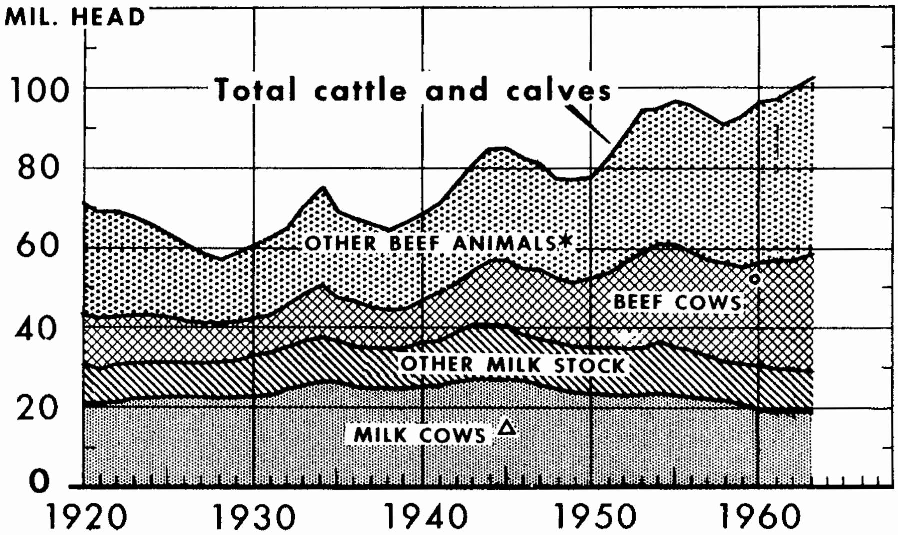
LIVESTOCK and MEAT SITUATION

S-129 For Release March 4, P. M. MARCH 1963

The January 1, 1963, inventory cattle and calves on farms and nches in 50 States was a record 3.8 million head, up 4 percent om the 100.0 million on hand a year rlier. The number of cattle and lves kept for milk production creased from 29.5 million head to 8 million. The number of cattle l calves ketp for meat production reased 6 percent from 70.5 mil- n head to 74.9 million.

A faster rate of growth in beef ttle numbers may be in prospect next year. The number of beef ws increased 6 percent during 1962 mpared with an increase of 4 per- t in 1961. Beef heifers 1-2 years age increased 8 percent in 1962.

CATTLE ON FARMS, JAN. 1



△ COWS AND HEIFERS 2 YRS. AND OLDER FOR MILK ○ 2 YRS. AND OLDER NOT FOR MILK.
* HEIFERS AND CALVES NOT FOR MILK AND ALL STEERS AND BULLS. 1963 PRELIMINARY.

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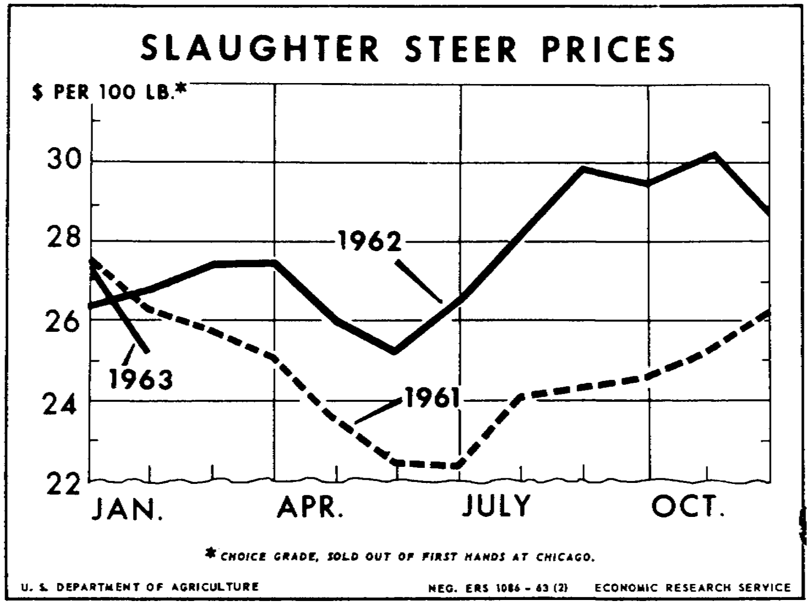

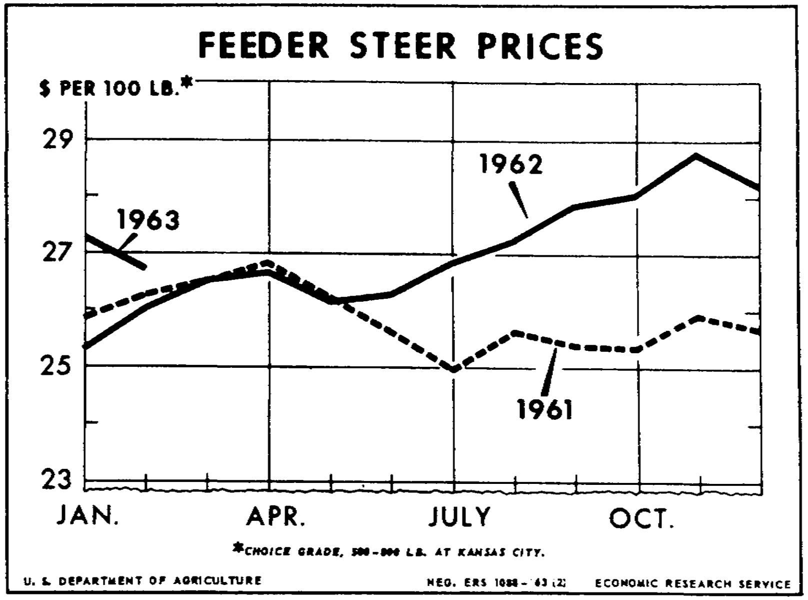

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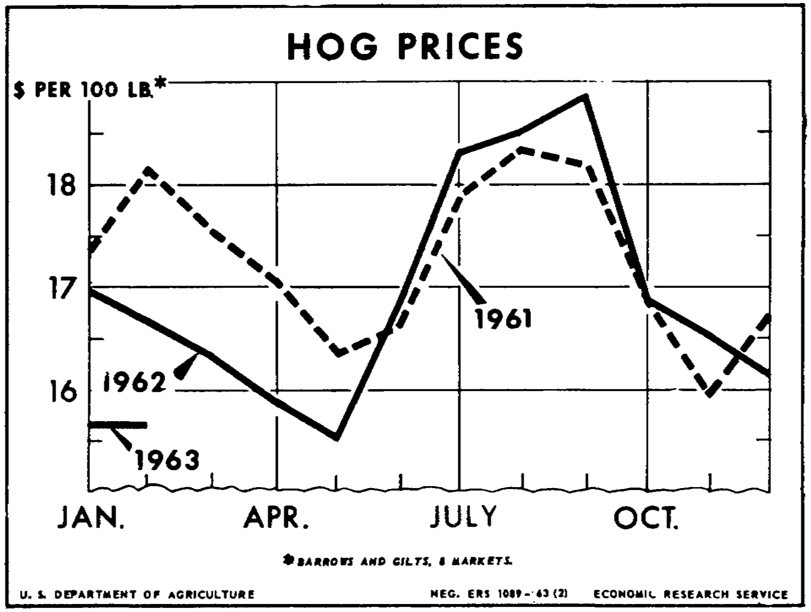

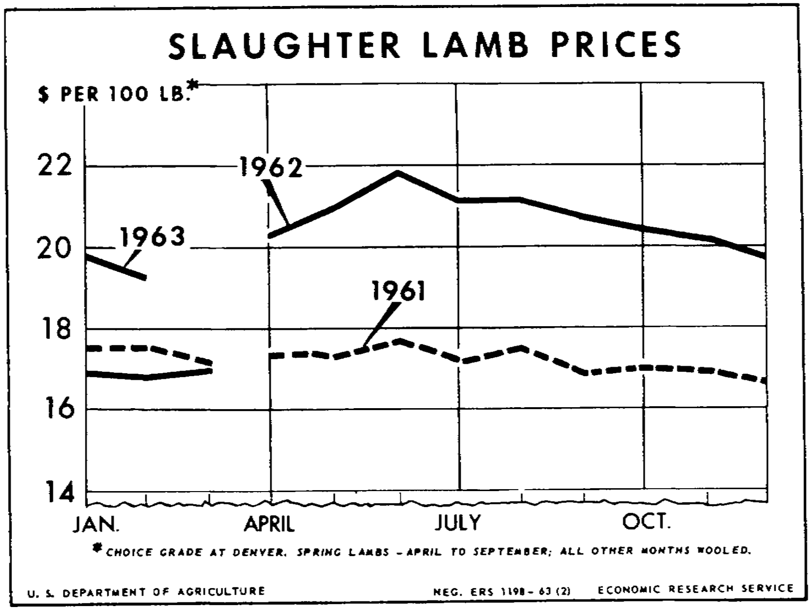

THE LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, February 25, 1963

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SUMMARY

The meat animal index (cattle, hogs, and sheep) on January 1, 1963, was a record 110, up 4 percent from the January 1, 1962, index of 106 and 2 percent above the previous record of 108 on January 1, 1944. This year's beginning inventory of livestock (cattle, hogs, and sheep) represented an aggregate value of $16.8 billion--up 5 percent from the total inventory value a year earlier of $16.0 billion. This aggregate value included cattle worth $14.7 billion, hogs worth $1.6 billion, and sheep valued at $439 million.

A record 103.5 million head of cattle and calves were on farms and ranches January 1, 1963, in 48 States. This is the fifth consecutive annual increase in cattle numbers. Cattle kept for milk production decreased 2 percent. Beef animals increased 6 percent, with all classes showing an increase. Inventory numbers were reported for the first time for Alaska and Hawaii. Alaska reported an inventory of 7,800 head and Hawaii 216,000 head.

Sheep numbers declined during 1962, with the January 1, 1963, inventory down 4 percent to 30.2 million head from 31.3 million a year earlier. The stock sheep inventory at the beginning of this year totaled 26.1 million head, the lowest number on hand since records began in 1867. The number of lambs on feed declined 5 percent to 4.0 million head from 4.3 million a year earlier.

Total red meat production will be record high in 1963--approximately 30.2 billion pounds. The red meat supply will include more beef and pork, about the same amount of veal, but less lamb and mutton. The increase in red

meat production is expected to exceed the rate of growth in population, so per capita consumption likely will exceed last year's consumption by about 1.5 to 2.0 pounds. Per capita consumption of beef may increase about 2 pounds to 91 pounds per person. Pork consumption is expected to rise almost a pound from the 64.0 pounds consumed per person last year. Veal and lamb and mutton consumption likely will be less than the 5.5 and 5.1 pounds consumed per person last year.

Commercial beef production the first half of 1963 is expected to be 6 to 8 percent above production the first half of 1962 as a result of a 12-percent increase in the number of cattle on feed at the beginning of the year. The price for Choice steers sold out of first hands at Chicago declined from a high of $30.47 per hundredweight in late November to $24.69 in mid-February. A particularly sharp decline in late January carried prices below year-earlier levels. By mid-February, Choice steers at Chicago were about $2 per hundredweight under comparable prices a year earlier. Some additional price weakness is expected in the April-June quarter, with prices reaching a low around midyear. Some price recovery is expected during the second half of the year.

The weekly rate of hog slaughter in federally inspected plants during early January and February was down slightly from the December rate, but averaged about 4 percent above a year earlier. The tendency for hog slaughter to hold up has been accompanied by lower prices for hogs. Slaughter hog supplies likely will continue above year-earlier levels through May, with prices tending to work downward to a low for the year in May. Prices for slaughter barrows and gilts at the low are expected to average more than $1.00 per hundredweight below a year earlier.

Hog prices are expected to rise seasonally to an August peak and then work lower again during the late summer and fall as the 1963 spring pig crop starts moving to slaughter. Reported intentions of producers to increase the size of this year's spring pig crop indicate the possibility of continued large supplies of slaughter hogs throughout the remainder of 1963. Therefore, prices the last half of the year likely will continue below 1962 prices.

A reduced inventory of stock sheep, along with 5 percent fewer lambs on feed at the beginning of this year, indicate relatively favorable prices for slaughter lambs throughout the year. Sheep and lamb slaughter so far this year has averaged about 6 percent under a year ago. Supplies of slaughter lambs are expected to decline seasonally and prices to improve somewhat from now through June.

Early spring lambs are expected to bring prices equal to or slightly higher than last year's. However, larger supplies of beef and lower prices will tend to limit the amount of price strength in the lamb market.

A 3-percent reduction in the inventory of ewes 1 year old and over on farms January 1 indicates that the lamb crop this year probably will be down by a similar amount from 1962. Lamb prices the last half of 1963 will depend to some extent on conditions of range and pasture and the resulting proportion of the lamb crop that reaches slaughter weight. However, slaughter the last half of 1963 is almost certain to be under last year, and prices are expected to average equal to or perhaps slightly above the 1962 level.

REVIEW AND OUTLOOK

Livestock Inventory at All-Time High

The January 1, 1963, index of meat animals on farms and ranches was a record 110, up 4 percent from the January 1, 1962, index of 106 and 2 percent above the previous record of 108 on January 1, 1944. The index of milk cattle on farms declined to the lowest level since 1919 last year, dropping to 89 percent of the 1957-59 average by January 1, 1963, down from 92 percent a year earlier.

The total inventory value of all livestock (cattle, hogs, and sheep) on farms and ranches January 1, 1963, was $16.8 billion--up 5 percent above a year earlier. The value of all cattle was $14.7 billion, second highest of record and 5 percent higher than a year earlier. The value of hogs and pigs on farms, at $1.6 billion, was up 3 percent over a year earlier and all sheep were valued at $439 million, an increase of 8 percent from January 1, 1962.

CATTLE

Cattle and Calf Numbers Record High

The inventory of cattle and calves on farms January 1, 1963, in 48 States was a record 103.5 million head, up 4 percent from the 99.8 million on farms a year earlier. Cattle and calf numbers increased 1.1 million head in 1960, 2.5 million in 1961, and 3.7 million in 1962. The 4-percent gain in the 1963 beginning inventory resulted from a 3-percent larger calf crop, smaller calf and heifer slaughter, and somewhat larger imports of live animals last year than in 1961.

Cattle and calf numbers have increased 14 percent since 1958. This is considerably less than in the previous cattle cycle of 1949-57, when after the first 5 years, cattle numbers had increased about 25 percent above the 1949 inventory. Since 1958, the number of cattle kept for milk has decreased 10 percent to 28,820,000 head, while the number of beef cattle has risen 26 percent to 74,710,000 head. From 1949 to 1954, the number of cattle and calves for milk production increased 3 percent but the number of beef animals increased 43 percent. Thus, the potential for producing beef has continued to rise faster than the total beginning inventories might indicate.

Additional beef cows and calves in herds accounted for the bulk of the expansion during 1961. In 1962, sizable increases were made in numbers of all

Table 1.--Number of livestock on farms and ranches January 1, United States, 1955 to date 1/

Year	Number on farms January 1: All cattle and calves	All sheep and lambs	Hogs	Horses and mules	Chickens	Index numbers, by groups (1957-59=100): Total livestock and poultry	Meat animals	Milk cattle	Poultry
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head				
1955	96,592	31,582	50,474	4,309	390,708	104	103	111	100
1956	95,900	31,157	55,354	3,958	383,690	104	104	107	98
1957	92,860	30,654	51,897	3,632	391,363	100	100	105	102
1958	91,176	31,217	51,517	3,415	374,281	98	98	100	97
1959	93,322	32,606	58,045	3,189	387,002	102	102	95	101
1960	96,236	33,170	59,026	3,089	369,484	104	104	93	96
1961	97,319	32,967	55,443	3/	360,576	104	104	92	96
1962	99,782	31,305	56,942	3/	367,368	106	106	92	97
1963 2/	103,530	30,155	58,636	3/	364,019	110	110	89	96

1/ Data for 48 States.

2/ Preliminary.

3/ Numbers have declined to the point that beginning 1961 the estimates are discontinued.

Table 2.--Number of cattle and calves on farms and ranches January 1, by classes, United States, 1955 to date 1/

Year	For milk: Cows and heifers, 2 years and over	Heifers, 1 to 2 years old	Heifer calves	Total	Not for milk: Cows and heifers, 2 years and over	Heifers, 1 to 2 years old	Calves	Steers, 1 year old and over	Bulls, 1 year old and over	Total
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1955	23,462	5,786	6,094	35,342	25,659	6,514	18,804	8,444	1,829	61,250
1956	22,912	5,407	5,890	34,209	25,371	6,206	18,869	9,483	1,762	61,691
1957	22,325	5,267	5,699	33,291	24,534	5,926	18,405	8,991	1,713	59,569
1958	21,265	5,126	5,571	31,962	24,165	5,903	18,275	9,252	1,619	59,214
1959	20,132	5,050	5,526	30,708	25,112	6,557	19,407	9,931	1,607	62,614
1960	19,527	5,079	5,575	30,181	26,344	7,036	20,425	10,574	1,676	66,055
1961	19,361	5,063	5,550	29,974	27,102	7,069	20,705	10,977	1,704	67,560
1962	19,167	4,965	5,418	29,550	28,305	7,333	22,050	11,060	1,746	70,452
1963 2/	18,730	4,831	5,286	28,847	29,960	7,889	23,185	12,127	1,746	74,907

1/ Data for 48 States.

2/ Preliminary.

classes of beef animals. The largest percentage gain was in steers 1 year old and over, up 10 percent from a year earlier. The beef cow herd was 29.9 million head this January--1.7 million more than a year earlier. Furthermore, the increase in beef cow numbers in 1962 was greater than the increase realized in 1961, even though cow slaughter under Federal inspection rose more than 5 percent from 4.0 million in 1961 to 4.3 million in 1962. The greater increase in cow numbers last year reflected an increase in the number of heifers added to breeding herds. Also, the number of beef heifers on hand at the beginning of this year was up 8 percent from a year earlier. This increase in the number of cows and heifers indicates a larger 1963 calf crop than in 1962.

All States except Utah, Nevada, and Pennsylvania had as many or more beef cows on hand January 1, 1963, than a year earlier. Higher average cattle prices than in 1961 and above average grazing conditions in most of the West during 1962 encouraged cattlemen to increase beef cattle numbers.

Beef cattle numbers rose 4.4 million head during 1962. All classes contributed to the increase. Advances were made in cows (1.7 million), steers (1.1 million), heifers (.6 million), calves (1.1 million), and bulls (.04 million). The large increases in steers and heifers partly reflect a 13-percent jump in numbers in feedlots. If the number of steers in feedlots in 28 States is taken out of the January 1, 1963, inventory of steers, the number not in feedlots is up 461,000 or 7 percent above a year earlier. Numbers of heifers and calves not in feedlots this year were up 355,000 and 966,000 head, respectively. Therefore, the supply of replacement cattle for feedlots is somewhat above early 1962 levels.

Data on livestock numbers in Alaska and Hawaii were reported for the first time this year. The number of cattle and calves in Alaska and Hawaii was 7,800 and 216,000, respectively. The January 1 inventory of cattle and calves for 50 States totaled 100.0 million head in 1962 and 103.8 million head this year.

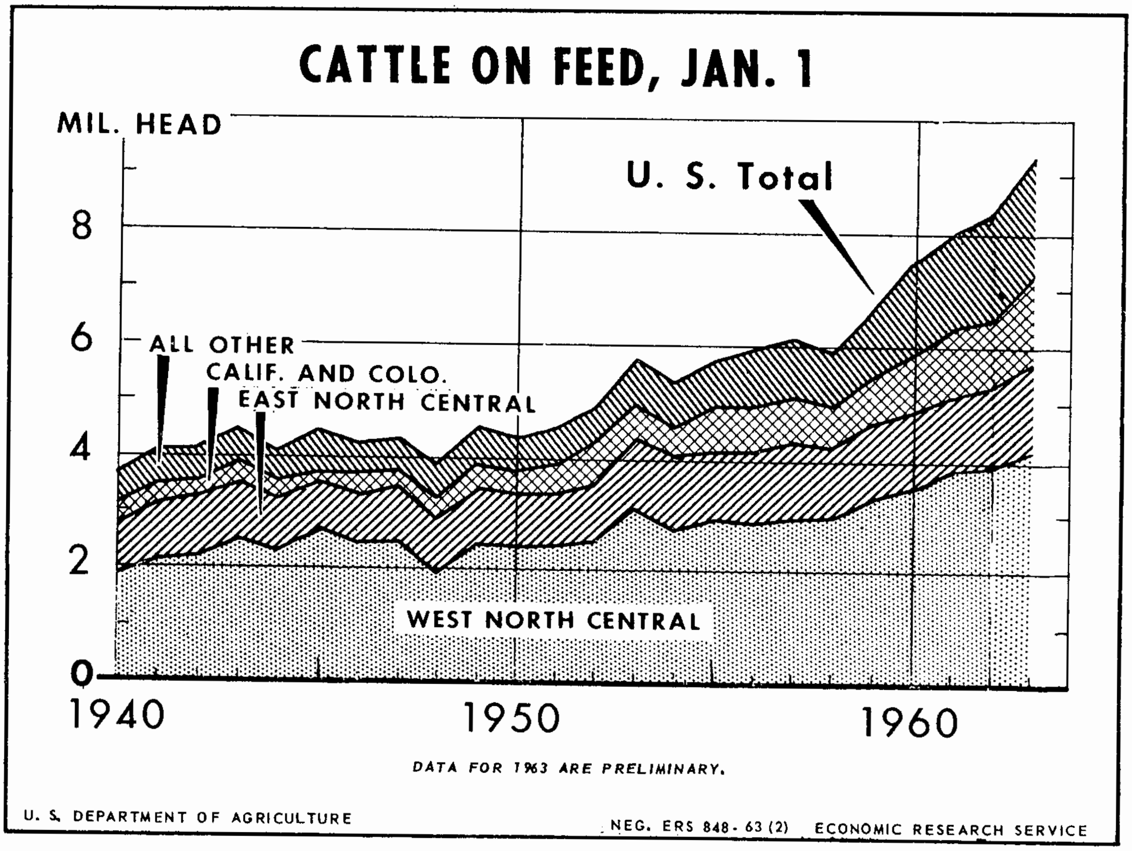
Cattle and Calves on Feed Up 12 Percent

The January 1 inventory of cattle and calves on feed in 39 States totaled 9,293,000 head, 12 percent above a year earlier. Cattle on feed in 28 States, for which quarterly data are available, totaled 8,951,000 head, also 12 percent above January 1, 1962. The gain in the number of cattle in feedlots this January was due to a larger carryover from the October 1, 1962, inventory and larger October-December placements than a year earlier. On October 1, there were 8 percent more cattle and calves on feed in 28 States than on the same date in 1961, but only 1 percent more of these animals were marketed in the fourth quarter of 1962 than in October-December 1961. This left a carryover of 2,636,000 head from those on feed October 1 into the 1963 beginning inventory. This was 424,000 head more than the carryover a year earlier. Placements of 6,315,000 head were made during the fourth quarter of 1962, 9 percent more than in the same quarter a year earlier.

600,000 head greater than carried into the second quarter from beginning inventories last year. However, if first quarter marketings fall short of intentions, then the carryover into the April 1 inventory will be even greater. Also, because of favorable weather in December, several North Central States were able to carry a substantial number of feeder cattle on crop residue until after January 1. These cattle went into feedlots after the first of the year. Therefore, a substantial gain over a year earlier likely will be realized in marketings of fed cattle during the April-June quarter.

Record numbers of cattle on farms and in feedlots will lead to slaughter rates above 1962 levels during the rest of 1963. Cattle slaughter under Federal inspection in January was 1 percent above January 1962 primarily because of larger marketings of fed cattle. Since cow prices have not declined in the same magnitude as fed cattle prices in recent weeks, cow slaughter is probably little changed from a year ago. Weekly slaughter the first 3 weeks in February averaged about 3 percent above the same weeks a year ago. Total slaughter in the first quarter is expected to be about 4 percent above January-March 1962, and second-quarter slaughter likely will be at least 6 percent above a year earlier.

Total commercial slaughter of about 27.5 million head is expected in 1963. Slaughter of this number would require weekly rates that average 6-8 percent larger than in January this year. Weekly rates probably will increase



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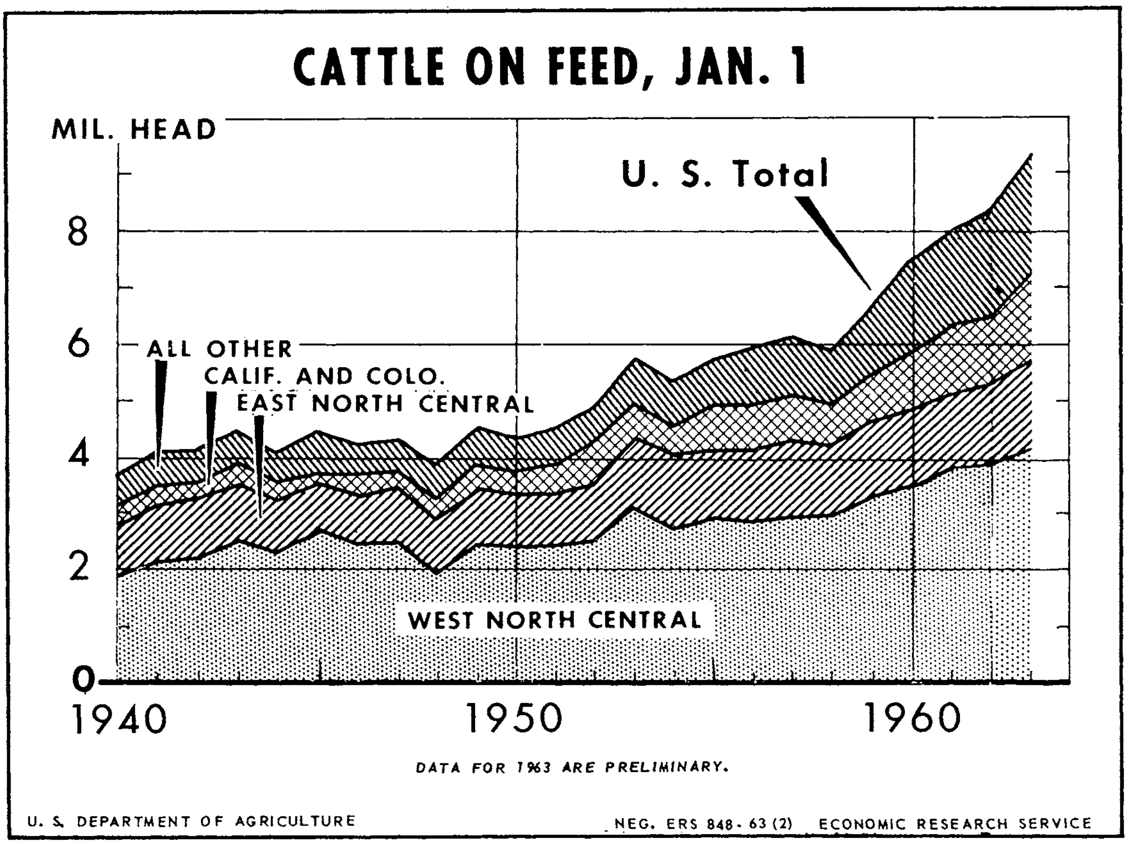
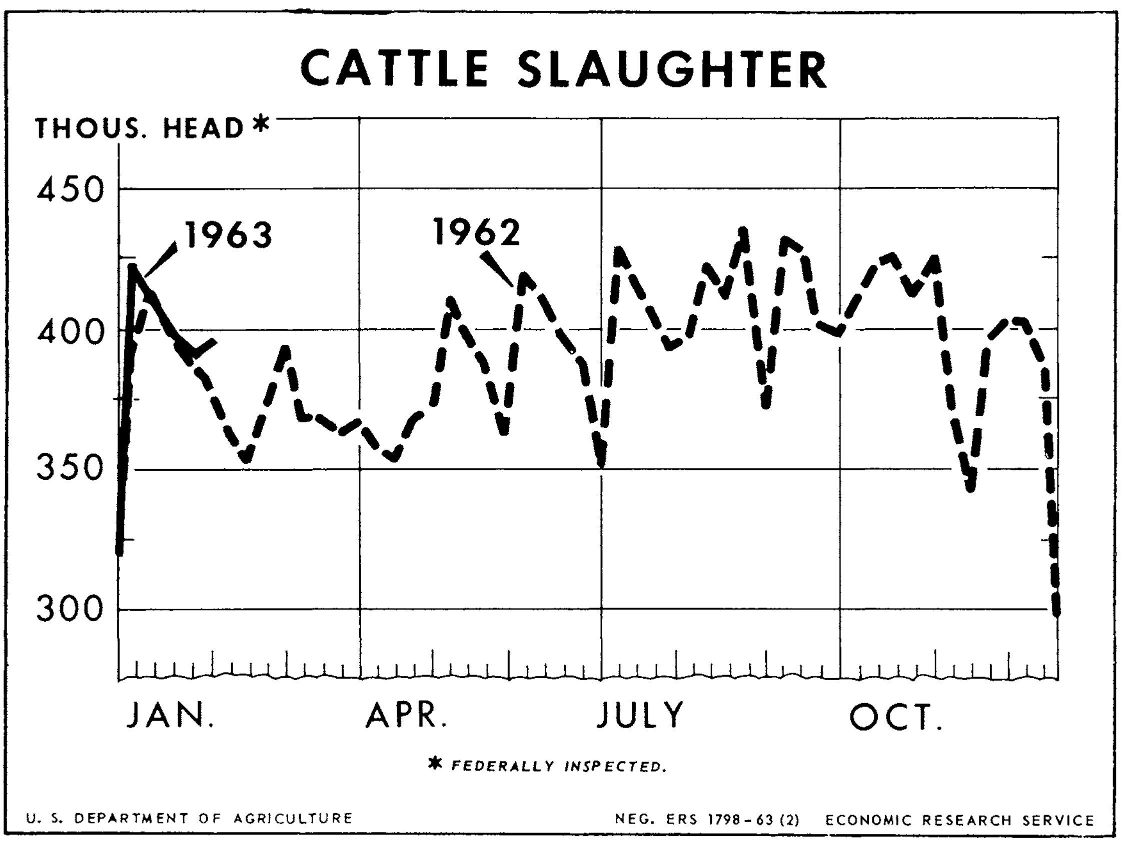


above current levels during the second quarter, then remain at this level for the remainder of the year. A dip in cattle slaughter rates similar to that during late January through April last year likely will not be repeated this year.

Lower Cattle Prices in First Half of 1963

The price for Choice-grade slaughter steers at Chicago reached $30.47 per hundredweight in November last year. Since then, this price has fallen almost steadily. In mid-February, the price was $24.69, a drop of $5.78 in 3 months. This also was $2 below the same week last year. Aggregate slaughter supplies do not appear to explain the decline, because during these weeks slaughter under Federal inspection averaged about the same as in the corresponding weeks last winter.

The price decline from late November through mid-February is largely a phenomenon of the fed steer market and also is confined to the area from Denver east. The price drop was greater for Prime and Choice steers--$6.22 and $5.78 per hundredweight, respectively--than for Good or Standard steers--$4.98 and $4.44, respectively. Furthermore, the price decline for Choice heifers--$4.32 per hundredweight--was less than the drop in price of all



grades of steers. The price for Utility cows at Chicago declined only $0.43 per hundredweight from $15.25 in late November to $14.82 in mid-February. The price quoted for Utility bulls increased $0.66 from $18.66 to $19.32.

While fed steer prices from Denver east were dropping sharply, prices on the West Coast remained relatively stable. Choice steers sold direct out of feedlots in Southern California and Arizona were quoted at $26.50 to $27.75 in late November compared with quotations of $26.00 to $26.50 in mid-February.

The price weakness at Midwest markets appears to be the direct result of a sharp break in the New York market for steer beef. The carlot wholesale price for Choice 600-700 pound steer carcasses was reported at $48.50 per hundredweight in late November. By mid-February, this price had dropped to $41.25. The area from Chicago to Denver is the major supply area for the New York market. Therefore, it is to be expected that this sharp drop in the New York wholesale market would be reflected directly in the Midwest slaughter cattle prices.

The newspaper strike in Metropolitan New York, the dock strike, and large increases in the supply of broilers--up 20 percent in December and 27 percent in January over a year earlier--have all been cited as causes for the price break in the East. However, of these reasons, the increase in broiler supplies probably had the greatest impact. The sharpest break in cattle prices occurred after the dock strike had ended.

Probably more important than any of the above factors is the increased availability of steer beef in the Midwest and East. Last summer, prices for fed steer beef in the Midwest and East rose sharply while West Coast prices held steady. The New York carlot price for Choice 600-700 pound steer carcasses rose from $41.00 per hundredweight in mid-June to $48.50 in late November. At the same time, the distributive wholesale price for Choice steers at Los Angeles held relatively stable in the $43.00 to $44.00 range. This price strength was associated with a decrease of 24 percent in the volume of steer beef produced under Federal inspection from June to November. The New York market is largely a steer market; heifer beef is more readily substituted for steer beef in the west. Therefore, it is logical that the decrease in steer beef production from June through November would have the greatest impact in the eastern markets. Likewise, the decrease in steer beef production last year came about primarily in the North Central States, the main supply area for East Coast markets.

Steer beef production rose 4 percent from November to December and about 18 percent from December to January. This sizable increase in steer beef production in January coincides with the sharpest breaks in the New York price. Therefore, herein probably lies an important part of the explanation of the late 1962 and early 1963 price break.

The big question now is, with the New York wholesale market already down to last June's level of $41.00 and the big increase in marketings of fed cattle still to come, how much additional price drop will be necessary

Table 4.--Number of cattle and calves slaughtered under Federal inspection by class, United States, by months, 1962 to date

Month	Steers 1962	Steers 1963	Heifers 1962	Heifers 1963	Cows 1962	Cows 1963	Calves 1962	Calves 1963
	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	999	1,021	383	382	383	373	454	431
February	870		310		274		362	
March	991		346		297		461	
April	924		307		274		383	
May	1,063		350		330		398	
June	1,065		337		295		342	
July	1,031		358		353		367	
August	1,012		413		421		434	
September	847		419		371		424	
October	936		469		473		517	
November	841		384		443		456	
December	868		344		336		381	
Total 1/	11,447		4,420		4,250		4,980	

1/ Computed from unrounded totals.

Compiled from Market News, Livestock Division, AMS.

Table 5.--Selected prices per 100 pounds of livestock, by months, 1962 and 1963

Month	Choice slaughter steers at Chicago 1/ 1962	Choice slaughter steers at Chicago 1/ 1963	Stocker and feeder steers at Kansas City 2/ 1962	Stocker and feeder steers at Kansas City 2/ 1963	Barrows and gilts at 8 markets 3/ 1962	Barrows and gilts at 8 markets 3/ 1963	Choice lambs at Chicago 4/ 1962	Choice lambs at Chicago 4/ 1963
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
January	26.39	27.27	22.80	24.53	16.98	15.65	17.29	19.26
February	26.76	5/25.08	23.16	5/23.81	16.69	5/15.23	17.96	3/18.49
March	27.31		24.56		16.31		17.92	
April	27.45		25.11		15.81		18.19	
May	26.02		24.18		15.51		17.88	
June	25.25		23.23		16.87		23.30	
July	26.50		23.75		18.30		22.30	
August	28.19		23.91		18.50		22.10	
September	29.85		25.21		18.82		21.28	
October	29.50		25.38		16.87		18.88	
November	30.13		25.79		16.50		18.87	
December	28.91		25.18		16.16		19.10	
Average	27.67		24.53		16.82		19.59	

1/ Sold out of first hands. 2/ All weights. 3/ Average for all weights at Midwest markets.
4/ Spring lambs June-September, wooled lambs all other months except May which is shorn.
5/ Three-week average.

Compiled from Market News, Livestock Division, AMS.

to move the beef into consumption? Or has the market over-compensated and will there be some price recovery? It is difficult to see a basis for any genuine lasting price strength between now and August or September. However, only a modest additional gain in steer beef production over the January level is likely through mid-April. Furthermore, retail prices have been adjusting downward in recent weeks in response to the lower wholesale price level. Therefore, consumption of beef could be expected to pick up. Consequently, prices in the Midwest are expected to stabilize through mid-April and may even recover slightly in March.

From mid-April through midyear, a further gain in steer beef production is in prospect. May and June output probably will exceed the January level by 10 percent or more. Therefore, some additional price weakness likely will develop in the late spring-early summer period.

As mentioned previously, cow prices did not share in the rise in price for fed cattle during most of 1962 and, as yet, have not been affected much by the declining prices for fed cattle. Unlike other mature cattle, cows are not expected to come to slaughter at rates much different from a year earlier during the first half of 1963. Therefore, cow prices likely will average only slightly below prices in the first 6 months of 1962.

Acting to bolster the demand for somewhat larger supplies of beef than a year ago will be: (1) large population, (2) higher total employment and personal incomes, and (3) consumers' continuing preference for beef. There also is a possibility that broiler supplies on a per capita basis during the second quarter may not be quite as large as during the same quarter of last year. But it is unlikely that these factors will have enough effect to alter the prospects of lower prices due to the increase in supply of fed beef expected in coming months.

HOGS

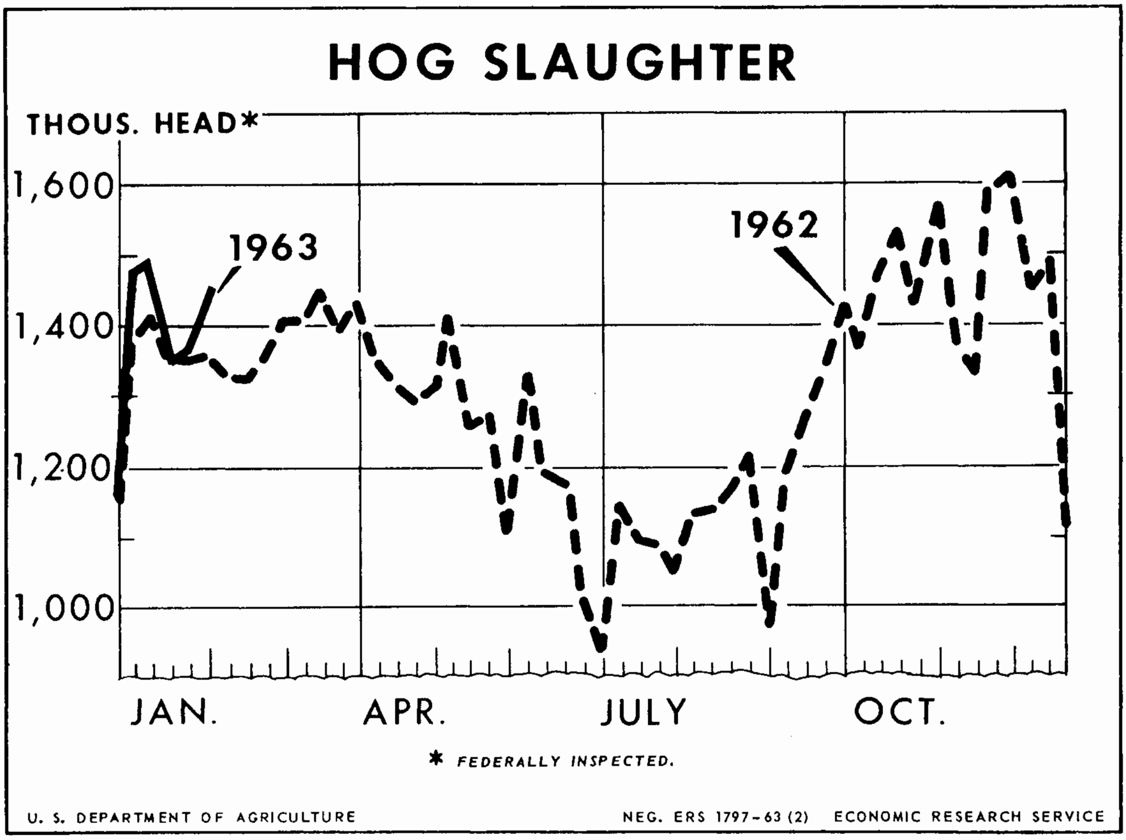
Commercial hog slaughter in December 1962 totaled about 3 percent above slaughter in December 1961. An increase in the average dressed weight of hogs slaughtered resulted in a rise of more than 4 percent in commercial pork production. This increase was accompanied by weakening in the level of hog prices. The average price for barrows and gilts at 8 public markets dropped to $16.16 in December from an average of $16.50 in November. The comparable price in December 1961 was $16.70.

The increased output of pork in December did not all move into consumption. Cold-storage stocks of pork at the end of December totaled 238.8 million pounds--up 8 percent from 211.8 million at the end of November and 15 percent above stocks a year earlier.

Hog Inventory Increases 3 Percent

The number of hogs on farms January 1 in 48 States was reported at 58.6 million head--up 3 percent from the 56.9 million on farms a year before. Inventory numbers for Alaska and Hawaii also were published for the first time. Alaska reported 1,000 head of hogs on farms at the beginning of this year, the same as reported in the 1962 year-beginning inventory. A total of 58,000 head of hogs were reported on farms in Hawaii--up 1,000 from a year earlier. The increase in Hawaii was in pigs under 6 months of age, thus indicating an increase in last year's fall pig crop. The number of hogs over 6 months of age was reported the same as a year earlier.

The 48-State inventory this January 1 included 1 percent fewer hogs 6 months old and over than in the January 1, 1962, inventory. Furthermore, producers reported intentions last December 1 to farrow 3 percent more sows in the 1963 spring farrowing season. Therefore, the supply of slaughter barrows and gilts included in the January 1 inventory of hogs over 6 months of age probably is down somewhat more than 1 percent.



Any decreases in the slaughter supply of hogs over 6 months of age will be more than offset by the increase in the inventory of pigs under 6 months of age on farms. This year's beginning inventory of hogs included 39.8 million pigs under 6 months of age--an increase of 5 percent over the 38.0 million head in last year's beginning inventory. This is in close agreement with the 5 percent increase in the 1962 fall pig crop reported last December.

On a regional basis, the supply of slaughter hogs for the first half of 1963 will be concentrated to a greater extent in the North Central States than was true a year ago. The number of pigs under 6 months of age was up 6 percent in the North Central, 3 percent in the South Atlantic, 2 percent in the North Atlantic, and 1 percent in the South Central States--but was down 1 percent in the West.

Prospects for Near-Record January-June Hog Slaughter

The weekly rate of hog slaughter in federally inspected plants during the first 6 weeks of this year exceeded by 4 percent the rate of slaughter in the comparable period last year. Commercial hog slaughter in the first half of this year is expected to total about 4 percent more than in the first half of last year.

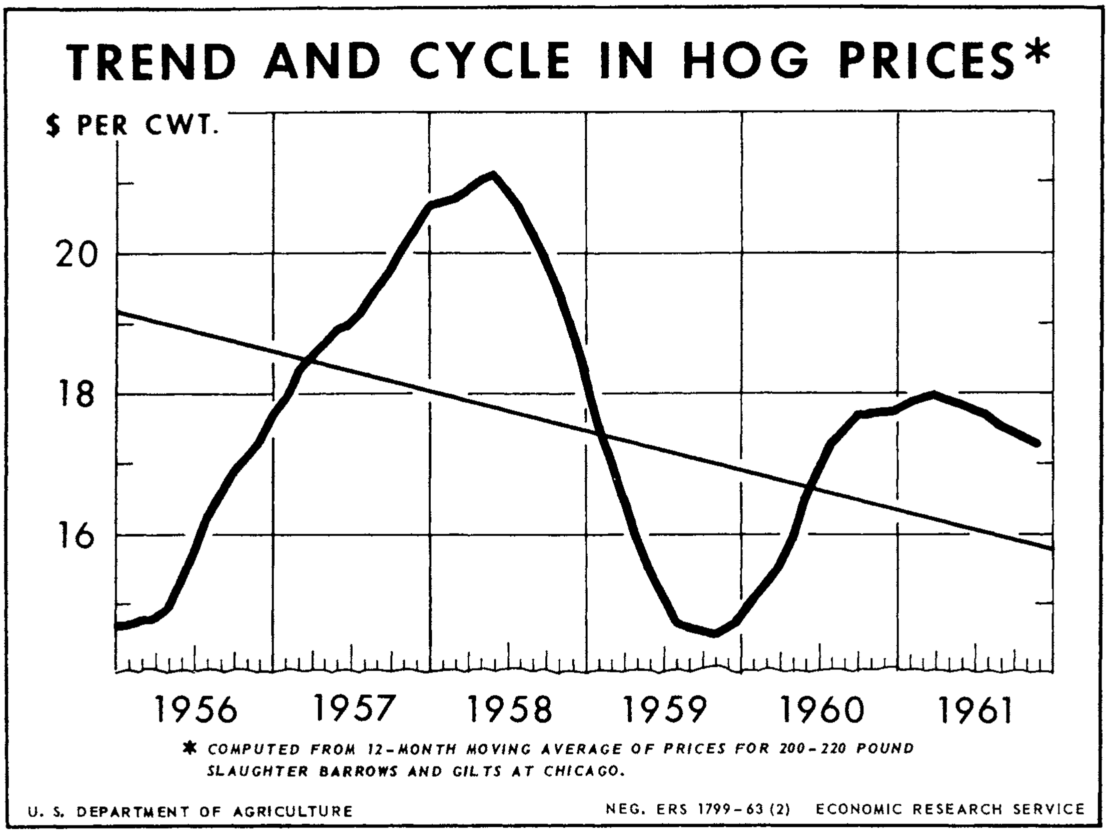
Under pressure of the continued high rate of slaughter during this January and early February, prices for slaughter barrows and gilts dropped. Prices for barrows and gilts at 8 markets in late-February averaged $15.22--down 6 percent from the average for December 1962 and 9 percent under the year-earlier price of $16.72.

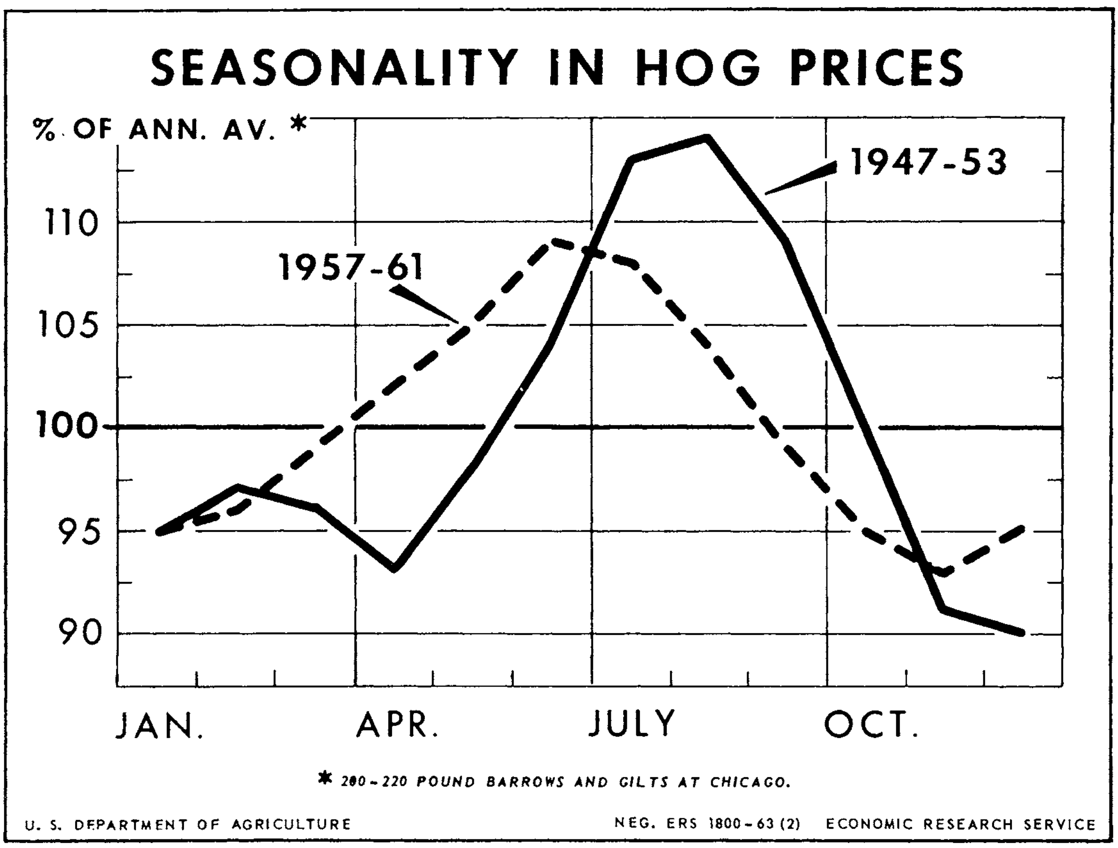
The weekly rate of slaughter likely will drop seasonally in late April and May but will be maintained well above the year-earlier rate throughout the first half of the year. Hog prices are expected to work lower from late March through May. This weakness in hog prices will reflect not only the increase in pork production but a record level of production of fed beef and seasonally larger supplies of broilers. Hog prices are expected to reach their low for this year in May, with prices averaging more than $1.00 per hundred pounds under May 1962.

Seasonal and Cyclical Price Swings Moderated in Recent Years

In the past, hog prices often varied as much as $6 to $8 from the lowest to highest monthly average within a calendar year. Even in a year when prices were not subjected to strong cyclical forces, the seasonal change amounted to as much as $5 within a year. However, fluctuations of this magnitude do not appear to be in prospect this year or in 1964.

Important changes have occurred in hog production, and these changes have tended to reduce the degree of fluctuation in prices.


TREND AND CYCLE IN HOG PRICES*
$ PER CWT.
20
18
16
1956
1957
1958
1959
1960
1961
* COMPUTED FROM 12-MONTH MOVING AVERAGE OF PRICES FOR 200-220 POUND SLAUGHTER BARROWS AND GILTS AT CHICAGO.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 1799-63 (2) ECONOMIC RESEARCH SERVICE


SEASONALITY IN HOG PRICES
% OF ANN. AV. *
1947-53
1957-61
110
105
100
95
90
JAN.
APR.
JULY
OCT.
* 200-220 POUND BARROWS AND GILTS AT CHICAGO.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 1800-63 (2) ECONOMIC RESEARCH SERVICE

The leveling out in number of farrowings between the spring and fall pig crops has had an important stabilizing effect on the seasonal price index for hogs (see chart p.16). The seasonal index, based on an average of 1947-53 prices, varies from 10 percent below the year's average at the seasonal low to 14 percent above the annual average at the seasonal peak. However, the seasonal index, based on 1957-61 prices, was only 7 percent below the annual average at the low point and only 9 percent above average at the seasonal peak.

The seasonal index based on 1957-61 data still indicates seasonal price strength from January through August. However, for the past 2 years, prices weakened during the late winter and spring. This situation is expected to be repeated this year and, unless the fall pig crop is reduced relative to the size of the spring pig crop in the future, this may become the normal seasonal pattern.

A significant leveling of the hog cycle in recent years also has introduced significant stability in hog prices (see chart p. 16). The trough of the cycle in January 1956 was 23 percent below the trend value, but the next cyclical low in December, 1959 was only 16 percent below trend value. Likewise, the cyclical peak in June 1958 was 17 percent above the trend value compared with a peak in April 1961 only 7 percent above.

Therefore, with the amplitude of both the cycle and seasonal fluctuation greatly reduced, hog prices have held within much narrower limits during the last 2 years. The seasonal low this year is expected to occur in May and the seasonal peak in August. The amount of rise from the May average to the August average price is not expected to exceed $3 per hundredweight.

SHEEP AND LAMBS

Sheep Numbers Decline for Third Consecutive Year

The January 1, 1963, inventory of sheep and lambs on farms (48 States) totaled 30.2 million head, down 4 percent from the 1962 year-beginning inventory of 31.3 million. The number of lambs on feed declined 5 percent to 4.0 million from 4.3 million on January 1, 1962. The stock sheep inventory declined 3 percent to 26.1 million head, the lowest number reported on hand at the beginning of the year since records began in 1867.

Reductions in stock sheep numbers were relatively greater in the native sheep States than in the 13 Western sheep States (11 Western States plus South Dakota and Texas). Stock sheep numbers declined 9 percent in the native sheep States. Numbers declined only 1 percent in the 13 Western States. Within the group of Western sheep States, decreases occurred in Texas, Colorado, New Mexico, Nevada, and Oregon. Numbers in the remaining 8 States either stayed the same as a year earlier or increased. The Western sheep States now account for 71 percent of the U. S. stock sheep inventory compared with 69 percent a year earlier.

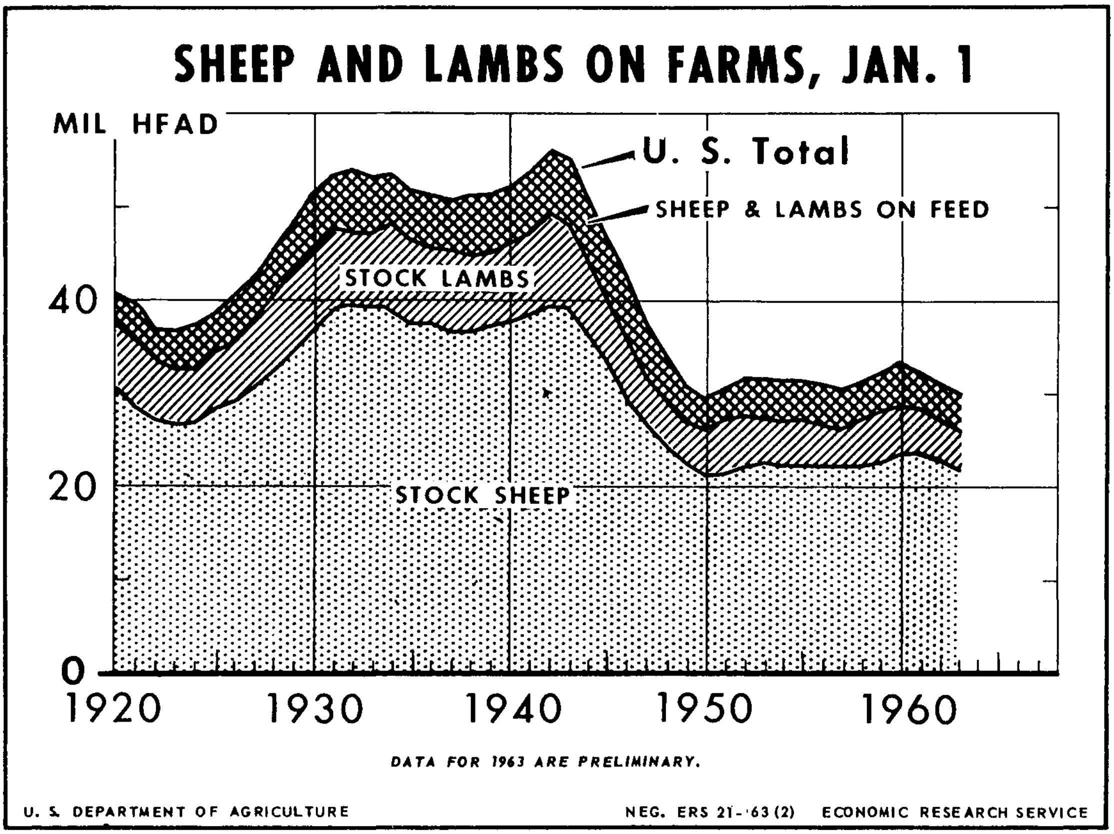
Table 6.--Number of sheep and lambs on feed January 1, by regions, 1955 to date

Year	11 Corn Belt States 1/ East	11 Corn Belt States 1/ West	Western States 2/	United States
1955	601	1,703	2,061	4,445
1956	641	1,466	2,037	4,267
1957	654	1,587	1,980	4,306
1958	619	1,587	1,776	4,050
1959	614	1,790	2,012	4,498
1960	617	1,700	1,929	4,321
1961	597	1,784	1,925	4,411
1962	555	1,647	1,979	4,255
1963 3/	485	1,483	2,012	4,041

1/ North Central States, except South Dakota.

2/ 11 Western States plus Texas and South Dakota.

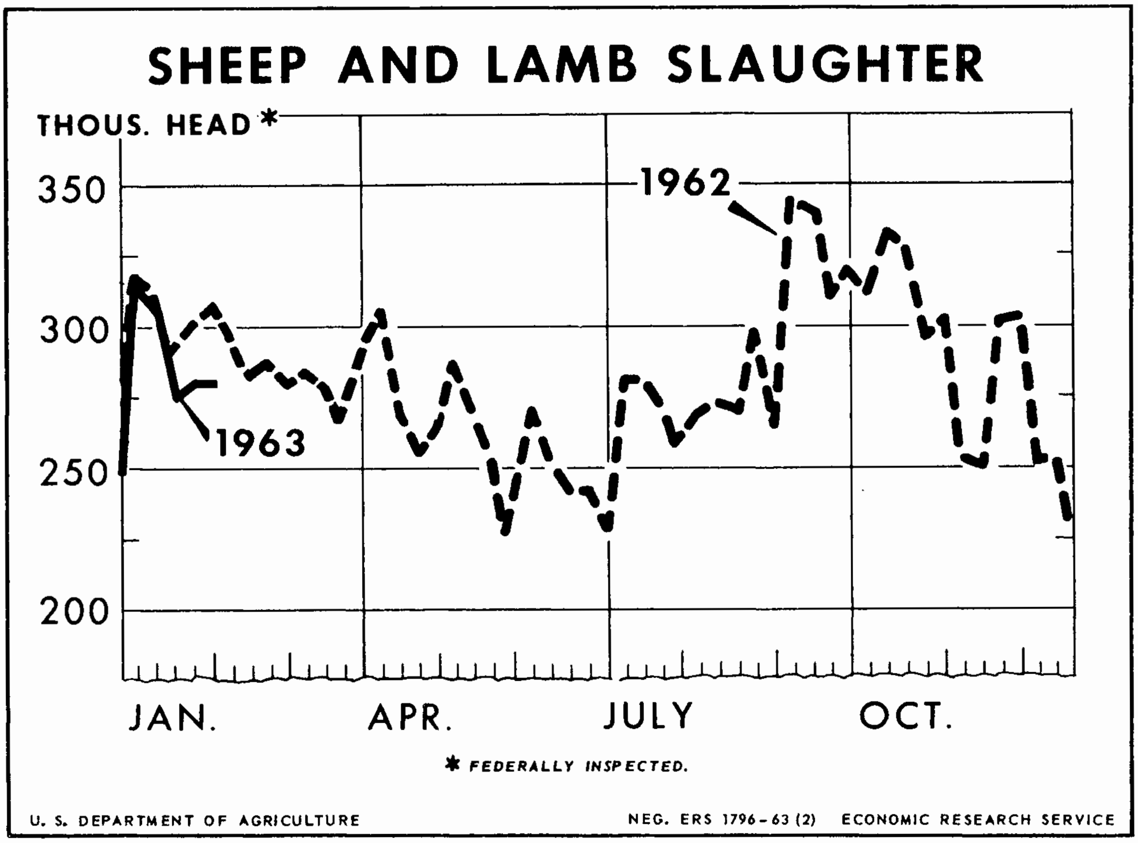
3/ Preliminary.



Weekly Slaughter
Rates Down 6 Percent

Based partly on preliminary slaughter data, the weekly rate of sheep and lamb slaughter in federally inspected plants averaged about 6 percent under a year earlier through this January and early February. The 7 States that report sheep and lambs on feed by weight groups reported more lambs on feed in the 100 pounds and over weight group, but fewer in the 80-99 pound weight group than a year earlier. Therefore, it appears likely that during the late winter-early spring period, lamb slaughter will drop even more relative to last year.

In mid-February, the New York carlot wholesale price for a Choice 35-45 pound lamb carcass was $40.50, and a Choice 600-700 pound steer carcass brought $41.25. In mid-June 1962, when the price of quality spring lamb was at its peak a Choice lamb carcass brought $51 and a Choice steer $41.75 in New York. Lamb will encounter more competition from increased supplies and lower prices for beef through the first half of this year. However, there still seems to be the possibility of an increase in both wholesale and live animal prices for slaughter lambs. Therefore, as lamb slaughter supplies decline into early spring, some price improvement is expected.



RETAIL PRICES

Retail Price of Beef Up Sharply in Late 1962

Retail prices for cuts of beef held relatively steady throughout January-July 1962. The retail value of beef per 100 pounds of Choice steer carcass was $59.35 in July, same as in January and 5 percent above the $56.46 in July 1961.

In September, retail prices rose sharply and remained high throughout the fourth quarter. Retail prices in September, for 4 important retail items of beef, averaged 7.6 percent above July and 11.2 percent above September 1961. The retail value of meat per 100 pounds of Choice steer carcass rose to $64.53 in September, up 9 percent from July and 12 percent above the value of $57.50 in September 1961.

Retail prices for chuck roast, rib roast, and round steak in the fourth quarter were the highest since 1952. The higher retail prices for steaks and roasts in the fall of 1962 reflected the decrease in production of steer beef during this period. Prices for Choice steers rose equally as much--up 10 percent from $25.72 in July to $28.18 in September.

Pork Prices Down in Fourth Quarter

Retail prices for pork cuts rose in July and August as hog slaughter declined seasonally. Prices then moved up sharply in September in response to the holding action called at the beginning of September by the National Farmers' Organization. The retail price of center cut pork chops rose to 99.7 cents a pound in September, the highest in the B. L. S. series. Bacon averaged 75.8 cents a pound in September, the highest since October 1958. Whole hams were quoted at 63.9 cents a pound, the top price since February 1959.

As hog slaughter increased seasonally during the fourth quarter, pressure of larger supplies forced retail prices down. By December, most of the gain in the retail prices of pork chops and bacon had been erased. The price of hams rose only slightly in September and was well maintained throughout the final quarter of the year.

Veal and Lamb Prices Rise in Last Half of 1962

Higher prices for competitive meats and reduced supplies of veal and lamb both brought some improvement in the retail prices of these cuts during the summer of 1962. Veal cutlets averaged over $1.50 per pound at retail in the fourth quarter of 1962, up 3 percent from the first quarter and 5 percent above the fourth quarter a year earlier. Leg of lamb reached 74.3 cents a pound at retail in November last year, the highest since July 1960.

Table 7.--Average retail price of specified meat cuts, per pound, by months, 1959 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												
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	104.9	103.8	104.6
1961	105.6	106.2	105.7	104.9	104.2	101.6	100.6	101.2	102.8	102.7	103.6	104.4
1962	105.4	106.1	105.1	106.2	105.5	105.8	105.9	106.5	112.6	111.2	110.9	112.0
1963	110.8											
Rib roast												
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	81.3	81.1	81.4
1961	83.4	82.7	82.2	81.9	80.8	80.0	78.4	78.6	79.3	79.5	80.3	81.3
1962	82.9	81.5	82.1	82.1	82.0	82.3	82.6	83.5	88.8	87.0	87.3	87.5
1963	88.4											
Chuck roast												
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	59.3	60.1	61.4
1961	63.1	62.7	62.3	61.6	59.8	57.1	56.1	55.8	57.1	58.2	59.1	60.0
1962	60.4	61.1	61.9	61.9	60.7	59.0	59.5	61.3	66.6	65.0	65.1	65.2
1963	65.2											
Hamburger												
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	51.6	51.3	51.9
1961	52.4	52.6	52.3	52.0	51.6	50.9	50.4	49.2	50.5	50.6	51.0	51.1
1962	51.5	51.3	51.5	51.5	51.3	51.4	51.4	51.5	53.9	53.4	53.2	53.4
1963	53.1											
Pork - Chops												
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	91.1	90.2	88.9
1961	89.5	87.7	86.8	87.0	85.1	86.2	89.9	88.8	90.1	90.2	87.9	85.4
1962	87.4	87.9	87.3	86.7	86.5	86.3	90.9	94.3	99.7	91.9	90.4	88.5
1963	89.0											
Bacon, sliced												
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	68.7	68.2	69.2
1961	69.7	70.8	70.5	69.8	69.6	69.5	70.2	73.5	75.0	76.5	71.2	68.5
1962	67.7	67.9	67.7	67.8	68.4	68.8	71.8	74.0	75.8	73.6	70.9	69.7
1963	68.9											
Hams, whole												
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	61.0	61.2	63.1
1961	63.2	62.8	62.7	61.7	60.1	60.0	59.8	60.3	61.6	60.6	60.7	62.1
1962	62.2	61.8	61.5	62.1	61.1	61.2	61.3	62.4	63.9	62.9	63.3	63.9
1963	63.2											
Veal cutlet												
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	140.6	137.9	140.1
1961	143.1	145.1	144.2	144.2	142.8	142.0	142.2	141.8	142.4	142.3	142.1	143.7
1962	145.0	147.5	146.8	146.3	147.8	147.5	147.1	148.3	149.8	150.2	150.6	150.4
1963	149.9											
Leg of lamb												
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	73.1	72.8	71.6
1961	72.4	71.8	72.3	71.4	69.1	70.1	69.7	68.1	69.2	69.1	68.8	69.3
1962	69.7	69.4	69.7	69.5	70.4	72.7	72.9	73.3	74.1	74.1	74.3	73.5
1963	73.6											

1/ Except hamburger, which has no grade designation.

Compiled from data of the Bureau of Labor Statistics.

TRENDS IN THE CONSUMPTION OF BEEF AND PORK

Significantly different changes in consumer demand are shown in the trends in per capita consumption of beef and pork, particularly in the postwar period (see charts page 23). Generally, the postwar trend in beef consumption reflects increasing consumer preference; the trend in pork consumption reflects a decline in consumer preference.

Per capita consumption of pork trended downward an average of 0.5 percent per year during 1921-41. The retail price of pork adjusted for changes in purchasing power of the dollar, showed no trend during this period. Therefore, even though real per capita disposable income increased 67 percent from 1921 to 1941, the proportion of disposable income spent for pork decreased from 3.6 percent in 1921 to 2.3 percent in 1941.

There was no measurable trend in beef consumption in the 1921-41 period. However, it is significant that per capita consumption was maintained because the retail price of beef trended upward at the rate of 1 percent per year. The increase in beef price was offset by the increase in consumer income. Consequently, the proportion of disposable personal income spent for beef remained constant at about an average of 2.1 percent.

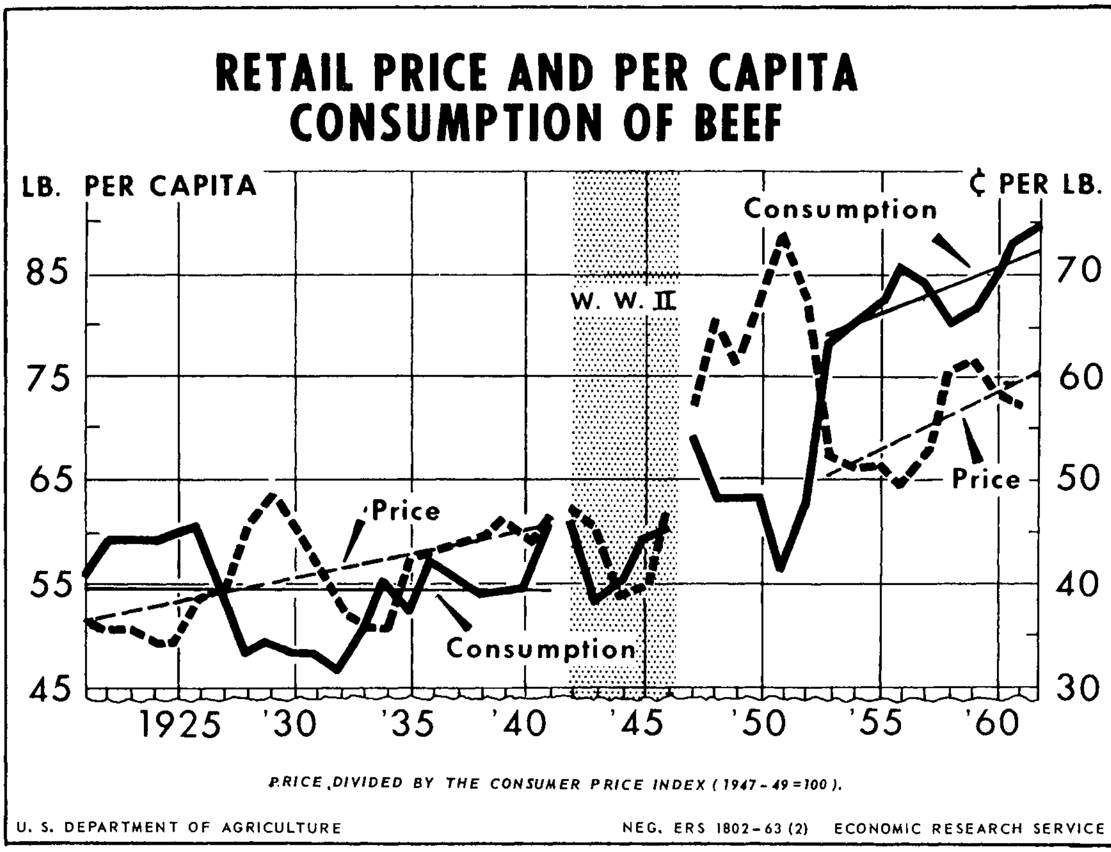
Wartime price controls and rationing favored pork consumption from 1942 through 1946. Because of military needs, the quantity of meat available to the civilian population was low. Pork production could be increased more rapidly than beef production, and therefore, per capita consumption of pork increased rapidly during the war.

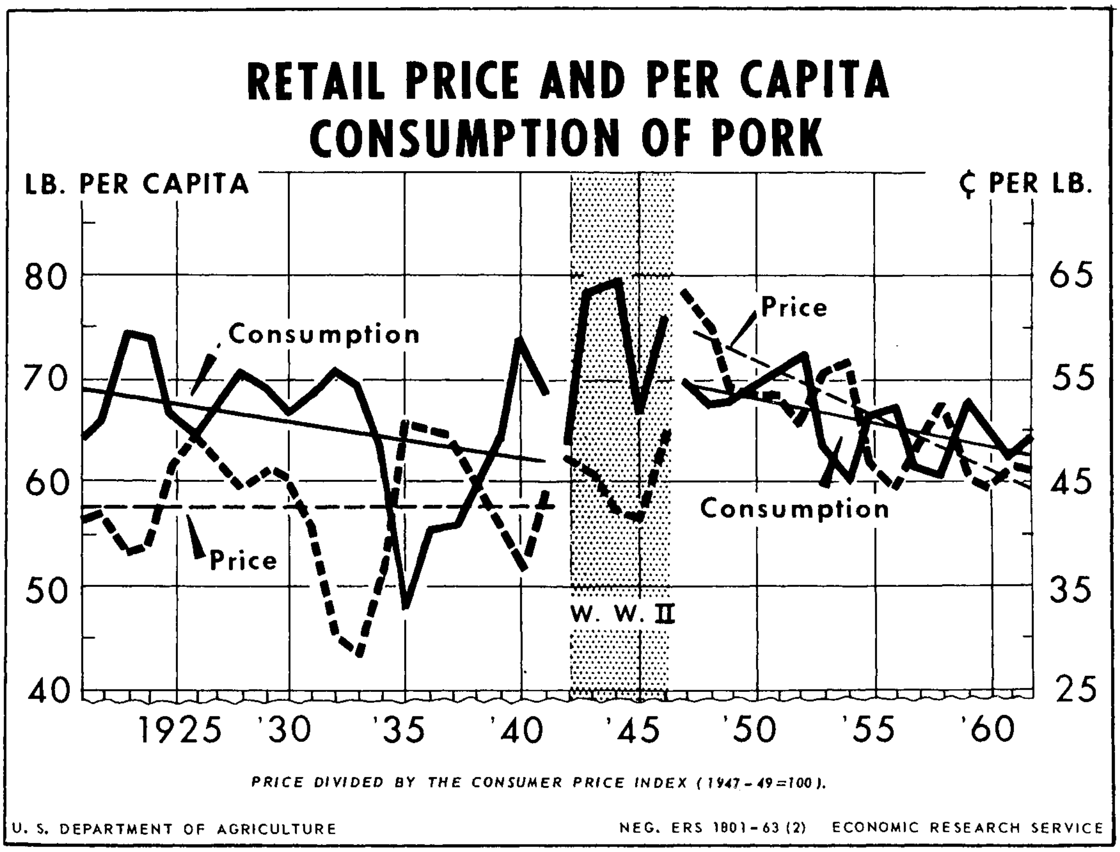
The most striking difference in consumer acceptance of beef and pork is noticeable in the postwar period. Per capita consumption of pork trended downward at the rate 0.7 percent per year from 1947 through 1962, even though the retail price of pork also trended downward at an average rate of 2 percent per year.

On the other hand, per capita consumption of beef showed a strong tendency to increase during 1947-62, even though the retail price of beef was trending upward. During 1953-62, per capita consumption of beef increased at an average rate of 1 percent per year, and the retail price increased on the average of 2 percent per year.

Migration from farm to urban occupations has been advanced as an explanation for the decrease in per capita consumption of pork. This pattern of migration no doubt has been a factor. However, it is not sufficient in itself to explain the simultaneous downward trend in consumption and price. In the South and West, urban families actually consume more pork than rural families, according to the 1955 Household Food Consumption Survey.1/ Therefore, farm to urban migration in these areas may actually result in an increase in per capita consumption.

1/ _Food Consumption of Households in the United States_, Survey Reports No. 1-5


RETAIL PRICE AND PER CAPITA
CONSUMPTION OF BEEF
LB. PER CAPITA
¢ PER LB.
Consumption
Price
Price
Consumption
W. W. II
85
75
65
55
45
70
60
50
40
30
1925
'30
'35
'40
'45
'50
'55
'60
PRICE DIVIDED BY THE CONSUMER PRICE INDEX (1947-49=100).
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 1802-63 (2)
ECONOMIC RESEARCH SERVICE


RETAIL PRICE AND PER CAPITA
CONSUMPTION OF PORK
LB. PER CAPITA
¢ PER LB.
Consumption
Price
Price
Consumption
W. W. II
80
70
60
50
40
65
55
45
35
25
1925
'30
'35
'40
'45
'50
'55
'60
PRICE DIVIDED BY THE CONSUMER PRICE INDEX (1947-49=100).
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 1801-63 (2)
ECONOMIC RESEARCH SERVICE

In the United States, household use of pork during 1 week in the spring of 1955 averaged 1.13 pounds per person compared with 1.21 for farm families. The decrease in farm population from 1953 to 1962 exceeded 5 million persons. Considering the difference of .08 pound per week between farm and urban consumption, an increase of 5 million in the 1962 farm population would add only about .1 pound to total per capita consumption of pork.

Increased per capita consumption of poultry, in response to lower retail prices, probably was an important factor in the decline in pork consumption. Per capita consumption of poultry increased from 21.7 pounds per person in 1947 to 37.3 pounds in 1962. This increase was accompanied by a decrease of about 30 percent in the retail price of poultry. Therefore, the increase in consumption of poultry likely was made at the expense of pork rather than beef.

The development of the home freezer is another factor that may have contributed to the decline in pork consumption. Use of the home freezer developed rapidly during the mid-1950's. Beef has some advantages over pork in the home freezer market. Consequently, widespread use of home freezers may have encouraged consumption of more beef than pork.

There is good reason to believe that the downward trend in per capita consumption of pork may now be in the process of leveling out. The downward adjustment in poultry prices likely will not be nearly as important in the future as in the past. Furthermore, the greatest impact of the home freezer also probably is past. Finally, the spread between the price of beef and the price of pork at retail is reaching a point where the price advantage of pork will tend to offset some of the consumer preference for beef.

RANK OF STATES IN LIVESTOCK NUMBERS

The relative importance of each State in the various classes of livestock on farms January 1, 1963, and the number of pigs saved during 1962 are shown in tables 8 and 9. These rankings are indicative of the importance of livestock production in each State. This is the first year that Alaska and Hawaii have been included in the ranking. Alaska has a small livestock industry and ranks 50th in all classes except sheep and lambs (39th). Hawaii, even though it has a small land area, ranks above many of the eastern States in cattle and hogs.

Cattle numbers increased rather generally across the country last year, with all of the top 10 States making gains. Texas remains the leader in total cattle numbers. California jumped from eighth place last year to fifth on January 1 this year because of the large number of cattle on feed. It held its relative position in numbers of both milk cows and beef cows. Minnesota moved up from seventh to sixth in number all cattle and calves, while Wisconsin and Missouri dropped to seventh and eighth, respectively.

Table 8.--Rank of States in number of cattle and calves on farms, January 1, 1963

Rank	All cattle and calves		Beef cattle and calves (cattle not for milk)			
			Total		Beef cows 2 years and over	
	State	Number	State	Number	State	Number
		1,000 head		1,000 head		1,000 head
1	Texas	10,240	Texas	9,314	Texas	4,910
2	Iowa	7,053	Iowa	5,692	Oklahoma	1,708
3	Nebraska	5,773	Nebraska	5,306	Nebraska	1,626
4	Kansas	5,222	Kansas	4,669	Kansas	1,504
5	California	4,663	Oklahoma	3,382	South Dakota	1,399
6	Minnesota	4,386	South Dakota	3,347	Missouri	1,332
7	Wisconsin	4,382	California	3,281	Montana	1,210
8	Missouri	4,306	Missouri	3,276	Iowa	1,079
9	Illinois	4,055	Illinois	3,085	California	894
10	Oklahoma	3,764	Colorado	2,360	Mississippi	879
11	South Dakota	3,738	Montana	2,192	Louisiana	860
12	Colorado	2,562	Minnesota	2,129	Colorado	855
13	Kentucky	2,354	North Dakota	1,584	Florida	821
14	Montana	2,304	Kentucky	1,548	Illinois	743
15	Ohio	2,249	Mississippi	1,522	North Dakota	742
16	Indiana	2,145	Indiana	1,464	Alabama	728
17	New York	2,131	Florida	1,449	Kentucky	697
18	Mississippi	2,086	Louisiana	1,407	New Mexico	677
19	Tennessee	2,051	Alabama	1,322	Tennessee	636
20	North Dakota	2,011	Tennessee	1,293	Arkansas	606
21	Pennsylvania	1,951	Oregon	1,170	Oregon	595
22	Louisiana	1,800	Ohio	1,169	Wyoming	562
23	Michigan	1,752	New Mexico	1,145	Georgia	551
24	Alabama	1,723	Georgia	1,143	Idaho	440
25	Florida	1,709	Idaho	1,123	Virginia	432
26	Idaho	1,500	Wyoming	1,106	Minnesota	424
27	Georgia	1,496	Arkansas	1,073	Indiana	371
28	Virginia	1,450	Arizona	1,052	Arizona	369
29	Oregon	1,435	Washington	956	Washington	341
30	Arkansas	1,401	Virginia	889	Ohio	277
31	Washington	1,384	Michigan	619	Utah	267
32	New Mexico	1,209	Wisconsin	588	Nevada	266
33	Wyoming	1,148	Utah	539	North Carolina	226
34	Arizona	1,133	Nevada	494	South Carolina	197
35	North Carolina	907	North Carolina	467	West Virginia	171
36	Utah	705	Pennsylvania	452	Wisconsin	143
37	South Carolina	553	South Carolina	379	Michigan	120
38	Nevada	526	West Virginia	330	Pennsylvania	98
39	West Virginia	514	Hawaii	193	Hawaii	75
40	Maryland	488	Maryland	152	Maryland	50
41	Vermont	427	New York	140	New York	46
42	Hawaii	216	Maine	27	Maine	9
43	Maine	192	Vermont	17	Delaware	5
44	New Jersey	190	New Jersey	15	New Jersey	5
45	Massachusetts	151	Delaware	12	Connecticut	3
46	Connecticut	139	Massachusetts	11	Massachusetts	3
47	New Hampshire	100	Connecticut	10	New Hampshire	3
48	Delaware	53	New Hampshire	9	Vermont	3
49	Rhode Island	19	Alaska	4	Alaska	2
50	Alaska	8	Rhode Island	1	Rhode Island	---
United States		103,754		74,907		29,960

Table 9.--Rank of States in number of milk cows and sheep on farms, January 1, 1963 and pigs saved 1962

Rank	Milk cows 2 years and over		All sheep and lambs		Number of pigs saved 1/	
	State	Number	State	Number	State	Number
		1,000 head		1,000 head		1,000 head
1	Wisconsin	2,426	Texas	5,651	Iowa	20,093
2	Minnesota	1,406	Wyoming	2,219	Illinois	12,738
3	New York	1,379	Colorado	1,911	Indiana	8,041
4	Pennsylvania	978	California	1,909	Missouri	6,955
5	Iowa	888	South Dakota	1,774	Minnesota	6,518
6	California	881	Montana	1,610	Nebraska	4,581
7	Ohio	720	Iowa	1,361	Ohio	4,535
8	Michigan	701	Utah	1,274	Wisconsin	3,702
9	Missouri	673	New Mexico	1,145	South Dakota	2,900
10	Texas	598	Idaho	1,113	Kentucky	2,349
11	Illinois	585	Minnesota	940	Georgia	2,261
12	Kentucky	544	Ohio	879	Kansas	2,258
13	Tennessee	526	Oregon	777	Tennessee	2,109
14	Indiana	449	Kansas	752	North Carolina	2,088
15	Virginia	363	Nebraska	698	Texas	1,495
16	Kansas	355	Illinois	665	Alabama	1,463
17	Mississippi	350	North Dakota	654	Michigan	1,323
18	Nebraska	315	Missouri	627	Virginia	1,065
19	North Dakota	290	Arizona	526	Pennsylvania	805
20	Vermont	285	Indiana	456	Mississippi	752
21	North Carolina	278	Michigan	363	Oklahoma	703
22	Washington	268	Washington	340	South Carolina	627
23	Louisiana	263	Nevada	304	North Dakota	599
24	South Dakota	256	Kentucky	296	Arkansas	532
25	Alabama	249	Virginia	277	California	497
26	Oklahoma	240	West Virginia	246	Florida	486
27	Maryland	228	Wisconsin	245	Colorado	324
28	Arkansas	222	Oklahoma	239	Maryland	286
29	Georgia	221	Pennsylvania	219	Oregon	267
30	Idaho	217	Tennessee	156	Montana	263
31	Florida	188	New York	144	Louisiana	256
32	Oregon	162	Louisiana	79	Washington	219
33	New Jersey	132	Mississippi	45	Idaho	193
34	West Virginia	126	North Carolina	43	New York	159
35	Colorado	124	Arkansas	40	West Virginia	135
36	South Carolina	111	Maine	38	Massachusetts	129
37	Utah	105	Maryland	31	New Jersey	121
38	Maine	104	Alabama	18	Utah	95
39	Massachusetts	99	Alaska	15	New Mexico	72
40	Connecticut	89	New Jersey	15	Delaware	62
41	Montana	76	Georgia	14	Wyoming	41
42	New Hampshire	58	Massachusetts	12	Arizona	35
43	Arizona	54	Vermont	11	Maine	29
44	New Mexico	41	South Carolina	9	Connecticut	21
45	Wyoming	29	Connecticut	8	New Hampshire	18
46	Delaware	28	New Hampshire	8	Nevada	17
47	Nevada	17	Florida	7	Vermont	16
48	Hawaii	16	Delaware	5	Rhode Island	11
49	Rhode Island	14	Rhode Island	2		
50	Alaska	3	Hawaii	---		
United States		18,730		30,170		94,244

1/ Total pigs saved from spring and fall pig crops in 48 States.

Wisconsin still ranks first in milk cow numbers and has 1.0 million more dairy cows than Minnesota, the second-ranking State. Michigan and Texas each moved up one position, and Missouri and Illinois each dropped in number of milk cows.

All of the 10 leading States in sheep and lamb numbers are west of the Mississippi River. Colorado moved ahead of California to third place. No other changes were noted in the leading States.

There was only one change in the ranking of the top 10 States in number of pigs saved during 1962. Nebraska moved up into sixth place ahead of Ohio. Iowa farmers kept their State out in front, with 20.1 million hogs saved or 37 percent of the U. S. total. The 5 ranking States combined (Iowa, Illinois, Indiana, Missouri, and Minnesota) accounted for 58 percent of all pigs saved.

USDA Purchases of Canned Chopped Meat

As of this February 20, USDA had purchased 82.1 million pounds of canned chopped meat--consisting primarily of pork--for distribution to needy families. Expenditures for these purchases totaled $31.7 million f.o.b., since the program began last August 30. No other meat purchase programs are currently in effect.

The next issue of the Livestock and Meat Situation is scheduled for release May 4, 1963.

LIST OF TABLES

Standard Summary Tables

Supply and distribution of meat, by months, July 1962 to date

Meat and period	Commercially produced: Supply: Production	Commercially produced: Supply: Beginning stocks	Commercially produced: Supply: Imports	Commercially produced: Distribution: Exports and shipments	Commercially produced: Distribution: Ending stocks	Commercially produced: Distribution: Military	Commercially produced: Distribution: Civilian consumption: Total	Commercially produced: Distribution: Civilian consumption: Per person 1/	Total 2/: Production	Total 2/: Civilian consumption: Total	Total 2/: 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:											
July	1,284	123	111	3	122	35	1,358	7.4	---	---	---
August	1,344	122	172	5	137	32	1,464	8.0	---	---	---
September	1,195	137	154	5	145	26	1,310	7.1	---	---	---
3rd quarter	3,823	123	437	13	145	93	4,132	22.6			3/ 22.4
October	1,358	145	129	3	150	30	1,449	7.9			
November	1,209	150	129		171						
December	1,146	171	126		189						
4th quarter	3,713	145	384		189						
Year	14,932	189	1,419		189						
Veal:											
July	76	7	1	4/	6	4	74	.4	---	---	---
August	86	6	1	4/	6	3	84	.5	---	---	---
September	81	6	2	4/	6	3	80	.4	---	---	---
3rd quarter	243	7	4	4/	6	10	238	1.3			3/ 1.3
October	93	6	4	4/	7	3	93	.5			
November	79	7	5		10						
December	70	10	3		12						
4th quarter	242	6	12		12						
Year	932	13	26		12						
Lamb and mutton:											
July	62	15	7	4/	12	4/	72	.4	---	---	---
August	66	12	12	4/	12	4/	78	.4	---	---	---
September	67	12	7	4/	10	4/	76	.4	---	---	---
3rd quarter	195	15	26	4/	10	4/	226	1.2			3/ 1.2
October	77	10	7	4/	10	4/	83	.5			
November	65	10	10		11	4/					
December	60	11	24		15						
4th quarter	202	10	41		15						
Year	795	15	143		15						
Pork:											
July	796	295	18	11	234	18	846	4.6	---	---	---
August	866	234	17	12	182	17	906	4.9	---	---	---
September	785	182	15	9	139	16	818	4.5	---	---	---
3rd quarter	2,447	295	50	32	139	51	2,570	14.0			3/ 13.7
October	1,080	139	20	10	161	17	1,053	5.7			
November	1,048	161	17		212						
December	993	212	18		230						
4th quarter	3,121	139	55		230						
Year	11,208	230	216		230						
All meat:											
July	2,218	440	137	14	374	57	2,350	12.8	---	---	---
August	2,362	374	202	17	337	52	2,532	13.8	---	---	---
September	2,128	337	178	14	300	45	2,284	12.5	---	---	---
3rd quarter	6,708	440	517	45	300	154	7,166	39.1			3/ 38.6
October	2,608	300	159	11	328	50	2,678	14.6			
November	2,401	328	161		404						
December	2,269	404	172		446						
4th quarter	7,278	300	492		446						
Year	27,867	447	1,804		446						

1/ Derived from estimates by months of population eating out of civilian food supplies.
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	1962 Year average or total	1962 February	1962 December	1963 January	1963 February
Cattle and calves						
Beef steers, slaughter	Dollars per					
Chicago, Prime	100 pounds	29.81	28.65	30.73	28.44	
Choice	do.	27.67	26.76	28.91	27.27	
Good	do.	25.51	24.54	27.02	25.57	
Standard	do.	22.70	21.82	23.83	22.93	
Utility	do.	20.77	19.87	21.59	21.00	
All grades	do.	27.20	26.04	28.59	26.90	
Omaha, all grades	do.	25.45	24.51	26.80	25.18	
Sioux City, all grades	do.	25.72	24.90	27.41	25.89	
Cows, Chicago						
Commercial	do.	15.89	15.40	15.18	15.30	
Utility	do.	15.51	15.26	14.91	15.07	
Cutter	do.	14.72	14.87	13.23	13.80	
Canner	do.	13.26	13.40	11.60	12.48	
Vealers, Choice, S. St. Paul	do.	31.06	33.85	31.56	33.35	
Stocker and feeder steers, Kansas City 1/	do.	24.53	23.16	25.18	24.53	
Price received by farmers						
Beef cattle	do.	2/21.30	20.80	21.40	21.60	
Cows	do.	2/14.46	14.50	13.80	13.90	
Steers and heifers	do.	2/24.05	23.50	25.10	24.70	
Calves	do.	2/25.15	25.20	24.10	25.60	
Hogs						
Barrows and gilts, U. S. No. 1, 2 & 3, Chicago						
200-220 pounds	do.	17.52	17.04	17.06	16.29	
220-240 pounds	do.	17.31	16.88	16.61	15.96	
240-270 pounds	do.	16.90	16.44	16.03	15.46	
All weights	do.	16.94	16.69	16.45	15.76	
Barrows and gilts, 8 markets 3/	do.	16.82	16.69	16.16	15.65	
Sows, Chicago	do.	14.39	13.84	13.08	13.28	
Price received by farmers	do.	2/16.40	16.30	15.70	15.40	
Hog-corn price ratio 4/						
Chicago, barrows and gilts		15.4	15.5	14.6	13.3	
Price received by farmers, all hogs		16.4	17.1	15.7	15.0	
Sheep and lambs	Dollars per					
Sheep	100 pounds					
Slaughter ewes, Good, Chicago	do.	5.00	5.75	5.75	6.47	
Price received by farmers	do.	2/ 5.80	5.94	6.11	6.43	
Lamb						
Slaughter, Choice, Chicago	do.	19.59	17.96	19.10	19.26	
Feeder, Choice, Omaha	do.	16.16	15.66	---	17.97	
Price received by farmers	do.	17.71	16.30	17.90	18.20	
All meat animals						
Index number price received by farmers						
(1910-14=100)		310	305	308	308	
Meat						
Wholesale, Chicago	Dollars per					
Steer beef carcass, Choice, 500-600 pounds	100 pounds	44.83	43.86	47.40	45.41	
Lamb carcass, Choice, 45-55 pounds	do.	42.56	37.00	41.38	40.90	
Composite hog products:						
Including lard						
71.90 pounds fresh	Dollars	18.55	18.30	17.96	17.35	
Average per 100 pounds	do.	25.79	25.45	24.98	24.13	
71.01 pounds fresh and cured	do.	22.65	22.16	22.54	21.48	
Average per 100 pounds	do.	31.90	31.21	31.74	30.25	
Excluding lard						
55.99 pounds fresh and cured	do.	20.46	19.99	20.34	19.33	
Average per 100 pounds	do.	36.53	35.70	36.33	34.52	
Retail, United States average	Cents					
Beef, Choice grade	per pound	82.4	80.8	85.8		
Pork, retail cuts	do.	59.5	58.1	59.1		
Lamb, Choice grade	do.	70.7	66.9	72.2		
Index number meat prices (BLS)						
Wholesale (1957-59=100)		97.9	96.1	98.1	96.2	
Retail (1957-59=100) 5/		102.5	100.6	104.1	103.6	

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

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

Item	Unit	1962 Year average or total	1962 February	1962 December	1963 January	1963 February
Meat animal marketings						
Index number (1947-49=100)		137	118	128	140	
Stocker and feeder shipments to 8 Corn Belt States	1,000					
Cattle and calves	head	7,138	279	552	338	
Sheep and lambs	do.	2,682	127	140	192	
Slaughter under Federal inspection						
Number slaughtered						
Cattle	do.	20,339	1,467	1,562	1,795	
Steers	do.	11,447	870	868	1,021	
Heifers	do.	4,420	310	344	382	
Cows	do.	4,250	274	336	373	
Bulls and stags	do.	222	13	14	18	
Calves	do.	4,980	362	381	431	
Sheep and lambs	do.	14,692	1,177	1,098	1,317	
Hogs	do.	67,771	5,312	5,954	6,333	
Percentage sows	Percent	8	6	7	6	
Average live weight per head						
Cattle	Pounds	1,027	1,049	1,045	1,054	
Calves	do.	205	202	199	206	
Sheep and lambs	do.	98	102	99	101	
Hogs	do.	242	238	245	243	
Average production						
Beef, per head	do.	591	606	599	606	
Veal, per head	do.	205	202	199	117	
Lamb and mutton, per head	do.	48	50	48	50	
Pork, per head	do.	143	139	144	145	
Pork, per 100 pounds live weight	do.	59	59	59	60	
Lard, per head	do.	31	31	32	30	
Lard, per 100 pounds live weight	do.	13	13	13	12	
Total production	Million					
Beef	pounds	11,984	887	932	1,085	
Veal	do.	575	49	43	50	
Lamb and mutton	do.	695	59	53	66	
Pork	do.	9,662	739	859	1,182	
Lard	do.	2,104	165	188	192	
Commercial slaughter 1/						
Number slaughtered	1,000					
Cattle	head	26,093	1,895	1,981		
Calves	do.	7,442	552	577		
Sheep and lambs	do.	16,829	1,323	1,249		
Hogs	do.	79,254	6,241	6,952		
Total production	Million					
Beef	pounds	14,931	1,110	1,146		
Veal	do.	931	68	70		
Lamb and mutton	do.	795	66	60		
Pork	do.	11,208	865	993		
Lard	do.	2,363	186	210		
Cold storage stocks first of month						
Beef	do.	---	184	171	189	165
Veal	do.	---	9	10	12	11
Lamb and mutton	do.	---	16	11	15	13
Pork	do.	---	210	212	230	247
Total meat and meat products 2/	do.	---	482	463	506	501

1/ Federally inspected, and other wholesale and retail.

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

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