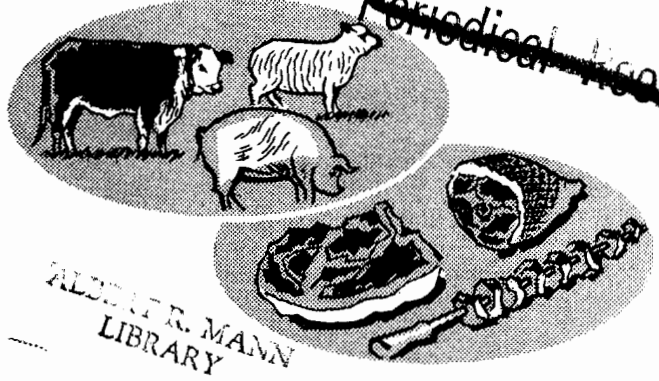


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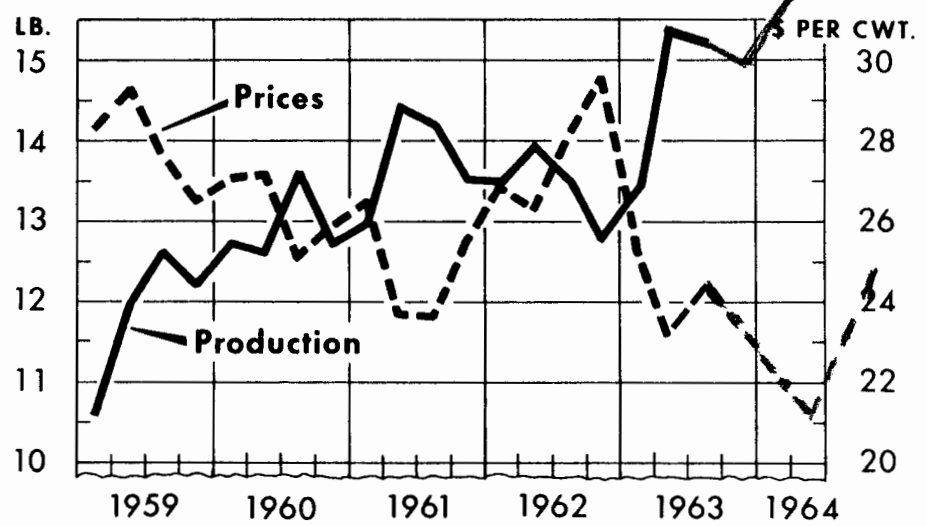
For Release November 8, A. M.

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Fed cattle prices are influenced primarily by the fed-beef supply. Supply changes, particularly in the short term, have brought about sharp adjustments in cattle prices. Fed cattle prices are also affected to a lesser extent by the supply of lower grade beef.

Per capita production of high-quality beef was about 14 pounds in the second quarter of 1962, but by the final quarter, had dropped to a little below 13 pounds. In the first 2 quarters of 1963, per capita production jumped to well over 15 pounds. Steer prices averaged \$26.24 at Chicago in the second quarter of 1962 rose to \$29.51 in the last quarter, then dropped off to \$23.02 in the second quarter of 1963. They rose in the third quarter to \$24.42.

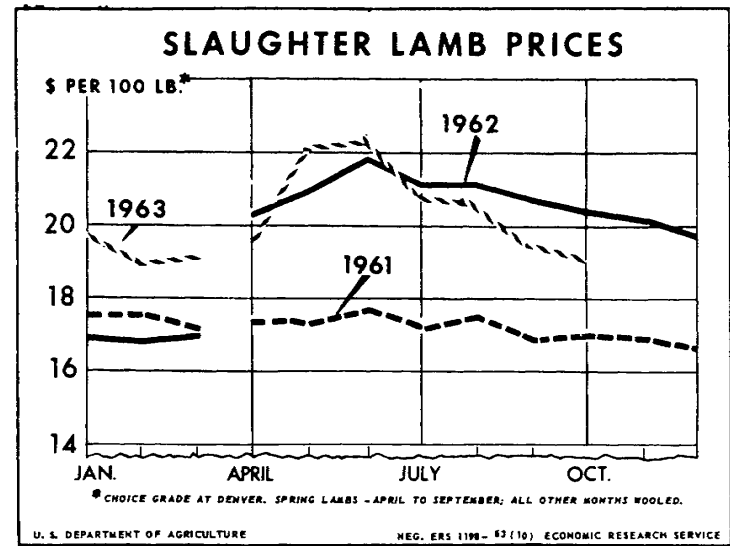
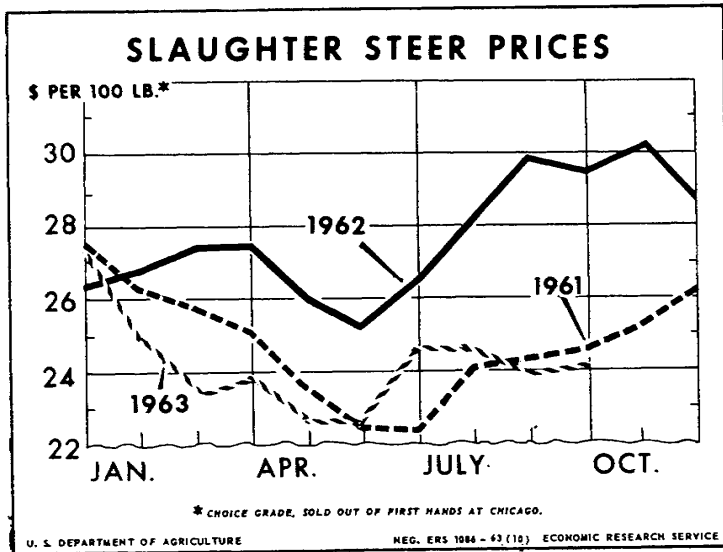
STEER AND HEIFER BEEF PRODUCTION UNDER FEDERAL INSPECTION AND PRICES



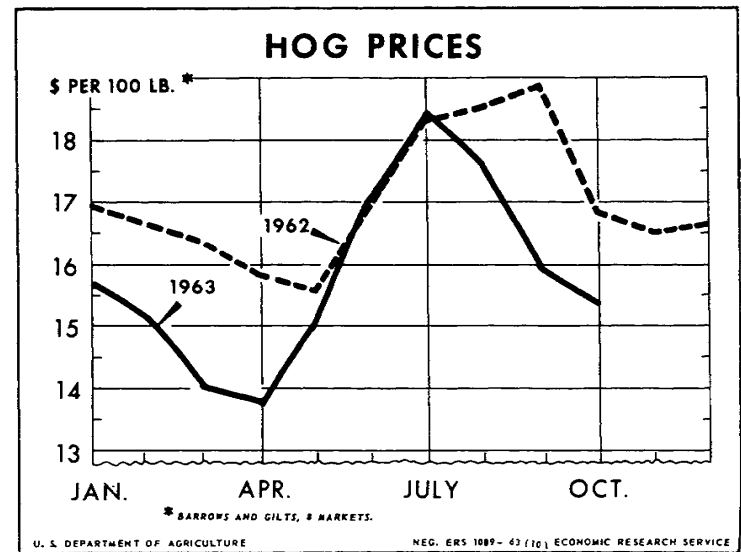
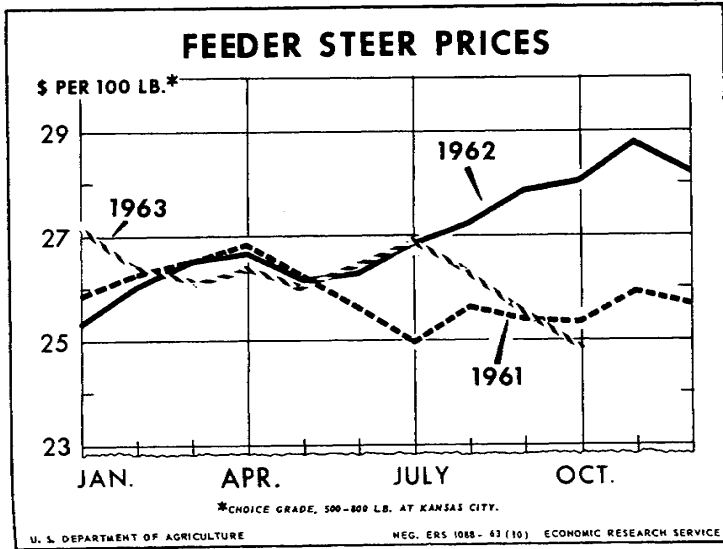
PRODUCTION ON A PER CAPITA BASIS. CHOICE STEER PRICES AT CHICAGO.
U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 2473-63 (10) ECONOMIC RESEARCH SERVICE

IN THIS ISSUE

- BEEF CATTLE OUTLOOK
- OUTLOOK FOR SAUSAGE MEAT
- THE IMPORT SITUATION
- LIST OF PUBLICATIONS



October is 3-week average.



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 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
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Approved by the Outlook and Situation Board, October 31, 1963

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SUMMARY

Consumption of red meat is expected to reach 170 pounds per person in 1963, 6 pounds more than in 1962. Most of the gain will come from beef. Pork consumption will be up about a pound, but consumption of veal and lamb and mutton together will be down close to a pound.

Consumption of beef in the U. S. in 1963 is expected to set a new record of about 95 pounds per person, up from 89 pounds in 1962. U. S. beef cattle numbers have increased sufficiently to sustain both the higher level of consumption and a larger cattle inventory which will provide the basis for even larger beef supplies in 1964. Inventory numbers on January 1, 1964, will be close to 107 million head, up about 3 percent from the 103.8 million cattle and calves on farms a year earlier.

Fed cattle prices in late 1962 were at the highest levels in several years. Choice steer prices at Chicago averaged \$30.13 a hundred pounds in November 1962. Early in 1963 marketings increased substantially and prices fell off to an average of \$22.61 in May. By July the price rose to \$24.72 but has weakened since. In late October it was under \$24.00. Fed cattle marketings are expected to continue heavy this winter and prices likely will average below the first quarter of 1963 when Choice steers at Chicago averaged \$25.28. Cattle feeders indicated on October 1 that they intend to market 15 percent more cattle in the fourth quarter this year than in the same months of 1962. Marketings during the fourth quarter of 1962 were low, but if intentions are carried out, October-December 1963 marketings will be about 7 percent more than in July-September.

Beef production has increased more than the number of head slaughtered because cattle have been considerably heavier than in 1962. The large proportion of heavy cattle marketed also has resulted in price discounts for heavy weights within a grade and the narrowing of price margins between grades.

Fed cattle supplies and prices in 1964 will be strongly influenced by the number of cattle and calves placed on feed during the next few months. Thus far this fall the movement of feeder cattle into feedlots has been slow although by October feeder prices were from \$2 to \$3 a hundred pounds under a year earlier. If large numbers are roughed through the winter instead of going into feedlots, fed cattle prices likely will be somewhat higher by spring than in October-December 1963. In that case, however, serious price problems could develop toward the end of 1964 and early in 1965.

Hog prices in 1964 are expected to average a little higher than in 1963, in response to lower per capita pork supplies. Hog slaughter in 1964 likely will fall below year-earlier levels before the beginning of the second quarter and then remain below throughout the remainder of the year.

Hog slaughter was especially large during late winter and late summer this year compared with the same period a year earlier. It was also during these times that hog prices fell below year-earlier levels by the widest margin.

Current hog prices are being affected by large supplies of other meats and by unusually large stocks of pork in cold storage. Prices now are below the 1962 fourth quarter average of \$16.51 for barrows and gilts at 8 major markets. Prices likely will continue below year-earlier levels this winter, but then average a little higher next spring as slaughter supplies decline.

According to the September Pig Crop Report, the number of sows farrowing in June-November in the Corn Belt will be down slightly from 1962. Producers reported intentions to decrease December 1963-February 1964 farrowings 1 percent from a year earlier.

Sheep and lambs on farms and ranches on January 1, 1963, totaled 30,170,000, down about 4 percent from a year earlier and the second smallest beginning inventory on record. The number of stock sheep was the smallest on record. The 1963 lamb crop of 19,697,000 was 3 percent smaller than the previous crop, and the smallest since 1950. Sheep and lamb slaughter, however, was down more than the lamb crop or beginning inventories. Commercial slaughter was about 6 percent below 1962. Consequently, the sheep and lamb inventory on January 1, 1964, will be only slightly under the 2 previous years.

Slaughter lamb prices during the first half of 1963 were above a year earlier, but have been below year-ago levels since August. Prices the rest of 1963 will drop seasonally and will likely be under the year-earlier level. Feeder lamb prices in 1963 were substantially above 1962 until September.

The outlook is for a decline in the January 1, 1964, inventory of sheep and lambs to between 29.3 million and 29.7 million. The number of sheep and

lamb on feed January 1 is expected to be down about 5 percent from a year earlier, when 4.0 million were on feed. The 1964 lamb crop probably will be down between 4 and 5 percent, and slaughter likely will again be down a little next year. However, prices likely will average about the same as in 1963, reflecting stiff competition from beef.

REVIEW AND OUTLOOK

Meat Consumption Up in 1963

Per capita consumption of red meats is expected to reach 170 pounds this year, 6 pounds more than in 1962. Most of the gain will come from beef. Pork consumption will be up about a pound, while consumption of veal and lamb and mutton together will be down about a pound. The increase in per capita consumption is the result of both higher domestic production and larger imports. Poultry meat consumption is rising only slightly in 1963.

Americans will eat about 6 pounds more beef and consumption will average above 95 pounds per person. This will be another new record. Domestic beef production likely will be up well over 7 percent, with most of the increase coming from fed beef. Imports of beef also will make a substantial gain over the 1,419 million pounds imported in 1962.

Pork consumption is increasing from 64 pounds a year ago to 65 pounds in 1963. Production of pork will be 3 percent above the 11,841 million pounds produced in 1962. Per capita supplies of veal declined one-half pound to 5.0 pounds per person because of the trend to hold calves to heavier weights and slaughter as mature animals. Lamb and mutton consumption, on a per capita basis, in 1963 will drop about a third of a pound from the 5.2 pounds consumed last year.

Next year total red meat consumption per person probably will be much the same as in 1963. Larger beef production and consumption is expected to be offset by smaller supplies of pork, veal, and lamb and mutton. Beef production will be up 3 to 4 percent. Production of pork likely will be slightly smaller because of a decline in farrowings in the last half of 1963 and an anticipated smaller pig crop in the first half of 1964. Because of population growth, per capita consumption of pork will be off somewhat more than the decline in production. Veal, lamb, and mutton consumption per person likely will continue to diminish.

Retail Meat Prices Down

The index of retail meat prices, published by the Bureau of Labor Statistics, was above year-earlier levels for the first 3 months of the year, but has been below since. The average price of beef at retail increased rapidly in the last half of 1962 because of short supplies and averaged 84.3 cents per pound. It declined during the first half of this year as per capita

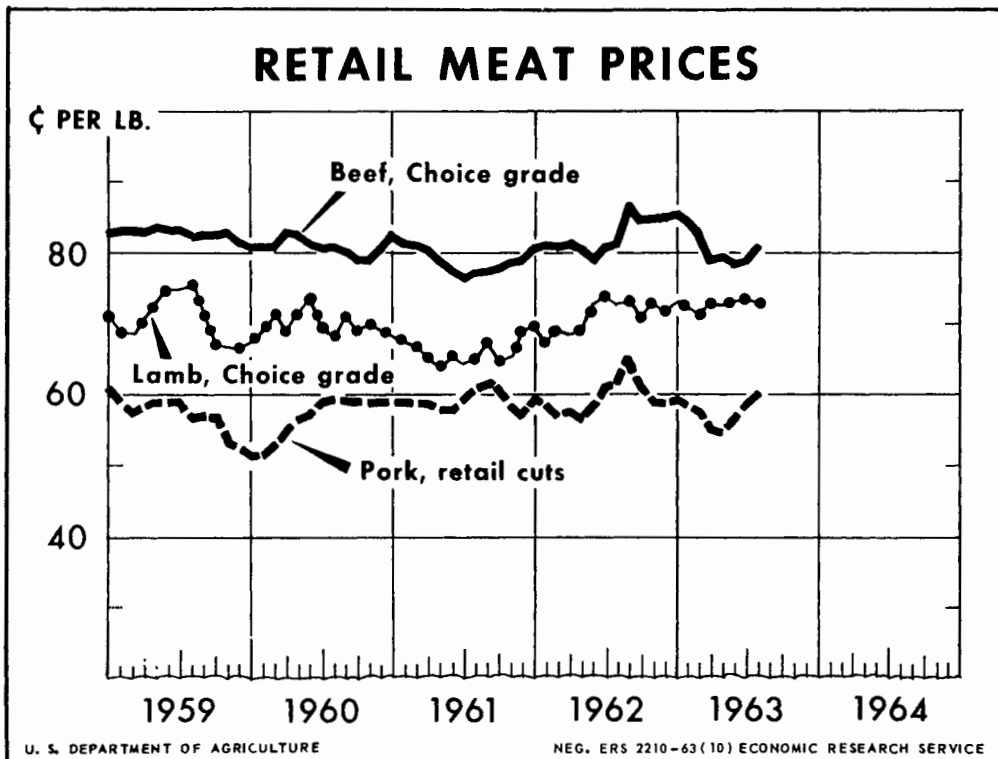
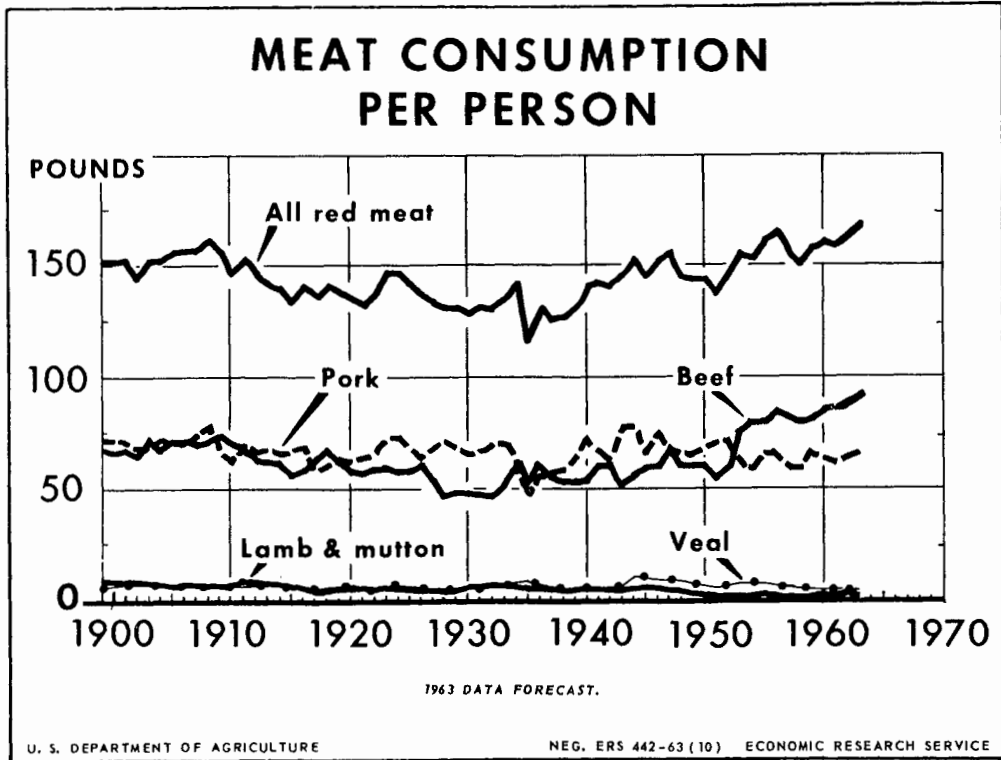


Table 1.--Production and consumption per person of red meat and poultry, United States, 1955-63 and forecast for 1964

Year	Production <u>1/</u>						
	Red meat					Poultry	Red and
	Beef	Veal	Lamb and mutton	Pork	Total	meat <u>2/</u>	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	14,727	1,108	768	11,605	28,208	6,390	34,598
1961	15,298	1,044	832	11,411	28,585	7,334	35,919
1962	15,296	1,015	809	11,841	29,961	7,132	36,093
1963 <u>3/</u>	16,470	940	760	12,200	30,370	7,300	37,670
1964 <u>4/</u>	16,950	900	750	12,000	30,600	7,450	38,050
	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	65.2	161.4	34.4	195.8
1961	88.0	5.7	5.1	62.2	161.0	37.8	198.8
1962	89.1	5.5	5.2	63.9	163.7	37.2	200.9
1963 <u>3/</u>	95.1	5.0	4.9	64.9	169.9	37.4	207.3
1964 <u>4/</u>	97.0	4.8	4.7	63.5	170.0	37.8	207.8

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

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

3/ Preliminary.

4/ Forecast.

Table 2.--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	59.1	59.8	58.7	59.1	58.7	59.2	56.7
1961	:59.5	59.7	59.5	59.1	57.9	57.9	59.1	60.1	61.0	60.5	58.4	57.7	59.2
1962	:58.2	58.1	57.4	57.9	57.5	58.0	60.1	61.8	64.6	61.1	59.6	59.1	59.5
1963	:58.7	57.8	56.7	55.1	54.9	56.6	59.0	60.1	59.8				
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	82.1	81.5	80.9	80.8	80.0	79.6	79.7	80.5	81.0
1961	:82.1	81.8	81.3	80.6	79.4	77.3	76.3	76.6	77.7	78.1	79.0	79.6	79.2
1962	:80.2	80.8	80.8	81.1	80.7	79.8	80.2	81.6	87.2	85.5	85.6	85.8	82.4
1963	:85.5	84.9	83.1	79.5	79.6	78.1	78.8	81.3	81.0				
Lamb, Choice grade													
1959	:70.4	68.3	68.3	71.5	73.3	74.5	74.1	75.0	71.7	67.4	67.1	66.6	70.7
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	64.8	65.3	68.2	65.9
1962	:69.3	67.7	68.7	68.3	68.6	72.5	72.9	72.2	72.8	71.6	72.1	72.0	70.7
1963	:73.1	72.6	71.0	72.6	72.7	73.7	73.5	73.0	72.9				

supplies increased, dropping below year-earlier rates in April and has stayed below since. The margin below a year earlier will widen in the final quarter of 1963.

Pork prices have been below the same months of 1962 since January with widest margin in April. Retail lamb prices have been above the same month a year earlier since March 1962. This year average lamb prices have held rather constant, varying only between 73.7 cents and 71.0 cents. The peak price was reached in June. Pork prices at retail will probably average below those of a year earlier in the fourth quarter, while lamb is expected to average much the same as in October-December 1962.

CATTLE

Fed Cattle Price Difficulties

Beef producers have encountered recurring short-term price difficulties in recent years, even though beef has been one of the few products for

which demand has been growing faster than population. And, in contrast to earlier periods, this has occurred during a time when the basic beef cow herd has been increasing at a relatively constant rate. Most of these price difficulties have resulted largely from large marketings of high-grade fed beef during short periods of time.

The cattle feeding industry has been expanding rapidly since 1958. Many commercial feedlots have been built, and existing feedlots have enlarged their capacities. On January 1, 1963, there were 8,896,000 cattle and calves on feed in 26 leading States, 51 percent more than there were at the beginning of 1958. However, this growth rate has not been uniform. Large increases have been registered over short periods of time and marketings from one quarter to another have often been irregular.

Sales of feeder cattle vary widely because of the seasonality of production. Placements on feed and marketings of fed cattle are much less seasonal. Although the general pattern has been for a growing volume of marketings, the growth has been distributed throughout the year. Sizeable variations in average dressed weights, particularly at times of large marketings, increase fluctuations in the volume of fed beef produced.

Short-term variations in steer and heifer beef production have been reflected in fed cattle prices and, of course, incomes of cattlemen. As shown by the cover chart the large per capita increase in the amount of steer and heifer beef produced in 1961 and 1963 were accompanied by severe price drops for fed cattle.

It is significant that sharp price movements, such as occurred in the second half of 1962 and in the first half of 1963, happened while the total number of cattle and calves on farms was increasing in an orderly fashion. In other words, prices of fed cattle have fluctuated markedly while the general cattle cycle has been in a relatively gentle upswing. This emerging phenomenon is probably the result of the development in the cattle industry of 2 clearly defined stages of beef production: producing calves and converting feed concentrates into meat.

Beef Production Up More than Slaughter

Production of steer and heifer beef under Federal inspection the first 9 months this year was up 10 percent from the same months of 1962. The number of steers and heifers slaughtered was up only 7 percent. Therefore, a large part of the increased production was the result of heavier weight. Production was up 4.5 percent in the first quarter, 12.5 percent in the second quarter, and 14 percent in the third quarter from a year earlier.

In 1962, average liveweights were relatively low and there were few high-quality heavy cattle at times, especially during the second half of the year. So far this year, Choice steers at 12 major markets have averaged from 1

Table 3.--Steer and heifer beef production under Federal inspection, United States and North Central Region, by month, 1962-63

Month	Steer beef production				Heifer beef production			
	United States		North Central Region		United States		North Central Region	
	1962	1963	1962	1963	1962	1963	1962	1963
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
January	654	678	386	412	214	214	135	130
February	574	591	355	362	173	196	103	118
March	647	662	385	393	190	222	110	132
April	601	710	349	429	169	214	98	127
May	699	782	414	464	192	227	115	134
June	700	732	421	431	184	199	113	122
July	666	730	395	432	190	221	121	136
August	646	737	379	447	218	230	131	137
September	532	689	314	416	224	228	135	143
October	593		348		257		156	
November	546		320		211		130	
December	568		357		191		122	

to 56 pounds heavier than in the same months a year earlier. Since May, weights have been up more than 27 pounds. This year the seasonal decline was smaller than usual so, the margin over a year earlier increased. Choice steers have generally averaged the same as in 1961, when marketings were bunched in the second and third quarters and weights were quite heavy. Average liveweight of Choice steers sold out of first hands at 12 major markets this September was 1,154 pounds, or 56 pounds above September 1962. Prime and Good steers averaged 20 and 38 pounds above, respectively.

Heavier average live weights during periods of large marketings, have led to price discounts for heavy-weight cattle within a grade and small premiums between grades. See table 6. Last year Choice steers at Chicago weighing 1,100 pounds and over sold from 20 to 92 cents higher than the same quality cattle weighing 900 to 1,100 pounds. This year cattle over 1,100 pounds have sold for more than those under 1,100 pounds only once, in January when the premium was 6 cents. In September, heavy cattle were discounted 48 cents below those in the 900-1,100 pound group. A similar situation has occurred with Prime cattle.

Price differences between grades have also been small this year. In 1962, Prime steers sold for as much as \$2.81 per hundred pounds higher than Choice steers (all weights). For the first 3 months this year, the margin of Prime over Choice was about \$1.20; but then it declined and is now about 50 cents.

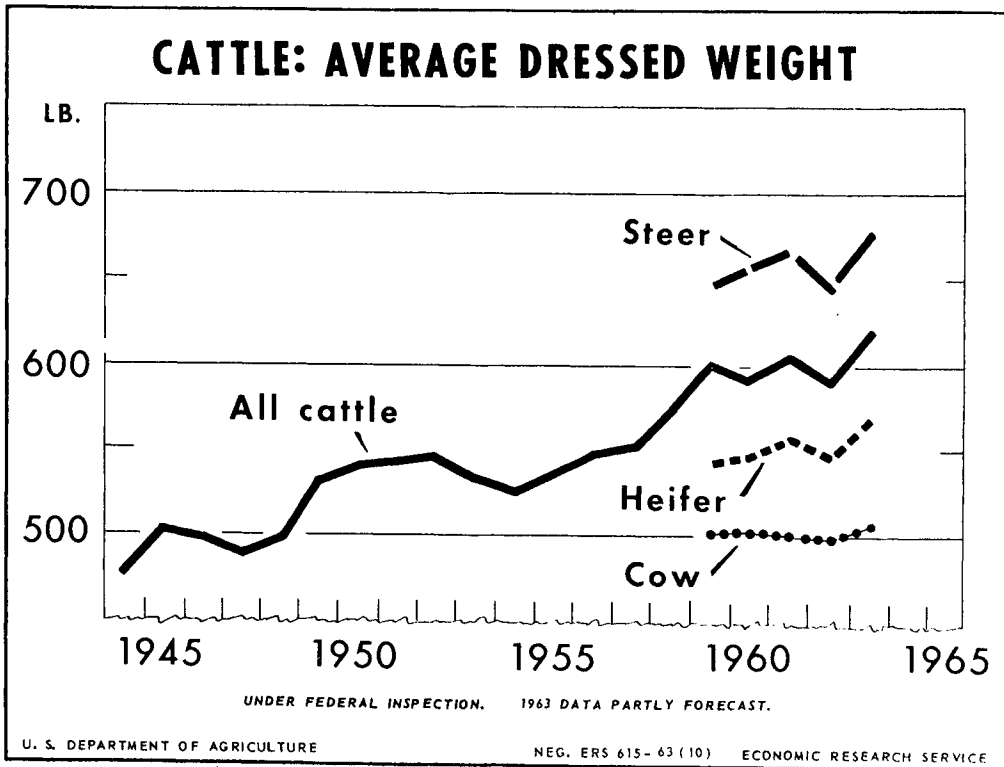
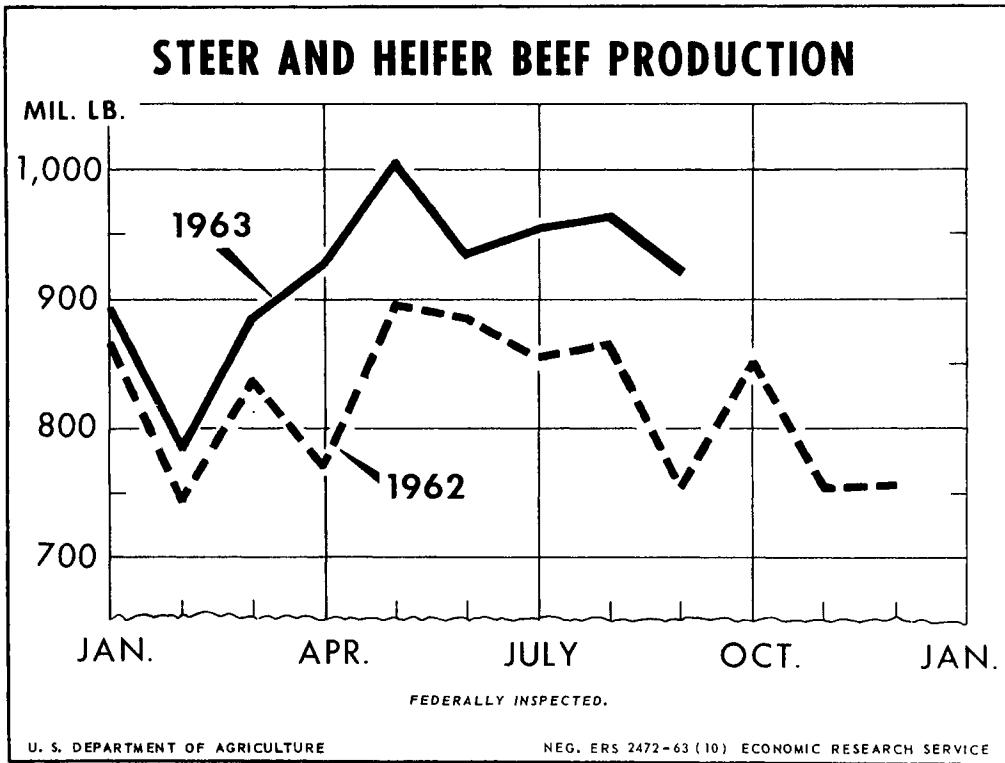


Table 4.--Number of cattle slaughtered under Federal inspection by class, and percent each class is of total, U.S., by months, 1962-63

Month	Steers				Heifers				Cows			
	Number		Percentage		Number		Percentage		Number		Percentage	
	1962	1963	1962	1963	1962	1963	1962	1963	1962	1963	1962	1963
	1,000	1,000			1,000	1,000			1,000	1,000		
	head	head	Pct.	Pct.	head	head	Pct.	Pct.	head	head	Pct.	Pct.
Jan.	999	1,021	56.1	56.9	383	382	21.5	21.3	383	373	21.5	20.8
Feb.	870	891	59.3	57.2	310	351	21.1	22.5	274	302	18.7	19.4
Mar.	991	995	60.1	58.7	346	393	21.0	23.2	297	291	18.0	17.2
Apr.	924	1,049	60.7	60.7	307	378	20.2	21.9	274	283	18.0	16.4
May	1,063	1,155	60.2	61.6	350	401	19.8	21.4	330	300	18.7	16.0
June	1,065	1,083	62.0	61.8	337	354	19.6	20.2	295	298	17.2	17.0
July	1,031	1,079	58.4	58.7	358	395	20.3	21.5	353	345	20.0	18.8
Aug.	1,012	1,106	54.1	58.2	413	418	22.1	22.0	421	359	22.5	18.9
Sept.	847	1,039	51.2	56.8	419	411	25.3	22.5	371	364	22.4	19.9
Oct.	936		49.3		469		24.7		473		24.9	
Nov.	841		49.9		384		22.8		443		26.3	
Dec.	868		55.6		344		22.0		336		21.5	
Total	11,447		56.3		4,420		21.7		4,250		20.9	

The difference between Good and Choice prices has narrowed too, but not quite as much as between Choice and Prime. A comparison of heifer or steer prices at other markets would show the same relationships.

Profits were hurt this year by feeding to heavy weights. It costs more to put on weight as cattle become heavy and it appears that many could have made better returns if they had been marketed at lighter weights. Putting on more beef pays only when the total premium per head is large enough to more than cover the cost of upgrading or feeding to the top weights.

Available data point toward selling at light weights for the best prospects of improving incomes. This is one of those things that each individual feeder will have "to put a pencil on" to decide what is in his own best interest to maximize his net income. But income improvement for cattle feeders won't be easy. Cattle prices will be under pressure until the large supply of heavy cattle has been moved.

Discussing advantages of marketing at light weights is one thing; convincing buyers and sellers to carry it out is another. But it seems rather clear that the addition of extra pounds to each animal is not in the best interest

Table 5.--Selected prices per 100 pounds of cattle,
by months, 1962 and 1963*See other side*

Month	Chicago				Kansas City			
	Choice steers		Utility cows		Good feeder steers		Choice feeder steer calves	
	1962	1963	1962	1963	1962	1963	1962	1963
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Jan.	26.39	27.27	14.87	15.07	23.75	25.14	27.19	29.50
Feb.	26.76	24.93	15.26	15.00	23.91	24.42	28.70	29.68
Mar.	27.31	23.63	15.97	15.52	24.52	24.00	28.80	29.18
Apr.	27.45	23.77	16.06	15.74	24.78	24.18	29.50	29.48
May	26.02	22.61	15.91	16.31	24.37	23.74	28.98	28.96
June	25.25	22.69	16.42	16.26	24.66	24.18	28.96	29.21
July	26.50	24.72	15.31	15.33	24.80	24.77	29.29	29.42
Aug.	28.19	24.60	15.20	15.65	24.77	24.15	29.04	28.66
Sept.	29.85	23.94	15.65	15.10	25.51	23.56	30.06	27.91
Oct.	29.50	<u>1/24.18</u>	15.31	<u>2/14.71</u>	25.43	<u>2/22.92</u>	30.53	<u>2/27.05</u>
Nov.	30.13		15.22		26.28		30.88	
Dec.	28.91		14.91		25.74		30.20	
Average:	27.67		15.51		24.88		29.34	

1/ 3-week average.2/ 4-week average.

of either the individual or the industry. There have been times when adding weight was a good way to improve income, such as in the third quarter and part of the fourth quarter of 1962. During those months, the market would have taken an increase in weights without large price discounts.

This year, average dressed weights for all cattle slaughtered under Federal inspection were up more than the average dressed weights of individual classes. This came about because cattle slaughter contained a larger percentage of steers and heifers which are heavier than cows. It is unlikely that steers and heifers will make up a much higher proportion of the total slaughter next year. Therefore, any change in slaughter weights will have a substantial effect on the beef supply.

Cattle Marketings to Continue Large

Continued large marketings of fed cattle at heavy weights are expected for the remainder of the fourth quarter. There were 6.8 million cattle and calves on feed in 28 major feeding States on October 1. This was 10 percent more than a year earlier, but slightly less than were on feed July 1. The North Central States were up 9 percent and the Western States were up 8 percent. Other States not in these 2 regions (Pennsylvania, Oklahoma, Texas, Georgia, and Alabama) had a total of 22 percent more cattle and calves on feed.

Cattle feeders indicated on October 1 that they intend to market 15 percent more cattle in the fourth quarter this year than in the same months of 1962. Marketings during the fourth quarter last year were less than the third quarter. But if feeders follow their intentions this October-December, fed cattle marketings will rise about 7 percent above third quarter levels. Contributing to larger marketings in the fourth quarter is the apparent delay in marketings during July-August. Cattle feeders sent only 4 percent more cattle to slaughter in the third quarter than a year earlier, even though July intentions indicated an increase of 9 percent. Cattle slaughter under Federal inspection was up 4.1 and 1.6 percent in July and August while September was up 10.6 percent from the same month a year earlier.

As a result, many cattle currently on feed are in the heavy weight groups. The number weighing over 1,100 pounds October 1 was up 29 percent from a year earlier. Those weighing 900 to 1,099 pounds were up 24 percent, while the 700-899 pound weight group was up 7 percent. The other 2 weight groups, 500-699 pounds and under 500 pounds, were below a year earlier by 3 percent and 2 percent, respectively. Because of the large number of heavy cattle on hand, cattle feeders could reach their stated intentions.

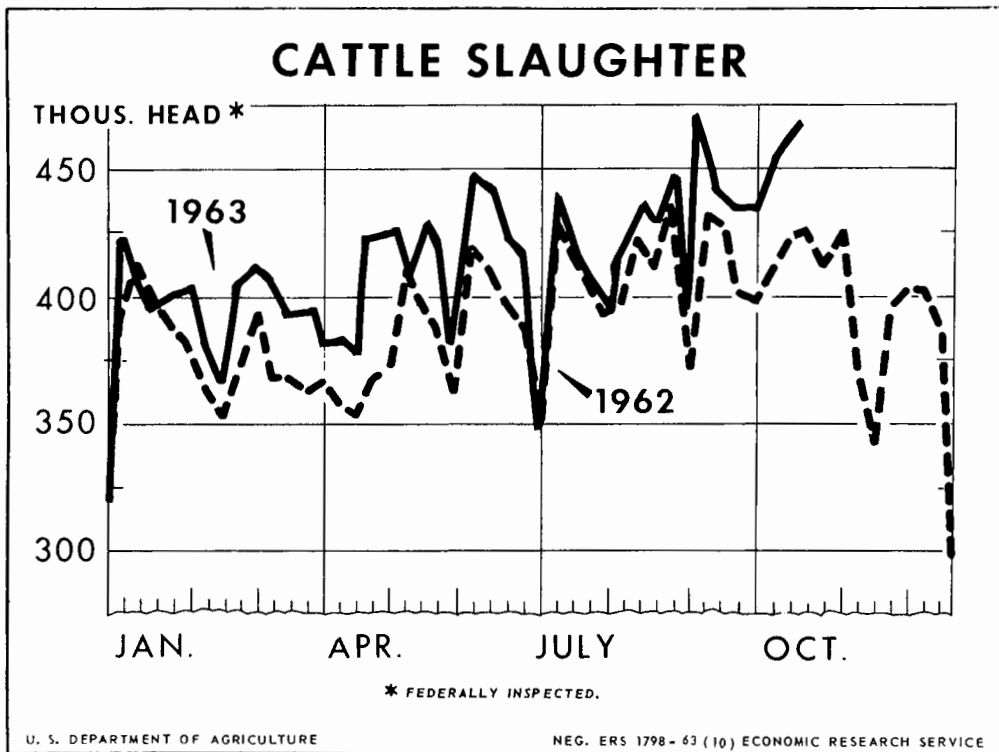
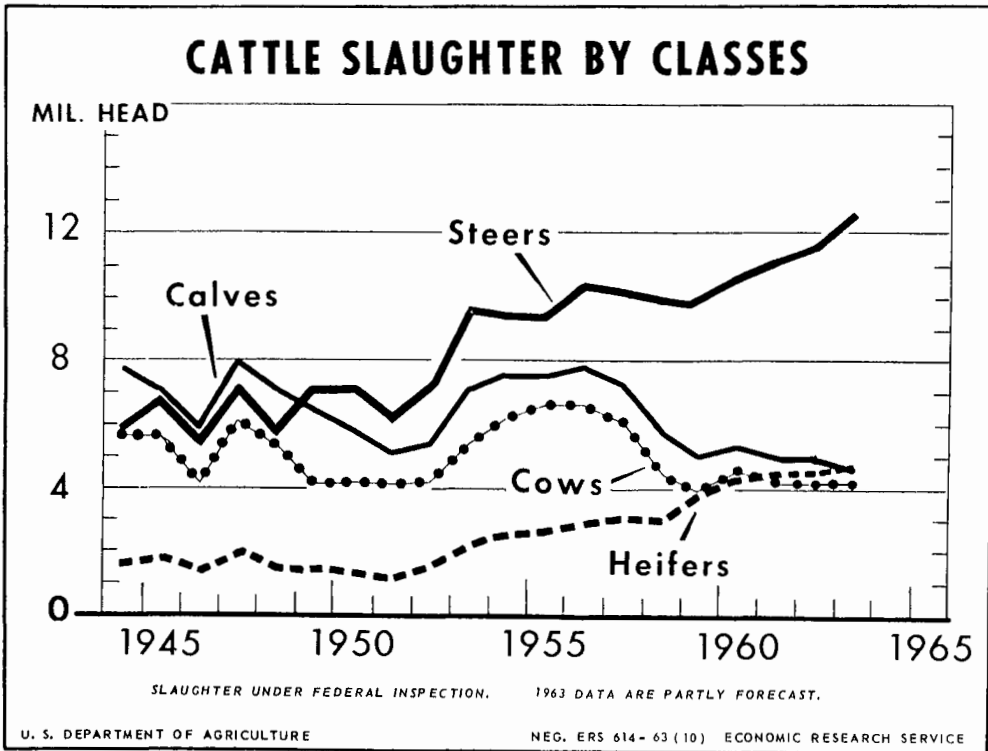
Prices of Choice steers at Chicago during the first 3 weeks in October were 24.18 compared with \$29.21 a year earlier. Continued large marketings of heavy-weight cattle may result in some further price weakening. Prices of Choice steers at Chicago may decline about \$1.00 from October levels before the end of the year.

Supplies of the lower grades of beef will also be abundant in the coming months. This is the time of year for seasonally large cow slaughter, and beef imports likely will average above year-ago levels. Cow slaughter under Federal inspection averaged about the same as a year earlier through the first 6 months of this year, but since then has fallen somewhat below. Since the dry weather is continuing in the East, dairy cow culling probably will at least equal or even exceed last year's heavy rate in the fourth quarter. Also, some parts of the Southwest are again dry, which may encourage a little heavier culling of beef cows yet this year. Therefore, cow slaughter may be above 1962 rates in the fourth quarter.

Stocks of beef in cold storage on October 1 totaled 219 million pounds, 74 million more than on the same date last year.

Feeder Cattle
Sales Slow

Sales and contracting for future delivery for feeder cattle have been slow so far this fall, although activity has picked up somewhat in the past few weeks. Placements of cattle and calves on feed during the third quarter were up only 1 percent above the same quarter a year earlier. Since the available supply of feeder animals is above 1962, there are many cattle yet to move this fall and winter. However, fourth quarter placements will depend on feeder cattle prices. Cattle feeders are not anxious to place many cattle



at prices near those last fall, and stockmen are reluctant to sell at reduced prices from last year. Prices of feeders in recent weeks have fallen \$2.00 to \$3.00 below those in 1962. Large volumes will move in the weeks ahead, but October-December placements of cattle and calves on feed may exceed year-earlier rates by only a small amount.

Cattlemen with good equity and plenty of roughage can hold calves through the winter with small out-of-pocket costs. They will be gambling a fairly small amount of money per head in hopes that feeder prices will be higher next spring and summer. Cattle roughed through the winter will not show much weight increase but will gain rapidly on good spring pastures.

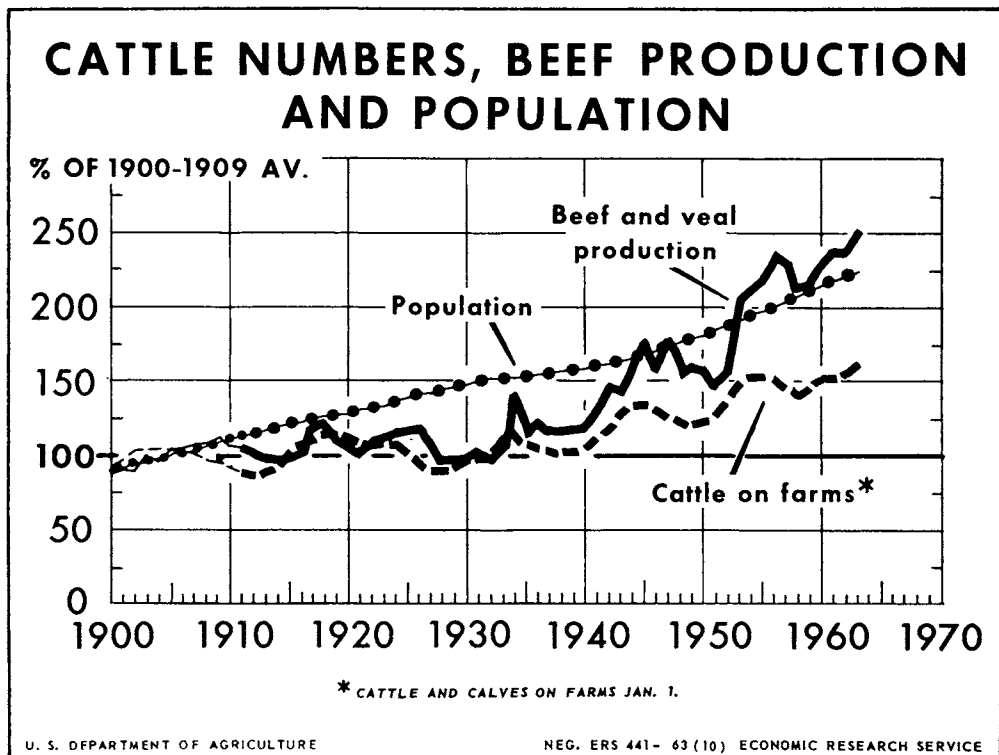
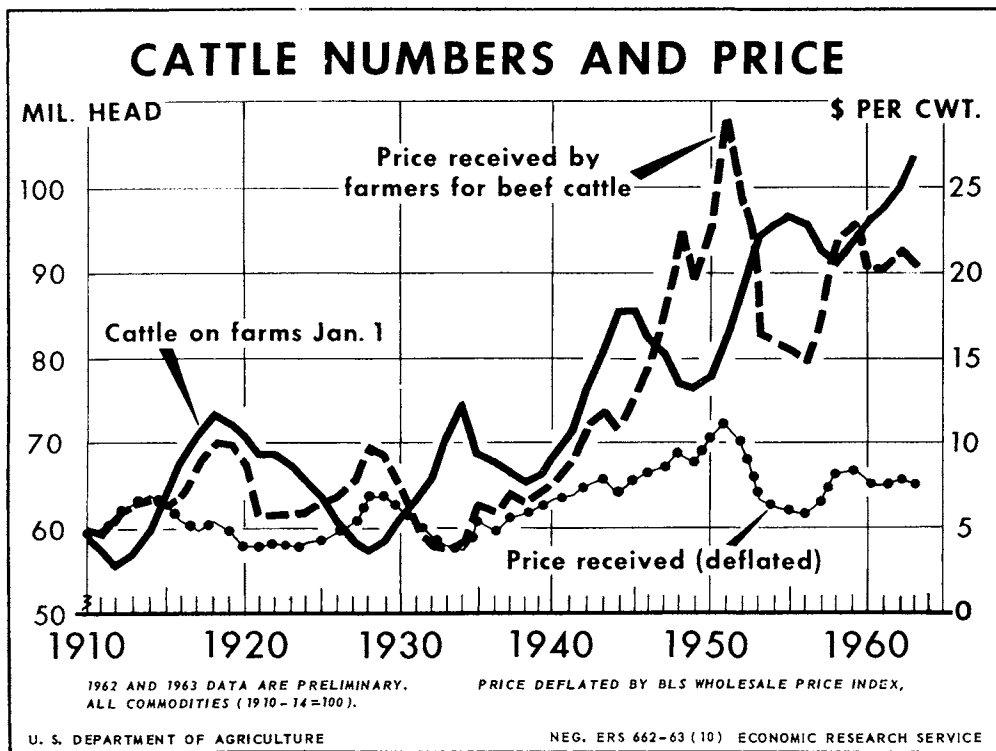
Even if large numbers of calves do not leave home ranches this fall, (and thus do not appear as fed cattle next spring) prices during the fall of 1964 and winter of 1965 will then likely average below 1963 levels. If placements are higher than a year earlier this fall and winter, there will still be a supply of feeder animals large enough to support further expansion in cattle feeding in the last 3 quarters of 1964. Calves held off feed this winter will be competing with a plentiful supply of 1964 calves, a situation that could have far-reaching consequences for the cattle industry. Also it does not seem likely that stockmen will profit by holding calves until 1964. Some cow-calf operators may put feeders in custom feedlots rather than sell at current prices. This, of course, will not delay marketings.

While the volume of feeders moving toward feedlots reportably has been slow, marketings through the winter likely will be above year-earlier levels. A disproportionately large share of cattle placed on feed in the third quarter and so far in the fourth quarter have been heavy feeders. Calves and light yearlings have not moved. Thus, cattle on feed in weight groups that require less than 6 months of feeding to attain market weights will probably be in larger numbers by January 1, 1964.

Cattle and Calf Inventory Up Again This Year

Total numbers of cattle and calves on farms continued to increase in 1963 but likely at a slower rate than the gain of 3.8 percent made during 1962. Next year's beginning inventory likely will be close to 107 million head, about 3 percent above the 103.7 million head a year earlier. Larger slaughter has been reflected in a slower buildup in the herd.

Additions to inventory include the calf crop and net imports of live animals, primarily from Canada and Mexico. The preliminary estimate of the 1963 calf crop was 41.8 million head, up 2 percent from 41.0 million head in 1962. Total imports this year are expected to be down about 10 percent from the 1,250,000 imported in 1962. Most of the drop will be in imports from



Canada. So far in 1963, imports from Mexico have held close to year-earlier levels. Thus, total additions to the inventory in 1963 will be 43 million head, or about 650,000 head larger than last year.

Disappearance of cattle and calves also will be up from a year ago. Cattle and calf slaughter likely will reach 35.4 million head, up 0.6 million from last year. Death losses will probably account for another 4.3 million. Thus, with a total inflow of about 43.0 million head and total disappearance of 39.7 million head, the inventory of cattle and calves may increase this year by 3.3 million head. The number on farms increased by 3.7 million head during 1962. The increase this year is likely to be across the board for beef cattle with all classes showing gains. While the milk cow herd is expected to continue its postwar downtrend, the cow herd used mainly for beef will again increase--the gain may be as high as 5 percent. More important, with a larger base, the source for future increases in the supply of feeder heifers and steers for feedlot replacement has also been expanded. Maintaining the current rate of growth in the beef cow herd sets the stage for continued recurring price pressure in the fed cattle market.

1964 Slaughter to Continue Large

Even with further expansion in cattle numbers, cattle slaughter will increase again in 1964. With reasonably normal weather conditions, prospects are for an increase in commercial cattle slaughter in 1964 of about 3 to 4 percent above the 27.3 million head expected for 1963.

In 1963, close to 80 percent of the cattle slaughtered under Federal inspection was from marketings of steers and heifers. Next year the number of cattle moving through feedlots before slaughter will probably expand. Feeders have been increasing the capacity of their lots and there will be more feeder animals available than during this year.

The rate of increase over a year earlier in fed cattle slaughter likely will not be the same throughout the year. The rate of slaughter in early 1964 will depend to some extent on the rate of marketings and placements of cattle and calves on feed in the fourth quarter of this year. Placements during the third quarter were up only 1 percent even though supplies of young beef animals not yet on feed were considerably above a year ago. Even if during the last quarter of 1963 placements of cattle and calves exceed year-ago levels by only a small amount and marketings are large it is likely that the animals on feed January 1 will still be above year-ago levels and at relatively heavy weights. Thus, fed cattle marketings in early 1964 could continue close to the heavy rate of the last quarter in 1963.

Cow slaughter in 1964 is expected to be up but only by a moderate amount. During the present expansion of the cattle cycle, a large part of cow slaughter has been from culling the dairy herd. In order to move as many heifers as possible through feedlots and still increase the basic beef cow herd, a small number of beef cows have been slaughtered in the past several years. This has increased the average age of the cow herd and points toward increased cow

Table 7.--Number of cattle and calves on farms January 1, calf crop, number slaughtered and imports, United States, 1955 to date

Year	Number on farms January 1			Calf crop	Imports	Number slaughtered		
	Cattle and calves	Cows				Cattle	Calves	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
1955	96,592	49,121	42,112	314	26,588	12,864	39,452	
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	39,353	663	26,026	8,611	34,637	
1961	97,319	46,370	39,954	1,043	26,467	8,081	34,548	
1962	99,782	47,379	40,960	1,250	26,905	7,854	34,759	
1963	<u>1/103,530</u>	<u>1/48,594</u>	41,752	<u>2/1,100</u>	<u>2/28,100</u>	<u>2/7,300</u>	<u>2/35,400</u>	
1964	<u>3/106.5-107.0</u>							

1/ Preliminary. 2/ Partly forecast. 3/ Forecast.

slaughter in the next couple of years. However, barring extended drought, cow-calf operators are expected to continue increasing breeding herds as long as favorable feed conditions and strong feeder cattle prices prevail.

Underlying a further expansion is the rather optimistic long-run outlook for demand for beef. Prices of cows in 1964 will depend on imports of beef as well as domestic cow slaughter. Cow prices have been relatively stable in the past 3 years. The low level of domestic cow slaughter has been offset by substantial increases in imports of beef and veal in 1962 and again in 1963. Imports will likely be up again in 1964 as prices of cow beef, although expected to be somewhat lower, will not be down enough to curb imports of beef and veal.

Calf slaughter likely will again show some decline in 1964 from the 7.3 million head in 1963. The decline in 1963 is about 8 percent.

If weather conditions are average or above and cattlemen do not increase cattle slaughter by more than 3 to 4 percent, the build up of the cattle and calf inventory by the end of 1964 would likely be about 2 to 3 percent.

Any large increase in slaughter next year would, of course, decrease the gain in inventories. A 10 percent jump in slaughter would result in a leveling off of total inventory numbers. Increasing the rate of build up much over current rates by low levels of slaughter would strengthen the price situation in 1964 but might easily set the stage for a more difficult downward price adjustment later.

Production and Price Prospects for 1964

The gain in beef production in 1964 likely will be around 3 percent--a little smaller than the increase in cattle slaughter because marketings likely will be at lighter weights. The experience in the past decade indicates that normal gains in population, income and continued preference for beef could make it possible to absorb 3 percent more beef and still maintain relatively stable prices to cattle producers. With consumer incomes likely to advance by a significant amount in 1964, prospects are that cattle prices for the year as a whole will not differ much from 1963 levels.

However, fed cattle marketings during the first quarter likely will be above the same quarter of 1963 and prices probably will average \$1.00-\$2.00 below the January-March 1963 average of \$25.28. (Choice steers at Chicago) Placements of feeder cattle this fall and winter will determine fed cattle marketings in the final 3 quarters of 1964. If the number of feeders placed is up 5 to 10 percent in this fall and winter, prices of high-quality cattle in the second and third quarter will probably continue to average \$23.00 to \$24.00 with some months falling out of this price range if marketings are bunched and/or live weights remain at 1963 levels. Since most of the feeder cattle that will make up the bulk of 1964 slaughter supplies will go into feedlots at prices \$2.00 to \$3.00 below those slaughtered in 1963, the break even point will be somewhat lower next year.

Low Feeding Returns and
Losses in 1962-63

Cattle feeding programs representative of typical feeding programs in the Corn Belt generally showed small profits, and substantial losses in some cases, during the 1962-63 feeding season. This is in sharp contrast to the profitable feeding operations of 1961-62. Data in table 8 illustrate this. The programs are based on buying feeders in Kansas City and selling fat cattle in Chicago. Feeding periods range from 4 to 11 months.

According to these representative feeding programs, net returns per head have not been so low, or losses so large, in many years for most types of feeding operations. Compared with the previous season, lower returns were due primarily to a combination of higher prices for feeder stock and lower prices for fed cattle in all but one of the programs. Feed costs for all types of programs were somewhat higher in 1962-63, but this accounted for only a small part of the decline in net returns. Transportation and marketing expenses and pasture costs were practically the same in both years.

Short feeding of Medium yearling steers bought in September and October last year for sale at Good and Standard grades in January and February 1963 was the most profitable of the 6 representative feeding programs outlined in table 8. Net returns per head averaged about \$12, compared with about \$18 in 1961-62. The cost of Medium yearling steers in September-October 1962 was only slightly higher than a year earlier, and the selling prices of the Good and Standard steers in January and February 1963 were almost the same as a year earlier.

Table 8.--Specified costs and net returns in 6 selected Corn Belt cattle feeding programs, 1961-62 and 1962-63 ^{1/}

Feeding program	1961-62				1962-63			
	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	
	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
<u>Calves</u>								
Heifer calves, short fed--								
Bought as Good and Choice, Sept.-Oct.	25.01	25.21	+20	29.88	26.20	23.40	-2.80	7.14
Sold as Choice, June-July								
Steer calves, long fed--								
Bought as Good and Choice, Sept.-Nov.	27.86	29.18	+1.32	64.87	30.49	24.24	-6.25	1.46
Sold as Choice, Aug.-Oct.								
<u>Yearlings</u>								
Medium yearling steers, short fed--								
Bought as Medium, Sept.-Oct.	21.14	24.35	+3.21	18.34	21.89	24.33	+2.44	12.11
Sold as Good-Standard, Jan.-Feb.								
Good yearling steers, short fed--								
Bought as Good, Sept.-Nov.	23.79	26.24	+2.45	28.08	25.74	23.02	-2.72	-20.12
Sold as Choice, Apr.-June								
Yearling steers, long fed--								
Bought as Good and Choice, Sept.-Nov.	24.68	30.14	+5.46	72.41	26.99	25.02	-1.97	-4.74
Sold as Prime, July-Sept.								
<u>Heavy Steers</u>								
Heavy steers, short fed--								
Bought as Good, Sept.-Nov.	22.44	28.23	+5.80	54.19	24.62	23.91	-0.71	-17.14
Sold as Choice and Prime, March-May								

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

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

Short feeding of Good and Choice heifer calves and long feeding of Good and Choice steer calves were the other 2 programs which more than covered costs, although net returns were much lower than in 1961-62. Heifer calves bought as Good and Choice in September and October last year and sold as Choice in June and July 1963 probably would net about \$7 per head, compared with almost \$30 last year. Good and Choice steer calves bought in September through November last year and sold as Choice in August through October 1963 would have returned less than \$1.50 per head, compared with almost \$65 the previous year.

Short feeding of Good yearling steers and Good heavy steers from the fall of 1962 for sale at higher grades in the spring of 1963 likely showed heavy losses. Net loss per head on Good yearlings sold as Choice in April through June would be, on the average, about \$20. Heavy steers sold as Choice and Prime from March through May would have lost about \$17 per head. A year earlier the yearling program showed probable net returns per head of about \$28 and the heavy steer program about \$54.

Feeding Good and Choice yearling steers from the fall of 1962 for sale as Prime in July through September 1963 probably showed losses of between \$4 and \$5 per head. A year earlier net returns on this program were about \$72 per head.

Feeder cattle prices in October this year are \$2-\$3 per 100 pounds below a year ago, thus reducing the cost of replacement stock from \$10 to \$20 per head. Feed costs probably will average at least equal to 1962-63 costs. Prices of high-protein feed supplies are expected to be at least as high, and hay prices probably will average somewhat higher for the 1963-64 feeding year. Even though fed cattle prices are expected to average slightly below the 1963 average price much of the first 3 quarters of 1964, prospects are that feeding profits will be higher next year.

HOGS

1964 Hog Prices Up; Production Down

Hog prices during 1964 are expected to average a little higher than in 1963, in response to lower per capita supplies. The June-November 1963 pig crop likely will be down slightly from a year earlier. In the 10 Corn Belt States June-August farrowings were up about 2 percent, but September-November probably will be down about 3 percent. Breeding intentions reported in these same States in September indicate that farrowings may be down slightly in December-February from a year earlier; March-May litters may also be down. Therefore, slaughter supplies in 1964 are expected to fall below year-earlier levels before the beginning of the second quarter and then remain below the remainder of the year. Hog prices since March 1963 have not been favorable, when compared with corn prices, but likely will become more favorable again next spring. On balance, the business of hog raising is expected to be a little more profitable in 1964 than it was this year.

1963 Hog Prices and
Slaughter Constantly Changing

Hog prices were fluctuating throughout 1963, reflecting rapidly changing slaughter supplies. (See hog slaughter and price charts on pages 2 and 25.) Barrows and gilts at 8 major markets averaged \$15.65 in January and declined monthly to a low in April of \$13.78. Hog prices quickly rose \$4.66 to \$18.44 in July only to make another rapid decline to an average of \$15.56 in October (4-week average price). Hog prices didn't hold constant in 1963 because slaughter rates also kept moving up and down. When hog slaughter is charted for 1963, it forms an inverted "W". Supplies were especially large during late winter and late summer compared with the same weeks a year earlier. During these 2 periods, hog prices fell below year-earlier levels by the widest margin.

Fall Slaughter
Unusually Large

The June Pig Crop Report indicated a 1 percent increase in the number of pigs saved per litter during the months (December 1962-May 1963) when the majority of fall slaughter hogs are farrowed. The 10-State report in September revealed that the number of pigs saved per litter in March-May likely was up about 3 percent. No data for prior years are available for comparison. This would indicate that the effective supply of hogs born in March-May was up more than 1 percent. Recent slaughter rates appear to be higher than these reports indicated. Weekly hog slaughter under Federal inspection in September was up 27, 26, 18, and 8 percent from the same week a year earlier; rates were also above a year earlier through the first 3 weeks in October, but the margin has narrowed.

Several factors help explain the hog supply situation. Good growing weather this year in many of the more important hog-producing areas tended to put hogs in market flesh a few weeks earlier than usual. During similar weeks of 1962 some hogs were withheld from the market, which would tend to overstate the increase in supply this year. In addition, the number of sows farrowing from September 1963 through February 1964 is expected to be down from the same months last year. Fewer gilts may be going into the basic sow herds during this period, so this would also add to the available supply of slaughter hogs. Sow slaughter could also be a little larger for the same reason.

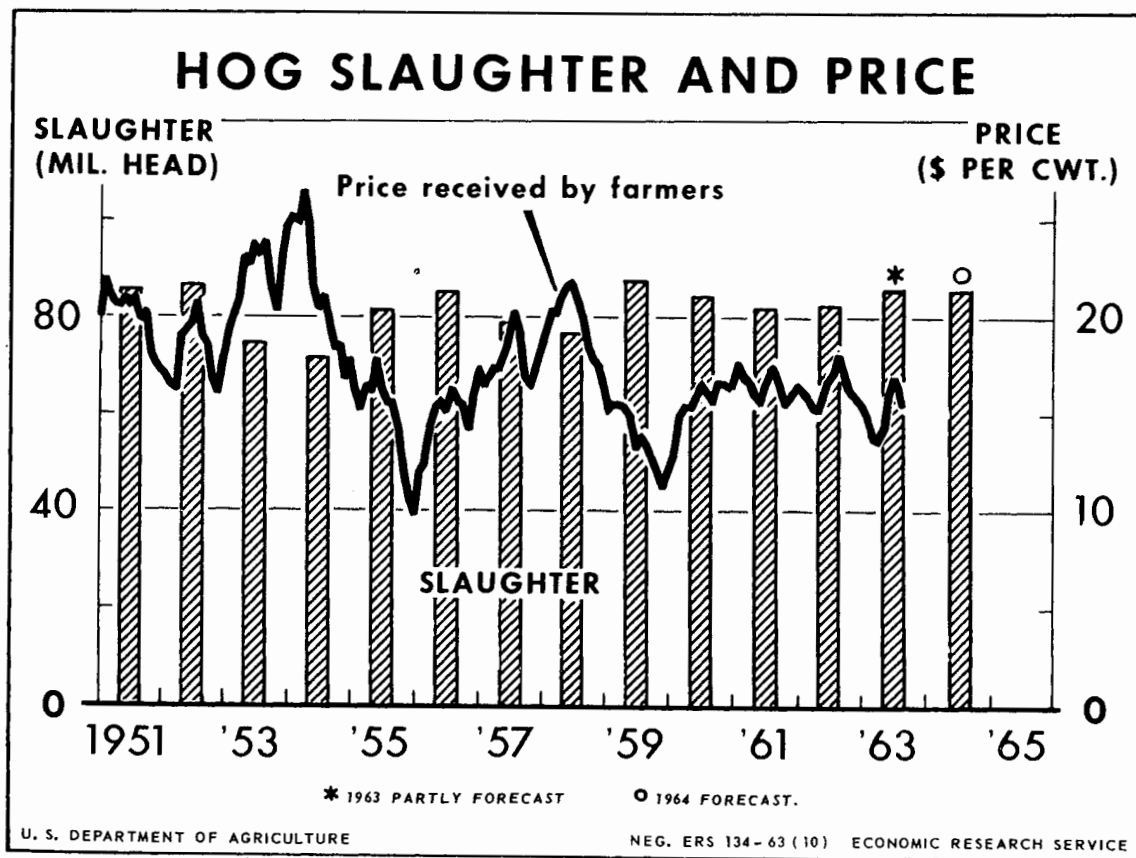
Such high rates of slaughter in late summer precipitated lower prices. Barrows and gilts at 8 major markets dropped \$1.44 from the last week in August to the first week in October.

However, the number of hogs slaughtered in summer and early fall was probably large enough to lower the supply of pigs that were farrowed in December 1962-May 1963 to the point that slaughter rates will have to fall below year-earlier rates during some of the remaining weeks of 1963. Hog slaughter under Federal inspection so far in the second half of 1963 has been

Table 9.--Pig crops and hog slaughter, United States, 1955 to date, with slaughter forecast for 1964

Year	Pig crop			Total slaughter 1/ 1,000 head
	Spring	Fall	Total	
	1,000 head	1,000 head	1,000 head	
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	47,282	41,105	88,387	84,196
1961	50,441	42,594	93,035	82,050
1962	49,692	44,543	94,227	83,579
1963	50,018	2/44,500	2/94,518	3/86,500
1964				4/85,500

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.



more than 1.4 million head higher than in the same period last year. Hog prices probably will not attain last year's fourth quarter average of \$16.51, but their seasonal decline may be interrupted somewhat.

Current hog prices are also being affected by large supplies of other meats and by unusually large stocks of pork in cold storage. Stocks this October were down 10 million pounds from a month earlier, but were 71 million above the October 1962 level of 139 million pounds. October 1963 stocks represent a 10-day supply of pork at the 1962 per capita consumption rate of 63.9 pounds.

First Half 1964 Slaughter Supplies to Be Down

Pigs born in the last half of 1963 make up the main source of slaughter hogs in the first half of next year. According to the September Pig Crop Report, June-November farrowings in the Corn Belt will be down about 1 percent from a year earlier. June-August farrowings were up 2 percent, but September-November farrowings are expected to be down 3 percent. Applying a 7-month lag from the time pigs are born until they reach slaughter weights, slaughter hog supplies likely will fall below 1963 rates before the end of the first quarter of 1964. Then they will probably remain below 1963 rates through the second quarter of 1964.

If this farrowing pattern in the last half of this year materializes, hog prices probably will decline early in 1964 before beginning their seasonal rise next spring. Hog prices will enter 1964 at a lower level than at the beginning of this year, but are not expected to decline as rapidly as in 1963, or go as low next spring. (Low in spring of 1963 was \$13.78 in April for barrows and gilts at 8 major markets.) At the same time, it is unlikely that the prospective reduction in slaughter will be large enough to raise hog prices as high as they got in the first half of 1962 when they averaged \$16.36. As mentioned above, the pattern of sows farrowing is at best only an indicator of future slaughter. Fall and winter weather can alter the number of pigs saved per litter and affect the rate of gain.

December 1963-May 1964 Pig Crop Likely Down

To a large extent the size of the December 1963-May 1964 pig crop will determine hog slaughter and prices during the second half of 1964. Producers reported intentions in the September Pig Crop Report to decrease December-February farrowings 1 percent from a year earlier. This is an indication that the entire December-May crop will be down, because producer intention figures in recent years (in September reports) have usually exceeded actual farrowings in the subsequent December-May period. If the December-May pig crop declines slightly, as now seems likely, hog slaughter will be lower and prices somewhat higher in the second half of 1964 than in the like period this year.

Most of the hogs that will go to slaughter in the first 3 quarters of 1964 have either been born or will come from sows that have already been bred.

Table 10.--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	16.60	15.70	16.10	1.04	1.02	.938	.947
1962	18.10	16.60	16.20	15.70	1.04	1.02	.938	1.00
1963	15.40	15.20			1.21	1.08		
	Hog-corn price ratio				Corn support price per bushel 1/			
	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	16.3	16.7	17.0	1.20			
1962	17.4	16.3	17.3	15.7	1.20			
1963	12.7	14.1			1.25			

1/ National average support prices for farmers complying or not complying with their acreage allotments. Beginning in 1961 available to producers participating in the Feed Grain Program.

And before early winter, sows will be bred to produce hogs for slaughter in the fourth quarter. Hog prices and production costs during 1963 have probably been the main reason for a small prospective reduction in the supply of hogs for 1964. See table 10. Hog prices this fall are the lowest for this season of the year since 1959 and corn prices are the highest since 1957. The hog-corn price ratio has reflected this and likely has dampened the outlook of hog producers.

SHEEP AND LAMBS

On January 1, 1963, the inventory of all sheep and lambs on farms and ranches was 30,170,000. This was the second smallest beginning inventory since

Table 11.--Selected prices per 100 pounds of livestock
by months, 1962 and 1963

Month	Barrows and gilts at 8 markets <u>1/</u>		Sows at 8 markets <u>1/</u>		Choice lambs at Denver		Good ewes at Denver	
	1962	1963	1962	1963	1962	1963	1962	1963
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Jan.	16.98	15.65	14.14	13.37	16.88	19.79	7.17	8.08
Feb.	16.69	15.14	14.40	13.32	16.79	19.00	7.25	7.76
Mar.	16.31	14.07	14.47	12.41	16.86	19.07	7.28	8.33
Apr.	15.81	13.78	13.55	11.97	20.32	19.48	5.76	8.68
May	15.51	15.01	13.35	12.77	20.97	22.29	6.49	5.96
June	16.87	17.10	13.93	13.84	21.86	22.32	5.86	6.92
July	18.30	18.44	14.93	14.98	21.04	20.72	6.13	5.77
Aug.	18.50	17.55	15.93	15.07	21.12	20.44	6.11	5.88
Sept.	18.82	15.89	16.76	14.22	20.62	19.48	6.34	5.64
Oct.	16.87	<u>2/15.56</u>	14.95	<u>2/13.87</u>	20.42	<u>2/19.11</u>	6.47	<u>2/5.71</u>
Nov.	16.50		14.32		20.14		7.15	
Dec.	16.16		13.28		19.71		7.48	
Average:	16.82		14.53		19.73		6.62	

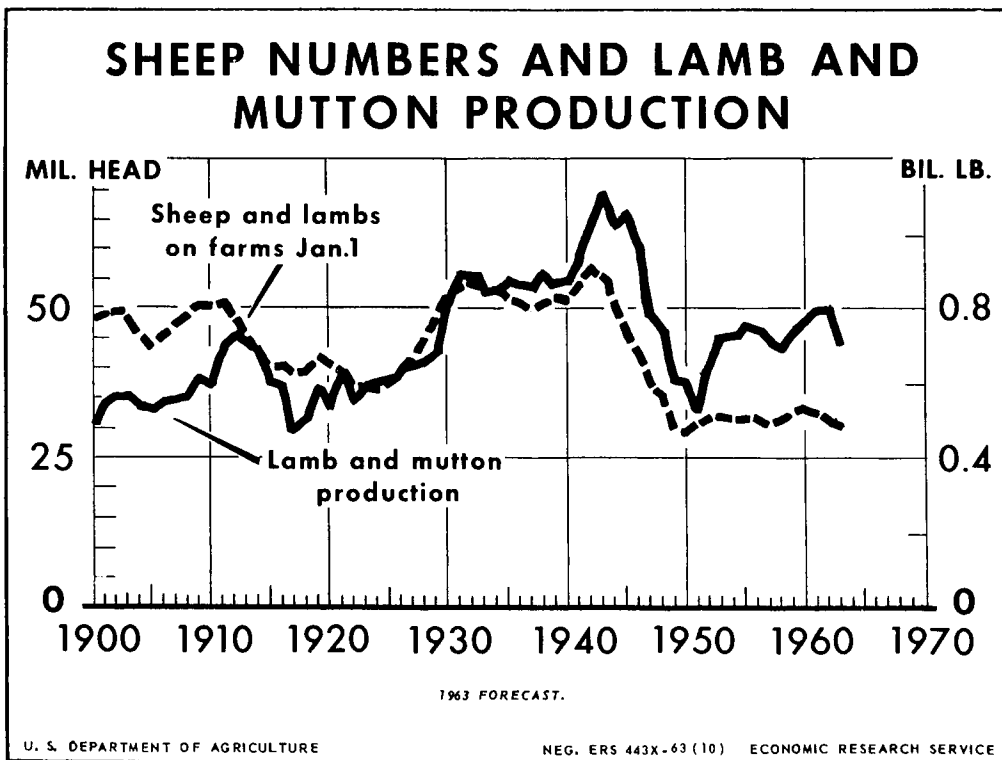
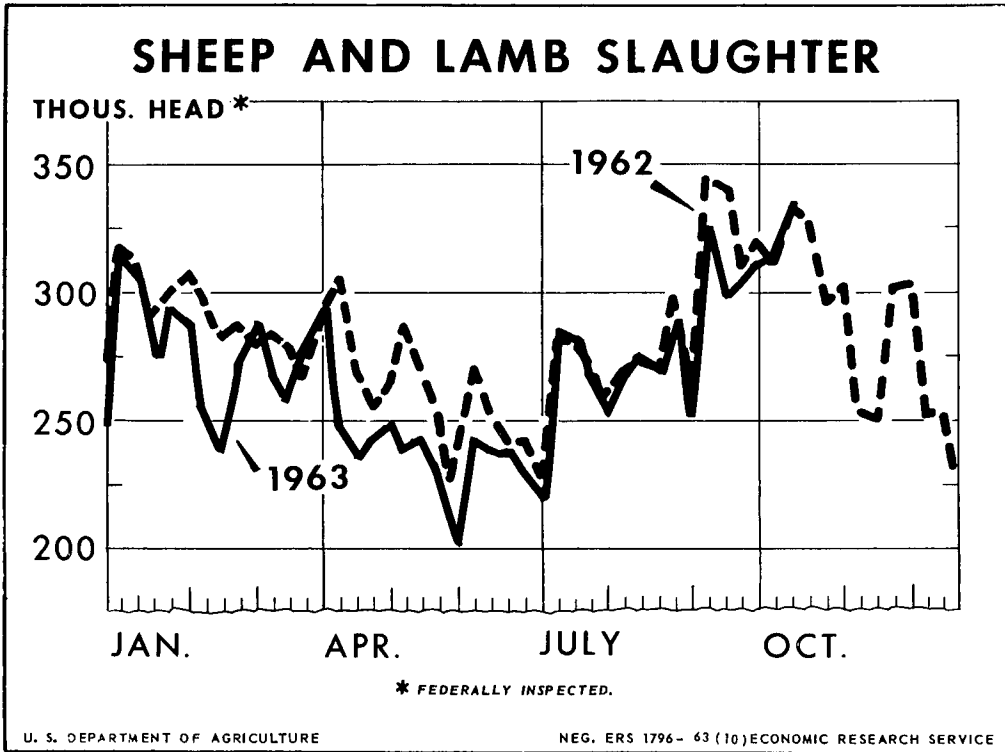
1/ Average for all weights at Midwest markets. 2/ 4-week average.

Compiled from Market News, Livestock Division, AMS.

records on total sheep and lambs became available in 1900. The smallest inventory was in 1950, when the number was 29,826,000. The January 1963 inventory reflected the continuing downward trend from the record-high inventory of 56,213,000 on January 1, 1942.

Stock sheep accounted for 26,129,000 of the beginning inventory this year. This was the smallest number of sheep for breeding on January 1 on record. However, the 1963 lamb crop of 19,695,000 was not the smallest, because of the trend toward saving more lambs than in earlier years in relation to number of ewes 1 year and older. The 1963 lamb crop was down 3 percent from 1962 and the smallest in a decade. Since 1924, when records of the lamb crop first became available, crops were smaller than in 1963 only from 1948 through 1953.

The 11 Western States, Texas, and South Dakota combined have a little more than two-thirds of the U. S. ewes 1 year old and older and produce about two-thirds of the U. S. lamb crop. In the 1950's, these 13 States accounted for somewhat smaller proportions of the U. S. inventory of ewes and the Native States slightly larger proportions. This trend has been reversed, Western States in the past 3 years have accounted for more than 69 percent of the U. S. inventory of ewes. In 1963, 70.7 percent of ewes were in these 13 States.



The Western States also have saved a larger number of lambs per 100 ewes than in the past. While weather conditions at lambing time still affect the lamb crop more in the Western States than in the Native States, the difference in lambs saved between the 2 areas has narrowed.

The smaller lamb crop in 1963 was reflected in a smaller volume of slaughter than a year earlier. For 1963, total sheep and lamb slaughter probably will be down about 6 percent from 1962. Slaughter is estimated at a little over 16 million head this year compared with 17.2 million in 1962. This will allow civilian consumption of 4.9 pounds per person, about one-half pound less than in 1962 and 1961, and almost the same as in 1959 and 1960. With slaughter at this level, herd liquidation in 1963 will have slowed down to close to 2 percent of the beginning inventory. Liquidation during 1962 took place at the rate of 3.7 percent.

In the first 6 months of 1963, commercial slaughter of sheep and lambs was lower each month than in the corresponding month of 1962. Commercial slaughter in the first half was 9 percent below January-June 1962. Slaughter increased in July to 2 percent above a year earlier, but in August was 5 percent below. Through September, commercial slaughter was down 7 percent. In the first 3 weeks of October, slaughter under Federal inspection held about even with a year earlier.

Prices received by farmers for lambs were from \$.40 to \$2.00 per 100 pounds higher than a year earlier each month of the first half of 1963. Prices were \$19.10 in July, the same as in July 1962, but were below a year earlier by \$.50 in August and \$.70 in September. Further seasonal price declines are expected the last 3 months this year; prices probably will remain below year-earlier levels. Large supplies of fed beef during late 1963 and early 1964 will continue to offer stiff competition even though lamb slaughter will be down.

Prices received by farmers for sheep were higher than a year earlier each month through the first 8 months of 1963 but were a little lower in September. They are expected to remain a little lower than last year during the rest of 1963. Almost all mutton is used in processed meat products and its market seems to be related to that of cow beef. Cow slaughter will increase seasonally in late 1963, while cow prices are expected to be below a year earlier.

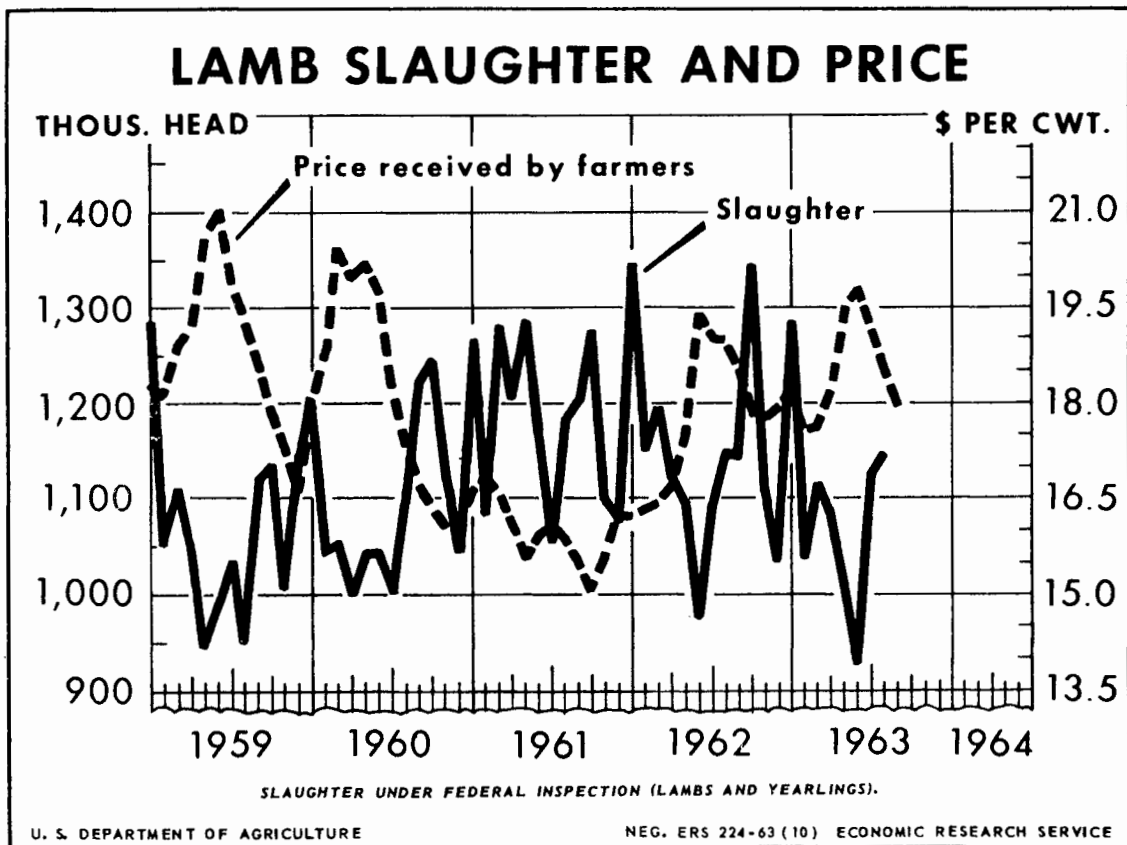
Feeder lamb prices in 1963 were substantially above those of 1962 until September. Denver prices were more than \$3.00 higher early in the year. The difference narrowed to about \$.50 in August, and prices in September were almost the same as a year earlier. In October, however, prices were from \$.75 to \$1 below October prices last year. Prices of Choice feeder lambs at Omaha followed a similar pattern, although early in the year they were not much higher than in 1962 and in October were still above a year earlier.

Fall movement of sheep and lambs has been slow. By October 1, only a little over half of the expected sales of sheep and lambs had been made or contracted. This was about the same as in 1959 and 1960, but in 1961 and 1962 about two-thirds of the marketings were completed by October 1.

Table 12.--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	21,283	16,239	265
1961	28,571	4,411	32,982	21,266	17,536	261
1962	27,065	4,255	31,320	20,310	17,171	248
1963 <u>2/</u>	26,129	4,041	30,170	19,690	15,900	241
1964			<u>3/</u> 29.3-29.7		<u>3/</u> 15,600	

1/ Including farm. 2/ Preliminary. 3/ Forecast.



1964 Outlook

The number of sheep and lambs on farms and ranches on January 1, 1964, will likely decline further to about 29.3 million to 29.7 million, lower than ever recorded. The number of sheep and lambs on feed probably will be down about 5 percent from January 1963, when 4.0 million were on feed. It is estimated that ewes added to breeding herds during 1963 did not quite offset death losses and slaughter. The number of ewes 1 year old and older at the beginning of 1964 is expected to be down a little more than in the last 2 years. If the proportion of lambs saved follows the same relationship to number of ewes as in recent years, a 1964 lamb crop 4 to 5 percent smaller than in 1963 can be expected. Slaughter of sheep and lambs in 1964 likely will again be down a little, and prices will average about the same.

* * * * *

OUTLOOK FOR SAUSAGE MEATS

Sausage production in 1963 probably will total almost 5 percent above a year earlier, with all classes of sausage showing an increase. Sausage production under Federal inspection during the first three quarters of 1963 was larger for all major groupings. Dried or semi-dried items made the largest gain over 1962 rates.

Thus far this year sausage production has increased faster than total meat production, which was up about 4 percent from the first 9 months of 1962. Cow slaughter was slightly lower than in the same months a year earlier through September. However, imports of all meat--much of which is fresh and frozen meats for further processing--were up about 15 percent through the first three quarters of 1963. The bulk of this increase was in imports of beef. Meat stocks in cold storage at the beginning of the fourth quarter were 44 percent higher than on the same date in 1962. This meat will add to the available supply this fall and winter.

Prospects are for sausage production to increase again next year. Domestic meat production likely will make a modest gain, and while cow slaughter isn't expected to increase substantially, it may be up more than slaughter of other classes of cattle. Imports of meat also are likely to increase again in 1964 and continue to supply a large part of manufacturing meat supplies.

USDA Meat Purchases

The USDA began purchasing lard, canned pork, and canned chopped meat in September for distribution to needy families, schools, and institutions. The programs provide for weekly purchases until further notice.

Purchases of lard through October 25 totaled 19,796,400 pounds, at a f.o.b. cost of \$2,304,318. Purchases of canned pork packed in natural juices, for distribution to schools in the National School Lunch Program, amounted to 4,936,680 pounds (\$2,477,825) from September 26 through October 25. Purchases of canned chopped meat--consisting of pork and optional beef and

Table 13.--Cattle and hog slaughter, meat imports and stocks, and sausage production, by quarters 1962 to date

Period	Federally inspected slaughter					
	Cattle				Hogs	
	Total		Cows		1962	1963
	1962	1963	1962	1963		
head		head		head	head	
Jan.-Mar.	4,897	5,048	954	966	17,635	18,557
Apr.-June	5,006	5,354	899	881	16,513	17,133
July-Sept.	5,289	5,567	1,145	1,068	14,651	16,037
Oct.-Dec.	5,145	<u>1/5,700</u>	1,252	<u>1/1,300</u>	18,972	<u>1/18,600</u>
Year	20,337		4,250		67,771	
	Imports all meat <u>3/</u>		Meat stocks in cold storage beginning of quarter <u>4/</u>		Sausage production <u>5/</u>	
	1962	1963	1962	1963	1962	1963
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Jan.-Mar.	297	343	485	506	599	616
Apr.-June	255	308	552	637	644	670
July-Sept.	358	<u>1/400</u>	512	618	626	666
Oct.-Dec.	342	<u>2/380</u>	359	518	619	<u>2/655</u>
Year	1,253				2,488	

1/ Partly estimated.

2/ Forecast.

3/ Total red meat imports, product weight.

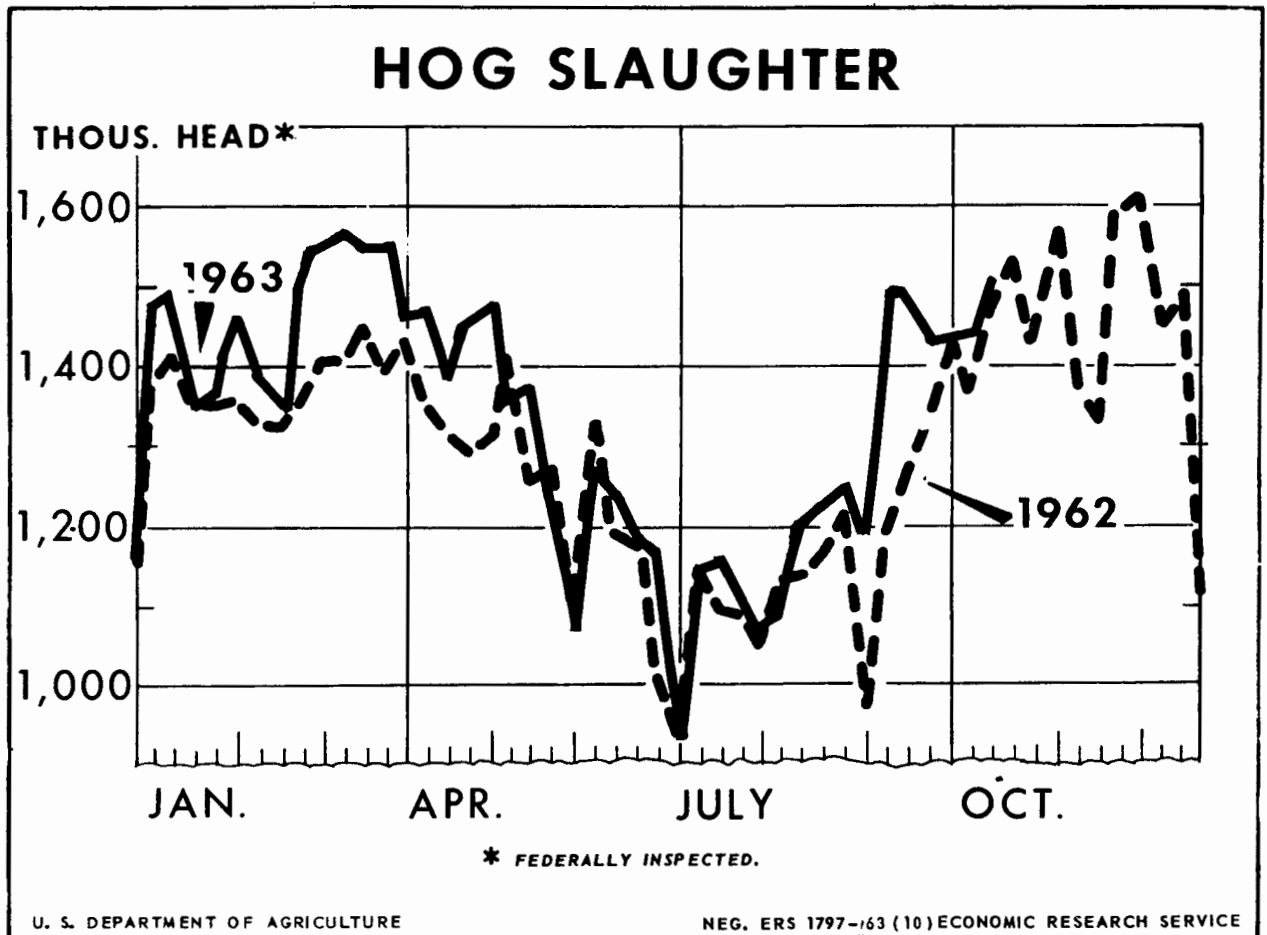
4/ Includes beef, veal, pork, lamb, mutton, and canned meats in public cold storage.

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.

mutton--for distribution to needy families totaled 25,248,510 pounds (\$9,239,650) from the beginning of the program on September 11 through October 28.

In October the USDA announced the end of a program of frozen ground beef purchases for the National School Lunch Program. From the beginning of the program on August 19 through October 25, purchases amounted to 33,369,000 pounds (\$13,410,400). Deliveries are to be completed during the week of December 9.

Funds for the program for needy families are provided under Sec. 32, Public Law 320. Funds for the school lunch program are provided under Sec. 6 of the National School Lunch Act.



THE IMPORT SITUATION FOR BEEF AND VEAL

Cattlemen have experienced recurring price difficulties in the fed cattle market in recent years. During the same period, imports of beef and veal have been increasing. Because of growing imports and price pressures in the fed cattle market, questions have been raised whether imports are the primary cause of lower fed cattle prices. This statement attempts to summarize some of the relevant considerations relating to this concern of the cattle industry.

Imports are Increasing

Imports of beef and veal have been increasing in recent years, reaching 1,445 million pounds carcass weight in 1962 (table A). Imports during January-August 1963 were 22 percent above the same months of 1962. Australia, which, in 1962, contributed 46 percent to the total U. S. tonnage imported, showed the largest increase as a source of imports over recent years.

Prior to 1959, imports from Australia were relatively small (table K). In late 1958 the United Kingdom-Australian Meat Agreement, which restricted Australia from shipping other than token quantities of meat to countries other than the United Kingdom was modified. Since then, Australia has increased its meat production and exports, and has emphasized exports to the United States. Australian exports of beef and veal amounted to 549 million pounds in 1962, of which 81 percent was shipped to the United States. Cattle numbers in Australia have increased in the last 4 years, and supplies of meats for export are expected to continue at high levels.

New Zealand contributed 22 percent of the total product imported into the United States and was the second largest supplier last year. For the past 3 years, the United States has been the major market for New Zealand's boneless beef exports, taking over 90 percent of its exports in all 3 years.

Imports of beef and veal from Argentina, a large supplier of the U. S. market in prior years, have declined to a low level. The primary reason for this is the decline in demand for canned meat, which came largely from Argentina.

In addition to beef and veal imports, 1,232,000 head of dutiable cattle and calves were imported from Canada and Mexico in 1962 (tables C, G and H). For the first 8 months of 1963, imports of live animals were 5 percent below year-earlier levels. Beef and veal imports plus the meat equivalent of feeder cattle imports have risen in recent years at a faster rate than U. S. beef and veal production. In 1962, beef and veal imports and the carcass equivalent of live cattle imports equaled 10.6 percent of domestic production, compared with 7.9 in 1961 (table I). These imports have been continuing at about the same percentage rate thus far in 1963.

Table A.--United States beef and veal imports, carcass weight equivalent

Year	Beef								Total veal	Total beef and veal
	Fresh and frozen	Pickled and cured	Canned	Sausage	Other beef	Other canned N.S.P.F.	Boneless	Total beef		
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1954	7,520	27,416	168,784	398	8,187	5,766	12,537	230,608	1,048	231,656
1955	6,112	6,172	172,498	371	8,305	6,629	28,674	228,761	275	229,036
1956	5,140	9,799	143,999	468	7,338	6,915	36,894	210,553	245	210,798
1957	32,863	12,794	188,624	586	7,976	18,975	128,520	390,338	4,878	395,216
1958	58,880	7,250	224,606	874	12,691	176,753	414,488	895,542	13,506	909,048
1959	39,136	8,407	187,441	1,230	10,439	120,083	680,317	1,047,053	16,138	1,063,191
1960	14,685	1,107	151,538	1,135	8,369	26,636	556,765	760,235	15,275	775,510
1961	25,096	1,115	188,563	1,128	10,010	29,833	764,905	1,020,650	16,474	1,037,124
1962	18,767	620	166,238	1,159	16,223	28,908	1,187,632	1,419,547	25,511	1,445,058
1963 (Jan.-Aug.)	12,255	533	148,626	669	12,123	22,461	876,756	1,073,423	12,100	1,085,523

Table B.--United States production of beef and veal by major classes, imports of beef and veal, and prices

Year	Production of steer and heifer beef, and veal ^{1/}		Production of cow and bull beef ^{1/}		Imports of beef and veal ^{2/}		Cow and bull beef production plus imports		Prices at Chicago	
	Actual	Per capita	Actual	Per capita	Actual	Per capita	Actual	Per capita	Utility cows	Choice steers
	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Dol.	Dol.
1947	7,564	53.0	4,025	28.5	64	0.4	4,089	28.7	14.26	26.22
1948	6,495	44.7	3,594	24.8	356	2.4	3,950	27.2	19.49	30.96
1949	7,412	50.2	2,970	20.1	254	1.7	3,224	21.8	16.33	26.07
1950	7,235	48.2	3,150	21.0	505	3.4	3,655	24.3	19.36	29.68
1951	6,543	43.3	2,978	19.7	575	3.8	3,553	23.5	24.48	35.96
1952	7,482	48.8	2,935	19.1	476	3.1	3,411	22.2	19.53	33.18
1953	9,760	62.6	3,746	24.0	333	2.1	4,079	26.1	12.41	24.14
1954	10,031	63.0	4,121	25.9	267	1.7	4,449	28.0	11.46	24.66
1955	10,251	63.2	4,449	27.4	322	2.0	4,771	29.4	11.52	23.16
1956	11,262	68.1	4,369	26.4	254	1.5	4,623	28.0	11.37	22.30
1957	11,208	66.6	4,086	24.3	616	3.7	4,702	27.9	13.61	23.83
1958	10,894	63.6	3,192	18.6	1,249	7.3	4,441	25.9	18.41	27.42
1959	11,278	64.6	2,884	16.5	1,254	7.2	4,138	23.7	17.79	27.83
1960	12,387	69.8	3,012	17.0	938	5.3	3,950	22.3	15.68	26.24
1961	13,137	72.8	2,753	15.3	1,287	7.1	4,040	22.4	15.66	24.65
1962	12,945	70.8	2,922	16.0	1,725	9.4	4,677	25.6	15.50	27.67

^{1/} Estimated from total commercial slaughter.^{2/} Includes meat equivalent of live animals imported.

Table C.--Inspected imports of cattle, by months, 1961 to date 1/

Month	From Canada			From Mexico		
	1961	1962	1963	1961	1962	1963
	Number	Number	Number	Number	Number	Number
Jan.	22,321	23,371	29,253	68,909	82,886	105,876
Feb.	8,618	14,694	15,383	47,411	83,777	71,382
Mar.	9,837	24,412	11,997	59,976	83,568	58,070
Apr.	14,744	27,411	22,422	65,741	73,673	84,077
May	18,560	32,784	17,533	32,109	50,970	46,297
June	13,822	16,870	11,480	8,311	15,085	15,326
July	32,867	14,476	9,205	3,944	8,748	14,681
Aug.	59,886	21,978	10,090	11,061	16,547	10,154
Sept.	65,101	28,402		16,319	25,594	
Oct.	122,866	101,066		43,396	71,273	
Nov.	110,327	135,561		78,986	129,043	
Dec.	27,352	57,757		104,034	131,751	
Year	506,301	498,782		540,197	772,915	

1/ Inspected when offered for importation.

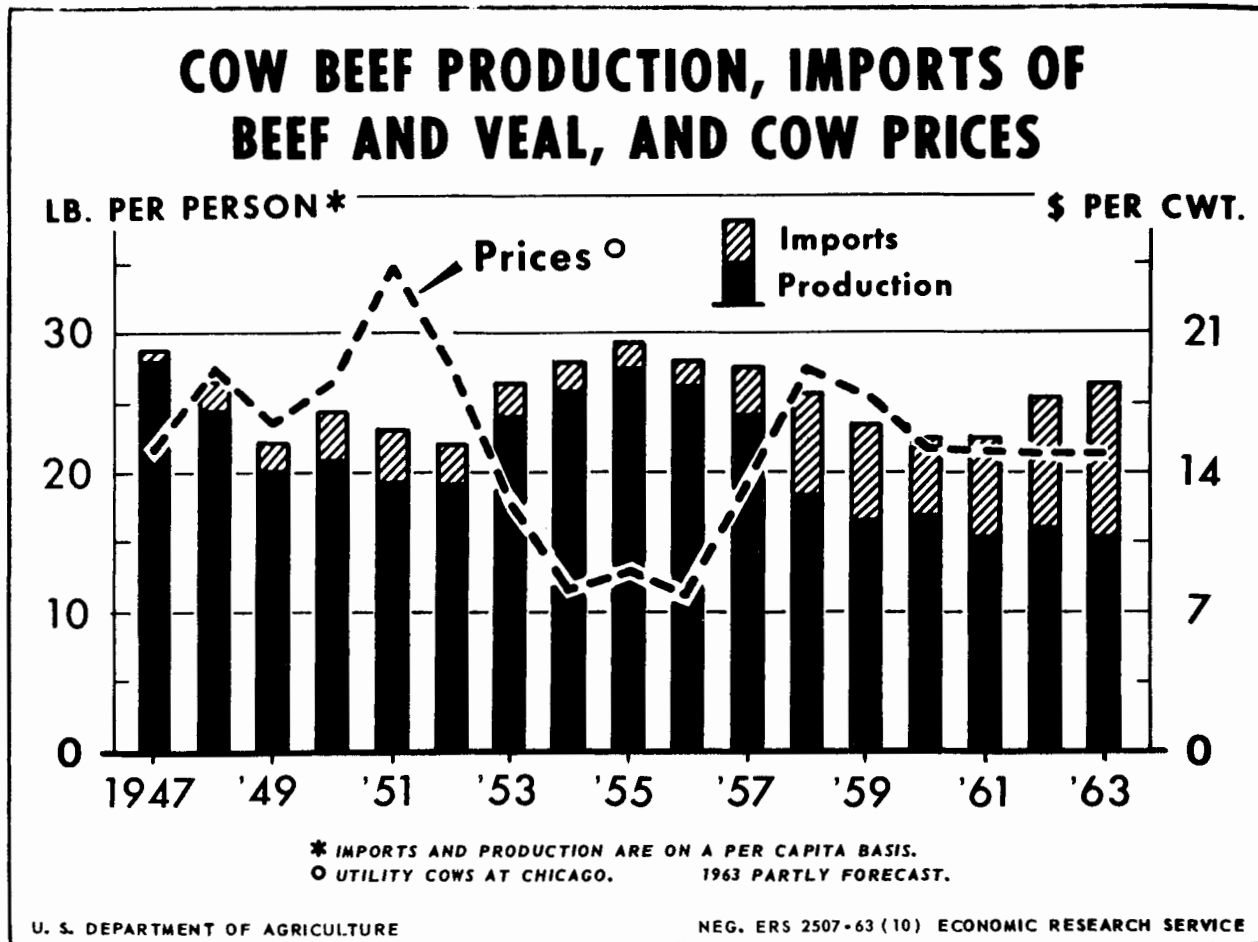
Compiled from reports of the Animal Inspection and Quarantine Division of the Agricultural Research Service.

Kind of Beef Imported

Imported beef is largely boneless frozen lower-grade beef suitable mainly for use in the processed meat industry. Of the beef and veal imports thus far in 1963, carcass weight, 81 percent was boneless beef; 14 percent was canned beef. Relatively little bone-in or chilled beef was imported.

The composition of beef and veal imports has changed since the mid-1950's. During the period 1954-56, canned beef, mainly from South American countries, made up 72 percent of the total imports of beef and veal. As large-scale transportation and handling facilities of frozen products developed, imports of boneless beef took on increasing importance. Some of the boneless frozen beef is suitable for uses other than processed products. Even so, quality is believed to compare generally to that of the lower grades of domestic beef.

The volume of beef and veal imports was relatively large when cow slaughter was low and vice versa. Thus, the volume of imports tended to vary with the cattle cycle: cow slaughter tends to decline when cattle inventories are increasing and rise when herds are being reduced. For example, beef and



veal imports were nearly cut in half when production of U. S. cow beef rose from an average of 3.0 billion pounds in 1950-52 to 4.3 billion pounds in 1954-56 (table B). During the same period, beef and veal imports plus the carcass equivalent of live animals decreased from an average of 512 million pounds to 284 million. Prices of Utility cows at the high level of imports (1950-52) averaged \$21.12 and dropped to a low of \$11.45 during 1954-56, indicating that prices of Utility cows have affected imports. There is no assurance that a pattern identical with that of the last cattle cycle will be followed when domestic cow slaughter again increases.

Impact on Cattle Prices

Cattle prices in the short term are influenced primarily by the volume of cattle slaughtered. Fed cattle prices depend largely on the number and weight of fed cattle marketed and the resulting production of fed beef. Similarly, cow prices depend principally on the supply of cow beef. To the extent that cow beef may compete with fed beef for the consumer's dollar, cow prices have some effect on fed beef prices and vice versa. Imports affect these prices by changing the total supply of beef of that quality.

Prices of Utility cows at Chicago have remained relatively stable since 1959 even though imports have increased substantially during this period. This

is because the increase in imports came about when domestic cow slaughter was low. In 1962, the total supply of domestic production of cow beef plus imports of beef and veal averaged about the same as the annual average during 1954-57. On a per capita basis, it was below that of the earlier period. Even including the further rise in imports in 1963, per capita production of cow beef plus imports is still below that of the earlier period. Prices in early October are continuing at about 1962 levels.

The decrease in domestic production of cow beef has come about because cattlemen have been building their herds since 1958. The number of cattle on feed also was larger each year. These trends are in response to more demand for beef, due to larger population, higher levels of income, and the continuing growth in consumer preference for beef. In order to build up cattle numbers, cattlemen have culled cow herds at a low rate. This meant relatively low domestic production of cow beef and relatively favorable prices of lower grade meat; thus, imports of beef were encouraged.

Fed beef, on the other hand, accounts for the principal part of total domestic commercial slaughter. Prices and quantity movements over the past decade indicate that fed cattle prices are primarily affected by changes in marketings of fed cattle. They are also influenced to a lesser extent by supplies of lower-grade beef. As indicated in the chart on page 38, a close inverse relationship exists between the volume of steer and heifer beef produced per person and prices. For example, the sharp drop in fed cattle prices in winter and spring of this year was associated with an upturn in fed cattle slaughter. Results from a statistical analysis relating steer and heifer beef production per person with prices of Choice steers at Chicago showed that three-fourths of the quarterly changes in prices could be explained by changes in steer and heifer beef production.

Relationship Between Imports and Cattle Prices Based on Statistical Analysis

The analysis in this section is divided into 2 parts: (1) the measurement of the impact of cow beef supplies (including imports) and fed beef production on cow prices and on fed cattle prices and (2) the estimation of the impact of beef and veal imports on these prices at different levels of imports.

Because beef and veal were not imported in appreciable amounts until 1958, we lack sufficient annual data to make a direct statistical measurement of the impact of imports on the fed cattle market. Quarterly data are not used because some imports may not go into consumption during the same quarter they are imported. Since the quality of imported beef is generally comparable to that of domestic cow beef, we can estimate the approximate effect of imports on cattle prices if we know how cow beef production plus imports affects prices.

The statistical study is based on annual data for the period 1948-62. The fed cattle market and the cow market are considered as distinct markets. However, they are related to the extent that cow beef may compete with fed beef for the consumer's dollar. The degree of this competition is reflected in the relationship between prices of fed cattle and cow prices. This relationship depends on the relative supplies of fed and cow beef. These prices may also be affected by supplies of other red meats, supplies of poultry meats, and other factors common to all meats such as consumer income.

Several statistical analyses were run to quantify the relationships discussed in the preceding paragraph and the results are shown in table D. ^{1/} One analysis relates the price of Choice steers at Chicago to production of steer and heifer beef, production of domestic cow beef plus imports, consumer income, and consumption of other red meats. A second analysis relates the price of Utility cows at Chicago to the same factors.

As indicated in table D, fed cattle prices are influenced primarily by fed beef production. For the period 1948-62, a change of 10 percent in steer and heifer beef production caused prices of Choice steers at Chicago to change in the opposite direction by an average of about 13 percent. On the other hand, a change of 10 percent in domestic cow beef production plus imports caused prices of Choice steers to change in the opposite direction by only 3 percent. These average changes are net changes and take into account the effects of other factors in the analysis. These percentage relationships can also be translated to pounds and dollars at 1962 levels. In this case, a 1 pound per capita change in steer and heifer production results in a change in the opposite direction of

^{1/} The statistical analyses were least squares regression analyses using annual data in logarithms for the period 1948-62. In these regressions, steer and heifer beef production was used as a variable to represent the volume moving through the fed beef market; domestic cow beef production plus imports represented the volume moving through the cow beef market. Both these quantities, as well as competing supplies and consumer income, are on a per capita basis to allow for population growth. In addition, consumer incomes and prices are divided by the consumer price index to take into account changes in the consumer's purchasing power.

Both regressions originally included poultry meat, but poultry meat was dropped because its inclusion affected some of the regression coefficients due to the high degree of correlation between this variable and income. The effect of this intercorrelation apparently could not be observed in the cow beef regression. However, for comparative purposes only the regressions with the same variables are shown.

Both regressions also take into account (through use of a zero-one shift variable) conditions that may have been different in the current cattle cycle beginning in 1958. Also, during the recent period, imports were at a larger volume and cattle on feed increased considerably.

Table D.--The effect of selected factors on the price of Choice steers and Utility cows at Chicago as measured by a statistical analysis 1948-62 1/

Selected factor	Deflated price at Chicago of	
	Choice steers	Utility cows
	Percent	Percent
Effect on price of a 1-percent change in--		
Per capita supply of steer and heifer beef	-1.33	-2.29
Per capita supply of cow beef plus imports of beef and veal	- .29	- .74
Per capita consumption of pork, veal, lamb and mutton	<u>2/</u> - .27	-1.20
Per capita disposable income deflated by consumer price index	1.25	2.61

1/ Based on statistical (regression) analyses using annual data in logarithms for the period 1948-62. The regression analysis also included a shift variable (zero-one variable) which took into account that conditions may have been different in the period 1948-57 and 1958-62. See footnote 1 in text, p. 40.

2/ Coefficient does not differ significantly from zero when tested at the 5-percent level.

about 50 cents in the price of Choice steers at Chicago. On the other hand, a 1 pound change in the cow beef plus import aggregate affects the Choice steer price by only 15-20 cents.

With respect to cow beef prices, a 10 percent change in domestic cow beef production plus imports caused prices of Utility cows at Chicago to change about 7.5 percent in the opposite direction. On the other hand, the effect on Utility cow prices of a 10 percent change in steer and heifer beef production was 23 percent in the opposite direction.

In percentage terms, the effect of fed beef production on cow prices appears to be substantially greater than the influence of cow beef production plus imports on cow prices. However, when these percentages are translated to pounds and dollars at 1962 levels, a 1 pound per capita change in either cow beef or fed beef production results in a change in the opposite direction of about 50 cents in the price of Utility cows.

Table E.--Observed and estimated prices of Choice steers
and Utility cows at Chicago, 1948-1962

Year	Choice steers at Chicago			Utility cows at Chicago		
	Actual	Estimated 1/	Difference	Actual	Estimated 1/	Difference
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1948	30.96	31.32	.36	19.49	19.42	-.07
1949	26.07	26.68	.61	16.33	15.82	-.51
1950	29.68	29.36	-.32	19.36	18.50	-.86
1951	35.96	36.23	.27	24.48	25.24	.76
1952	33.18	32.20	-.98	19.53	20.29	.76
1953	24.14	23.73	-.41	12.41	12.28	-.13
1954	24.66	23.50	-1.16	11.46	12.18	.72
1955	23.16	23.65	.49	11.52	11.77	.25
1956	22.30	22.64	.34	11.37	11.03	-.34
1957	23.83	24.51	.68	13.61	13.21	-.40
1958	27.42	27.86	.44	18.41	18.05	-.36
1959	27.83	27.85	.02	17.79	17.37	-.42
1960	26.24	26.25	.01	15.68	16.02	.34
1961	24.65	25.41	.76	15.66	15.59	-.07
1962	27.67	26.38	-1.29	15.50	15.92	.42

1/ Estimated prices calculated from regression equation based on data in logarithms for the period 1948-62. The regression analysis used deflated prices, which adjusted for the purchasing power of the consumers' dollar. However, the prices shown in this table are in current dollars.

For the two regressions, the variables used explained 99 percent of the variation in prices of Utility cows and 98 percent of the variation in prices of Choice steers. Table E compares the prices estimated from the regression analysis with those actually prevailing during the period.

The data in table F use the results from table D to indicate the influence of imports on cattle prices. Table F shows that the amount of influence on price is affected by the level of imports relative to domestic production. Table F indicates that when imports equal about 10 percent of total domestic beef production--as they have recently--an increase of 10 percent in imports would cause, on the average, a drop of about 1 percent in the price of Choice steers. If imports are a smaller proportion of domestic production, the effect on fed cattle prices is less; if they are a larger proportion, the effect on prices is greater.

Table F.--Estimated impact on cattle prices of a 10 percent change in imports of beef and veal under different assumed levels of imports

Assumed levels of imports as percent of total domestic production <u>1/</u>	Estimated effect of a 10 percent change in imports on price of -- <u>2/</u>	
	Choice steers at Chicago	Utility cows at Chicago
<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
5	-0.7	-1.7
10	-1.1	-2.7
15	-1.4	-3.5
20	-1.6	-4.0

1/ Domestic production of beef and veal are held constant at 1962-63 levels.

2/ The estimated effects of beef and veal imports on cattle prices are based on the supply-price relationships shown in table D.

Table G.--Imports of cattle from Canada and Mexico,
excluding breeding animals, 1952 to date

		From Canada				
		Dutiable cattle				
Year		700 pounds and over		Under	200 to	Total
		Cows for	Other	200	699	
		dairy	purposes	purposes	purposes	dutiable
		Head	Head	Head	Head	Head
1952	1/	4,636	4,244	714	968	10,562
1953	2/	21,811	22,931	3,515	896	49,153
1954		17,633	46,798	2,872	3,377	70,680
1955		25,252	17,543	3,256	2,218	48,269
1956		22,678	2,914	3,571	1,390	30,553
1957		18,857	186,036	10,486	151,059	366,438
1958		19,586	230,025	13,580	373,671	636,862
1959		14,998	90,259	30,738	186,630	322,625
1960		20,247	60,865	32,079	140,471	253,662
1961		24,972	88,660	28,605	337,452	479,689
1962		15,481	72,205	41,315	351,336	480,337
1963	Jan.-July	6,776	34,899	35,471	30,324	107,470
		From Mexico				
1952	3/	2,381	43,617	96	81,185	127,279
1953	4/	175	25,364	485	101,901	127,925
1954		--	--	--	--	--
1955	5/	1,424	56,153	539	189,631	247,747
1956		1,684	11,124	848	96,594	110,250
1957		480	44,236	7,914	283,842	336,472
1958		1,255	80,589	3,231	403,166	488,241
1959		1,597	45,697	1,037	317,095	365,426
1960		371	19,631	1,773	369,113	390,888
1961		46	36,410	8,655	497,999	543,110
1962		34	36,732	24,925	690,228	751,919
1963	Jan.-July	7	16,078	23,408	391,004	430,497

1/ Imports prohibited beginning February 25, 1962 due to foot-and-mouth disease.

2/ Embargo removed March 1, 1953.

3/ Embargo removed September 1, 1952.

4/ Imports prohibited beginning May 23, 1953.

5/ Embargo removed January 1, 1955.

Compiled from official records of the Bureau of the Census.

Table H.--Meat animal imports: Number of cattle, sheep and hogs imported, United States, 1940 to date ^{1/}

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Year	Cattle							Sheep and lambs			Hogs					
	700 pounds and over			Under 700 pounds				Duti- able cattle	Breeding: cattle (free) <u>2/</u>	Total cattle	Duti- able sheep (free) <u>2/</u>	Breeding: sheep (free) <u>2/</u>	Total sheep and lambs	Duti- able hogs <u>3/</u>	Breeding: hogs (free) <u>2/</u>	Total hogs <u>3/</u>
	Cows for: dairy purposes	Other	Total	Under 200 pounds	200 to 699 pounds	Total	Head									
	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head
1940...	9,600	169,720	179,320	104,602	346,289	450,891	30,211	13,621	643,832	205	3,178	3,383	274	38	312	
1941...	13,387	205,488	218,875	102,195	412,312	514,507	733,382	16,375	749,757	8,373	3,829	12,202	45,117	50	45,167	
1942...	19,566	180,054	199,620	66,518	386,495	453,013	652,633	16,218	668,851	1,859	3,604	5,463	460	89	549	
1943...	34,934	77,520	112,454	14,269	502,909	517,178	629,632	22,978	652,610	1,404	2,884	4,288	79	521	600	
1944...	33,624	25,696	59,320	5,861	276,297	282,158	341,478	16,791	358,269	137,476	3,257	140,733	25	192	217	
1945...	43,984	41,995	85,979	9,742	393,672	403,414	489,393	22,230	511,623	97,969	3,171	101,140	80	545	625	
1946...	66,085	25,915	92,000	10,053	413,665	423,718	515,718	42,186	557,904	3,885	3,627	7,512	115	1,189	1,304	
1947...	43,917	888	44,805	7,642	2,010	9,652	54,457	30,048	84,505	868	4,829	5,697	255	2,925	3,180	
1948...	84,275	214,645	298,920	23,571	96,335	119,906	418,826	42,853	461,679	50,517	3,892	54,409	355	2,028	2,383	
1949...	49,061	194,916	243,977	41,535	126,614	168,149	412,126	21,332	433,458	38,562	2,692	41,254	50	1,335	1,385	
1950...	46,591	173,000	219,591	38,985	179,709	218,694	438,285	22,684	460,969	97,127	3,340	100,467	120	865	985	
1951...	35,626	117,479	153,105	15,609	51,107	66,716	219,821	19,138	238,959	14,312	2,591	16,903	950	535	1,485	
1952...	7,017	47,941	54,958	810	82,280	83,090	138,048	2,413	140,461	304	603	907	185	11	196	
1953...	22,009	48,320	70,329	4,000	102,831	106,831	177,160	21,066	198,226	868	1,283	2,151	24,030	395	24,425	
1954...	17,633	46,798	64,431	2,872	3,377	6,249	70,680	15,376	86,056	1,480	4/	1,480	30,715	4/	30,715	
1955...	26,676	73,696	100,372	3,795	191,849	195,644	296,016	18,361	314,377	7,640	---	7,640	6,588	---	6,588	
1956...	24,364	14,038	38,402	4,419	97,984	102,403	140,805	18,554	159,359	3,158	---	3,158	382	---	382	
1957...	19,342	230,272	249,614	18,400	434,901	453,301	702,915	24,938	727,853	17,832	---	17,832	746	---	746	
1958...	20,841	311,724	332,565	16,811	776,837	793,648	1,126,213	26,194	1,152,407	39,769	---	39,769	9,094	---	9,049	
1959...	16,600	135,956	152,556	31,775	503,725	535,500	688,056	20,699	708,755	75,521	---	75,521	2,367	---	2,367	
1960...	20,618	80,496	101,114	33,852	509,584	543,436	644,550	18,624	663,174	49,767	---	49,767	6,162	---	6,162	
1961...	25,018	125,070	150,088	37,260	835,451	872,711	1,022,799	19,922	1,042,721	979	---	979	3,151	---	3,151	
1962...	15,515	108,937	124,452	66,240	1,041,564	1,107,804	1,232,256	17,773	1,250,029	20,845	---	20,845	3,277	---	3,277	

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^{1/} Imports for consumption 1940 to date. Imports from Virgin Islands not included.

^{2/} Includes other imports not subject to duty.

^{3/} Imports reported in pounds beginning 1940; pounds converted to 200-pound hog equivalent.

^{4/} Sheep and hogs for breeding are included with "Animals for breeding n.e.c." beginning 1954.

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Table I.--United States imports of cattle and beef, lambs and lamb and mutton compared with production, 1950-63

Year	Cattle and calves and beef and veal					
	Imports				Meat	Imports
	Live animals		Meat	Total	pro-	as a per-
	Number	Meat equiv- alent 1/	Mil. lb.	Mil. lb.	duction	centage of
	2,000 head	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
1950	438	157	348	505	10,764	4.7
1951	220	91	484	575	9,896	5.8
1952	138	47	429	476	10,819	4.4
1953	177	62	271	333	13,953	2.4
1954	71	35	232	267	14,610	1.8
1955	296	93	229	322	15,147	2.1
1956	141	43	211	254	16,094	1.6
1957	703	221	395	616	15,728	3.9
1958	1,126	340	909	1,249	14,516	8.6
1959	688	191	1,063	1,254	14,588	8.6
1960	645	163	775	938	15,835	5.9
1961	1,023	250	1,037	1,287	16,341	7.9
1962	1,232	280	1,445	1,725	16,311	10.6
Jan.-Aug. 1962	583	132	893	1,025	10,895	9.4
Jan.-Aug. 1963	555	118	1,086	1,204	11,386	10.6
	Lambs and lamb and mutton					
1950	97	3	3	6	597	1.0
1951	14	5/	7	7	521	1.3
1952	4/	5/	6	6	648	.9
1953	1	5/	3	3	729	.4
1954	1	5/	2	2	734	.3
1955	8	5/	2	2	758	.3
1956	3	5/	1	1	741	.1
1957	18	1	4	5	707	.7
1958	40	1	41	42	688	6.1
1959	76	2	104	106	738	14.4
1960	50	1	87	88	768	11.5
1961	1	3/	101	101	832	12.1
1962	21	1	143	144	809	17.8
Jan.-Aug 1962	3	3/	95	95	533	17.8
Jan.-Aug 1963	1	3/	115	115	503	22.9

1/ Estimated at 53 percent of the live weight of all dutiable imports of cattle and for lambs an average 30 pound carcass.

2/ Canned and other processed meats have been converted to their carcass weight equivalent.

3/ Total production (including an estimate for farm slaughter).

4/ Less than 500 head.

5/ Less than 500,000 pounds.

Table J.--United States imports of cattle and beef, compared with U. S. production by months, 1958-63

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Cattle and calves and beef and veal													
Year and item	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Year
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1958													
Imports <u>1/</u>	86	90	79	94	96	95	123	112	123	121	111	120	1,249
Domestic production <u>2/</u>	1,317	1,046	1,076	1,113	1,152	1,169	1,244	1,171	1,242	1,323	1,059	1,174	14,086
Imports: Percent of domestic production	6.5	8.6	7.3	8.4	8.3	8.1	9.9	9.6	9.9	9.1	10.5	10.2	8.9
1959													
Imports <u>1/</u>	103	88	79	108	115	131	108	114	143	86	73	106	1,254
Domestic production <u>2/</u>	1,202	1,013	1,102	1,172	1,141	1,185	1,246	1,159	1,264	1,278	1,160	1,240	14,162
Imports: Percent of domestic production	8.6	8.7	7.2	9.3	10.1	11.1	8.7	9.8	11.3	6.8	6.3	8.5	8.9
1960													
Imports <u>1/</u>	73	72	74	90	72	76	85	113	81	64	62	76	938
Domestic production <u>2/</u>	1,275	1,162	1,284	1,141	1,279	1,332	1,251	1,406	1,399	1,360	1,281	1,229	15,399
Imports: Percent of domestic production	5.7	6.2	5.8	7.9	5.6	5.7	6.8	8.0	5.8	4.7	4.8	6.2	6.1
1961													
Imports <u>1/</u>	75	66	80	99	78	111	117	153	111	134	151	112	1,287
Domestic production <u>2/</u>	1,316	1,159	1,324	1,209	1,400	1,412	1,279	1,433	1,352	1,427	1,321	1,240	15,890
Imports: Percent of domestic production	5.7	5.7	6.0	8.2	5.6	7.9	9.1	10.7	8.2	9.4	11.4	9.0	8.1
1962													
Imports <u>1/</u>	121	98	170	119	99	119	118	182	168	165	191	176	1,725
Domestic production <u>2/</u>	1,409	1,180	1,310	1,212	1,391	1,348	1,360	1,429	1,275	1,450	1,288	1,215	15,867
Imports: Percent of domestic production	8.6	8.3	13.0	9.8	7.1	8.8	8.7	12.7	13.2	11.4	14.8	14.5	10.9
1963													
Imports <u>1/</u>	121	175	158	119	149	125	175	181					
Domestic production <u>2/</u>	1,424	1,230	1,344	1,369	1,470	1,373	1,442	1,473					
Imports: Percent of domestic production	8.5	14.2	11.8	8.7	10.1	9.1	12.1	12.3					

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1/ Beef, veal, and meat equivalent of live cattle and calf imports.
2/ Commercial beef and veal production. (Does not include farm slaughter.)

Table K. Meat imports: United States, by country of origin, 1958 to date

Product and year	Imports, by country of origin, product weight												Total imports	
	Canada	Mexico	Argentina	Brazil	Denmark	West Germany	Poland	Netherlands	Ireland	Australia	New Zealand	All Other	Product weight	Carcass weight equivalent
- Million pounds -														
Beef and veal: 1/:														
1958.....	53.6	75.0	216.7	13.6	2.5	0.3	--	0.3	23.8	17.7	183.7	32.0	619.2	909
1959.....	22.6	48.9	128.6	36.0	3.4	.3	--	.3	42.0	224.0	161.6	54.6	722.3	1,063
1960.....	18.9	39.1	52.7	9.0	4.5	.3	2/	.1	52.8	144.7	130.7	39.3	512.6	775
1961.....	32.3	53.4	65.2	16.3	6.5	.3	0.1	.1	64.4	233.9	154.4	33.5	689.2	1,037
1962.....	19.4	59.3	55.9	17.2	7.7	.4	.4	.1	70.7	444.9	213.6	49.8	970.9	1,445
1963 Jan-July..	11.1	39.8	53.5	3.3	.6	.2	1.0	2/	40.0	253.0	138.3	62.9	603.7	907
Lamb and mutton:														
1958.....	1.2	--	--	--	--	--	--	--	--	14.6	7.0	1.2	24.0	24
1959.....	.8	--	--	--	--	--	--	--	--	40.6	12.8	2.6	56.8	57
1960.....	.1	--	--	--	--	--	--	--	--	38.5	9.1	2.0	49.7	87
1961.....	.1	2/	--	--	--	--	--	--	2/	44.6	10.8	.2	55.8	101
1962.....	.5	--	.1	--	--	--	--	--	--	65.9	11.1	.3	78.2	143
1963 Jan-July..	2/	--	--	--	--	--	--	--	--	50.1	9.2	.2	59.5	107
Pork:														
1958.....	61.9	2/	2/	--	38.7	7.0	27.0	44.7	.1	--	.1	3.3	182.8	193
1959.....	59.1	2/	2/	--	37.3	4.7	26.9	43.4	.2	--	.2	3.1	174.9	186
1960.....	47.3	2/	2/	--	40.7	2.7	35.1	42.0	.2	--	.1	5.9	171.3	186
1961.....	44.7	.1	--	--	46.2	1.7	34.7	42.0	.2	--	2/	5.8	173.7	187
1962.....	46.8	2/	--	--	63.8	1.3	39.8	43.4	2.0	2/	.1	7.9	203.8	216
1963 Jan-July..	25.7	--	--	--	44.2	.4	25.3	26.4	1.1	--	2/	4.3	127.4	135
Total:														
1958.....	116.7	75.0	216.7	13.6	41.2	7.3	27.0	45.0	23.9	32.3	190.8	36.5	826.0	1,126
1959.....	82.5	49.0	128.6	36.0	40.7	5.0	26.9	43.7	42.2	264.6	174.6	60.3	954.1	1,306
1960.....	66.3	39.2	52.7	9.0	45.2	3.0	35.1	42.2	52.9	183.2	139.9	47.2	733.7	1,048
1961.....	77.1	53.5	65.2	16.3	52.7	2.0	34.8	42.1	64.6	278.5	165.2	39.5	918.7	1,325
1962.....	66.7	59.3	56.0	17.2	71.5	1.7	40.2	43.5	72.9	510.8	224.8	58.0	1,252.9	1,804
1963 Jan-July..	36.8	39.8	53.5	3.3	44.8	.6	26.3	26.4	41.1	303.1	147.5	67.4	790.6	1,149

1/ Includes quantities of other canned, prepared or preserved meat n.e.s. Assumed to be mostly beef.
 2/ Less than 50,000 pounds.

Compiled from official records of the Bureau of the Census.

Table L.--Meat exports: United States exports and shipments by countries, 1958 to date

Product and year	Exports, by destination, product weight											Total exports and shipments	
	Canada	Mexico	Bahamas	West Germany	Jamaica	Trinidad	Netherlands	Venezuela	All other	Total	Shipments to Territories ^{1/}	Product weight	Carcass weight equivalent
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Beef and veal:													
1958.....	15.8	0.4	1.0	^{2/}	1.1	0.5	^{2/}	0.6	5.4	24.8	8.8	33.6	49
1959.....	17.6	.4	1.4	^{2/}	1.1	.2	0.1	1.0	5.6	27.4	9.9	37.3	53
1960.....	19.5	.2	1.8	---	1.3	0.3	.2	.8	5.3	29.4	12.3	41.7	56
1961.....	18.9	.2	1.8	^{2/}	1.6	.5	.1	.1	6.7	29.9	13.3	43.2	58
1962.....	16.9	.1	1.9	^{2/}	1.2	.2	.1	^{2/}	6.7	27.1	13.8	40.9	53
Lamb and mutton:													
1958.....	.4	^{2/}	.1	---	^{2/}	^{2/}	---	^{2/}	.2	.7	---	.7	2
1959.....	.4	.1	.2	^{2/}	^{2/}	^{2/}	---	^{2/}	.1	.8	---	.8	2
1960.....	.7	^{2/}	.2	---	^{2/}	^{2/}	---	^{2/}	.6	1.5	---	1.5	2
1961.....	.5	^{2/}	.2	^{2/}	^{2/}	^{2/}	.4	^{2/}	.5	1.6	---	1.6	2
1962.....	.5	^{2/}	.2	---	^{2/}	---	---	^{2/}	1.3	2.0	---	2.0	3
Pork:													
1958.....	1.1	5.8	1.6	1.9	1.6	1.2	.7	3.1	37.3	54.3	48.2	102.5	118
1959.....	1.1	11.0	1.4	3.4	2.0	1.4	1.8	4.1	44.7	70.9	55.4	126.3	143
1960.....	16.3	5.5	2.0	1.5	2.7	2.8	.5	5.1	33.0	69.4	53.3	122.7	138
1961.....	36.2	6.7	1.8	2.3	2.9	2.9	.7	6.4	8.4	68.3	56.9	125.2	139
1962.....	33.8	6.7	1.8	1.5	3.5	3.3	.2	5.1	7.8	63.7	57.5	121.2	132
Total: ^{3/}													
1958.....	20.4	6.5	2.9	1.9	2.8	1.8	.7	5.9	48.0	90.9	78.0	168.9	169
1959.....	22.6	11.9	3.1	3.5	3.2	1.7	1.9	7.3	53.6	108.8	85.5	194.3	198
1960.....	37.2	5.9	4.3	1.7	4.1	3.2	.7	8.0	42.5	107.6	87.4	195.0	196
1961.....	56.2	7.1	4.1	2.5	4.6	3.5	.8	7.0	19.8	105.6	95.0	200.6	199
1962.....	51.7	7.0	4.0	1.5	4.9	3.7	.4	5.3	19.3	97.8	98.2	196.0	198

^{1/} Puerto Rico and Virgin Islands and Guam.^{2/} Less than 50,000 pounds.^{3/} Including sausage, bologna and frankfurters canned and not canned, sausage ingredients, meat and meat products n.e.c., and canned baby food. Source: Compiled from official records of the Bureau of Census.

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

U. S. Department of Agriculture

Adjustments in Retail Prices of Beef to Supply Changes, William C. Motes, USDA, ERS, Livestock and Meat Situation No. 131, July 1963.

Animal Units of Livestock Fed Annually 1909 to 1961, Earl F. Hodges, USDA, ERS, Stat. Bul. No. 324, February 1963.

A Technical-Economic Evaluation of Four Hide-Curing Methods, Konrad Bierdermann, Herman Nack, M. B. Neher, and Odin Wilhelmy, Jr., USDA, ERS, Agr. Econ. Rpt. No. 16, September 1962.

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Supply and distribution of meat, by months, April 1963 to date

Meat and period	Commercially produced								Total ^{2/}		
	Supply				Distribution				Production	Civilian consumption	
	Production	Beginning stocks	Imports	Exports and shipments	Ending stocks	Military	Civilian consumption	Per person ^{1/}		Total	Per person
Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.	Mil. lb.	Mil. lb.	Lb.	
Beef:											
April	1,304	190	99	4	187	29	1,373	7.4	---	---	---
May	1,405	187	134	4	185	30	1,507	8.1	---	---	---
June	1,312	185	119	4	190	33	1,389	7.5	---	---	---
2nd quarter	4,021	190	352	12	190	92	4,269	23.0	---	---	3/23.2
July	1,371	190	168	4	193	33	1,499	8.1	---	---	---
August	1,397	193	176		201				---	---	---
September									---	---	---
3rd quarter									---	---	---
Veal:											
April	65	11	1	4/	11	3	63	.3	---	---	---
May	65	11	2	4/	9	3	66	.4	---	---	---
June	61	9	2	4/	8	2	62	.3	---	---	---
2nd quarter	191	11	5	4/	8	8	191	1.0	---	---	3/1.1
July	71	8	1	4/	7	4	69	.4	---	---	---
August	76	7	2		7				---	---	---
September									---	---	---
3rd quarter									---	---	---
Lamb and mutton:											
April	62	23	13	4/	24	4/	74	.4	---	---	---
May	59	24	10	4/	21	4/	72	.4	---	---	---
June	52	21	11	4/	20	4/	64	.3	---	---	---
2nd quarter	173	23	34	4/	20	4/	210	1.1	---	---	3/1.1
July	64	20	12	4/	20	4/	76	.4	---	---	---
August	64	20	9		20				---	---	---
September									---	---	---
3rd quarter									---	---	---
Pork:											
April	1,037	333	20	16	374	18	982	5.3	---	---	---
May	986	374	21	18	356	16	991	5.3	---	---	---
June	824	356	15	17	324	15	839	4.5	---	---	---
2nd quarter	2,847	333	56	51	324	49	2,812	15.2	---	---	3/14.8
July	850	324	21	13	275	24	883	4.8	---	---	---
August	858	275	15		220				---	---	---
September									---	---	---
3rd quarter									---	---	---
All meat:											
April	2,468	557	133	20	596	50	2,492	13.4	---	---	---
May	2,515	596	167	22	571	49	2,636	14.2	---	---	---
June	2,249	571	147	21	542	50	2,354	12.7	---	---	---
2nd quarter	7,232	557	447	63	542	149	7,482	40.4	---	---	3/40.3
July	2,356	542	202	17	495	61	2,527	13.6	---	---	---
August	2,395	495	202		448				---	---	---
September									---	---	---
3rd quarter									---	---	---

^{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		1963	
		September	October	August	September
Cattle and calves					
Beef steers, slaughter	Dollars per				
Chicago, Prime	100 pounds	32.45	31.60	25.12	24.33
Choice	do.	29.85	29.50	24.60	23.94
Good	do.	27.62	27.70	23.84	23.20
Standard	do.	24.77	25.04	21.39	21.36
Utility	do.	22.30	22.97	19.19	18.59
All grades	do.	29.63	29.29	24.47	23.80
Omaha, all grades	do.	27.61	27.21	23.76	23.41
Sioux City, all grades	do.	27.94	27.44	23.89	23.56
Cows, Chicago					
Commercial	do.	16.03	15.72	15.45	15.18
Utility	do.	15.65	15.31	15.65	15.10
Cutter	do.	14.98	14.01	14.90	14.19
Canner	do.	13.59	12.72	13.75	12.94
Vealers, Choice, S. St. Paul	do.	31.48	29.52	29.25	29.91
Stocker and feeder steers, Kansas City ^{1/}	do.	25.21	25.38	23.67	22.71
Price received by farmers					
Beef cattle	do.	22.00	21.70	20.40	20.10
Cows	do.	14.80	14.00	14.10	13.80
Steers and heifers	do.	24.80	24.60	22.80	22.40
Calves	do.	25.10	25.00	24.40	24.00
Hogs					
Barrows and gilts, U. S. No. 1, 2 & 3, Chicago					
200-220 pounds	do.	19.10	17.27	17.74	16.18
220-240 pounds	do.	19.04	17.13	17.74	16.18
240-270 pounds	do.	18.90	16.88	17.60	16.04
All weights	do.	19.01	17.04	17.65	16.05
Barrows and gilts, 8 markets ^{2/}	do.	18.82	16.87	17.55	15.89
Sows, Chicago	do.	16.76	14.95	15.07	14.22
Price received by farmers	do.	18.10	16.60	16.60	15.40
Hog-corn price ratio ^{3/}					
Chicago, barrows and gilts	do.	17.1	15.5	13.5	12.0
Price received by farmers, all hogs	do.	17.4	16.3	13.9	12.7
Sheep and lambs					
Sheep	Dollars per				
Slaughter ewes, Good, Chicago	100 pounds	4.00	4.70	5.25	5.25
Price received by farmers	do.	5.74	5.68	5.49	5.41
Lamb					
Slaughter, Choice, Chicago	do.	21.28	18.88	20.38	19.78
Feeder, Choice, Omaha	do.	16.56	16.85	17.50	17.47
Price received by farmers	do.	18.60	17.80	18.50	17.90
All meat animals					
Index number price received by farmers (1910-14=100)		326	314	303	293
Meat					
Wholesale, Chicago	Dollars per				
Steer beef carcass, Choice, 500-600 pounds	100 pounds	47.90	46.80	42.10	41.77
Lamb carcass, Choice, 45-55 pounds	do.	46.57	43.60	43.83	43.22
Composite hog products:					
Including lard					
71.90 pounds fresh	Dollars	20.24	18.59	18.46	17.52
Average per 100 pounds	do.	28.15	25.85	25.67	24.37
71.01 pounds fresh and cured	do.	24.88	22.70	22.97	21.89
Average per 100 pounds	do.	35.04	31.96	32.35	30.83
Excluding lard					
55.99 pounds fresh and cured	do.	22.66	20.39	20.91	19.84
Average per 100 pounds	do.	40.47	36.42	37.34	35.43
Retail, United States average					
Beef, Choice grade	per pound	87.2	85.5	81.3	81.0
Pork, retail cuts	do.	64.6	61.1	60.1	59.8
Lamb, Choice grade	do.	72.8	71.6	73.0	72.9
Index number meat prices (BLS)					
Wholesale (1957-59=100)		106.7	99.3	95.0	93.4
Retail (1957-59=100) ^{4/}		107.8	105.4	102.6	102.6

^{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	1962		1963		
		September	October	August	September	October
Meat animal marketings						
Index number (1947-49=100)		134	186	137	153	
Stocker and feeder shipments to						
8 Corn Belt States	1,000					
Cattle and calves	head	893	1,574	468	712	
Sheep and lambs	do.	425	523	223	426	
Slaughter under Federal inspection						
Number slaughtered						
Cattle	do.	1,654	1,898	1,900	1,829	
Steers	do.	847	936	1,106	1,039	
Heifers	do.	419	469	418	411	
Cows	do.	371	473	359	364	
Bulls and stags	do.	18	21	17	15	
Calves	do.	424	517	366	395	
Sheep and lambs	do.	1,272	1,472	1,204	1,236	
Hogs	do.	4,737	6,642	5,174	5,868	
Percentage sows	Percent	8	8	12	10	
Average live weight per head						
Cattle	Pounds	997	1,006	1,031	1,029	
Calves	do.	200	199	210	201	
Sheep and lambs	do.	94	96	94	95	
Hogs	do.	235	238	238	235	
Average production						
Beef, per head	do.	570	574	603	599	
Veal, per head	do.	112	113	121	114	
Lamb and mutton, per head	do.	46	46	46	47	
Pork, per head	do.	141	141	142	141	
Pork, per 100 pounds live weight	do.	60	59	60	60	
Lard, per head	do.	28	30	29	28	
Lard, per 100 pounds live weight	do.	12	13	12	12	
Total production	Million					
Beef	pounds	941	1,087	1,143	1,092	
Veal	do.	47	58	44	45	
Lamb and mutton	do.	58	67	56	57	
Pork	do.	665	946	735	824	
Lard	do.	134	201	151	165	
Commercial slaughter ^{1/}						
Number slaughtered	1,000					
Cattle	head	2,153	2,434	2,386	2,306	
Calves	do.	660	767	574	605	
Sheep and lambs	do.	1,460	1,681	1,373	1,412	
Hogs	do.	5,642	7,716	6,098	6,846	
Total production	Million					
Beef	pounds	1,194	1,357	1,397	1,342	
Veal	do.	81	93	76	76	
Lamb and mutton	do.	67	77	64	66	
Pork	do.	787	1,092	858	955	
Lard	do.	154	225	172	186	
Cold storage stocks first of month						
Beef	do.	138	145	193	201	219
Veal	do.	6	6	7	7	8
Lamb and mutton	do.	12	12	20	20	18
Pork	do.	182	138	275	220	210
Total meat and meat products ^{2/}	do.	400	359	580	522	518

^{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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