, June 1961.

U. S. Grades for Beef, USDA, AMS, Mkt. Bul. No. 15, November 1960.

#### Books

Cowboy Arithmetic, H. L. Oppenheimer, published by the Interstate Printers and Publishers Inc., Danville, Illinois, 1961.

Free Grass to Fences, R. H. Fletcher, Published for the History Society of Montana by University Publishers, New York, 1960.

#### State Colleges (Available from issuing source, not USDA)

Analysis of Livestock Dealers' Operations in Maine and Vermont, D. F. Tuthill and E. H. Tompkins, Maine Agr. Expt. Sta. Bul. 598, April 1961, University of Maine, Orono.

Economic and Organizational Aspects of Cooperative Feedlots, G. E. Marousek and H. J. Dirks, South Dakota State College Bul. No. 491, South Dakota State College, Brookings.

Interrelations Among Demands for Farm Products and Implications for Control of Market Supply, G. E. Brandow, Penn. Agr. Expt. Sta. Bul. 680, August 1961, Pennsylvania State University, University Park.

Livestock Prices and Meat Supplies, Trends and Interrelationships 1950-59, J. C. Purcell, Georgia Expt. Sta. Tech. Bul. N. S. 24, May 1961, University of Georgia, Athens.

Marketing Practices and Procedures of Northeastern Livestock Producers, Kenneth D. McIntosh, West Virginia Agr. Expt. Sta. Bul. 457, June 1961, West Virginia University, Morgantown.

## Supply and distribution of meat, by months, April 1961 to date

Meat and period	Commercially produced								Total <sup>2/</sup>		
	Supply				Distribution				Civilian consumption		
	Production	Beginning stocks	Imports	Exports and shipments	Ending stocks	Military	Civilian consumption		Production	Civilian consumption	
							Total	Per person <sup>1/</sup>		Total	Per person
Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.	Mil. lb.	Mil. lb.	Lb.	
<b>Beef:</b>											
April	1,137	142	84	5	154	28	1,176	6.5	---	---	---
May	1,321	154	65	5	153	32	1,350	7.5	---	---	---
June	1,330	153	105	4	155	27	1,402	7.8	---	---	---
2nd quarter	3,788	142	254	14	155	87	3,928	21.8	---	---	3/22
July	1,222	155	106	4	160	27	1,292	7.2	---	---	---
August	1,342	160	129	4	167	31	1,429	7.9	---	---	---
September	1,267	167	89	5	166	39	1,313	7.3	---	---	---
3rd quarter	3,831	155	324	13	166	97	4,034	22.3	---	---	3/22.5
<b>Veal:</b>											
April	72	12	1	4/	12	3	70	.4	---	---	---
May	79	12	2	4/	11	4	78	.4	---	---	---
June	79	11	1	4/	11	3	77	.4	---	---	---
2nd quarter	230	12	4	4/	11	10	225	1.2	---	---	3/1.4
July	74	11	4/	4/	9	4	72	.4	---	---	---
August	89	9	1	4/	8	3	88	.5	---	---	---
September	85	8	1	4/	8	3	83	.5	---	---	---
3rd quarter	248	11	2	4/	8	10	243	1.3	---	---	3/1.5
<b>Lamb and mutton:</b>											
April	71	18	17	4/	22	4/	84	.5	---	---	---
May	75	22	10	1	24	4/	82	.5	---	---	---
June	66	24	13	4/	26	1	76	.4	---	---	---
2nd quarter	212	18	40	1	26	1	242	1.3	---	---	3/1.4
July	59	26	11	4/	25	4/	71	.4	---	---	---
August	67	25	6	4/	23	1	74	.4	---	---	---
September	67	23	6	4/	21	4/	75	.4	---	---	---
3rd quarter	193	26	23	4/	21	1	220	1.2	---	---	3/1.2
<b>Fork:</b>											
April	822	244	13	11	270	15	783	4.4	---	---	---
May	921	270	13	13	269	16	906	5.0	---	---	---
June	853	269	16	11	240	14	873	4.8	---	---	---
2nd quarter	2,596	244	42	35	240	45	2,562	14.2	---	---	3/15
July	723	240	15	12	189	17	760	4.2	---	---	---
August	843	189	15	11	139	16	881	4.9	---	---	---
September	838	139	14	12	126	21	832	4.6	---	---	---
3rd quarter	2,404	240	44	35	126	54	2,473	13.7	---	---	3/14.5
<b>All meat:</b>											
April	2,102	416	115	16	458	46	2,113	11.8	---	---	---
May	2,396	458	90	19	457	52	2,416	13.4	---	---	---
June	2,328	457	135	15	432	45	2,428	13.5	---	---	---
2nd quarter	6,826	416	340	50	432	143	6,957	38.6	---	---	3/40
July	2,078	432	132	16	383	48	2,195	12.2	---	---	---
August	2,341	383	151	15	337	51	2,472	13.7	---	---	---
September	2,257	337	110	17	321	63	2,303	12.7	---	---	---
3rd quarter	6,676	432	393	48	321	162	6,970	38.6	---	---	3/40

<sup>1/</sup> Derived from estimates by months of population eating out of civilian food supplies.

<sup>2/</sup> Includes production and consumption from farm slaughter.

<sup>3/</sup> Estimated.

<sup>4/</sup> Less than 500,000 pounds.

## Selected price statistics for meat animals and meat

Item	Unit	1960		1961		
		September	October	August	September	October
<b>Cattle and calves</b>						
Beef steers, slaughter	Dollars per					
Chicago, Prime	100 pounds	25.91	25.89	25.01	25.14	25.33
Choice	do.	24.80	24.94	24.13	24.34	24.55
Good	do.	23.57	23.80	23.32	23.57	23.61
Standard	do.	21.29	21.88	22.18	22.05	21.83
Commercial	do.	21.49	20.12	21.31	---	21.00
Utility	do.	19.77	20.03	20.83	20.46	20.14
All grades	do.	24.62	24.83	24.01	24.21	24.46
Omaha, all grades	do.	23.25	23.29	23.12	23.12	23.35
Sioux City, all grades	do.	23.52	23.48	23.17	23.30	23.43
<b>Cows, Chicago</b>						
Commercial	do.	15.13	14.86	15.54	15.20	16.06
Utility	do.	14.86	14.24	15.42	14.70	14.78
Cutter	do.	14.14	13.14	15.11	14.32	14.20
Canner	do.	12.12	11.98	13.81	12.69	12.76
Vealers, Choice, Chicago	do.	24.50	24.80	---	---	---
Stocker and feeder steers, Kansas City 1/	do.	20.91	21.59	22.94	22.61	22.97
Price received by farmers						
Beef cattle	do.	19.40	19.00	20.20	20.20	20.10
Cows	do.	13.80	12.90	14.60	14.20	14.00
Steers and heifers	do.	21.50	21.30	22.30	22.30	22.30
Calves	do.	21.20	21.20	23.30	23.40	23.60
<b>Hogs</b>						
Barrows and gilts, U. S. No. 1, 2 & 3, Chicago						
180-200 pounds	do.	16.50	17.50	18.05	18.00	17.26
200-220 pounds	do.	16.84	17.82	18.46	18.33	17.40
220-240 pounds	do.	16.89	17.81	18.46	18.44	17.40
240-270 pounds	do.	16.84	17.73	18.35	18.39	17.30
All weights	do.	16.67	17.60	18.19	18.32	17.18
Barrows and gilts, 8 markets 2/	do.	16.59	17.30	18.33	18.18	16.85
Sows, Chicago	do.	14.16	14.65	15.27	15.87	14.95
Price received by farmers	do.	15.70	16.70	17.20	17.50	16.40
Hog-corn price ratio 3/						
Chicago, barrows and gilts	do.	14.3	16.6	16.2	16.6	15.7
Price received by farmers, all hogs	do.	14.8	16.9	16.5	16.8	16.1
<b>Sheep and lambs</b>						
Sheep	Dollars per					
Slaughter ewes, Good and Choice, Chicago	100 pounds					
Price received by farmers	do.	4.30	4.55	4.24	4.20	4.15
Lamb						
Slaughter, Choice, Chicago	do.	5.05	4.92	4.78	4.79	4.92
Feeder, Good and Choice, Omaha	do.	18.90	18.33	18.09	17.36	17.17
Price received by farmers	do.	17.34	15.98	14.01	14.66	14.20
	do.	16.70	16.30	15.90	15.60	15.50
<b>All meat animals</b>						
Index number price received by farmers (1910-14=100)		285	286	302	303	297
<b>Meat</b>						
Wholesale, Chicago	Dollars per					
Steer beef carcass, Choice, 500-600 pounds	100 pounds	42.56	42.06	39.91	39.97	40.34
Lamb carcass, Choice, 45-55 pounds	do.	42.78	41.33	40.15	40.44	39.55
Composite hog products:						
Including lard						
71.90 pounds fresh	Dollars	18.64	19.37	19.76	19.54	18.67
Average per 100 pounds	do.	25.92	26.94	24.78	27.18	25.97
71.01 pounds fresh and cured	do.	22.10	22.98	23.11	23.63	22.65
Average per 100 pounds	do.	31.12	32.36	32.54	33.28	31.90
Excluding lard						
55.99 pounds fresh and cured	do.	19.97	20.80	20.90	21.39	20.54
Average per 100 pounds	do.	35.67	37.15	37.33	38.20	36.69
Retail, United States average	Cents					
Beef, Choice grade	per pound	79.6	79.4	76.6	77.7	
Pork, retail cuts	do.	58.7	59.0	60.1	61.0	
Lamb, Choice grade	do.	70.1	68.8	65.0	66.3	
<b>Index number meat prices (BLS)</b>						
Wholesale (1947-49=100)		95.3	97.6	95.1	95.6	
Retail (1947-49=100) 4/		115.8	116.0	115.1	116.8	

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	1960		1961		
		September	October	August	September	October
Meat animal marketings						
Index number (1947-49=100)		140	165	135	137	
Stocker and feeder shipments to						
8 Corn Belt States	1,000					
Cattle and calves	head	783	1,319	472	728	
Sheep and lambs	do.	722	616	372	635	
Slaughter under Federal inspection						
Number slaughtered						
Cattle	do.	1,782	1,746	1,803	1,712	
Steers	do.	960	882	1,039	944	
Heifers	do.	387	395	391	416	
Cows	do.	408	445	350	331	
Bulls and stags	do.	27	24	23	22	
Calves	do.	514	516	421	456	
Sheep and lambs	do.	1,323	1,353	1,290	1,286	
Hogs	do.	5,165	5,407	5,114	5,240	
Percentage sows	Percent	10	7	13	9	
Average live weight per head						
Cattle	Pounds	1,019	1,022	1,028	1,027	
Calves	do.	209	210	221	201	
Sheep and lambs	do.	94	96	92	93	
Hogs	do.	235	236	238	233	
Average production						
Beef, per head	do.	582	582	599	598	
Veal, per head	do.	119	117	125	113	
Lamb and mutton, per head	do.	45	46	45	45	
Pork, per head	do.	137	138	139	136	
Pork, per 100 pounds live weight	do.	58	58	58	58	
Lard, per head	do.	31	31	31	31	
Lard, per 100 pounds live weight	do.	13	13	13	13	
Total production	Million					
Beef	pounds	1,034	1,014	1,077	1,020	
Veal	do.	61	60	53	52	
Lamb and mutton	do.	59	62	58	58	
Pork	do.	704	745	711	714	
Lard	do.	162	167	159	160	
Commercial slaughter <sup>1/</sup>						
Number slaughtered	1,000					
Cattle	head	2,313	2,247	2,317	2,192	
Calves	do.	805	795	671	688	
Sheep and lambs	do.	1,509	1,527	1,498	1,484	
Hogs	do.	6,224	6,460	6,106	6,169	
Total production	Million					
Beef	pounds	1,298	1,263	1,342	1,267	
Veal	do.	101	97	89	85	
Lamb and mutton	do.	68	70	67	67	
Pork	do.	845	885	843	838	
Lard	do.	186	192	181	181	
Cold storage stocks first of month						
Beef	do.	153	162	160	167	166
Veal	do.	8	9	9	8	8
Lamb and mutton	do.	13	13	25	23	21
Pork	do.	221	158	189	139	126
Total meat and meat products <sup>2/</sup>	do.	461	403	444	392	373

<sup>1/</sup> Federally inspected, and other wholesale and retail.

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

## LIST OF TABLES

<u>Table No.</u>		<u>Page No.</u>
1	Production and consumption per person of red meat and poultry, United States, 1955-61 and forecast for 1962 .....	5
2	Number of cattle and calves slaughtered under Federal inspection, by class, United States, by months, 1961 compared with 1960 .....	8
3	Number of cattle and calves on farms January 1, calf crop, number slaughtered and imports, United States, 1955 to date .....	10
4	Inspected imports of cattle, by months, 1959 to date ....	11
5	Selected prices per 100 pounds of cattle, by months, 1960 and 1961 .....	15
6	Specified costs and net returns in 6 selected Corn Belt cattle feeding programs, 1959-60 and 1960-61 .....	19
7	Farrowings, hog slaughter, pork consumption and hog prices, by quarters, 1958 to date .....	21
8	Pig crops and hog slaughter, United States, 1955 to date, with slaughter forecast for 1962 .....	22
9	Prices received by farmers for hogs and corn, hog-corn price ratio and corn support prices, Sept.-Dec., 1956 to date .....	24
10	Sheep and lambs on farms and ranches January 1, lamb crop, number slaughtered, and wool production, United States, 1955 to date .....	25
11	Average retail price of meat per pound, United States, by months, 1959 to date .....	28
12	Estimated retail value of meat consumed per person compared with disposable personal income per person, by major meats, 1950 to date .....	29
13	Cattle and hog slaughter, meat imports and stocks, and sausage production, by quarters 1960 to date .....	31
Standard Summary Tables		
	Supply and distribution of meat, April 1961 to date .....	39
	Selected price statistics for meat animals and meat .....	40
	Selected marketing, slaughter and stocks statistics for meat animals and meat .....	41

LIST OF CHARTS

	<u>Page</u>
Cattle on farms .....	Cover
Cattle slaughter by classes .....	2
Cattle: Average dressed weight .....	2
Meat consumption per person .....	6
Cattle and calves: Supply and disposition .....	10
Cattle numbers, beef production, and population .....	14
Steer, calf and cow prices .....	15
Cattle numbers and price .....	17
Pig crops and hog slaughter .....	23
Sheep and lambs: Supply and disposition .....	26
Lamb slaughter and price .....	27
Beef cattle on farms January 1 .....	33
Beef cattle on farms 17 Western States .....	33
Western range conditions .....	34-35

---

:		:
:	The next issue of The Livestock and Meat Situation	:
:	is scheduled for release on January 12, 1962.	:
:		:

---

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

POSTAGE AND FEES PAID

**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:

Division of Administrative Services (ML)  
Management Operations Staff  
Agricultural Economics  
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.**

LMS-120 - The Livestock and Meat Situation