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LIVESTOCK AND MEAT Situation

OUTLOOK

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FEBRUARY 16-19, 1970

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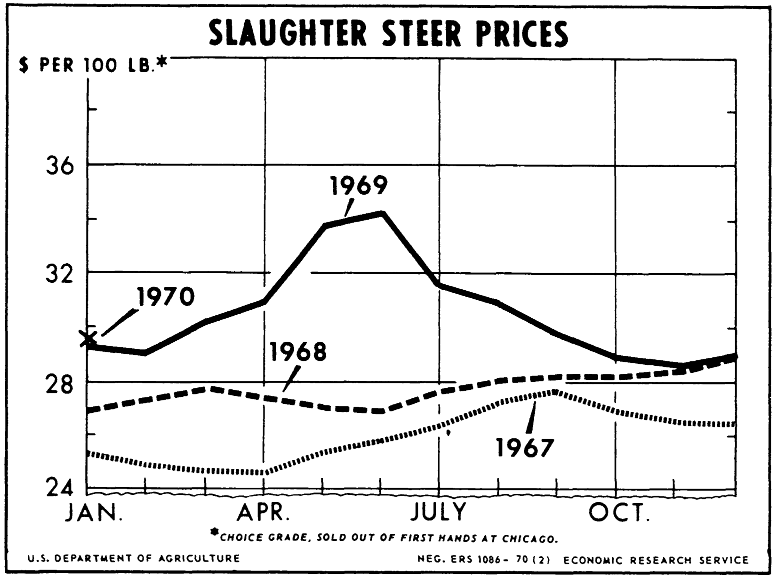
SLAUGHTER STEER PRICES
$ PER 100 LB.*
36
32
28
24
1969
1970
1968
1967
JAN.
APR.
JULY
OCT.
*CHOICE GRADE, SOLD OUT OF FIRST HANDS AT CHICAGO.
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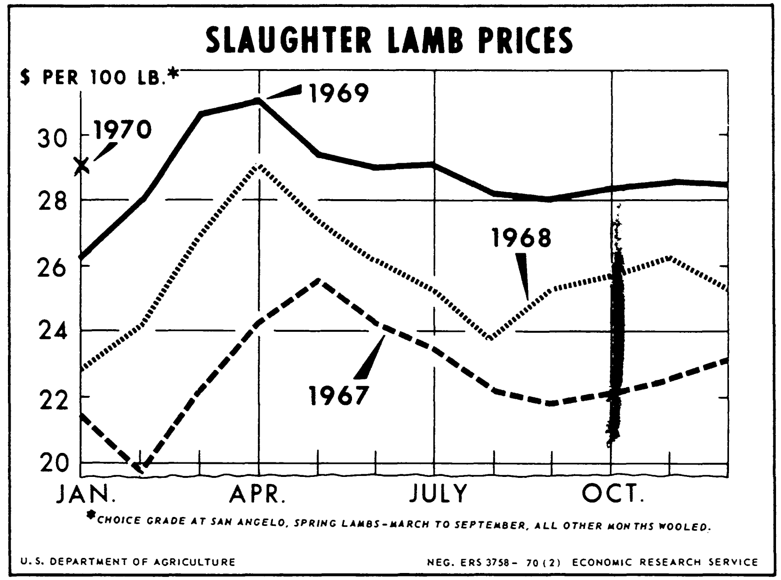
SLAUGHTER LAMB PRICES
$ PER 100 LB.*
30
28
26
24
22
20
1969
1970
1968
1967
JAN.
APR.
JULY
OCT.
*CHOICE GRADE AT SAN ANGELO, SPRING LAMBS-MARCH TO SEPTEMBER, ALL OTHER MONTHS WOOLED.
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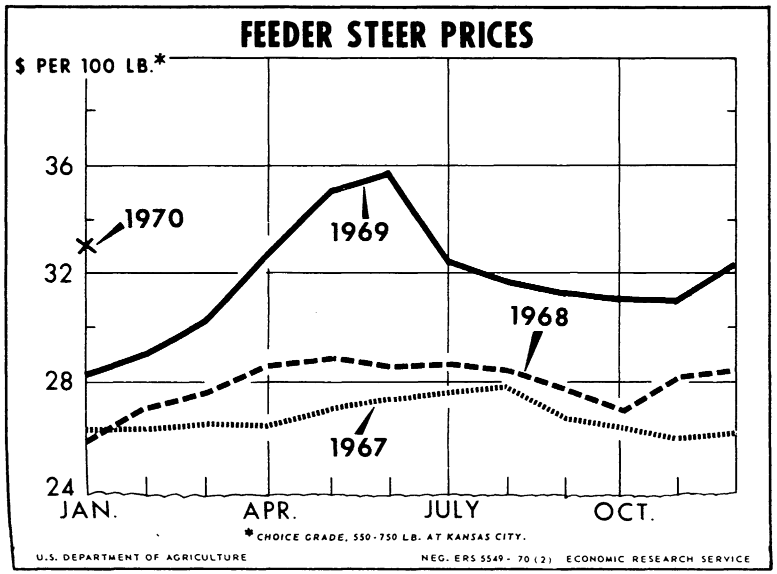
FEEDER STEER PRICES
$ PER 100 LB.*
36
32
28
24
1970
1969
1968
1967
JAN.
APR.
JULY
OCT.
*CHOICE GRADE, 550-750 LB. AT KANSAS CITY.
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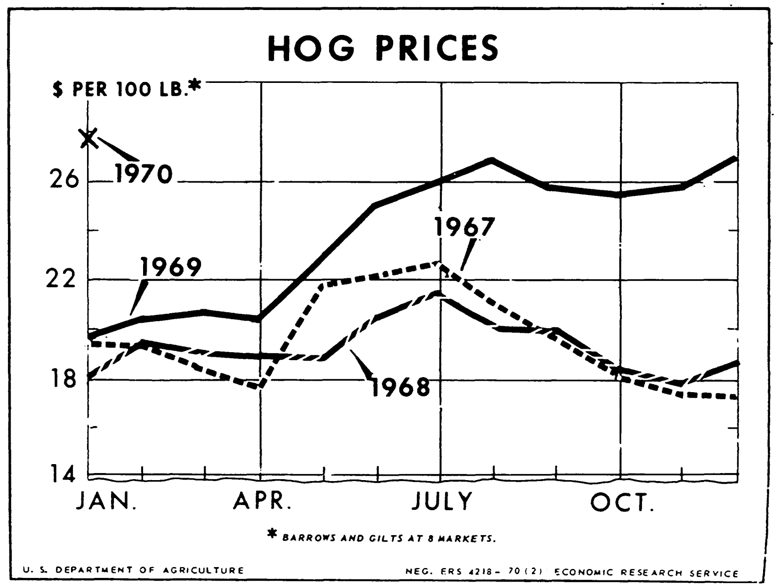
HOG PRICES
$ PER 100 LB.*
26
22
18
14
1970
1967
1969
1968
JAN.
APR.
JULY
OCT.
* BARROWS AND GILTS AT 8 MARKETS.
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LIVESTOCK AND MEAT SITUATION

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Approved by
The Outlook and Situation Board
and Summary released
January 30, 1970

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SUMMARY

Strong consumer demand and little change in per capita red meat supplies point to sustained strength in livestock prices through the first half of 1970. Veal and lamb production will be smaller but increased beef output will about offset these reductions and a sharp reduction in pork production. Broiler output is expected to continue substantially above a year earlier. Growth in consumer demand may cool later in the year if efforts to stop inflation succeed.

Beef output last October-December totaled only 4 percent above a year earlier despite a 10-percent rise in fed cattle marketings. Slaughter of nonfed cattle fell sharply. This situation likely will continue in the first half of 1970.

Cattle feeders plan to market 7 percent more cattle this winter than last. Although Corn Belt cattle feeders plan only a 2-percent increase, Western feeders plan a 14-percent increase.

Fed cattle marketings in the spring are expected to continue moderately above a year earlier. On January 1, there were 6 percent more cattle and calves on feed in weight groups that typically reach slaughter finish in the spring.

Fed cattle prices are expected to strengthen this winter and spring, but less than they did a year ago. Choice steers at Chicago in January averaged about $29.30 per 100 pounds. The January-March 1969 average was $29.50. Prices rose to $34.20 in June, reflecting somewhat smaller supplies of beef and other meats last spring.

Fed cattle are being marketed so far this year at about 3 percent heavier weights than in 1969. Further increases over a year earlier would tend to dampen fed cattle prices this winter and spring.

Continued strength in feeder cattle prices is likely. Feeder cattle prices are expected to remain above fed cattle prices of the same

quality because of the brisk feedlot demand for replacement cattle. Choice 550-750 pound feeder steers at Kansas City brought an average of \$34.50 per 100 pounds last spring and could sell for nearly as much this spring.

Cow slaughter in the first half of 1970 likely will run about the same as or a little below a year earlier. Producers may hold culling rates down in view of stronger prices for feeder cattle and milk.

In January, prices of Utility grade cows at Chicago were running about \$21.30 per 100 pounds, \$3 above a year earlier. Cow prices will rise into the spring, but the margin over a year earlier likely will narrow somewhat.

Considerably smaller hog slaughter supplies in the first half of 1970 are in the offing, reflecting a 7-percent reduction in the June-November 1969 pig crop. Hog slaughter last fall was down 8 percent and prices held considerably above a year earlier. Winter prices likely will remain near the January average of \$27.75 per 100 pounds for barrows and gilts at 8 markets. Prices will likely rise seasonally in the spring. Last year, barrows and gilts at 8 markets averaged \$20.30 in the first quarter and \$22.90 in the second quarter.

Larger hog slaughter is in prospect for the second half of 1970 if production plans materialize. Reported breeding intentions point to a 4-percent increase in the December 1969-May 1970 pig crop. However, most of the increase in slaughter will probably occur in October-December. Thus, next fall's prices will likely average below last fall's but well above most other recent years.

Another decline in sheep and lamb slaughter is expected in the first half of 1970, approaching the 10-percent reduction last year. There were 2 percent fewer lambs on feed on January 1 in 26 major feeding States. Also, the number of ewes on farms likely continued to decline during 1969, so this year's lamb crop will be smaller.

Lamb prices at San Angelo in recent weeks have been averaging around \$29 per 100 pounds, \$3 above a year earlier. About normal seasonal price changes are expected this year, with prices likely to continue near or above year-earlier levels throughout 1970.

SITUATION AND OUTLOOK

Demand Factors

Year	Per capita Disposable personal income	Civilian population July 1	Unemployment rate
	Dol.	Mil.	Pct.
1960	1,937	178.2	5.5
1961	1,983	181.2	6.7
1962	2,064	183.8	5.5
1963	2,136	186.7	5.7
1964	2,280	189.4	5.2
1965	2,432	191.9	4.5
1966	2,599	193.8	3.8
1967	2,745	195.7	3.8
1968	2,933	197.6	3.6
1969	3,098	199.7	3.5

Consumer demand for meat rose in 1969, lifting livestock prices sharply. Total meat supplies increased enough, however, to provide nearly as much per person as the record consumption in 1968. Thus, increased consumer demand was a key element last year in the price picture for livestock. Factors included population growth, higher income, and unusually low employment rates.

Demand this year is expected to remain strong for many of the same reasons as in 1969. However, considering the possibility of slower economic growth, consumer demand for meat may also increase more slowly.

CATTLE

First Half Cattle Slaughter To Rise

Cattle slaughter in the first half of 1970 is expected to run somewhat larger than in January-June 1969. Gains in fed cattle marketings will again more than offset less nonfed steer and heifer slaughter and perhaps a small reduction in cow slaughter. Also, beef production probably will rise a little more than the number of head slaughtered, since market weights of cattle will remain heavier than they were last winter and spring.

Cattle slaughter in 1969 rose to 35.6 million head, about 1 percent above 1968. This small increase in the total developed when fed cattle marketings--accounting for over 70 percent of all cattle slaughter--increased by 7 percent and more than offset a 25 percent decrease in nonfed steer and heifer slaughter. Cow slaughter was about 1 percent larger than a year earlier.

Fed Cattle Marketings Up Moderately This Winter

Fed cattle marketings are expected to continue large this winter. Cattle feeders said on January 1 that they would market 7 percent more cattle out of feedlots this winter than last. There were 12.6 million cattle and calves on feed on January 1 in 22 major feeding States, 6 percent more than a year earlier. There were 11 percent more heifers on feed but only 4 percent more steers. Also, there were relatively more heavy cattle on feed. The combined total of steers weighing more than 900 pounds and heifers weighing more than 700 pounds rose nearly 9 percent. Apparently, cattle feeders can carry out their winter marketing intention.

If cattle feeders market 7 percent more cattle this winter than last, winter marketings would exceed by about 5 percent the 6 million head shipped last fall.

Increases in the number of cattle on feed are not evenly distributed throughout the country. As in 1969, cattle feeders in the Corn Belt plan relatively small increases in winter marketings while Western feeders plan to market 14 percent more cattle. This reflects a rapid and continuing expansion in feedlot operations in the Southwest and Plains States.

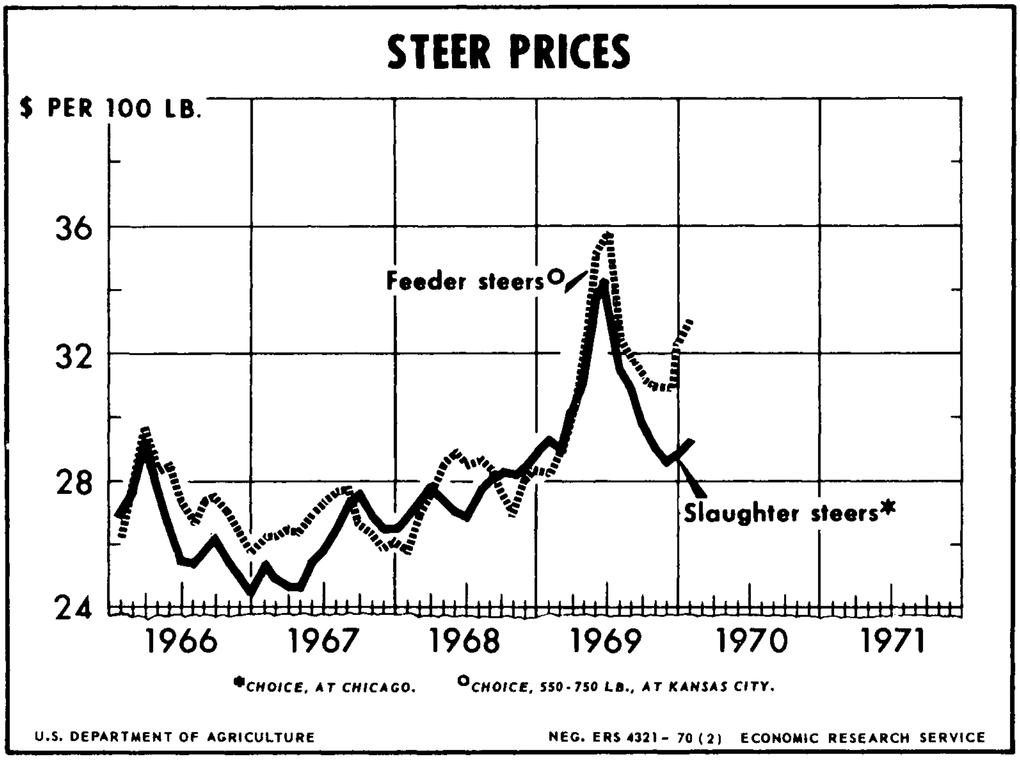
Fed cattle marketings in 22 major feeding States rose 7 percent in 1969. This is the same percentage increase over a year earlier as in the previous 2 years and equals the long-time trend. (For discussion of future changes in fed cattle marketings see special article).

Steer prices at Chicago, 1968-70

Month	Choice steers		
	1968	1969	1970
	Dollars per 100 pounds		
January	26.87	29.23	29.30
February	27.34	29.11	
March	27.75	30.19	
April	27.49	30.98	
May	27.16	33.85	
June	26.89	34.22	
July	27.65	31.49	
August	28.01	30.94	
September	28.20	29.75	
October	28.21	29.02	
November	28.46	28.66	
December	28.88	28.89	
Average	27.74	30.48	

Fed cattle prices last fall declined to an average of about $28.85 per 100 pounds--a little below prices early in the year and well below prices during the spring and summer. Choice steers at Chicago in January 1970 averaged $29.30 per 100 pounds, about the same as a year earlier. However, prices were about 50 cents to $1 above fall lows.

Fed cattle prices are expected to continue strong through the winter months even though fed cattle marketings will be large. Prices this winter will average about the same or a little higher than the $29.51 of January-March 1969. Sharply lower pork output and continued strong consumer demand will be price bolstering factors. In addition, smaller nonfed steer and heifer slaughter will partially offset increases in fed beef output.



STEER PRICES
$ PER 100 LB.
36
32
28
24
Feeder steers°
Slaughter steers*
1966
1967
1968
1969
1970
1971
*CHOICE, AT CHICAGO.
°CHOICE, 550-750 LB., AT KANSAS CITY.
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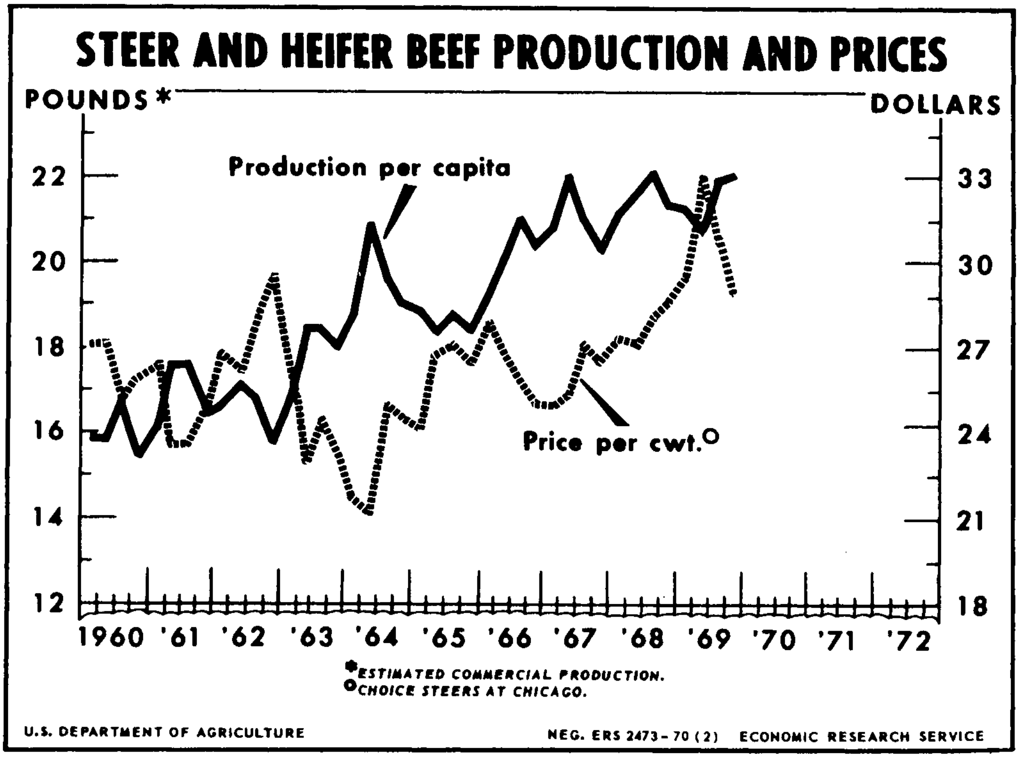

STEER AND HEIFER BEEF PRODUCTION AND PRICES
POUNDS*
DOLLARS
22
20
18
16
14
12
33
30
27
24
21
18
Production per capita
Price per cwt.°
1960 '61 '62 '63 '64 '65 '66 '67 '68 '69 '70 '71 '72
*ESTIMATED COMMERCIAL PRODUCTION.
°CHOICE STEERS AT CHICAGO.
U.S. DEPARTMENT OF AGRICULTURE
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Fed cattle weights could be a price-dampening factor later this winter. Weights are currently running about 3 percent above a year earlier and prices of heavy cattle have been discounted since mid-December.

Spring Fed Cattle Marketings To Continue Large

Last spring, cattle feeders in 22 major feeding States marketed 5.8 million head, about 3 percent more than a year earlier but down slightly from first quarter marketings. This year there are already 6 percent more cattle on feed in weight groups that typically reach market weights in the spring. Thus, if winter placements are the same or a little above a year ago, spring marketings likely will continue well above a year earlier. However, shipments in April-June may be a little smaller than in the winter.

Fed cattle marketings during April-June likely will keep rising faster in the West than in the Corn Belt. Thus, the West will provide the bulk of the increase in fed cattle marketings in the spring over a year earlier.

Choice steers at Chicago averaged about $33 per 100 pounds last spring. Prices rose rapidly through spring from about $30 in early spring to well over $34 in June. This year, smaller price gains are likely. Pork output will continue reduced, but increased broiler supplies and market weights of fed cattle are expected to be price-tempering factors.

Heavier Market Weights

Market weights of fed cattle are currently about 3 percent heavier than a year earlier. Throughout most of 1968 and the first half of 1969 the average liveweight of Choice steers sold out of first hands at 7 markets was lighter than in the same months a year earlier. This helped strengthen cattle prices by keeping fed beef output from rising as sharply as the number of fed cattle marketed. Since last August, however, market weights have been running above a year earlier and winter increases have widened. Since the market for beef is sensitive to the quantity of high-quality beef coming to market, the increase in the number of heavy cattle sent to slaughter has already affected the price premiums paid for these animals.

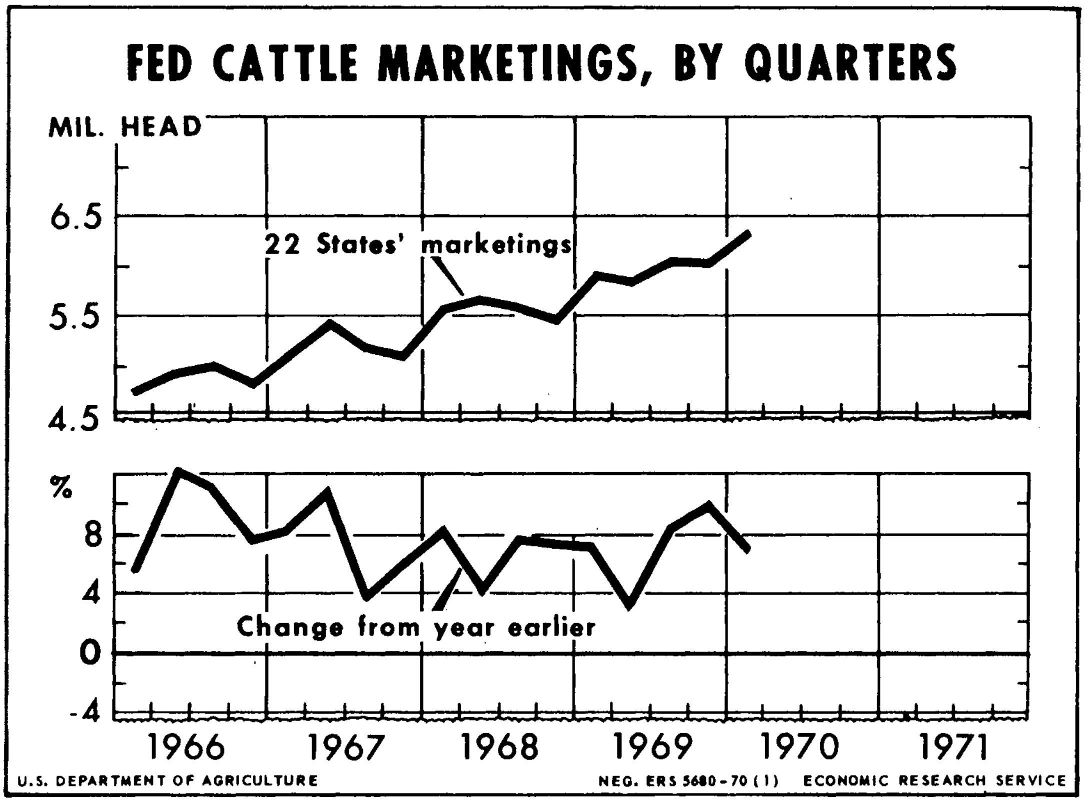
Average live weight of Choice steers at 7 markets

Month	1967	1968	1969
		Pounds	
January	1,159	1,146	1,130
February	1,156	1,144	1,120
March	1,152	1,141	1,113
April	1,153	1,141	1,122
May	1,155	1,149	1,121
June	1,143	1,148	1,131
July	1,133	1,126	1,114
August	1,115	1,105	1,107
September	1,116	1,098	1,101
October	1,116	1,101	1,113
November	1,132	1,116	1,128
December	1,132	1,123	1,137
Year	1,139	1,129	1,120

Slaughters paid a premium for heavy cattle during most of 1969. For example, in the first half of 1969 when fed cattle prices were generally rising and average cattle weights were considerably lighter than a year earlier, 1,100-1,300 pound Choice steers at Chicago brought 30 cents per 100 pounds more than cattle weighing 900-1,100 pounds. However, the premium began to disappear in December as the increase in weights over a year earlier widened. In late January, Choice 1,100-1,300 pound steers at Chicago were averaging 25-50 cents less per 100 pounds than lighter steers of the same quality. This situation likely will continue in coming months.

Heavier cattle weights also have affected the relationship between prices of different grades of cattle. In December, Choice steers sold out of first hands at 7 major markets averaged $28.29, about the same as a year ago. Prime steers were $29.14, nearly $1 less than a year earlier while Good quality cattle were still about 40 cents per 100 pounds higher. Thus, the price differential between Good and Prime cattle was nearly $3.70 per 100 pounds in December 1968, but only $2.20 this past December.

If fed cattle marketings continue to come to slaughter at substantially heavier weights than a year earlier, price differentials between grades are expected to narrow further.



More Fed Cattle In
The Second Half

Fed cattle marketings later in 1970 are expected to continue above marketings a year earlier. The feeder cattle supply, although probably younger, likely is not much different from this time last year--perhaps more calves, but fewer yearlings. Commercial cattle feeders will be inclined to keep placing more cattle on feed in the first half of 1970 reflecting the continued expansion in feedlot facilities.

Increases in fed cattle marketings in the second half are expected to be smaller than increases in the first half. The supply of feeder cattle may become more of a limiting factor later in 1970. Higher prices for feeder cattle may also tend to slow the increase in the number placed on feed.

A clearer picture of the feeder cattle supply situation and prospects for the number of cattle to be placed on feed became available on February 6 when the Livestock Inventory Report was released, while this issue of the Livestock and Meat Situation was in press.

Feeder Cattle Prices
To Continue Strong

Feeder cattle prices have been running above prices of fed cattle of the same quality since early in 1969, and they likely will stay above through most of the year.

The rise in feeder cattle prices last winter and spring was sharper than the price rise for fed cattle. In addition, feeder cattle prices did not decline as much as fed cattle during the summer. As a result, fed cattle marketed since fall have been selling at less per 100 pounds than was paid for these animals when they were purchased as feeder cattle last summer. In January, Choice 900-1,100 pound steers at Chicago were \$29.60. This was around \$2.15 less than 550-750 pound feeder steers bought at Kansas City 5 months earlier.

Current fed cattle prices and feeder cattle prices 5 months earlier

Year	Fed Cattle 1/	Feeder Cattle 2/	Margin
	Dollars per 100 pounds		
1968			
January	26.96	27.84	-.88
February	27.81	26.74	+1.07
March	28.05	26.38	+1.67
April	27.79	25.89	+1.90
May	27.37	26.03	+1.34
June	26.88	25.82	+1.06
July	27.61	26.94	+.67
August	27.78	27.60	+.18
September	27.90	28.64	-.74
October	28.14	28.90	-.76
November	28.57	28.69	-.12
December	28.86	28.75	+.11
1969			
January	29.12	28.40	+.72
February	29.26	27.74	+1.52
March	30.38	27.09	+3.29
April	31.11	28.11	+3.00
May	33.68	28.42	+5.26
June	34.07	28.30	+5.77
July	31.54	29.04	+2.50
August	30.60	30.34	+.26
September	29.33	32.64	-3.31
October	28.79	35.18	-6.39
November	28.47	35.74	-7.27
December	28.88	32.46	-3.58

1/ Choice steers at Chicago, 900-1,100 pounds.
2/ Choice steers at Kansas City, 550-750 pounds.

Strong feeder cattle prices relative to fed cattle prices reflect very strong demand for replacement cattle. Although the beef calf crop has risen in recent years, the number of cattle fed has risen faster. Thus, cattle feeders have had to dig deeper into the available supply to meet their requirements.

Last year, feeder steers at Kansas City (Choice 550-750 pounds) averaged $3.85 higher than a year earlier. Widest increases over a year earlier were in the spring.

In late January, Choice feeder steers (550-750 pounds) at Kansas City were about $33 per 100 pounds. This was well over $4.50 above a year earlier and $2 above the seasonal low in late November.

Feeder cattle prices at Kansas City, 1968-69

Month	Choice feeder steers 550-750 lb.		Choice feeder steers calves	
	1968	1969	1968	1969
	Dollars per 100 pounds			
Jan.	25.82	28.30	28.69	31.15
Feb.	26.94	29.04	29.52	32.26
Mar.	27.60	30.34	30.46	34.39
Apr.	28.64	32.64	31.04	36.74
May	28.90	35.18	32.95	38.26
June	28.69	35.74	32.54	38.62
July	28.75	32.46	32.50	35.79
Aug.	28.40	31.76	32.10	35.66
Sept.	27.74	31.29	31.42	35.91
Oct.	27.09	31.15	30.89	35.77
Nov.	28.11	31.12	31.50	35.21
Dec.	28.42	32.38	31.50	35.60
Av.	27.92	31.78	31.26	35.45

Feeder cattle prices this winter and spring likely will continue strong. Spring prices likely will run close to the relatively high prices last spring; Choice feeder steers at Kansas City rose to nearly $36 in June. Large marketings of fed cattle in prospect for spring slaughter and a smaller rise in fed cattle prices than last spring probably will prevent another unusual spring price advance for feeder cattle this year. Heavy slaughter weights of fed cattle could also be a factor, if cattle feeders delay winter marketings and these heavier cattle further swell beef output and dampen cattle prices.

Calf Slaughter To Be Down

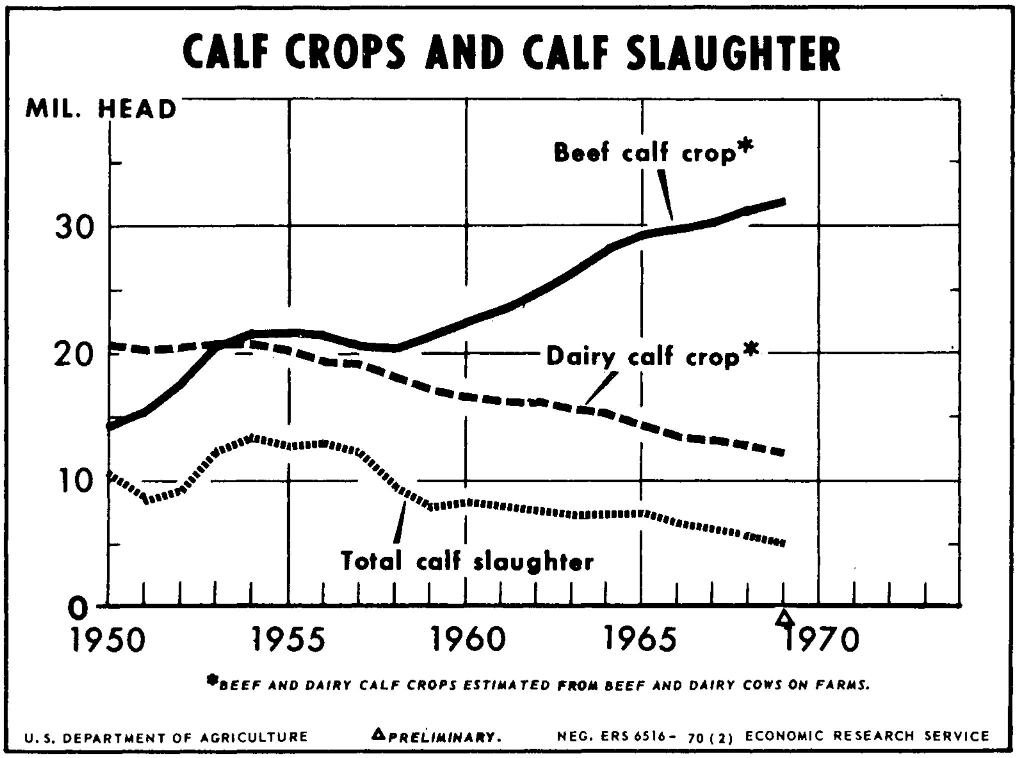
Calf slaughter declined about 11 percent in 1969 and a further drop is likely this year. The continued decline in the dairy herd and the strong demand for feeder cattle will further limit slaughter supplies.

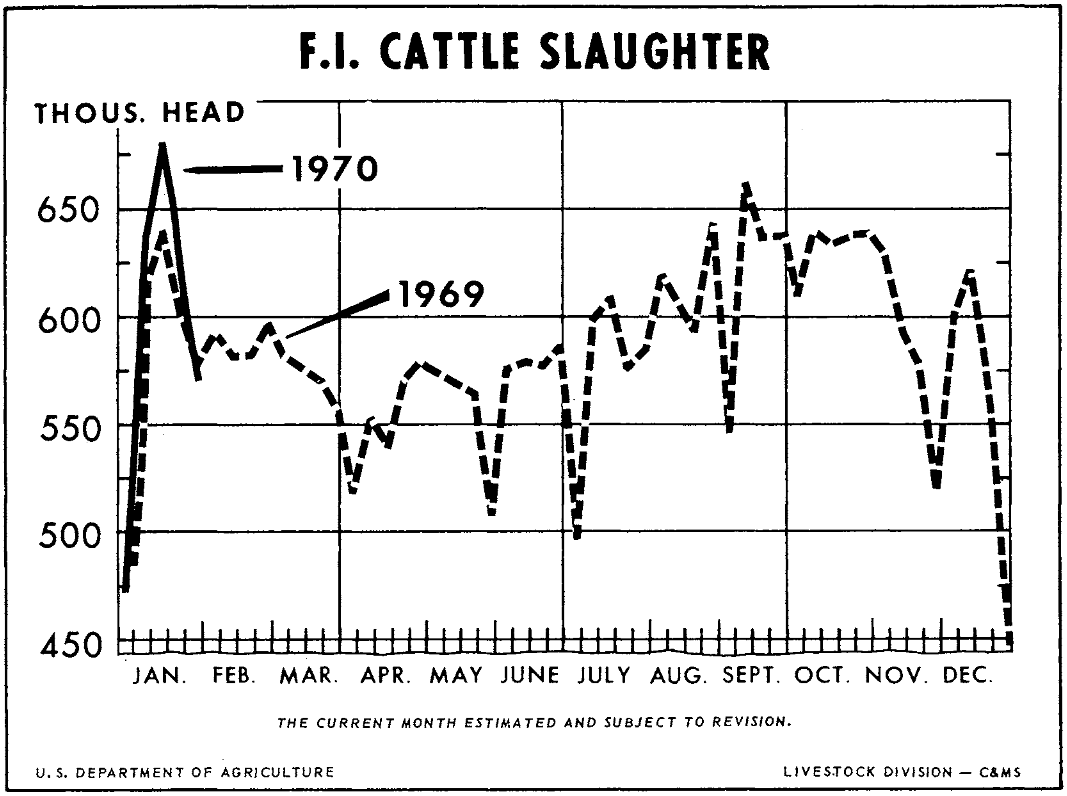
Choice vealers at South St. Paul in late January were $44.50 per 100 pounds, nearly $13 higher than a year earlier. The reduced supply of veal calves and strong consumer demand for meat likely will hold prices of vealers relatively high this year. Vealers averaged $38.75 per 100 pounds during January-June 1969.

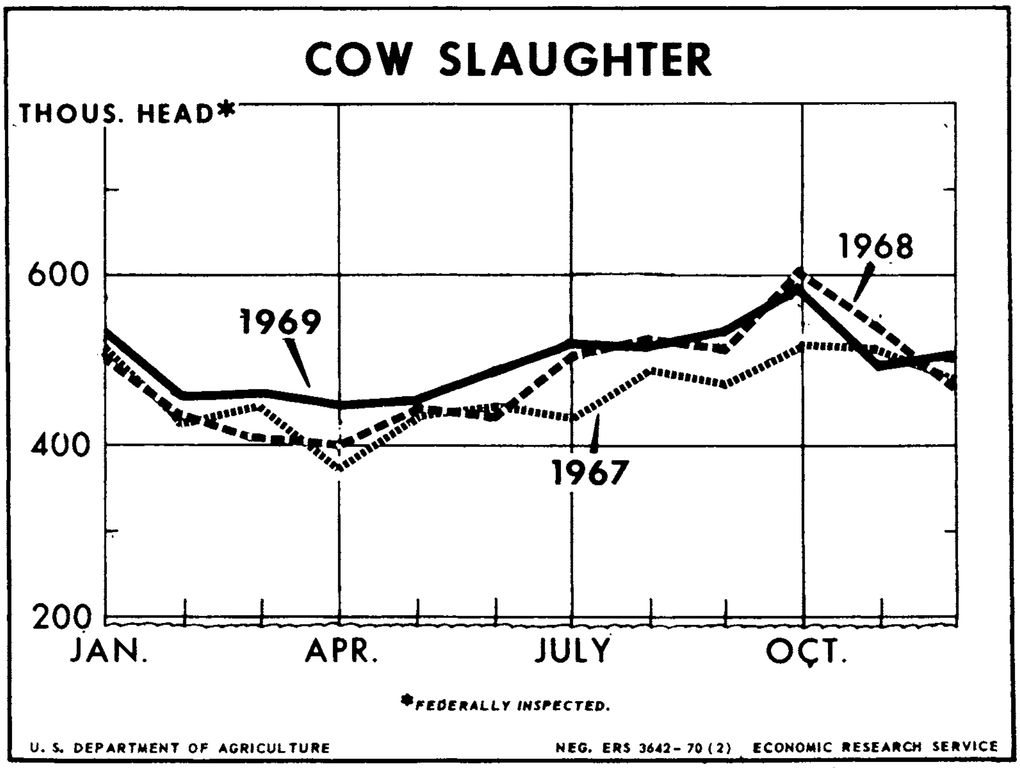
Table 1.--Number of cattle and calves on feed January 1, by regions, and percent change from previous year, 1965 to date

Year	North Central States: East North Central	North Central States: West North Central	North Central States: Total	Texas and Oklahoma	Western States	Total 1/
	1,000 head					
1965	1,765	4,504	6,269	603	2,976	9,245
1966	1,852	4,802	6,654	667	3,195	9,849
Percent change from 1965	+4.9	+6.6	+6.1	+10.6	+7.4	
1967	1,859	5,264	7,123	991	3,474	10,597
Percent change from 1966	+0.4	+9.6	+7.0	+48.6	+8.7	
1968	1,813	5,305	7,118	991	3,637	10,755
Percent change from 1967	-2.5	+0.8	-0.1	0	+4.7	
1969	1,897	5,768	7,665	1,280	4,228	11,893
Percent change from 1968	+4.6	+8.7	+7.7	+29.2	+16.2	
1970	1,873	5,974	7,847	1,648	4,793	12,640
Percent change from 1969	-1.3	+3.6	+2.4	+28.8	+13.4	

1/ 22 States.




F.I. CATTLE SLAUGHTER
THOUS. HEAD
1970
1969
650
600
550
500
450
JAN. FEB. MAR. APR. MAY JUNE JULY AUG. SEPT. OCT. NOV. DEC.
THE CURRENT MONTH ESTIMATED AND SUBJECT TO REVISION.
U.S. DEPARTMENT OF AGRICULTURE
LIVESTOCK DIVISION — C&MS


COW SLAUGHTER
THOUS. HEAD*
1968
600
1969
400
1967
200
JAN. APR. JULY OCT.
*FEDERALLY INSPECTED.
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Fall Cow Slaughter Down

Fall cow slaughter (estimated commercial) was about the same as summer levels and the lowest for any fall since 1963. However, cow slaughter all last year totaled about 6.9 million head, about the same as a year earlier. Slaughter was up between 4 and 5 percent in the first half of 1969, about the same as a year earlier in the summer but 4 percent smaller in the fall.

Cow slaughter this winter and spring likely will run about the same or a little smaller than a year earlier. The total number of cows on farms at the beginning of this year likely was up again with increased numbers of beef cows more than offsetting the decline in dairy cows. Since feeder cattle prices are strong, culling rates among beef brood cows in coming months probably will continue to hold cow slaughter small in relation to the number of beef cows on farms. Culling from the dairy herd will likewise be limited by the level of milk prices, which are above a year ago.

Cow prices in 1969 were up sharply although cow slaughter was about unchanged and beef imports were up 8 percent. Utility grade cows at Chicago averaged $20.50 per 100 pounds last year, up $2 from a year earlier and the highest since 1951.

Utility cow prices at Chicago, 1968-70

Month	1968	1969	1970
	Dollars per 100 pounds		
January	16.35	18.20	
February	17.98	19.02	
March	19.09	20.43	
April	19.88	20.70	
May	19.58	21.73	
June	19.61	22.15	
July	18.88	21.86	
August	19.04	21.18	
September	18.49	20.82	
October	18.13	20.02	
November	16.98	19.37	
December	17.36	20.34	
Average	18.45	20.48	

Cow prices likely will rise seasonally into the spring, but the margin over a year earlier likely will narrow somewhat. Strong consumer demand for meat and a sharp reduction in pork will help boost cow prices in the coming months. However, output of fed beef and of broilers will be up in the first half of 1970 and beef imports may also continue above a year earlier this winter and spring.

Feedlot Capacity Rises

Fed cattle marketings in 22 States rose 1.6 million head in 1969. This was 7 percent more than a year earlier and 39 percent more than 5 years earlier. The increase in marketings came from the large feedlots. On January 1, 1970 there were 190,783 feedlots with a capacity of less than 1,000 head, 3 percent fewer than a year earlier. About 300,000 fewer cattle were marketed from these lots than a year earlier. In contrast, there were 2,066 feedlots with a capacity of more than 1,000 head, 2 percent more than year earlier. Marketings from these lots were up about 1.9 million head.

The increase in the number of large lots was centered in the Plains States. States with substantial increases in the number of large lots include Texas, South Dakota, Nebraska, Kansas, Montana and Colorado. Several States, such as Texas, showed only a small increase in the total number of feedlots with more than a 1,000-head capacity, but had significantly more lots attaining 8,000-head capacity than a year earlier.

Lots with a capacity of 8,000 cattle or more in 1969 accounted for 0.2 percent of all feedlots, yet they accounted for 34 percent of total fed cattle marketings. When all lots with over 1,000-head capacity are considered, these lots accounted for about 1 percent of the total number of feedlots and 52 percent of total marketings.

HOGS

The 1969 pig crop was down 6 percent from a year earlier, thus ending expansion in hog production that began in late 1965. Hog farmers cut the 1969 pig crop although hog prices in 1968 were above average and prices rose considerably in the first half of 1969. The lack of some production response in 1969 to the generally favorable price situation was unusual. Apparently because of severe winter weather and disease problems in 1969, many hog producers were forced to lower production during the year.

Table 2.--Number of sows farrowing, pigs saved and pigs saved per litter, spring and fall pig crops, by regions, 1966 to date

Year	North Atlantic	North Central: East	North Central: West	South Atlantic	South Central	Western	United States
	DECEMBER-MAY						
	1,000 head						
Sows farrowing:							
1966	76	1,795	3,188	462	567	106	6,201
1967	85	1,835	3,355	544	630	115	6,570
1968	84	1,824	3,421	556	665	113	6,669
1969	88	1,721	3,216	585	642	114	6,372
1970 1/	93	1,792	3,276	632	656	114	6,568
Pigs saved:							
1966	539	13,239	23,427	3,368	4,005	802	45,422
1967	619	13,519	24,661	3,969	4,537	859	48,205
1968	615	13,359	25,540	4,035	4,700	856	49,146
1969	668	12,516	23,668	4,379	4,743	864	46,877
1970							2/48,603
	Number						
Pigs saved per litter:							
1966	7.04	7.38	7.35	7.29	7.06	7.52	7.32
1967	7.30	7.37	7.35	7.30	7.20	7.45	7.34
1968	7.30	7.32	7.47	7.26	7.07	7.58	7.37
1969	7.51	7.27	7.36	7.49	7.39	7.58	7.36
1970							2/7.40
	JUNE-NOVEMBER						
	1,000 head						
Sows farrowing:							
1966	77	1,820	2,731	445	619	113	5,811
1967	75	1,791	2,803	455	656	113	5,899
1968	81	1,813	2,975	482	655	117	6,129
1969	83	1,706	2,700	496	626	118	5,735
1970							
Pigs saved:							
1966	572	13,217	19,789	3,238	4,425	857	42,141
1967	555	13,333	20,644	3,357	4,763	847	43,540
1968	585	13,292	22,050	3,525	4,685	891	45,071
1969	610	12,625	19,584	3,632	4,676	905	42,071
1970							
	Number						
Pigs saved per litter:							
1966	7.44	7.26	7.25	7.27	7.15	7.57	7.25
1967	7.40	7.44	7.36	7.38	7.26	7.50	7.38
1968	7.22	7.33	7.41	7.31	7.15	7.62	7.35
1969	7.35	7.40	7.25	7.32	7.47	7.67	7.34
1970							

1/ Preliminary

2/ Number indicated to farrow from intentions as of December 1, 1969. Average number of pigs per litter with allowance for trend used to calculate indicated number of pigs saved.

Reduced output in 1969 probably also reflects better off-farm employment opportunities and rising interest rates and capital costs. The added impact of the longer term trends of fewer small-scale farmers, specialization in farm operations, and labor shortages also helped pull output down in 1969.

Slaughter Down, Prices Up In 1969

Commercial hog slaughter in 1969 totaled nearly 84 million head. This was 1 percent less than in 1968, but all of the decrease came in the second half. In the closing months of the year, slaughter was running more than 9 percent below a year earlier.

Hog prices were nearly 25 percent above 1968 levels. Barrows and gilts at 8 markets averaged $23.90 per 100 pounds last year, $4.70 above a year earlier. The sharp price rise accompanying a rather small decline in pork supplies reflects the continued strong consumer demand for red meats.

Hog Slaughter To Decline In First Half 1970

Weekly commercial hog slaughter in January was running 6-7 percent smaller than a year ago and is expected to continue reduced through spring. About 7 percent fewer market hogs were on farms on December 1, 1969, than a year earlier. Hogs and pigs in weight groups that will supply the bulk of winter marketings (over 120 pounds) were down about 9 percent and there were 6 percent fewer weighing less than 120 pounds. Most of the lighter hogs will be slaughtered in the spring. The December 1 inventory reflected the 7-percent decline in the June-November 1969 pig crop.

Although producers reported keeping 5 percent fewer hogs for breeding on December 1 than a year earlier, they stated intentions to have 3 percent more sows farrow from December through May. This relationship may appear inconsistent because of the large number of sows that were being kept for breeding purposes on December 1, 1968 that failed to farrow during the 1969 spring farrowing season. However, compared with other recent years, spring farrowing intentions are consistent with the number of breeding hogs on farms on December 1, 1969.

Market hogs and pigs by weight groups, December 1, 1968-69

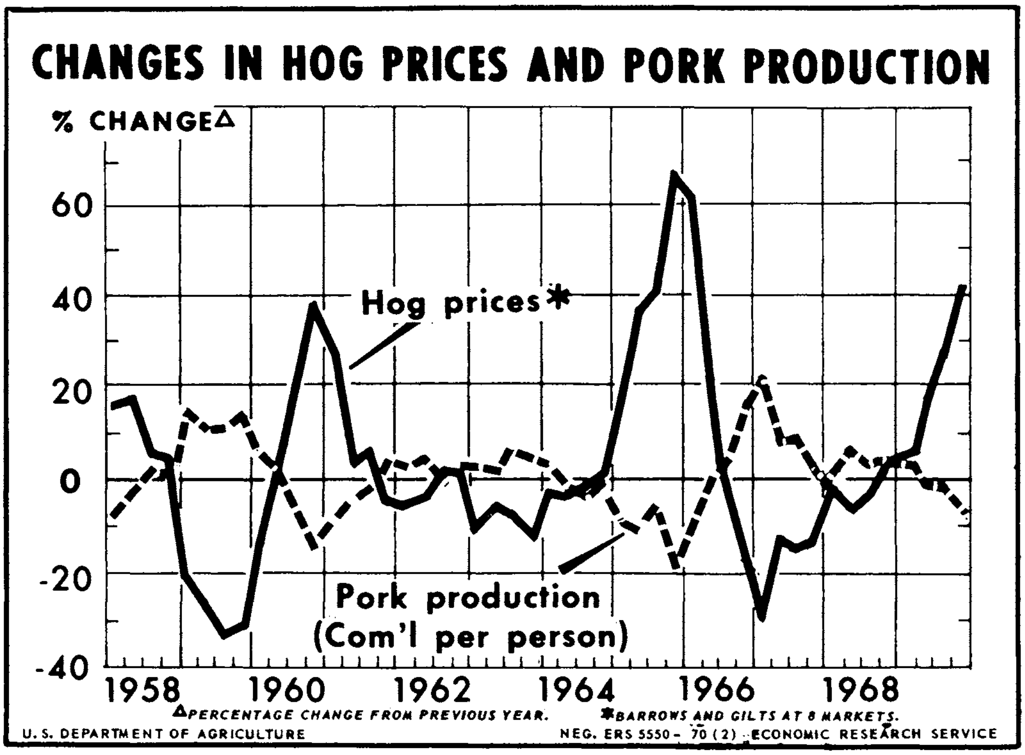
Weight group	1968	1969	Change from 1968
	1,000 head		Pct.
Under 60 lbs.	18,419	17,511	-5
60-119 lbs.	13,899	13,010	-6
120-179 lbs.	10,527	9,624	-9
180-219 lbs.	6,284	5,767	-8
220 lbs. & over	2,066	1,878	-9
Total market hogs and pigs	51,195	47,790	-7

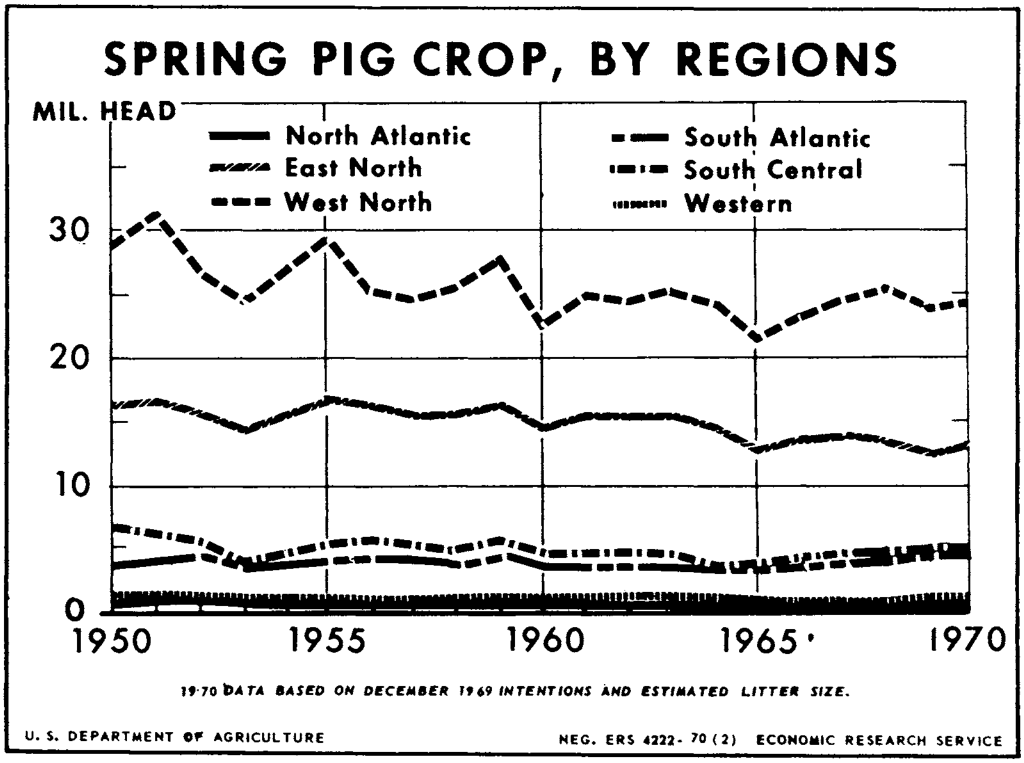
In 1969, producers marketed hogs at about the same weight as a year earlier. Somewhat lower weights in the first half were about offset by slightly heavier weights in the second half. So far this year, however, slaughter weights of barrows and gilts have been running heavier than in early 1969. This is not unusual considering recent price levels and feed supplies. Slaughter weights often rise under such circumstances. Producers likely will continue to market hogs at slightly heavier weights through the first half of 1970. Thus, pork production in the first half is not expected to be down as much as the number slaughtered.

Hog prices at 8 markets, 1968-69

Month	Barrows and gilts 1/		Sows 1/	
	1968	1969	1968	1969
	Dollars per 100 pounds			
January	18.31	19.77	14.57	15.93
February	19.41	20.41	16.05	17.56
March	19.07	20.69	16.46	18.28
April	19.00	20.38	16.28	18.20
May	18.88	23.14	15.73	20.13
June	20.43	25.16	16.68	21.44
July	21.48	26.05	17.58	22.58
August	20.08	26.91	17.14	23.99
September	19.93	25.94	17.40	23.42
October	18.29	25.53	16.50	23.13
November	17.92	25.77	15.25	22.23
December	18.76	26.93	14.78	21.68
Average	19.19	23.89	16.20	20.71

1/ Average for all weights at Midwest Markets.


CHANGES IN HOG PRICES AND PORK PRODUCTION
% CHANGE△
60
40
20
0
-20
-40
Hog prices*
Pork production
(Com'l per person)
1958
1960
1962
1964
1966
1968
△PERCENTAGE CHANGE FROM PREVIOUS YEAR.
*BARROWS AND GILTS AT 8 MARKETS.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 5550- 70 (2) ECONOMIC RESEARCH SERVICE


SPRING PIG CROP, BY REGIONS
MIL. HEAD
North Atlantic
East North
West North
South Atlantic
South Central
Western
30
20
10
0
1950
1955
1960
1965
1970
1970 DATA BASED ON DECEMBER 1969 INTENTIONS AND ESTIMATED LITTER SIZE.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 4222- 70 (2) ECONOMIC RESEARCH SERVICE

Barrows and gilts at 8 markets averaged $27.75 per 100 pounds in January, about $8 above a year earlier. This was the highest monthly price since February 1966 when barrows and gilts averaged nearly $28 per 100 pounds and approached the record monthly high of $29.13 in August 1948.

Hog prices later this winter may show some decline seasonally before beginning the usual spring-summer advance. The summer peak in 1970 could approach or exceed the August 1948 peak of $29.13. This will depend, of course, on continued growth in the general economy and no sharp departure from anticipated supplies of competing meats.

Hog prices in the first half of 1970 will be bolstered by smaller supplies of pork, only a small increase in beef and continued strong consumer demand. On balance, hog prices in the coming months will average well above a year earlier, but by midyear, increases over a year earlier will be much smaller than currently.

Slight Rise In Second Half Slaughter

Hog slaughter next summer and fall is expected to reverse the downward shift that began in mid-1969 and rise above a year earlier. In December, hog producers planned to have 3 percent more sows farrow in December 1969 through May 1970 than a year earlier. If these plans are carried forward, second half slaughter supplies will run slightly larger than in July-December 1969.

Most of the second half rise will come in the last 3 months of 1970. Producers in 10 Corn Belt States plan to increase the number of sows farrowing by 1 percent in December-February and 3 percent in March-May. This points to a sharper increase next fall than in the summer.

Hog prices during July-December this year may average about the same as the $26.20 for the second half last year, with more relative strength in the summer than in the fall. Lower prices next fall will generally reflect increased hog marketings, but smaller increases in fed cattle marketings at that time may limit the weakness in hog prices. Poultry supplies will continue large.

Hog-Corn Price Ratio To Continue Favorable

The price of hogs compared to the price of corn has been the most favorable on record. The hog-corn price ratio (Chicago basis) averaged 20.0 in 1969, compared with 17.7 in 1968 and 15.7 in 1967. In January it averaged about 22.5 compared with 17.1 a year earlier. The general rise during the year was due to a substantial increase in hog prices that more than outweighed the increase in corn prices.

In the first half of this year, corn prices are expected to average slightly higher than a year earlier but hog prices will average well above. Thus, the price relationship between hogs and corn will again favor hog producers. However, the ratio probably will drop below a year earlier later in the year. Hog prices may show a more nearly normal seasonal decline next fall in contrast to a very small decline in 1969. Thus, if corn prices follow a normal seasonal pattern in the last half of 1970, the ratio will decline.

Sow Slaughter Unchanged

Estimated commercial sow slaughter in 1969 was about the same as a year earlier. A sharp late summer-early fall increase was about offset by a decline in late fall. The sharp drop in November-December slaughter rates reflected producers' plans to increase the spring pig crop this year. Sow slaughter probably will continue generally below a year earlier in coming months as producers follow plans to rebuild breeding herds.

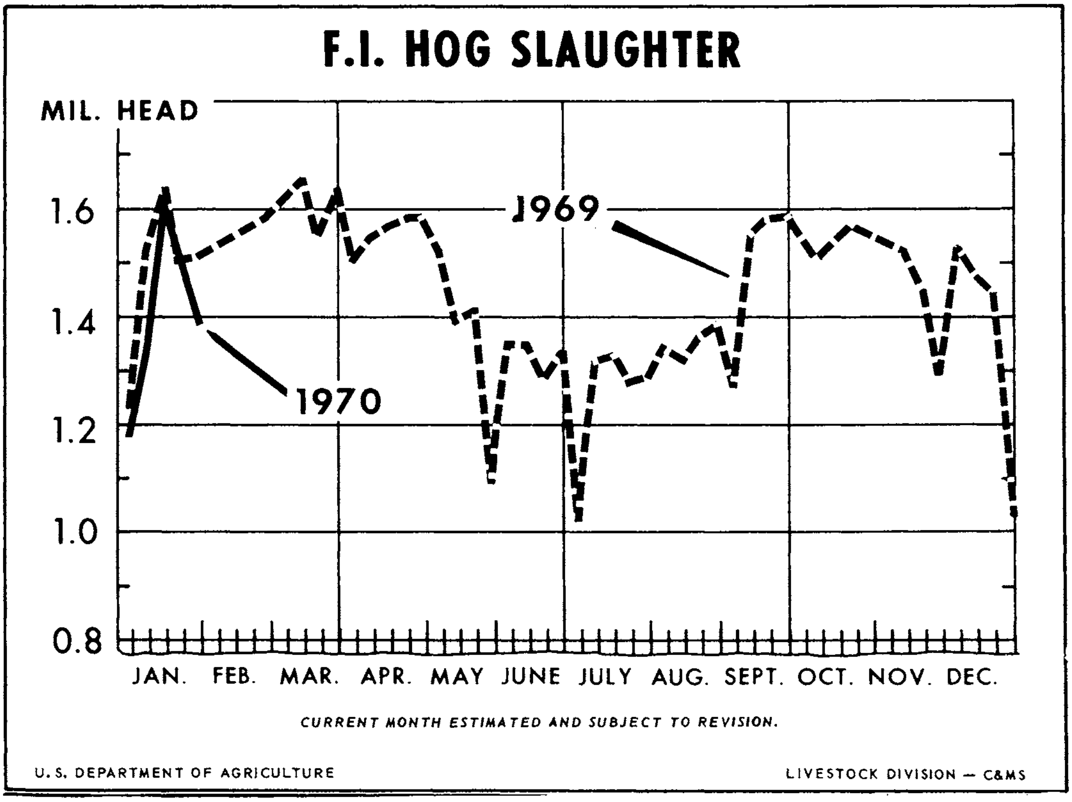
Production Rise Resuming

Hog producers have laid plans to expand production following 1969's downturn. From 1966 to 1968 hog production rose at an annual rate of about 6 percent. The 1966 pig crop rose 11 percent, the 1967 crop 5 percent and 1968 crop 3 percent. Then last year farrowings dropped 6 percent. If producers follow through on the fall 1970 crop with another 4-percent increase as intended for the spring crop, total production for the year would still fall short of the 1968 crop. Actually, producers may increase the 1970 crop more than 4 percent, because June-November farrowings could easily exceed the 4-percent increase underway this spring.

Table 3.--Hog prices, corn prices, and hog-corn price ratio, farm basis by months, 1967 to date

Month	Hog price			Corn price			Hog-corn price ratio 1/		
	1967	1968	1969	1967	1968	1969	1967	1968	1969
	Dollars per 100 pounds			Dollars per bushel					
Jan.	19.00	17.60	18.60	1.28	1.04	1.08	14.8	16.9	17.2
Feb.	18.90	18.90	19.60	1.26	1.06	1.09	15.0	17.8	18.0
Mar.	17.90	18.60	20.00	1.28	1.06	1.09	14.0	17.5	18.3
Apr.	17.00	18.50	19.60	1.26	1.06	1.12	13.5	17.5	17.5
May	21.50	18.30	22.30	1.25	1.09	1.19	17.2	16.8	18.7
June	21.10	19.40	23.90	1.26	1.07	1.18	16.7	18.1	20.3
July	21.50	20.80	24.90	1.21	1.04	1.18	17.8	20.0	21.1
Aug.	20.40	19.20	26.00	1.11	.99	1.18	18.4	19.5	22.0
Sept.	19.10	19.50	24.80	1.12	1.01	1.15	17.1	19.3	21.6
Oct.	18.00	17.90	24.70	1.04	.96	1.12	17.3	18.6	22.1
Nov.	17.10	17.50	25.00	.98	1.04	1.07	17.6	16.8	23.4
Dec.	16.70	17.80	25.70	1.03	1.05	1.09	16.2	17.0	23.6
Av.	18.90	18.60	22.90	1.17	1.04	1.13	16.3	18.0	20.3

1/ Bushels of corn equivalent in value to 100 pounds of hog, live weight.



Cold Storage
Stocks Down

Cold storage stocks at the beginning of this year at 218 million pounds were down 15 percent from a year earlier. Considering a continued lower level of pork output this winter and spring, stocks will continue reduced and no sizable buildup is likely. Smaller stocks in late spring and summer will have a further strengthening effect on hog prices.

Feeder Pig Trade
Increasing

Production of feeder pigs for sale has been gaining in the past several years. Increasing numbers of farmers in the Corn Belt apparently prefer to buy feeder pigs for all or part of their slaughter hog production. This practice can eliminate or reduce the maintenance and care of sows and facilities. Most feeder pig producers tend to be located on the fringes of the Corn Belt.

Feeder pig prices were sharply higher than a year earlier in January. Price increases over a year earlier considerably exceeded the rise in slaughter hog prices. In Illinois, 40-60 pound number 1's and 2's averaged about $26.50 per head--$10 higher than a year earlier. Other markets showed similar increases. The feeder pig market is expected to continue lively, with strong prices continuing in the first half of 1970.

Average weights and yields of
commercial hog slaughter

Year	Liveweight	Yield per hog: Lard	Yield per hog: Pork
		Pounds	
1960	236	30.6	137.4
1961	238	30.8	138.7
1962	239	29.8	142.4
1963	238	28.5	142.4
1964	241	28.8	144.8
1965	238	26.8	145.5
1966	242	25.6	150.4
1967	241	24.9	150.7
1968	239	23.9	151.1
1969	239	22.4	152.4

Trends In Pork
And Lard Yields

In the past decade the average liveweight of commercially slaughtered hogs held about steady, but the yields of prok and lard changed significantly. The yield of pork per hog rose from around 139 pounds in 1960 to nearly 154 pounds last year while lard dropped from 31 pounds to 22 pounds last year. These changes resulted from a gradual movement toward meat-type hog production as well as year-to-year shifts in trimming practices which are associated with price levels. These trends are expected to continue near the rates of recent years.

SHEEP AND LAMBS

The number of sheep and lambs slaughtered in commercial plants in 1969 totaled 10.7 million. This was 10 percent fewer than a year earlier and the smallest slaughter on record. Slaughter this year is expected to again be smaller and prices to average higher.

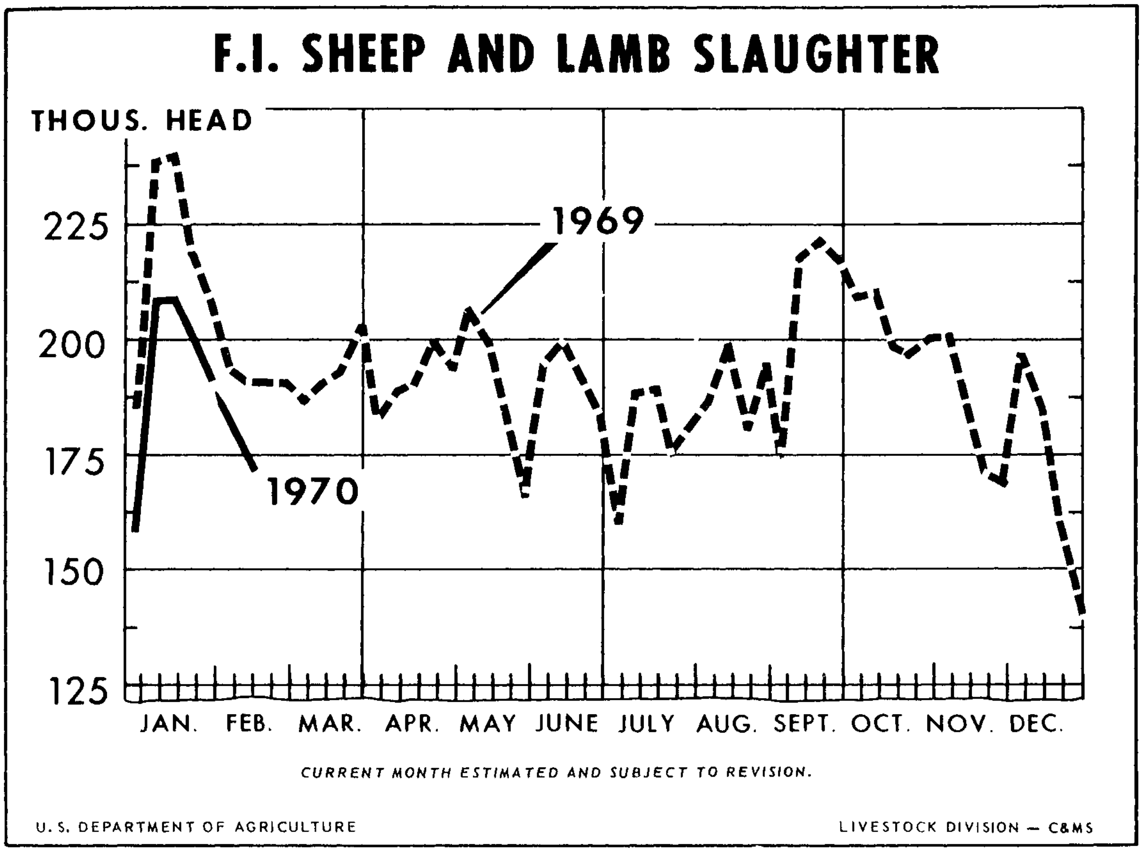
Slaughter lamb prices were well above 1968 levels throughout 1969. Choice slaughter lambs at San Angelo averaged $28.80 per 100 pounds, about $3 above 1968. Prices rose through the winter and early spring, reaching a peak of $31.75 in mid-April. Prices then declined slowly to $27.50 by late summer, eased up to $28.50 in early fall and maintained that level through the end of the year.

Choice feeder lamb prices in 1969 averaged $28 at San Angelo--about 75 cents below slaughter lamb prices but nearly $4 above a year earlier. In the fall, however, the feeder market strengthened, averaging about 70 cents above the slaughter market.

Slaughter lamb prices are expected to average above a year earlier through the first half of 1970 and feeder lambs likely will continue above slaughter lambs into late winter or early spring. Slaughter lamb prices are expected to continue steady to strong this winter, rising sharply in the spring as early new-crop lambs are marketed, then tapering off seasonally into late summer.

Fewer Lambs On Feed

The number of lambs on feed January 1 in 26 States totaled 2.8 million head--2 percent fewer than a year earlier and the least for that



date in any recent year. The number on feed was down 10 percent in the North Central States while western feeders had 1 percent more on feed. During November and December, placements of feeder lambs in 7 major feeding States--accounting for about half of all lambs on feed--were down 8 percent from a year earlier and marketings were down 4 percent.

Marketings out of feedlots were down only moderately because of some early movement of lambs into feedlots in the 7 major States late in the summer and early fall. However, marketings from other feeding States were down sharply as commercial slaughter was off 9 percent during November and December.

The small drop in numbers on feed January 1 and the rather sharp decline of 11 percent in slaughter last fall indicate that an unusually large proportion of lambs went into feedlots and a smaller proportion directly to slaughter. Thus, while winter slaughter rates probably will continue below a year earlier, the margin below last winter will be smaller than it was in the fall.

Weekly commercial slaughter in January averaged about 8 percent below a year earlier. The rate of decline narrowed late in the month and is expected to narrow further late this winter. Based on the breakdown by weight groups of lambs on feed on January 1 in 7 States, the margin of slaughter below a year earlier will probably be narrowest in late winter. For example, there were 8 percent fewer lambs on feed weighing over 80 pounds and 4 percent more weighing under 80 pounds.

Spring slaughter supplies are mostly new-crop lambs. Since there are probably fewer ewes in the early lamb producing areas than a year earlier, a smaller early lamb crop is expected. Consequently, total slaughter supplies in the spring will continue below a year earlier--possibly by a wider margin than in the late winter.

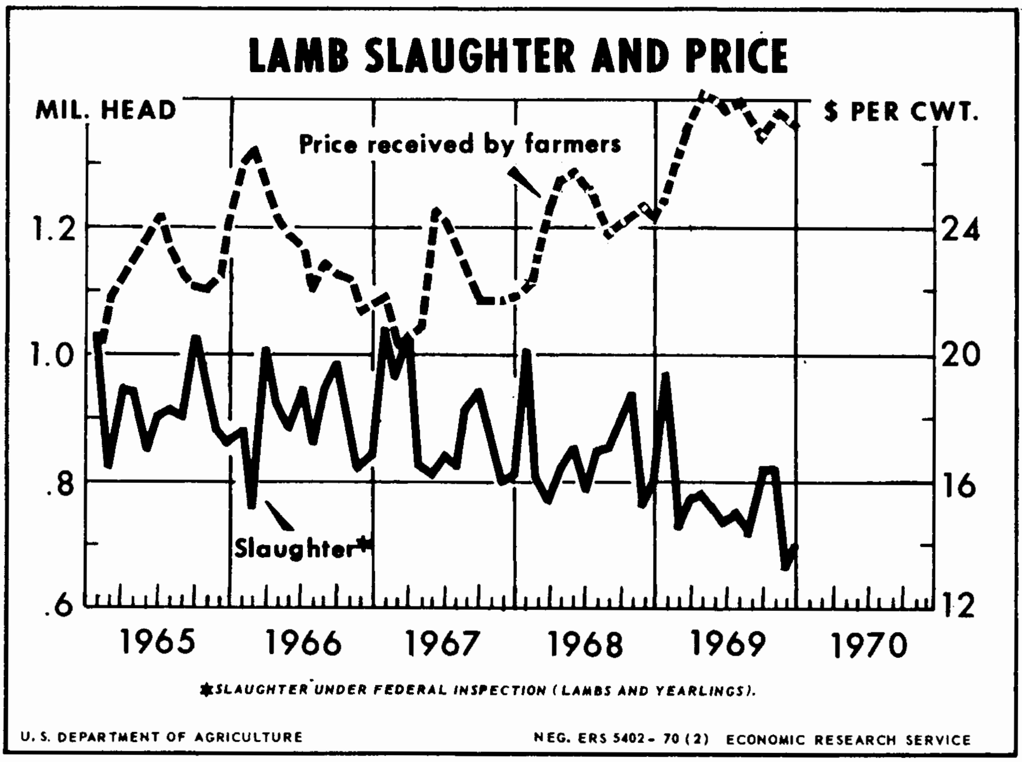
Lamb Prices Continue Above Year Earlier

Choice grade slaughter lambs in late January were $29 per 100 pounds at San Angelo,

Table 4 .--Wholesale price of Choice lamb at Chicago, Carlot basis, by months 1967 to date 1/

Month	1967			1968			1969		
	35-45 lb.	55-65 lb.	Differ-ence	35-45 lb.	55-65 lb.	Differ-ence	35-45 lb.	55-65 lb.	Differ-ence
	Dollars								
Jan.	49.50	43.88	5.62	51.70	47.22	4.48	58.92	54.29	4.63
Feb.	46.52	39.17	7.35	54.94	51.94	3.00	60.47	57.22	3.25
Mar.	46.80	40.98	5.82	56.69	53.35	3.34	62.31	58.38	3.93
Apr.	48.88	44.40	4.48	58.25	55.03	3.22	62.85	58.62	4.23
May	57.39	56.36	1.03	58.22	55.72	2.50	61.50	58.50	3.00
June	56.75	56.03	.72	58.09	57.81	.28	62.34	60.68	1.66
July	54.47	54.47	0	56.38	56.38	0	61.47	61.15	.32
Aug.	51.37	51.37	0	54.08	54.08	0	60.52	60.52	0
Sept.	49.69	49.69	0	55.28	55.28	0	58.62	58.62	0
Oct.	50.64	50.64	0	56.25	55.46	.79	59.09	57.58	1.51
Nov.	51.43	50.57	.86	57.75	54.12	3.63	59.66	58.22	1.44
Dec.	50.90	48.25	2.65	56.12	51.19	4.93	58.52	56.87	1.65
Year	51.20	48.82	2.35	56.15	53.96	2.19	60.52	58.39	2.13

1/ Prime and Choice quoted together.



$2.50 above a year earlier. If slaughter supplies follow the pattern suggested by the number of lambs on feed January 1, and the movement of early lambs is normal, fed lamb prices likely will continue steady to strong in the winter, with the usual rise on early spring slaughter lambs. A strong market for cattle and hogs over the next few months will also help maintain lamb prices above a year earlier.

Early spring slaughter lambs are expected to bring the usual sharp price premiums over fed lambs and average above a year earlier during April-June. Last year, for example, packers paid $2 more per 100 pounds for Choice grade early spring lambs in March than for the same grade fed lambs. This was about the same as in other recent years.

Choice lamb prices at San Angelo, 1968-69

Month	Slaughter lambs		Feeder lambs	
	1968	1969	1968	1969
	Dollars per 100 pounds			
Jan.	22.94	26.56	22.35	26.12
Feb.	24.19	28.00	23.75	27.62
Mar.	26.88	30.69	24.81	30.69
Apr.	29.13	31.05	27.50	29.55
May	27.40	29.44	24.30	26.88
June	26.13	29.00	22.88	25.81
July	25.25	29.05	22.90	26.57
Aug.	23.81	28.19	22.88	26.56
Sept.	25.38	28.00	23.81	29.00
Oct.	25.75	28.35	24.30	28.70
Nov.	26.31	28.62	24.75	29.81
Dec.	25.33	28.50	25.58	29.00
Av.	25.71	28.79	24.15	28.03

Feeder lamb prices are expected to drop below slaughter lamb prices later in the winter and will probably be $2-$3 below early spring slaughter lamb prices. However, premiums probably will again be offered for feeder lambs by late summer as supplies will be down from the preceding season.

Slaughter Weights Trend Upward

The average weight of lambs slaughtered under Federal inspection last year was 104 pounds--up slightly from a year earlier. Weights have been trending upward for several years. Several factors could be contributing to this trend including a gradual shift away from fine wool breeding, a larger proportion being fed, and lamb feeders adding more pounds. The rise over the past decade has been around 6 or 7 percent. Some further slow rise is likely in the years ahead. Slaughter weights this winter are expected to continue slightly heavier than a year earlier.

Price Spreads
Narrow

Discounts on heavier lamb carcasses this past fall began in October, about the same time as usual. However, price spreads between weight groups last fall and so far this winter have been substantially smaller than a year earlier. In late January Choice grade 30-45 pound lamb carcasses at Chicago (Carlot basis) were $61 per 100 pounds, about $2.25 above 55-65 pound carcasses of the same grade. This compared with $4.50 spread a year earlier.

When lamb supplies decline and prices rise the price spread between weights usually narrows. If the lamb market continues steady to strong this winter as expected, price spreads will not likely change appreciably from recent levels and may disappear sooner than usual. On the other hand some bunched shipments of fed slaughter lambs later in the winter could result in some temporary price weakness and larger discounts on the heavy, wasty lambs.

USDA MEAT PURCHASES

In 1969, the U.S. Department of Agriculture purchased 244 million pounds (product weight) of meat and meat products for distribution to schools and other food help programs at an f.o.b. cost of $136 million.

Purchases for use in the food help programs, other than for schools, included $11 million for 17 million pounds of canned beef with juices, $12 million for 19 million pounds of canned pork with juices and $39 million for 80 million pounds of canned chopped meat. Funds for these purchases were provided under Section 32 of Public Law 320.

Purchases for distribution to schools included $9 million for 17 million pounds of frozen ground pork and $26 million for 43 million pounds of frozen ground beef. Funds for these purchases were provided under Section 6 of the National School Lunch Act. In addition, 68 million pounds of frozen ground beef was purchased for schools with $39 million of Section 32 funds.

MEAT PRICES AND CONSUMPTION

The Consumer Price Index of all items (a general measure of costs of most consumer goods and services) rose 5 percent in 1969. Food prices paid by consumers increased 5 percent last year with the sharpest advance in the second half. Retail meat prices were up 9 percent in 1969.

Retail prices of all classes of meat trended upward in 1969. The BLS Index of retail prices of beef and veal averaged 10 percent higher than in 1968 and retail pork prices averaged 9 percent higher. Beef and veal prices were at the peak for the year in July, 13 percent higher than at the beginning of the year, but in December were 8 percent above the beginning of the year. Retail pork prices peaked in September at about 16 percent higher than at the beginning of the year and held mostly steady in the late fall.

Retail prices of hamburger and pork sausage tended to rise relatively more in 1969 than prices of higher priced cuts of beef and pork. Prices of porterhouse steak averaged 9 percent higher in 1969 than in 1968; prices of rib roast and hamburger rose 11 percent. Prices of pork chops averaged 9 percent higher, whole smoked ham was up 6 percent, and pork sausage prices were up 12 percent. By the end of the year, however, hamburger prices averaged 11 percent higher than at the beginning of the year, while porterhouse steak prices were 4 percent higher; pork chop prices were 13 percent higher while pork sausage prices were 18 percent higher.

Retail prices of bologna, salami sausage, and liverwurst did not rise as fast as most fresh meat prices in 1969, but unlike fresh meat prices, were at their peaks for 1969 at the end of the year.

Retail meat prices and livestock prices rose in 1969 mainly because of strengthened consumer demand for meat. Total red meat supplies were record large in 1969 although consumption per person averaged a little over 182 pounds compared with almost 183 pounds per person in 1968.

Prices received by farmers for livestock rose sharply in 1969. Prices received for beef cattle averaged about $26.20 per 100 pounds, about 12 percent higher than in 1968 and highest since 1951. Prices received for hogs averaged almost $23 per 100 pounds, about 23 percent higher than in 1968 and almost the same as in 1966 when prices were highest in recent years.

The farm-retail price spread remained relatively steady at near year-earlier levels for Choice grade beef during the first half of 1969. The spread increased very sharply in July-September, however, as retail beef prices continued near the summer high while cattle prices fell to considerably lower levels.

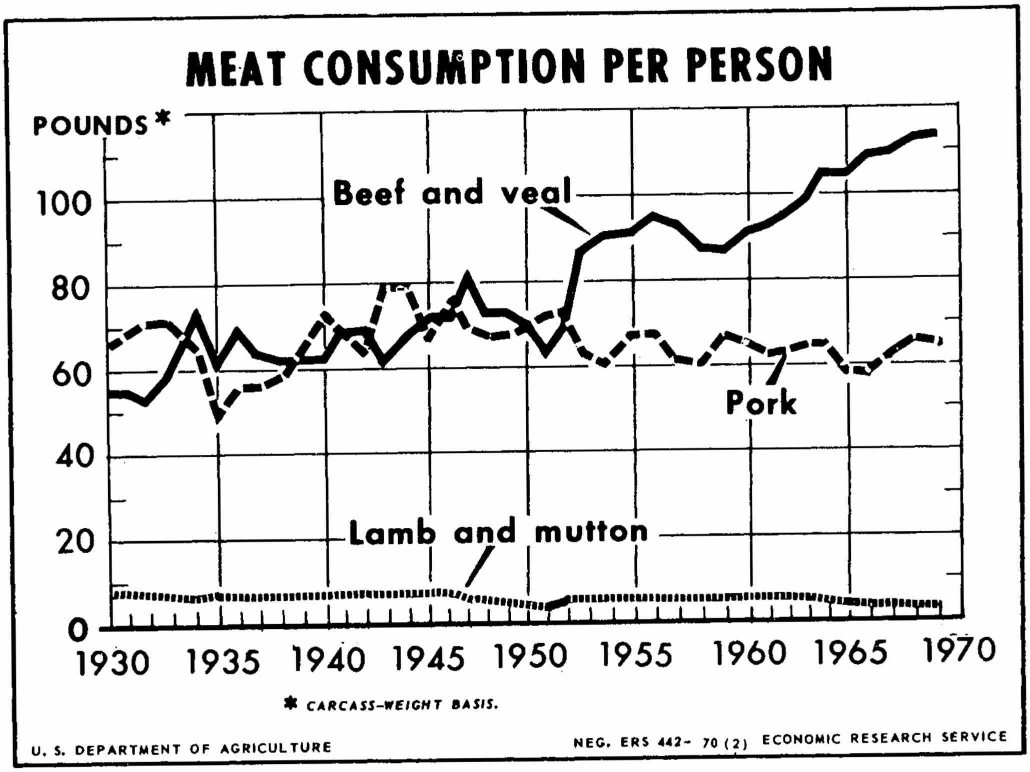
For pork, the farm-retail spread was at or below a year earlier throughout 1969.

Beef consumption per person was 110.7 pounds, up from 109.4 pounds in 1968 and a record. Pork consumption was 64.8 pounds, compared with 66 pounds in 1968. Veal and lamb consumption continued to decline slightly and averaged 3.4 pounds.

Except in April-June 1969, beef supplies per person were larger each quarter than in 1968. Pork supplies were up a little in the first 2 quarters, but lower in the last 2 quarters. Total meat supplies were up in January-March, down in April-June, the same as a year earlier in July-September, but down again in October-December.

In 1970, meat supplies will increase again and per capita consumption likely will run about the same as in 1968 and 1969. Beef consumption is expected to be up but consumption of pork, veal and lamb likely will be a little smaller. Pork supplies per person will be smaller than in 1969 during the first half but likely will rise in the second half.

In 1970, retail meat prices are expected to average near late 1969 levels in the first half, but well above prices a year earlier.


MEAT CONSUMPTION PER PERSON
POUNDS*
100
80
60
40
20
0
Beef and veal
Pork
Lamb and mutton
1930 1935 1940 1945 1950 1955 1960 1965 1970
* CARCASS-WEIGHT BASIS.
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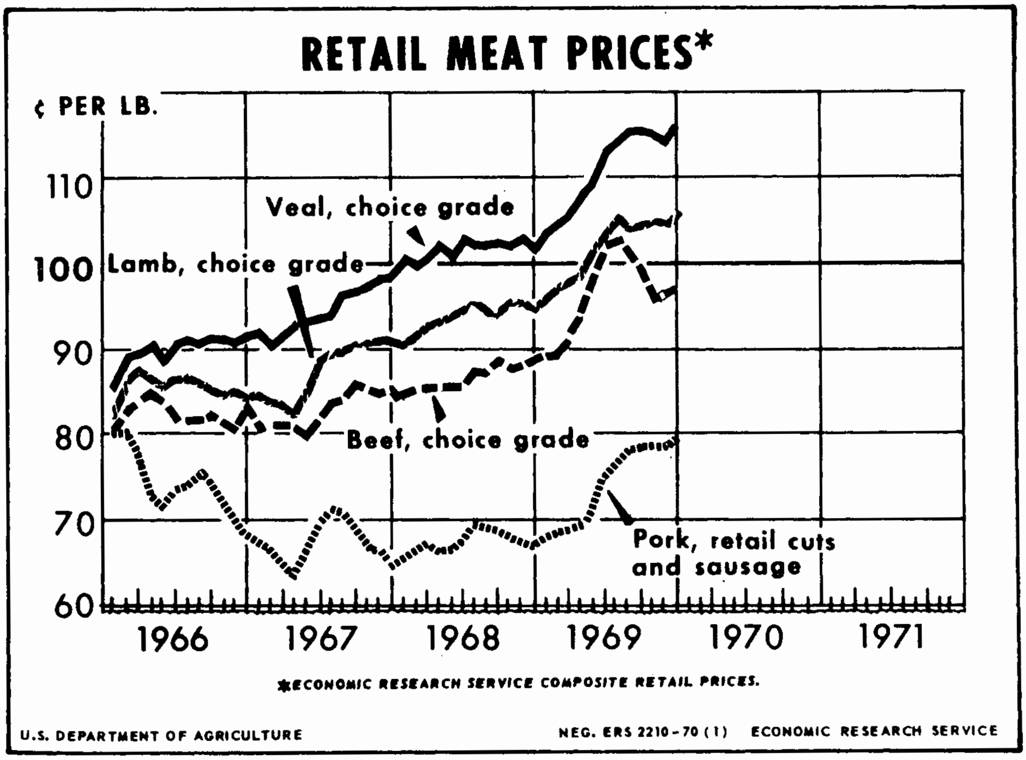
RETAIL MEAT PRICES*
¢ PER LB.
110
100
90
80
70
60
Veal, choice grade
Lamb, choice grade
Beef, choice grade
Pork, retail cuts and sausage
1966 1967 1968 1969 1970 1971
*ECONOMIC RESEARCH SERVICE COMPOSITE RETAIL PRICES.
U.S. DEPARTMENT OF AGRICULTURE
NEG. ERS 2210-70 (1) ECONOMIC RESEARCH SERVICE

Table 5.--Average retail price of specified meat cuts, per pound, by months, 1966 to date

Year and Item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
Beef												
Porterhouse steak												
1966	135.0	135.0	137.9	138.9	135.8	136.7	137.7	136.6	137.8	135.8	132.6	134.3
1967	133.0	133.3	133.6	131.8	131.1	136.8	137.6	137.9	141.4	138.5	138.3	139.0
1968	138.9	139.9	139.7	139.0	141.7	142.6	142.3	145.3	145.6	144.9	143.8	142.9
1969	146.3	145.2	145.2	149.0	153.4	163.0	166.0	162.6	162.8	158.0	154.1	151.7
Round steak												
1966	108.6	111.8	113.9	114.6	110.5	110.8	109.0	110.6	109.5	111.0	109.3	110.3
1967	108.1	109.5	108.5	107.6	107.0	111.0	109.5	109.9	112.5	112.6	113.5	113.8
1968	113.2	114.3	113.5	111.8	114.7	113.5	113.8	115.2	115.3	115.1	116.4	114.5
1969	119.1	119.2	119.0	123.7	126.4	133.5	135.0	132.3	130.5	129.2	127.5	125.5
Rib roast												
1966	93.2	93.2	93.9	94.7	94.5	93.3	93.0	92.8	93.1	92.6	91.0	92.8
1967	93.4	92.7	91.3	91.5	91.5	93.2	93.9	94.3	96.4	96.6	95.9	97.2
1968	98.2	97.1	97.3	97.8	97.3	98.2	99.0	99.1	99.5	100.2	100.5	101.5
1969	103.7	102.3	101.2	104.5	108.0	115.0	117.4	114.6	114.2	110.1	110.2	109.9
Rump roast												
1966	110.5	112.2	114.1	114.4	111.3	111.0	109.8	110.7	110.2	111.2	109.9	110.6
1967	109.3	110.3	109.1	108.0	107.6	111.0	110.0	111.4	112.3	112.4	113.2	113.1
1968	113.8	114.0	113.2	112.5	114.2	113.0	113.5	114.1	115.3	114.4	115.3	114.0
1969	117.3	117.8	118.2	121.5	123.5	129.5	131.5	129.8	128.5	127.5	125.7	125.0
Chuck roast												
1966	60.6	62.5	64.3	65.3	63.7	61.3	61.0	61.0	61.8	62.2	60.3	61.8
1967	60.0	61.1	60.9	59.8	59.3	60.3	60.5	61.4	62.1	63.1	62.8	62.4
1968	62.4	63.1	63.4	63.8	63.0	62.7	63.6	64.0	63.5	64.3	64.5	63.8
1969	65.0	65.6	65.7	68.6	69.9	73.7	75.4	73.9	73.1	72.0	70.5	70.8
Hamburger												
1966	51.3	52.4	54.3	55.4	55.6	54.9	54.3	54.3	54.7	54.8	54.5	54.4
1967	54.1	54.4	54.3	53.9	53.9	54.2	54.6	54.9	55.2	55.6	55.2	55.1
1968	55.0	55.1	55.1	55.4	55.3	55.8	55.9	56.7	56.9	57.2	57.3	57.3
1969	57.6	57.8	58.0	59.7	61.2	64.4	65.2	65.6	65.6	64.8	64.6	64.2
Veal cutlet												
1966	147.4	152.5	153.8	155.3	154.5	155.5	156.2	156.0	155.5	155.7	155.6	155.9
1967	156.6	158.7	159.7	158.7	159.4	161.9	166.2	167.0	168.0	168.5	168.5	168.5
1968	170.5	171.5	172.9	175.0	174.9	176.8	177.3	176.9	177.9	177.0	178.7	177.4
1969	183.0	184.6	186.7	189.9	192.9	199.6	201.3	202.2	202.8	203.1	202.2	202.5
Pork chops												
1966	110.9	112.4	109.7	104.4	100.8	107.1	108.1	108.2	107.4	105.7	103.3	97.0
1967	99.1	97.8	96.0	93.1	93.9	105.1	105.1	108.3	105.9	103.6	100.3	96.5
1968	98.6	100.8	103.2	101.4	101.0	100.6	106.5	106.8	106.4	106.1	100.9	102.1
1969	104.0	105.5	104.7	105.6	106.0	116.6	118.1	117.4	119.1	116.0	116.0	117.4
Roast, loin												
1966	80.0	81.5	80.8	76.7	74.3	77.0	77.5	77.5	77.4	77.3	75.0	71.5
1967	71.8	70.7	69.8	68.0	67.5	74.8	74.7	76.5	75.6	73.8	71.7	69.2
1968	70.1	71.3	73.1	72.0	71.6	72.0	74.6	75.9	75.1	75.3	72.9	72.7
1969	73.4	74.4	73.7	74.6	75.5	81.3	82.6	82.2	83.2	82.5	81.7	83.4
Bacon, sliced												
1966	100.8	102.5	99.8	93.6	92.7	93.9	96.0	99.6	100.2	96.5	86.5	83.2
1967	82.3	81.7	81.2	80.6	79.9	89.9	90.1	88.7	85.9	83.6	80.8	79.8
1968	79.3	80.2	81.0	80.7	83.2	82.8	81.8	82.5	82.1	82.1	81.0	80.1
1969	79.5	80.3	80.8	82.9	83.6	87.7	89.6	90.9	95.8	95.3	93.6	94.1
Ham, whole												
1966	83.3	82.7	82.3	74.6	72.9	72.0	71.9	71.6	73.2	72.2	71.4	73.0
1967	73.2	71.7	71.0	69.4	67.1	70.2	68.1	69.0	69.8	69.3	68.3	70.0
1968	69.6	69.0	68.5	68.3	67.7	68.3	67.6	69.2	69.7	69.7	69.3	69.8
1969	71.1	69.8	70.2	67.3	69.1	70.9	70.9	72.7	75.8	77.0	77.5	81.1
Lamb chops												
1966	151.7	157.1	156.6	155.4	154.7	155.4	154.5	154.5	154.4	154.4	153.6	152.7
1967	153.3	151.2	150.2	150.9	153.6	160.1	159.9	160.3	161.9	159.9	159.3	158.9
1968	160.0	161.3	162.1	162.7	165.0	165.9	167.1	166.6	166.0	168.2	167.0	167.1
1969	170.3	171.7	172.9	174.1	177.5	181.3	183.5	181.2	181.8	181.9	181.3	182.6

Data from the Bureau of Labor Statistics.

Table 6 .--Meat subject to U.S. import quota restriction: Product weight of imports by months, average 1959-63, 1964-69

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	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.
1959-63 average	47.3	49.6	57.5	54.3	48.5	58.6	67.1	84.1	76.1	61.6	56.1	61.4	722.2
1964	87.2	44.9	68.9	61.4	51.1	98.1	43.7	79.5	49.6	46.4	55.7	53.4	739.9
1965	28.2	34.5	68.7	32.4	52.3	42.1	58.5	59.9	62.2	64.4	57.3	53.7	614.2
1966	51.4	60.3	49.4	63.3	52.0	100.2	61.4	87.1	91.5	79.7	61.1	66.0	823.4
1967	77.4	58.5	61.9	58.8	51.5	69.6	88.7	92.2	89.8	91.8	82.3	72.4	894.9
1968	80.7	72.6	64.1	78.3	56.1	105.1	86.4	108.6	115.5	102.1	95.8	35.6	1,001.0
1969	41.9	50.4	136.1	90.0	80.5	85.7	107.1	141.8	121.4	108.4	51.4	69.4	1,084.1

Table 7.--U.S. meat imports and exports and percentage comparisons (carcass weight), 1968 and 1969

Month	Imports											
	Beef and veal			Lamb, Mutton and goat			Pork			Total meat		
	1968	1969	Change	1968	1969	Change	1968	1969	Change	1968	1969	Change
	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.
January	119.6	70.1	-41	13.0	1.1	-91	34.8	12.5	-64	167.4	83.7	-50
February	107.0	80.1	-25	14.4	5.5	-61	34.7	27.8	-20	156.1	113.4	-27
March	93.0	191.0	+105	14.7	20.5	+40	37.2	50.7	+36	144.9	262.2	+81
April	114.0	135.2	+19	13.1	14.8	+14	35.2	42.5	+21	162.3	192.6	+19
May	95.1	118.1	+24	8.7	15.4	+76	36.5	42.3	+16	140.3	175.7	+25
June	142.9	134.3	-6	21.8	10.1	-54	36.8	35.6	-3	201.5	180.1	-11
July	139.3	162.7	+17	10.0	13.5	+36	35.3	38.0	+8	184.6	214.2	+16
August	153.3	206.1	+34	13.1	22.7	+73	30.3	27.1	-10	196.7	255.9	+30
September	175.2	181.5	+4	12.4	16.6	+34	38.5	31.6	-18	226.1	229.7	+2
October	151.7	165.0	+9	10.3	15.9	+54	30.4	35.1	+15	192.4	216.0	+12
November	147.5	85.5	-42	11.9	8.5	-29	33.3	30.4	-2	192.7	124.4	-35
December	79.4	111.0	+40	3.5	7.7	+120	33.1	35.2	+7	116.0	153.9	+33
Total	1,518.0	1,640.6	+8	146.9	152.3	+4	416.1	408.8	-2	2,081.0	2,201.7	+6

Month	Exports											
	Beef and veal			Lamb and mutton			Pork			Total meat		
	1968	1969	Change	1968	1969	Change	1968	1969	Change	1968	1969	Change
	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.
January	3.5	2.8	-20	0.2	0.2	0	3.7	14.0	+281	7.4	17.0	+130
February	3.2	2.8	-13	.2	.3	+55	3.4	16.1	+376	6.8	19.2	+182
March	3.1	3.9	+23	.2	.3	+65	3.2	11.7	+262	6.5	15.9	+142
April	2.9	3.1	+5	.3	.2	-34	3.2	10.8	+238	6.4	14.1	+117
May	3.4	3.8	+12	.2	.2	+5	2.7	23.3	+762	6.3	27.3	+333
June	2.8	2.8	-0.7	.3	.1	-63	3.1	13.1	+323	6.2	15.9	+159
July	3.0	2.9	-.9	.1	.2	+87	4.7	8.2	+74	7.8	11.4	+45
August	3.3	3.2	-3	.2	.2	+12	11.2	6.6	-41	14.7	10.0	-32
September	3.0	2.7	-7	.2	.2	-26	11.3	11.0	-2	14.5	13.9	-3
October	3.0	3.1	-1	.2	.2	-23	13.9	20.4	+46	17.1	23.7	+38
November	3.8	2.9	-25	.5	.1	-80	18.3	13.2	-28	22.6	16.2	-28
December	3.2	2.7	-15	.2	.1	-38	14.6	5.4	-63	18.0	8.2	-54
Total	38.2	36.7	-4	2.8	2.3	-17	93.3	153.8	+65	134.3	192.8	+44

FOREIGN TRADE IN MEATS

Meat imports in 1969 totaled 2.2 billion pounds (carcass weight equivalent), 6 percent more than in 1968. Beef and veal amounted to three-fourths of the total and accounted for most of the increase. Lamb imports at 44 million pounds were almost twice as large as a year earlier. Mutton and goat imports, 108 million pounds, were down 13 percent; pork imports, 409 million pounds, were down 2 percent.

Meat exports totaled 193 million pounds (carcass weight equivalent) in 1969. Exports were 44 percent larger than in 1968. Pork made up four-fifths of the exports and accounted for all of the increase.

Meat Imports Subject To Quota

The first quarterly estimate of 1970 imports of meat subject to restriction by quota under Public Law 88-482 placed the expected total for the year at 1,061.5 million pounds (product weight).

In announcing the estimate, the Secretary of Agriculture said it would be higher were it not for restraints to be placed on shipments to the United States by principal foreign suppliers during 1970. Commitments were made by the Governments of all of the major countries exporting these meats to the United States, and these limitations are reflected in the estimate.

Public Law 88-482, enacted in August 1964, provides that if yearly imports of certain meats--primarily beef and mutton--are estimated to equal or exceed 110 percent of an adjusted base quota, the President is required to invoke quotas on imports of these meats. The adjusted base quota for 1970 is 998.8 million pounds. The amount of estimated imports which would trigger the imposition of quotas is 110 percent of the adjusted base quota, or 1,098.7 million pounds.

In 1969, imports of meat subject to restriction under Public Law 88-482 totaled 1,084.1 million pounds (product weight). The adjusted base quota for 1969 was 988.0 million pounds, and 110 percent of the adjusted base quota was 1,086.8 million pounds.

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POTENTIAL FEEDER CATTLE SUPPLY

by

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Beef production rose at an annual rate of about 4 percent during the past decade. Cattle feeding expanded sharply, accounting for most of this growth. Increases in the number of fed cattle marketed substantially exceeded the increase in the number of cows in the breeding herd. The cow herd (beef and dairy) increased only about 4 percent since the mid-1950's while the number of fed cattle marketed more than doubled.

The increase in cattle feeding has been associated with decreasing slaughter of grass fed steers and heifers, a rapidly expanding beef cow herd, declining calf slaughter, and placements of younger cattle on feed. A special article on these factors and their relative contribution to beef production appeared in the October 1969 issue of the Livestock and Meat Situation. 1/

There have been many questions and much speculation relative to the total potential feedlot output from the current cattle inventory. Also, how much longer will feedlot inventories be able to expand at a faster rate than the beef breeding herd? This article shows that in 1969 the potential output of fed beef could have been about 10-15 percent more than the actual output, and points to the mid-1970's as the time when subsequent production increases will come mostly from further expansion of the beef calf crop.

Although precise identification of all potential feeder cattle is impossible, the information available allows a reasonable assessment. But to extend a logical sequence of the changes and trends in the industry over time, the data must be grouped into acceptable and workable categories. To identify and separate dairy and beef animals and steers and heifers into various use categories, an annual calf crop base was used rather than the January 1 inventory. The tables reflect the following assumptions: (1) All calves slaughtered are dairy calves; (2) All dairy heifer calves not saved for herd replacement are slaughtered; (3) Calf slaughter in any given year is from that year's calf crop.

Obviously not all animals slaughtered as vealers or calves are of dairy breeding but most are. Areas of the country slaughtering most of the calves are largely those with a relatively large proportion of dairy cattle. Dairy heifer calves not kept for replacement are mostly killed as vealers. Before dairy heifers are bought in volume for use as feeder cattle, a stronger feedlot demand will be necessary.

Although calf slaughter early in any year would include many calves born in the preceding year, it is not practical to estimate the number of such animals in the annual slaughter. Besides, this makes little difference when comparing general trends or changes over several years, since carryovers in consecutive years would generally be offsetting.

Tables 1-3 illustrate changes over the past 15 years for major classes of cattle and calves and show the approximate distribution of each year's calf crop into end-use categories. The data are not meant to illustrate precise year-to-year shifts in all categories but to show (1) how structural changes have affected the distribution and use of each year's calf crop the past several years, and (2) to provide a basis for estimating the magnitude and direction of future changes. For example, selected 3-year averages were used rather than annual data, because trends are more significant than the precise fitting of annual data. Also, rough estimates, such as the average replacement rates in the beef and dairy herds, were adequate for the intended purpose. Of course, the averages used, 16 percent for beef and 25 percent for dairy, may change significantly from year to year and may not reflect individual experiences of cattlement.

Table 1 shows that as the dairy herd declined, calf slaughter also declined and an increasing proportion of dairy bull calves was raised to maturity and slaughtered as steers.

1/ "Our Beef Producing Potential", by Robert L. Rizek and John T. Larsen.

However, calf slaughter dropped at a slightly faster rate than the dairy calf crop declined, indicating that some dairy animals were shifted from veal output into beef production. This is further illustrated by the generally declining proportion of bull calves slaughtered and the increasing proportion slaughtered at maturity as dairy steers. Dairy bull calves are a major potential source of feeder cattle not yet fully utilized.

The number of beef heifer calves held, shown in table 2, has increased at a rate which has provided a generally steady expansion of the beef cow herd. (Culling rates of cows as well as additions of heifers are, of course, associated with changes in the size of the breeding herd.) Also slaughter of beef heifers has increased at a slightly faster rate than the beef calf crop. This suggests that calf slaughter in recent years probably has not included a significant number of beef heifer calves. Beef steers slaughtered have increased at about the same rate as the growth in the beef calf crop. This indicates that most beef bull calves, except those held for breeding, have been raised for slaughter at maturity.

The supply of feeder cattle is made up of beef steers, beef heifers, and dairy steers. Beef bull calves, except those held for breeding, reach slaughter mostly as fed steers. Dairy bull calves are slaughtered both for veal and steer beef and some are fed. As shown in table 3, the cattle industry has trended strongly toward more beef output and less veal production. These changes in production have come about with only a small net change in the size of the breeding herd.

The rate of increase in number of fed cattle marketed in the past 15 years was twice the rate of increase in number of steers and heifers slaughtered. While steer and heifer slaughter and fed cattle marketings rose sharply, marketings of nonfed steers and heifers declined sharply. In the mid-1950's more than a third of all steers and heifers slaughtered were marketed off grass. The balance was marketed through feedlots. By the mid-1960's, the proportion of nonfeds dropped to around a fifth of the total. In the past 5 years the accelerated growth of cattle feeding sharply reduced the nonfed category to around one-tenth of the total.

A portion of these nonfed steers and heifers is potentially feeder cattle, as are some of the dairy bull calves slaughtered as vealers. The number of animals in these two classes has declined sharply over the past several years from an estimated 15 million head in the mid-1950's to around 5 million head last year. Perhaps 3-4 million of these were of suitable quality and type for the feedlot.

From the mid-1950's to the mid-1960's the number of nonfed steers and heifers slaughtered did not change significantly although their proportion of the total slaughter dropped substantially. However, with the sharp increase in cattle feeding and resulting demand for feeder cattle, the annual rate of decline accelerated in recent years, particularly in 1969 when more than 1.5 million cattle were diverted from grass-fed slaughter to feedlots.

The rate of decline in the number of dairy bull calves slaughtered has been similar to changes in nonfed slaughter during the past 15 years. Two factors, the decline in the dairy calf crop and diversion to beef, have been the major causes of such changes. The continued diversion of dairy calves from the traditional vealer route will, of course, reduce veal supplies further. However, the extent that cattle feeders eventually work into the dairy supply will likely depend to a large extent on price relationships between vealers or slaughter calves and feeder calves.

On balance, extending the foregoing assumptions and trends, if cattle feeders continue to expand near the pace of recent years, opportunities for expanding numbers from these sources (nonfeds and dairy) will be largely utilized by the mid-1970's. From that point on, increases in fed beef output will largely depend on expansion of the beef calf crop.

Table 1.--Annual disposition of the dairy calf crop

Item	Average 1955-57	Average 1960-62	Average 1965-67	1969
	Million head			
Dairy cows on farms Jan. 1	22.9	19.9	16.1	14.1
Calf crop 1/	18.6	15.7	13.1	11.8
Heifer calves held 2/	5.3	4.6	3.6	3.4
Heifer calves slaughtered 3/	4.0	3.2	2.9	2.5
Bull calves slaughtered 4/	8.8	5.0	4.0	2.6
Bull calves slaughtered as steers 5/	0.5	2.9	2.6	3.3
Calves slaughtered 6/	12.8	8.2	6.9	5.1

1/ Estimate based on proportionate number of dairy cows on farms Jan. 1 less death loss. 2/ Estimate based on a 25 percent replacement rate. 3/ All heifer calves not held. 4/ Calf slaughter less heifer calves slaughtered. 5/ Bull calf crop (50 percent of total crop) less bull calves slaughtered. No allowance for bull calves held for breeding. 6/ Commercial and farm.

Table 2.--Annual disposition of the beef calf crop

Item	Average 1955-57	Average 1960-62	Average 1965-67	1969
	Million head			
Beef cows on farms Jan. 1	25.2	27.4	34.4	36.1
Calf crop 1/	20.1	22.2	28.1	30.2
Heifer calves held 2/	3.8	4.9	5.7	6.1
Heifer calves slaughtered as heifers 3/	6.2	6.2	8.3	9.0
Bull calves slaughtered as steers 4/	10.1	11.1	14.1	15.1

1/ Estimate based on proportionate number of beef cows on farms January 1 less death loss. 2/ Estimate based on 16 percent replacement rate. 3/ Heifer calves (50 percent of total crop) less heifer calves held for breeding. 4/ 50 percent of calf crop. No allowance for bull calves held for breeding.

Table 3.--Annual disposition of beef and dairy calf crops

Item	Average 1955-57	Average 1960-62	Average 1965-67	1969
	Million head			
Cows on farms January 1	48.1	46.7	50.5	50.2
Calf crop	38.7	37.8	41.2	42.0
Heifer calves	19.3	18.9	20.6	21.0
Slaughtered as calves	4.0	3.2	2.9	2.5
Held for breeding	9.2	9.5	9.3	9.5
Slaughtered as beifers	6.1	6.2	8.4	9.0
Bull calves	19.4	18.9	20.6	21.0
Slaughtered as calves	8.8	5.0	4.0	2.6
Slaughtered as steers	10.6	13.9	16.6	18.4
Total slaughter from calf crop, excluding cows	29.5	28.3	31.9	32.5
Calves	12.8	8.2	6.9	5.1
Heifers	4.0	3.2	2.9	2.5
Bulls	8.8	5.0	4.0	2.6
Steers and beifers	16.7	20.1	25.0	27.4
Commercial steer and beifer slaughter 1/	17.0	19.8	25.4	27.7
Fed cattle slaughtered 2/	11.3	14.5	20.5	25.0
Nonfed steers and beifers slaughtered 3/	5.7	5.4	4.9	2.7
Potential feeder cattle 4/	14.5	10.4	8.9	5.3

1/ Derived from classification of federally inspected cattle slaughter data. 2/ Estimate of total marketed based on marketings in 22 states. 3/ Commercial steers and beifers slaughtered less fed cattle marketed. 4/ Nonfed steers and beifers slaughtered plus dairy bull calves slaughtered.

Supply and distribution of meat, by months, July 1969 to date

Meat and Period	Supply: Production	Supply: Beginning stocks	Supply: Imports	Distribution: Exports and shipments	Distribution: Ending stocks	Distribution: Military	Civilian Consumption: Total	Civilian Consumption: Per person 1/
	Commercially produced							
	Million pounds							Pounds
Beef:								
July	1,765	231	162	6	239	33	1,880	9.4
August	1,734	239	205	7	267	34	1,870	9.4
September	1,854	267	180	7	304	43	1,947	9.8
3rd quarter	5,353	231	547	20	304	110	5,697	28.6
October	1,995	304	163	6	335	44	2,077	10.3
November	1,640	335	82	7	333			
December	1,803	333	108		341			
4th quarter	5,438	304	353		341			
Year	20,953	296	1,614					
Veal:								
July	53	7	1	1	7	1	52	0.3
August	52	7	1	3/	6	2	52	.3
September	57	6	1	3/	7	3	54	.2
3rd quarter	162	7	3	1	7	6	158	.8
October	61	7	2	1	7	3	59	.3
November	49	7	4	3/	10			
December	49	10	3		9			
4th quarter	159	7	9		9			
Year	640	7	26		9			
Lamb and mutton:								
July	42	13	13	3/	12	1	55	0.3
August	41	12	23	3/	15	1	60	.3
September	47	15	17	1	16	1	61	.3
3rd quarter	130	13	53	1	16	3	176	.9
October	49	16	16	1	17	1	62	.3
November	40	17	8	1	17			
December	40	17	8		16			
4th quarter	129	16	32		16			
Year	539	14	152		16			
Pork:								
July	971	246	38	13	196	16	1,030	5.2
August	944	196	27	14	168	15	970	4.9
September	1,073	168	32	18	174	17	1,064	5.3
3rd quarter	2,988	246	97	45	174	48	3,064	15.4
October	1,189	174	35	28	202	16	1,152	5.7
November	1,004	202	30	20	221			
December	1,111	221	35		218			
4th quarter	3,304	174	100		218			
Year	12,783	256	409		218			
All meat:								
July	2,831	497	214	20	454	51	3,017	15.2
August	2,771	454	256	21	456	52	2,952	14.8
September	3,031	456	230	26	501	64	3,126	15.7
3rd quarter	8,633	497	700	67	501	167	9,095	45.7
October	3,294	501	216	36	561	64	3,350	16.6
November	2,733	561	124	28	581			
December	3,007	581	154		584			
4th quarter	9,034	501	494		584			
Year	34,915	573	2,202		584			

1/ Derived from estimates by months of population eating out of civilian food supplies. 2/ Less than 500,000 pounds.

Selected price statistics for meat animals and meat

Item	Unit	1968 November	1968 December	1969 October	1969 November	1969 December
CATTLE AND CALVES:						
Beef steers, slaughter, Chicago	Dollars per:					
Prime	100 pounds	30.10	30.78	30.66	29.79	29.44
Choice	do.	28.46	28.88	29.02	28.66	28.89
Good	do.	26.96	26.99	27.49	27.41	27.69
Standard	do.	24.82	24.76	25.42	25.75	25.97
Utility	do.	22.88	23.11	24.86	24.68	24.57
All grades	do.	28.38	28.83	29.10	28.71	28.86
Omaha, all grades	do.	27.05	27.54	27.51	27.43	27.50
Cows, Chicago						
Commercial	do.	16.00	15.71	19.73	19.01	19.65
Utility	do.	16.98	17.36	20.02	19.37	20.34
Cutter	do.	16.48	16.79	18.72	18.26	18.96
Canner	do.	15.57	15.95	17.46	17.19	17.89
Vealers, Choice, S. St. Paul	do.	31.88	31.90	41.28	38.20	38.57
Stocker and feeder steers, Kansas City 1/	do.	26.01	26.39	28.81	29.30	29.55
Price received by farmers						
Beef cattle	do.	23.00	23.50	25.30	24.80	25.60
Cows	do.	16.20	16.50	19.00	18.30	19.00
Steers and heifers	do.	25.30	26.00	27.20	27.10	27.80
Calves	do.	27.40	27.80	31.40	31.40	32.80
Beef steer-corn price ratio 2/	do.	25.2	25.4	25.1	24.9	24.7
HOGS:						
Barrows and gilts, U.S. No. 1 and 2 Chicago						
180-200 pounds	do.	---	---	26.05	26.79	28.31
200-220 pounds	do.	19.54	20.41	26.83	27.38	28.83
220-240 pounds	do.	19.11	20.03	26.79	27.15	28.51
Barrows and gilts, 8 markets 3/	do.	17.92	18.76	25.53	25.77	26.93
Sows, 8 markets 3/	do.	15.25	14.78	23.13	22.23	21.68
Price received by farmers	do.	17.50	17.80	24.70	25.00	25.70
Hog-corn price ratio 4/						
Chicago, barrows and gilts		16.3	16.8	22.5	22.7	23.4
Price received by farmers, all hogs		16.8	17.0	22.1	23.4	23.6
SHEEP AND LAMBS:	Dollars per:					
Sheep	100 pounds:					
Slaughter ewes, Good, San Angelo	do.	---	---	10.40	9.75	10.42
Price received by farmers	do.	6.82	6.89	7.92	7.72	8.36
Lambs						
Slaughter, Choice, San Angelo	do.	26.31	25.33	28.35	28.62	28.50
Feeder, Choice, San Angelo	do.	24.75	25.58	28.70	29.81	29.00
Price received by farmers	do.	24.70	24.20	27.70	27.30	27.20
ALL MEAT ANIMALS:						
Index number price received by farmers (1910-14=100)		337	343	401	398	410
MEAT:						
Wholesale, Chicago, Carlot,	Dollars per:					
Steer beef carcass, Choice, 600-700	100 pounds:	44.50	45.75	44.58	44.27	44.95
Heifer beef, Choice, 500-600 pounds	do.	43.01	44.83	43.08	42.96	43.90
Cow beef, Canner and Cutter	do.	34.83	36.46	40.87	39.72	41.12
Lamb carcass, Choice, 45-55 pounds	do.	56.50	54.72	59.09	59.65	58.52
Fresh pork loins, 8-14 pounds	do.	44.26	44.34	57.82	58.41	58.04
Retail, United States average	Cents					
Beef, Choice grade	per pound	88.1	88.5	95.3	96.5	97.0
Pork, retail cuts and sausage	do.	67.1	67.0	78.7	78.3	79.7
Lamb, Choice grade	do.	95.1	94.5	105.0	104.8	105.9
Index number all meats (BLS)						
Wholesale (1957-59=100)		106.7	106.7	120.3	119.8	121.4
Retail (1957-59=100)		117.4	117.1	132.0	131.1	131.3
Beef and veal		119.5	118.7	132.9	131.5	130.6
Pork		114.5	114.9	132.7	132.0	133.3

1/ Average all weights and grades.
2/ Bushels of No. 3 Yellow Corn equivalent in value to 100 pounds of slaughter steers sold out of first hands, Chicago, all grades.
3/ Chicago, St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis.
4/ Number bushels of corn equivalent in value to 100 pounds of live hogs.

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

Item	Unit	1968 November	1968 December	1969 October	1969 November	1969 December
Meat animal marketings						
Index number (1957-59=100)		137	124	168	132	128
6-State Cattle on Feed Report						
Number on feed	1,000	6,088	6,486	6,342	6,829	7,159
Placed on feed	head	1,524	1,514	1,954	1,592	1,565
Marketings	do.	1,126	1,161	1,467	1,262	1,281
Slaughter under Federal inspection						
Number slaughtered						
Cattle	do.	2,416	2,380	2,887	2,368	2,568
Steers	do.	1,179	1,238	1,418	1,181	1,323
Heifers	do.	662	633	834	656	704
Cows	do.	536	476	589	493	503
Bulls and stags	do.	39	33	46	38	38
Calves	do.	344	337	329	281	302
Sheep and lambs	do.	835	832	931	730	798
Hogs	do.	6,571	6,619	7,100	5,825	6,344
Percentage sows	Percent	7	7	7	7	7
Average live weight per head						
Cattle	Pounds	1,029	1,038	1,028	1,043	1,059
Calves	do.	200	183	205	190	180
Sheep and lambs	do.	104	106	103	106	106
Hogs	do.	244	242	241	245	245
Average production						
Beef, per head	do.	602	607	613	613	625
Veal, per head	do.	111	102	115	106	102
Lamb and mutton, per head	do.	51	52	50	51	52
Pork, per head	do.	155	155	154	156	158
Pork, per 100 pounds live weight	do.	63	64	64	64	64
Lard, per head	do.	25	24	24	24	23
Lard, per 100 pounds live weight	do.	10	10	10	10	9
Total production	Million					
Beef	pounds	1,450	1,441	1,767	1,449	1,601
Veal	do.	38	34	38	30	31
Lamb and mutton	do.	42	43	47	37	42
Pork	do.	1,014	1,022	1,089	906	998
Lard	do.	164	160	167	142	145
Commercial slaughter 1/						
Number slaughtered	1,000					
Cattle	head	2,833	2,784	3,314	2,733	2,946
Calves	do.	468	449	442	380	397
Sheep and lambs	do.	896	888	987	778	840
Hogs	do.	7,423	7,547	7,779	6,465	7,092
Total production	Million					
Beef	pounds	1,661	1,647	1,995	1,640	1,803
Veal	do.	61	54	61	49	49
Lamb and mutton	do.	45	46	49	40	44
Pork	do.	1,143	1,162	1,189	1,004	1,111
Lard	do.	177	173	178	151	155
Cold storage stocks first of month						
Beef	do.	266	296	304	335	333
Veal	do.	7	7	7	7	10
Lamb and mutton	do.	13	15	16	17	17
Pork	do.	222	237	174	202	221
Total meat and meat products 2/	do.	572	614	550	612	635

1/ Federally inspected, and other commercial.
2/ Includes stocks of canned meats in cooler in addition to the four meats listed.

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