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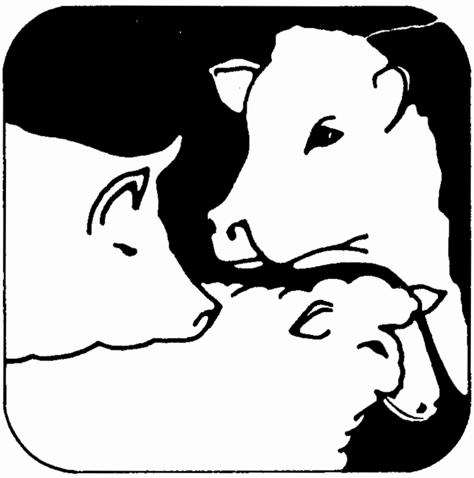
FEBRUARY 1971

LIVESTOCK AND MEAT Situation



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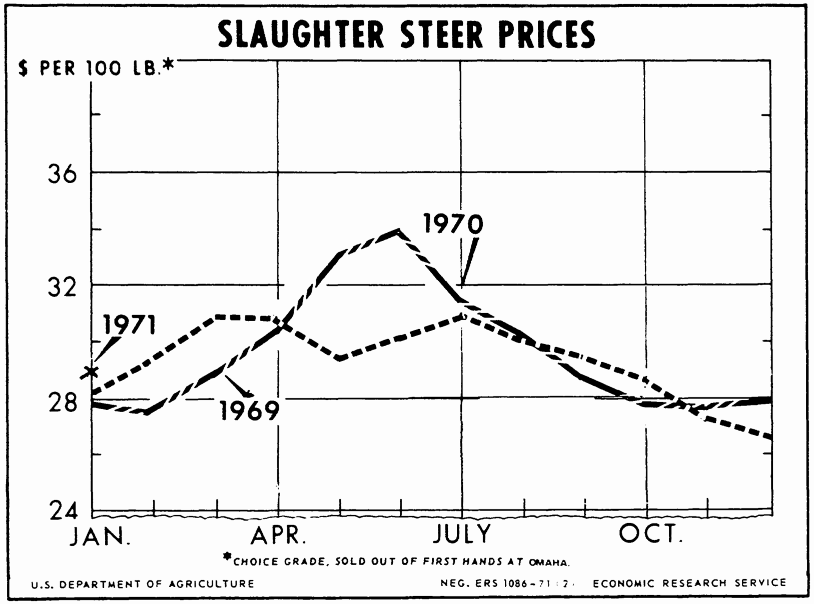
SLAUGHTER STEER PRICES
$ PER 100 LB.*
36
32
28
24
1970
1971
1969
JAN.
APR.
JULY
OCT.
*CHOICE GRADE, SOLD OUT OF FIRST HANDS AT OMAHA.
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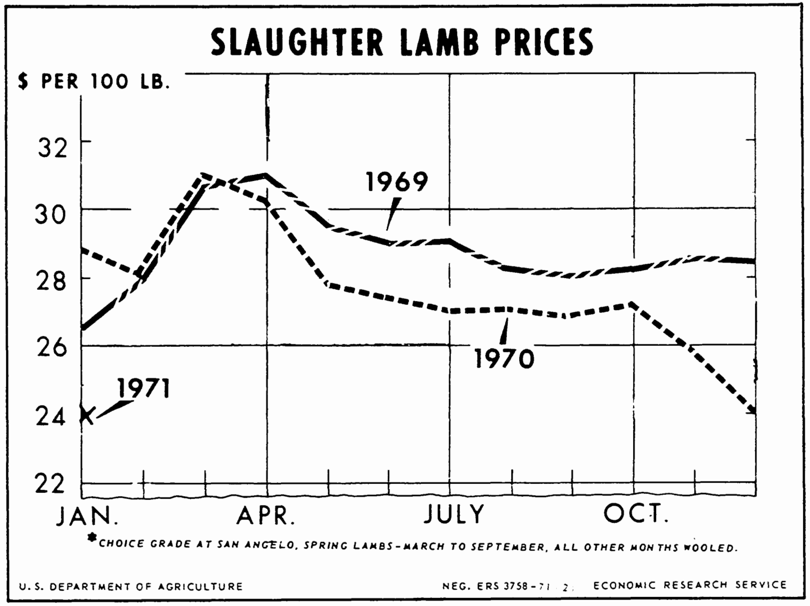
SLAUGHTER LAMB PRICES
$ PER 100 LB.
32
30
28
26
24
22
1969
1970
1971
JAN.
APR.
JULY
OCT.
*CHOICE GRADE AT SAN ANGELO, SPRING LAMBS-MARCH TO SEPTEMBER, ALL OTHER MONTHS WOOLED.
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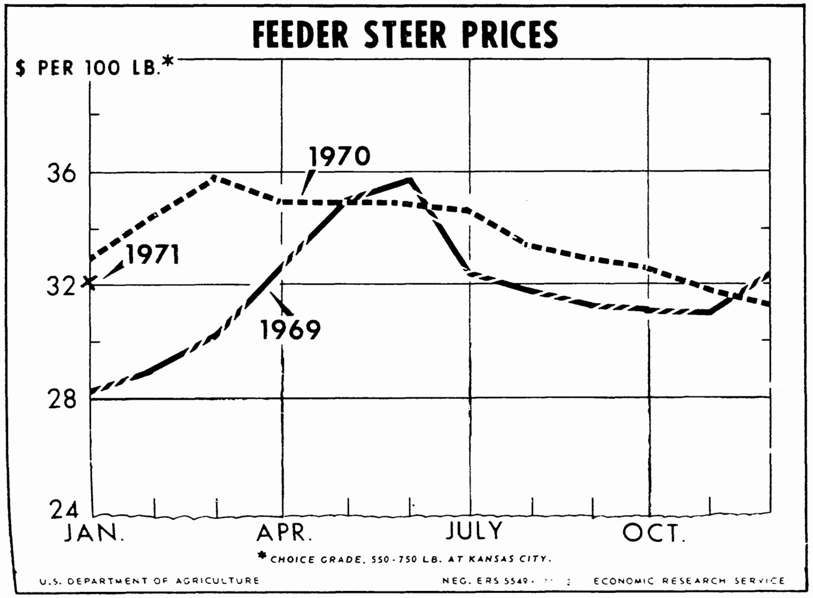
FEEDER STEER PRICES
$ PER 100 LB.*
36
32
28
24
1970
1971
1969
JAN.
APR.
JULY
OCT.
*CHOICE GRADE, 550-750 LB. AT KANSAS CITY.
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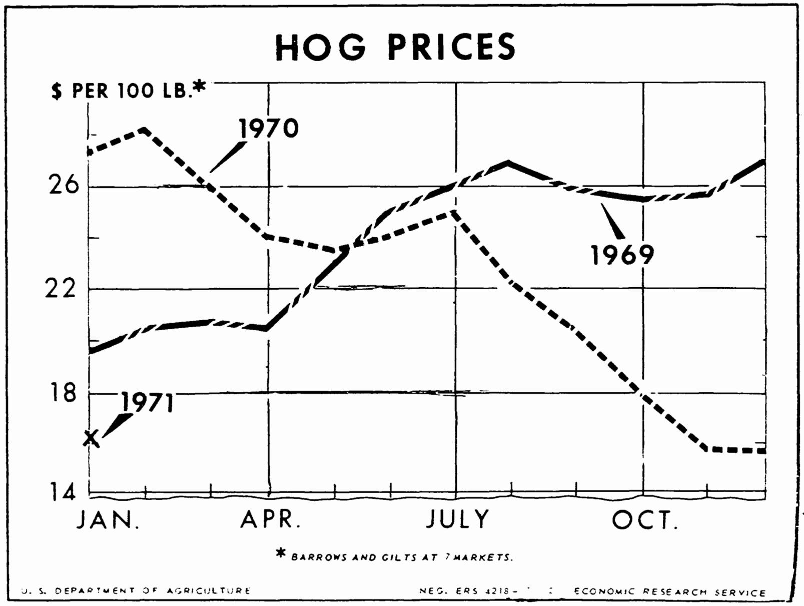
HOG PRICES
$ PER 100 LB.*
26
22
18
14
1970
1969
1971
JAN.
APR.
JULY
OCT.
* BARROWS AND GILTS AT 7 MARKETS.
U. S. DEPARTMENT OF AGRICULTURE
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LIVESTOCK AND MEAT SITUATION

CONTENTS

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Approved by
The Outlook and Situation Board
and Summary Released
February 2, 1971

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The *Livestock and Meat Situation* is published in February, March, May, August, October, and November.

SUMMARY

Red meat output will continue large in the first half of 1971, with substantially more pork boosting supplies above a year earlier. Livestock prices probably will average above late-fall lows in the first half although they will trail year-ago prices.

Fed cattle marketings this winter and spring will be close to a year ago but perhaps a little smaller than marketings last fall. Cattle feeders have stated plans to market 1 percent fewer cattle this winter than last, and there was little change in the combined total of steers on feed on January 1 weighing 700 to 900 pounds and heifers weighing 500 to 700 pounds. Marketings were up 3 percent last fall.

Fed cattle prices weakened during the second half of 1970. Choice steers at Omaha dropped from about $31 per 100 pounds in July to $26.75 in December. Prices have strengthened in recent weeks and steers are currently about $30 per 100 pounds, around $1.50 above a year ago. Prices are expected to continue firm in the coming months; fed cattle marketings may stay near 1970 levels and market weights likely will be lighter than last winter and spring. However, pork supplies will continue very large and will limit fed cattle price strength.

Feeder cattle prices declined seasonally last fall but were generally above prices a year earlier. Some price strength has developed this winter but the seasonal rise in the spring may be less than last spring. Pointing to less of a bloom on the market this year, there probably are more feeder cattle, feed costs are higher, and returns to cattle feeders have fallen off in recent months.

Cow slaughter in the first half of 1971 is expected to run somewhat under a year ago. Slaughter fell 12 percent last year. Cow prices at most Midwest markets in January were about $1 below a year ago. With continued large supplies of pork and imported beef, cow prices are expected to rise seasonally into spring, but to average a little below 1970 prices through midyear.

First half hog slaughter will remain at a very high level. There were 22 percent more market hogs on farms on December 1. These hogs typically are marketed the following winter and spring. Summer slaughter supplies likely will be moderately above last summer, as Corn Belt producers indicated plans to have 6 percent more sows farrow during December 1970-February 1971. However, fall slaughter probably will drop below the unusually high 1970 levels. Producers report plans to cut March-May farrowings about 6 percent.

The decline in March-May farrowing intentions results from low hog prices and high corn prices in the second half of 1970. The hog-corn price ratio deteriorated from an all-time high of 24 in February

1970 to a year-end low of just over 11, the lowest since the summer of 1956. Responding to the profit squeeze, hog producers likely will continue to reduce farrowings in the second half of 1971. The extent and duration of the reduction will depend to some extent on 1971 corn crop prospects.

Barrows and gilts at 7 markets averaged about $17.50 per 100 pounds in late January, $10 below a year earlier. With continued large pork output and increased supplies in cold storage, hog prices are expected to continue low in the first half of this year, although summer prices will show a limited seasonal rise as slaughter declines. Hog prices next fall will decline much less than last year's $9.50 July-December drop if farrowings are cut back as now indicated.

Lamb slaughter this winter and spring will decline somewhat, since there were 9 percent fewer lambs on feed on January 1. Also, this year's beginning inventory of sheep and lambs on farms likely declined again, pointing to a smaller 1971 lamb crop. Lamb prices dropped sharply last November and December, reflecting the general weakness in all livestock prices. Lamb prices are expected to continue below year-earlier levels in the first half of 1971.

SITUATION AND OUTLOOK

CATTLE

Commercial cattle slaughter in 1970 totaled 35.0 million head, slightly less than a year earlier. A 12 percent decline in cow slaugher and a small drop in heifer kill more than offset a 4 percent increase in steer slaughter. Calf slaughter continued to decline sharply in 1970, down 16 percent. Last year it reached the lowest level on record, 4.1 million head, reflecting the decline in dairy number and expanded cattle feeding.

Fed cattle marketings last year totaled about 24.8 million head, up 4 percent from 1969 and the most on record. However, last year's increase was less than the 7 percent rise in 1969 and the 7 percent average upward trend during the 1960's. The increase in fed cattle slaughter accompanied another sharp decline in nonfed steer and heifer marketings.

Although fewer cattle were slaughtered in 1970 than in 1969, beef output rose 3 percent. Fed cattle made up a larger proportion of the slaughter mix and they were finished to heavier weights.

Prices of all classes of cattle in 1970 averaged above 1969 despite record beef production and an increase in pork output. Prices were highest in the first half of the year since very large supplies of pork later in the year lowered prices of all livestock classes. Even so, the farm price of all beef cattle averaged $27.05 per 100 pounds, the highest since 1951.

Prices of Choice slaughter steers at Omaha rose from $28 in January to over $31 in July, but declined steadily through the second half to around $26 in mid-December, $2.25 below a year earlier. Larger supplies of pork and poultry contributed to the price weakness in the second half. However, consumer demand for beef held up well and retail prices did not drop in line with declines in beef cattle prices. The farm-retail price spread for beef in July, of just over 35 cents per pound, widened to 40 cents in December (retail weight basis).

Higher prices of feeder cattle and continued large feedlot placements in 1970 indicate there was strong demand for feeder cattle. Choice yearling steers at Kansas City averaged $33.70 per 100 pounds during the year, $2 above 1969 and the highest since 1951. Prices advanced from about $32.75 in January to nearly $36 in March, edged lower during the spring and summer, then slipped to $31.25, $1.10 under a year earlier, by the end of the year. Increases in feeder placements occurred during the first 9 months, but placements in the fourth quarter were down from a year earlier.

Choice steer prices per 100 pounds, Omaha

Month	1969	1970	1971
	Dollars		
January	27.82	28.23	29.11
February	27.63	29.30	
March	29.00	30.97	
April	30.41	30.64	
May	33.18	29.52	
June	33.99	30.29	
July	31.56	31.12	
August	30.40	30.14	
September	28.77	29.32	
October	27.72	28.67	
November	27.67	27.21	
December	27.98	26.71	
Average	29.66	29.34	

Feeder cattle prices per 100 pounds, Kansas City

Month	Choice feeder steers 550-750 lb.		Choice feeder steer calves	
	1970	1971	1970	1971
	Dollars			
January	32.83	32.20	36.82	36.18
February	34.44		38.55	
March	35.85		39.74	
April	35.01		39.40	
May	35.00		40.61	
June	34.92		41.48	
July	34.54		41.24	
August	33.28		39.50	
September	32.86		38.66	
October	32.66		37.60	
November	31.79		36.08	
December	31.28		35.49	
Average	33.70		38.76	

Cow slaughter in 1970 was down 12 percent. In the first half of the year prices ran strong with Utility grade cows averaging $22.45 at Omaha, $2.40 higher than a year earlier. In the second half, however, prices declined and averaged $20.20, 35 cents under a year earlier due to increased supplies of processing meats, mainly reflecting larger pork output.

Utility cow prices per 100 pounds, Omaha

Month	1969	1970	1971
	Dollars		
January	17.22	20.93	19.98
February	18.53	22.18	
March	20.12	23.24	
April	20.64	23.23	
May	21.92	22.64	
June	21.90	22.58	
July	21.32	20.85	
August	21.26	20.48	
September	20.96	21.13	
October	20.21	20.84	
November	19.31	19.04	
December	20.10	18.77	
Average	20.29	21.32	

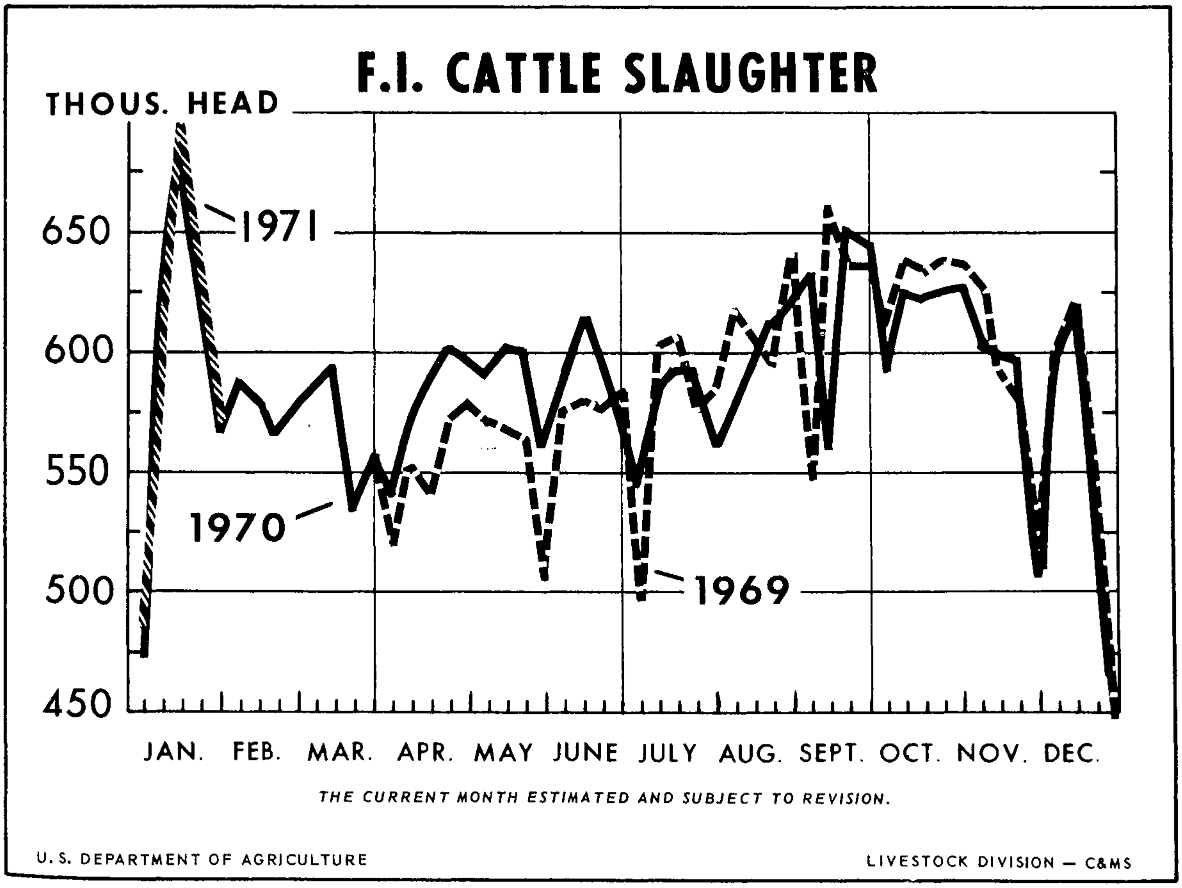
First Half Slaughter Unchanged

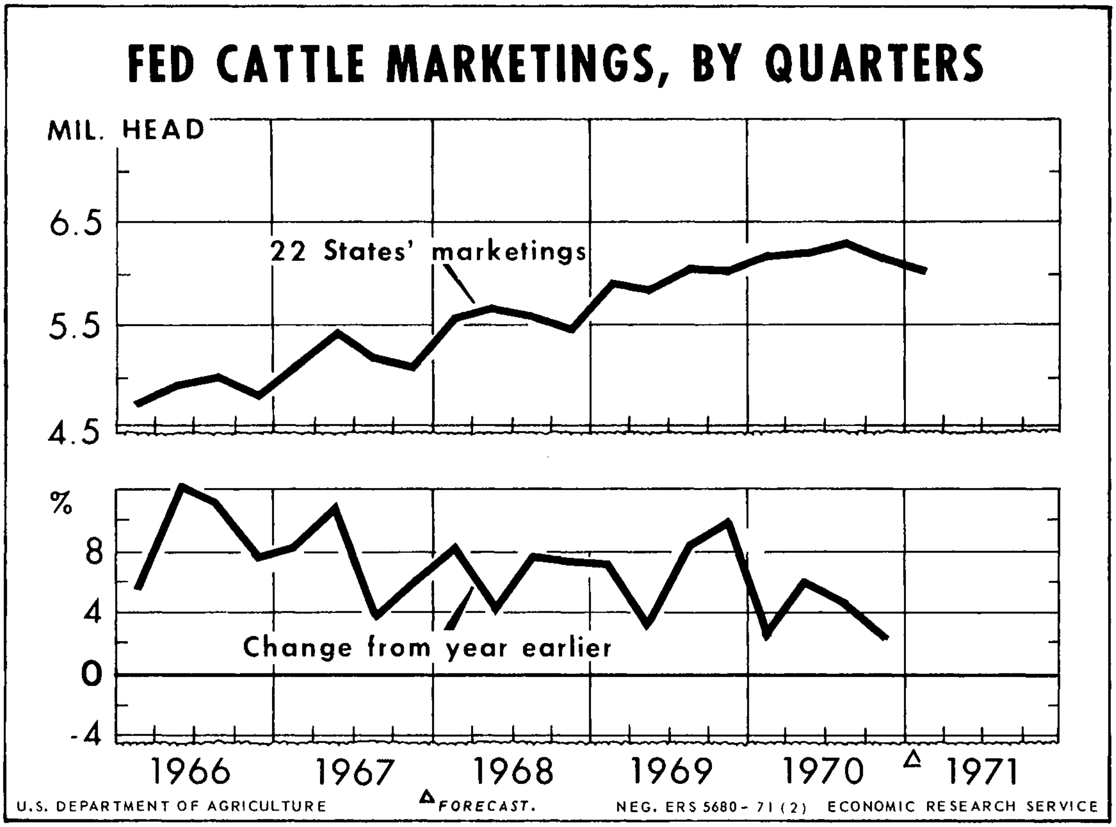
Cattle slaughter in the first half of 1971 is expected to run near January-June 1970. Some small decline in total slaughter in the first quarter from fewer nonfeds being slaughtered could be regained in the spring. Nonfed cattle slaughter in the first half will probably be no larger than in 1970 and little change is expected in fed cattle marketings. Any small decline in first quarter marketings of finished cattle will likely be offset by larger second quarter shipments. Although the number of cattle slaughtered likely will be about the same as in 1970, beef production may be down a little because market weights will be lighter.

Little Change in Winter Fed Cattle Marketings

Fed cattle marketings are expected to continue large this winter, but may average slightly below a year earlier. On January 1, cattle feeders stated intentions to market 1 percent fewer cattle out of feedlots this winter than last. And winter shipments likely will also be down some from the 6.1 million head shipped last fall.

There were 12.8 million cattle and calves on feed on January 1 in 39 major feeding States, 3 percent less than a year earlier. A 12 percent decrease in heifers on feed more than offset a 1 percent increase in steers. The number of cattle on feed in weight groups that typically reach slaughter finish in the winter declined 5 percent, but since cattle will be shipped a little sooner this year





and at lighter weights, the reported intentions can easily be met.

A 1 percent increase in the number of cattle and calves on feed January 1 in the West was more than offset by a 6 percent decline in the Corn Belt. Corn Belt feeders plan a 2 percent drop in marketings this winter, while Western feeders expect to ship about the same number as during January-March 1970.

Higher feed costs and lower fed cattle prices, together with relatively strong feeder cattle prices have reduced profits in cattle feeding and temporarily slowed expansion of feeding operations. Western feeders are maintaining inventories despite higher feeding costs and considerable pressure from profit-squeezing price margins between the price of fed cattle and their cost as feeders. Some Corn Belt farmers, on the other hand, are cutting down on feeder purchases or are dropping this enterprise from their farming operation this winter. Placements in the Corn Belt last fall were down 10 percent while Western feeders upped placements 2 percent.

Fed cattle prices are expected to continue firm through the winter and may average near last winter's $29.50 mark (Choice steers at Omaha). Sharply larger pork output will tend to keep pressure on beef cattle prices. However, consumer demand is expected to continue good, and little change is expected in nonfed beef and poultry output.

Spring Fed Cattle Marketings Likely Unchanged

On January 1 there were about the same number of cattle on feed in weight groups that typically reach slaughter finish in the spring. If winter placements are a little larger than a year ago, spring marketings likely will be about the same as a year earlier. Recent strength in the cattle market will likely encourage feeders to increase placements some. In early January, increased movement of feeder cattle was reported. On the other hand, if winter placements are about the same or smaller than last winter, shipments in April-June may be a little smaller than a year earlier.

Any increase in fed cattle marketings in the spring will probably be greater in the West than in the Corn Belt.

Last spring, Choice steers at Omaha average $30.15 per 100 pounds. Prices this spring may average about the same.

Lighter Market Weights

Fed cattle weights this year are not expected to be the negative price factors they were in 1970, since market conditions should discourage feeding to heavy weights. A rising cattle market and high feed costs should encourage feeders to market at lighter weights.

Table 1.—Cattle and calves on feed in 22 States, January 1, by regions

Item	1969	Change from 1968	1970	Change from 1969	1971	Change from 1970
	Hd.	*Thou. pct.*	*Hd.*	*Thou. pct.*	*Hd.*	*Thou. pct*
North Central States						
East	1,897	+4.6	1,866	-1.6	1,764	-5.3
West	5,768	+8.7	5,934	+2.9	5,559	-6.3
Total	7,665	+7.7	7,800	+1.8	7,323	-6.1
Texas and Oklahoma	1,280	+29.2	1,640	+28.1	1,714	+4.5
Other Western States	2,948	+11.4	3,141	+6.6	3,130	-0.4
Total	11,893	+10.6	12,581	+5.8	12,167	-3.3

In January, market weights of fed cattle were about the same as a year earlier at 7 major Midwest markets. During part of 1969 and most of 1970 average liveweight of slaughter steers sold on these markets was heavier than a year earlier. Late last year, however, market weights were running close to a year earlier and in late January dropped below. Market weights are expected to decline from year-earlier levels in coming months.

Average liveweight of Choice steers at 8 markets

Month	1970	1971
	Pounds	
January	1,147	
February	1,150	
March	1,157	
April	1,155	
May	1,156	
June	1,150	
July	1,129	
August	1,115	
September	1,107	
October	1,113	
November	1,127	
December	1,136	
Year	1,137	

Heavier fed cattle weights during 1970 maintained pressure on prices of heavy fed steers. In 1970, prices of 900-1,100 pound steers averaged slightly higher than prices of 1,100-1,300 pound steers. This was in contrast to 1969 when there was a small price advantage for the heavier weights. In January this year, prices of the lighter group averaged around 25 cents above the heavier weight group. If average slaugher weights continue below year-earlier levels as 1971 progresses, prices of heavier cattle likely will again edge above lighter cattle. However, any premium paid for heavier steers will likely prove too small to cover the cost of the extra finish.

More Fed Cattle In Second Half

Fed cattle marketings in the second half of 1971 are expected to be moderately larger than a year earlier. The larger beef cattle inventory at the start of 1970, the larger 1970 calf crop, and reduced slaughter of cattle and calves in 1970 indicate that the feeder cattle supply is currently larger than a year ago. While growth in commercial cattle feeding may be temporarily slowed, due to higher costs and relatively low returns, feeders probably will seek to maintain full use of current lot capacity in 1971. Placements in the spring and summer likely will remain large and will maintain a high level of fed beef production in the second half. However, prospects for 1971 feed grain output and for feed costs will strongly influence cattle feeders' attitudes and plans for feeding cattle in the months ahead.

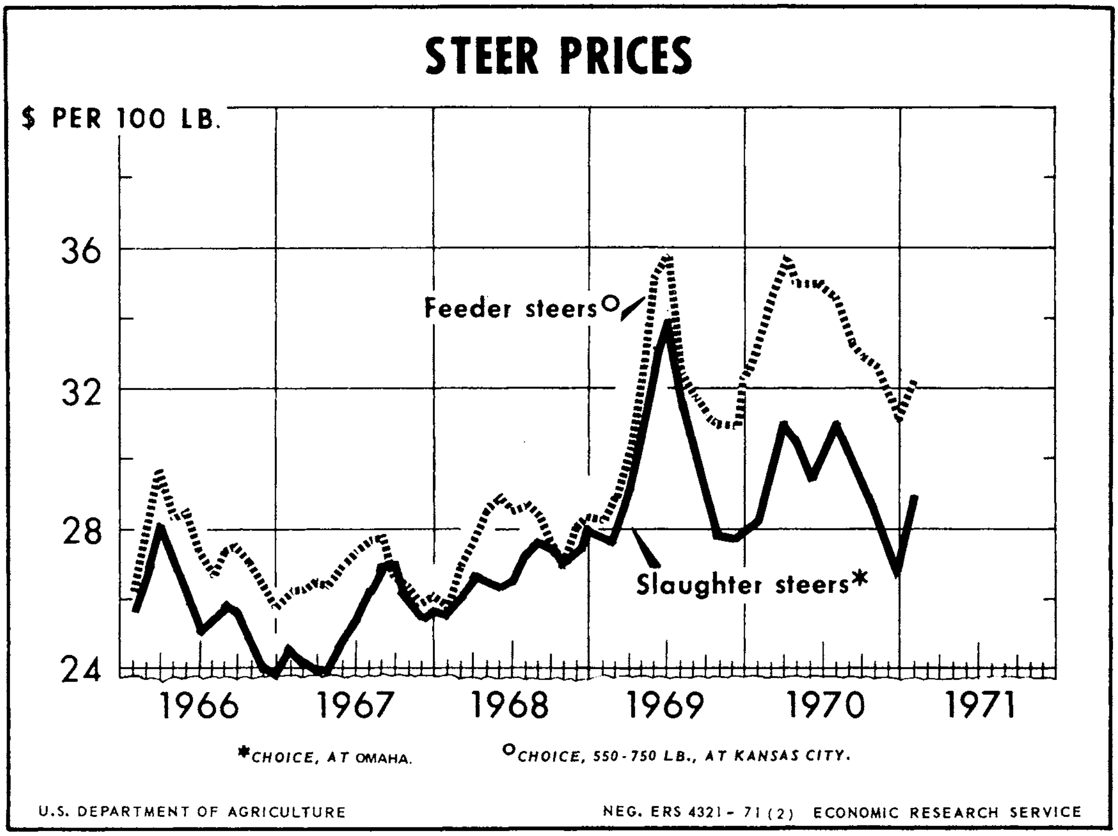
The feeder cattle supply available in 1971 can be estimated more accurately from the January 1, 1971, Livestock Inventory released on February 5. Analysis of the information in that report will be given in the March issue of the *Livestock and Meat Situation.*

Feeder Cattle Prices To Remain Steady to Strong

Feeder cattle prices were above year-earlier levels during most of 1970. Choice grade yearling steers at Kansas City averaged $33.70 per 100 pounds, up nearly $2 from 1969, and the highest since 1951. Prices then declined from near $35 at mid-year to $31.25 in December when they were $1.10 below a year earlier. By late January they had recovered to about 20 cents above late January 1970.

Feeder cattle prices often rise during the winter and spring, following the heavy fall movement when prices are seasonally low. This year, winter-spring strength likely will not lift feeder cattle prices to last year's $36 March peak. Downward pressure will come mainly from higher feed costs, negative feeding margins, and larger supplies of feeder cattle.

Cattle feeders worked against a negative feeding margin through most of 1970. That is, fed cattle markets in 1970 were sold generally at prices below the prices paid for them as feeder animals. Since the late summer of 1969, with a few minor exceptions, 900-1,100 pound Choice grade steers at Omaha have been selling at prices below the prices of 550-750 feeder steers at Kansas City


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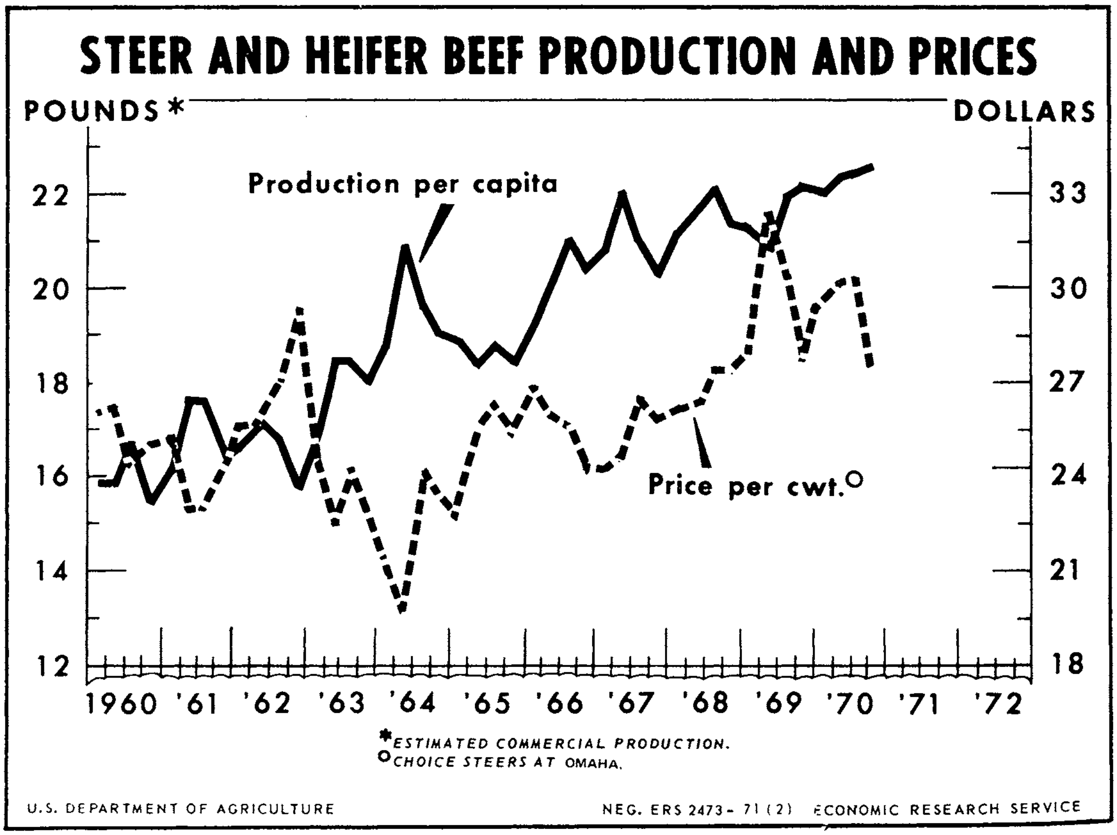

STEER AND HEIFER BEEF PRODUCTION AND PRICES
POUNDS*
DOLLARS
22
20
18
16
14
12
33
30
27
24
21
18
Production per capita
Price per cwt.○
1960
'61
'62
'63
'64
'65
'66
'67
'68
'69
'70
'71
'72
*ESTIMATED COMMERCIAL PRODUCTION.
○CHOICE STEERS AT OMAHA.
U.S. DEPARTMENT OF AGRICULTURE
NEG. ERS 2473-71 (2)
ECONOMIC RESEARCH SERVICE

Current fed cattle prices per 100 pounds, compared with feeder cattle prices 5 months earlier

Year	Fed cattle[1]	Feeder cattle[2]	Margin
		Dollars	
1969			
January	27.74	28.40	-66
February	27.50	27.74	-24
March	28.81	27.09	+1.72
April	30.14	28.11	+2.03
May	32.79	28.42	+4.37
June	33.63	28.30	+5.33
July	31.29	29.04	+2.25
August	30.04	30.34	-.30
September	28.66	32.64	-3.98
October	27.60	35.18	-7.58
November	27.44	35.74	-8.30
December	27.73	32.46	-4.73
1970			
January	28.38	31.76	-3.38
February	29.30	31.29	-1.99
March	30.99	31.15	-.16
April	30.79	31.12	-.33
May	29.57	32.38	-2.81
June	30.36	32.83	-2.47
July	31.12	34.44	-3.32
August	30.09	35.85	-5.76
September	29.21	35.01	-5.80
October	28.47	35.00	-6.53
November	27.22	34.92	-7.70
December	26.82	34.54	-7.72
1971			
January	29.10	33.28	-4.18

[1] Choice steers at Omaha, 900-1,100 pounds. [2] Choice steers at Kansas City, 550-750 pounds.

5 months earlier. Rising feed prices during the second half of 1970 added to the profit squeeze in feeding cattle.

The prolonged period of large negative feeding margins indicates a very strong demand for feeders. And demand for feeders still persists. For example, fed cattle prices dropped almost $4.50 during the last half of 1970 (Choice steers, Omaha) but feeder cattle prices (Choice feeder steers, Kansas City) declined only about $3.50 and are still running $3 - $4 higher than finished steers. With the likelihood that the feeder cattle supply is larger this year, feeder cattle prices will be under more pressure this winter and spring than the year before.

Calf Slaughter to Be Smaller

Calf slaughter declined 16 percent in 1970 and some further drop is likely this year. The continued decline in the dairy herd and expanded feeding will further limit calf slaughter despite higher feed grain prices.

Choice 100-250 pound vealers at South St. Paul in late January were $42 per 100 pounds, about $2.25 below a year earlier. The smaller supply of veal calves and strong consumer demand for veal likely will hold vealer prices relatively high in 1971. Vealers on the St. Paul market averaged $45.70 per 100 pounds during January-June 1970. First half prices this year may average somewhat below that record level.

Cow Slaughter Down in 1970

In 1970 commercial cow slaughter was down 12 percent from 1969 and the lowest since 1963. Heifer slaughter was also down slightly. Reduced slaughter of cows and heifers suggests a sharp increase in beef breeding stock during the year. Also, the long-term decline in dairy cow numbers may continue to slow.

Cow slaughter this winter and spring is expected to run under or near a year earlier. While feeder cattle and calf prices are running below a year earlier they are still relatively favorable and above levels that would induce cowmen to significantly increase culling rates of breeding herds. Some rise in slaughter in the second half is likely because of the sharp increase in the size of the cow herd last year.

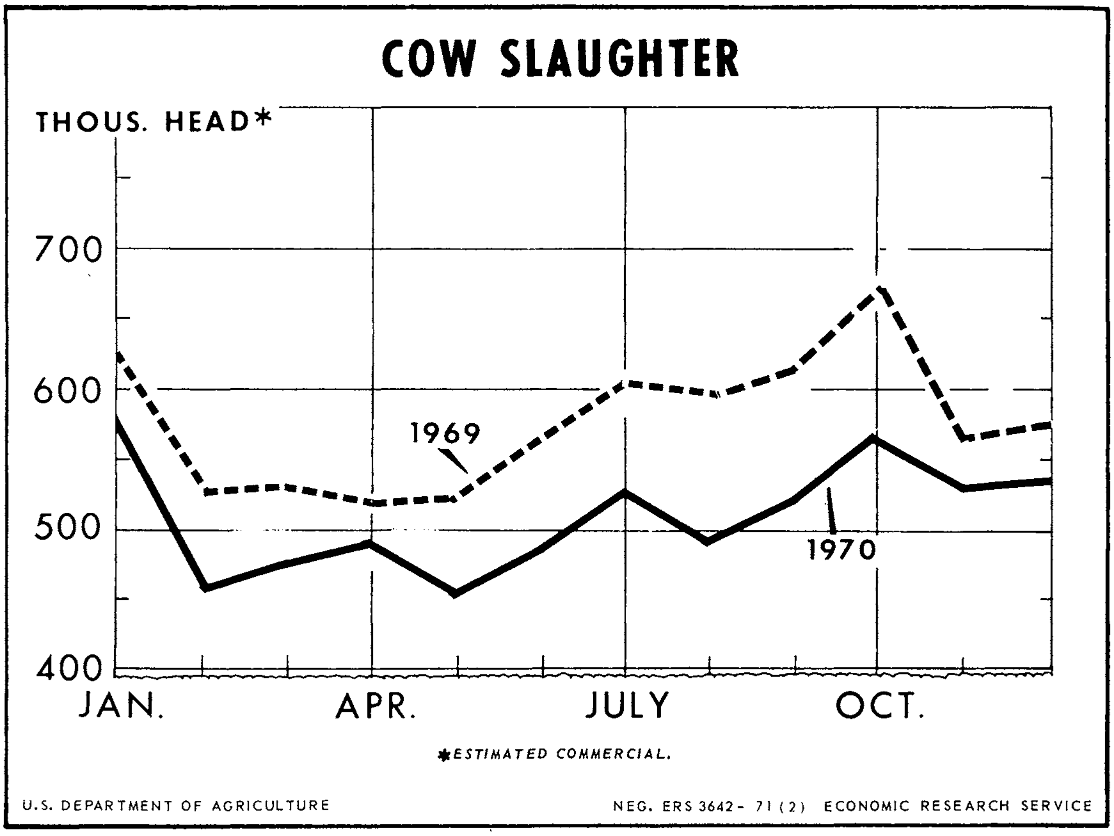
Cow prices in 1970 averaged $21.30, about $1 above 1969 and the highest since 1951. Most of the price increase was in the first half; prices in the second half averaged about the same as a year earlier.

The seasonal rise in cow prices into spring, likely will be smaller than last year's $3 advance. Although consumer demand for red meats is expected to continue strong, a sharp increase in pork output will limit price strength in the coming months. Also, large output of fed beef and continued large imports of beef will add pressure on cow prices as well as other livestock classes.

Feedlot Capacity Rises

Fed cattle marketings in 22 States were up a million head in 1970. This was 4 percent more than a year ago and 40 percent more than 5 years earlier. The increase in marketings came from large feedlots. In 1970 there were 180,329 feedlots with capacity of under 1,000 head, 4 percent fewer than a year earlier. About 2 percent fewer cattle were marketed from these lots than a year earlier. In contrast, there were 2,221 lots with a capacity of more than 1,000 head, 7 percent more than a year earlier. Marketings from these lots totaled 13.6 million head, up about 11 percent. Lots with over 1,000 head capacity accounted for about 1.2 percent of the total number of feedlots but 55 percent of total marketings. Lots with a capacity of 8,000 cattle or more in 1970 accounted for 0.2 percent of all feed lots, but for 37 percent of total fed cattle marketings.

The increase in the number of lots with 1,000 head and over capacity was mostly in the Plains and Mountain States. States with large increases in the number of large lots include Texas, Nebraska, Montana, and Colorado.



HOGS

1970—A Year of Ups and Downs

Commercial hog slaughter was up 2 percent in 1970. Prices of barrows and gilts at 7 markets averaged $21.95, down $1.75 from 1969. However, wide swings in slaughter supplies and prices occurred during the year. Hog prices in 1970 averaged higher than in any recent year except 1969 and 1966.

Prices of barrows and gilts at 7 markets rose throughout 1969 and continued to climb last winter, reaching a peak of $28.25 in February 1970—the highest monthly average since September 1948. Prices continued relatively high through mid-year, although they weakened in early spring. Prices of barrows and gilts at 7 markets dropped sharply in late summer and continued to decline into late fall, reaching a low in November and December of about $15.70 per 100 pounds.

Early in 1970, hog slaughter was smaller than a year earlier, reflecting the 7 percent reduction in the 1969 fall pig crop. As a result, pork consumption in the first half of 1970 dropped to the lowest level since 1966.

The market situation changed abruptly in the second half. Producers had upped the 1970 spring pig crop by 12 percent responding to favorable prices in 1969 and early 1970. Hogs from this pig crop began to show up in slaughter supplies last summer, and by late in the year hog slaughter had surged about 25 percent above a year earlier and boosted October-December 1970 to the highest total kill for the quarter since 1959.

Hog prices per 100 pounds, 7 markets

Month	Barrows and gilts[1]		Sows[1]	
	1970	1971	1970	1971
	Dollars			
January	27.40	16.30	23.25	12.74
February	28.23		24.96	
March	25.94		23.75	
April	24.02		21.60	
May	23.53		19.20	
June	24.04		18.31	
July	25.13		18.90	
August	22.12		17.85	
September	20.35		17.24	
October	17.91		14.99	
November	15.69		12.31	
December	15.67		11.28	
Average	21.95		17.83	

[1] Average for all weights at Midwest Markets.

First Half 1971 Slaughter To Be Very Large

Hog slaughter under Federal inspection was running about 25 percent higher than in the opening weeks of

1970. Slaughter is expected to average about a fifth above a year earlier through spring. Hogs on farms on December 1, 1970, in weight groups that typically reach slaughter finish during the winter months were up 20 percent while the number of lighter weight hogs that reach slaughter finish in the spring was up 22 percent. Increases in the number of market hogs were general throughout the country.

Market hogs and pigs by weight groups, as of December 1

Weight group	1969	1970	Change
	1,000 head	*1,000 head*	*Percent*
Under 60 lbs.	17,486	21,603	+24
60-119 lbs.	12,988	15,681	+21
120-179 lbs.	9,609	11,449	+19
180-219 lbs.	5,758	6,973	+21
220 lbs. & over	1,876	2,416	+29
Total market hogs and pigs	47,717	58,122	+22

Barrows and gilts at 7 markets in January averaged about $16.25 per 100 pounds. This was $11 lower than a year earlier, but above late-fall lows. Hog prices may edge lower in early spring as slaughter rises seasonally. However, prices will strengthen later in the spring as slaughter falls off seasonally.

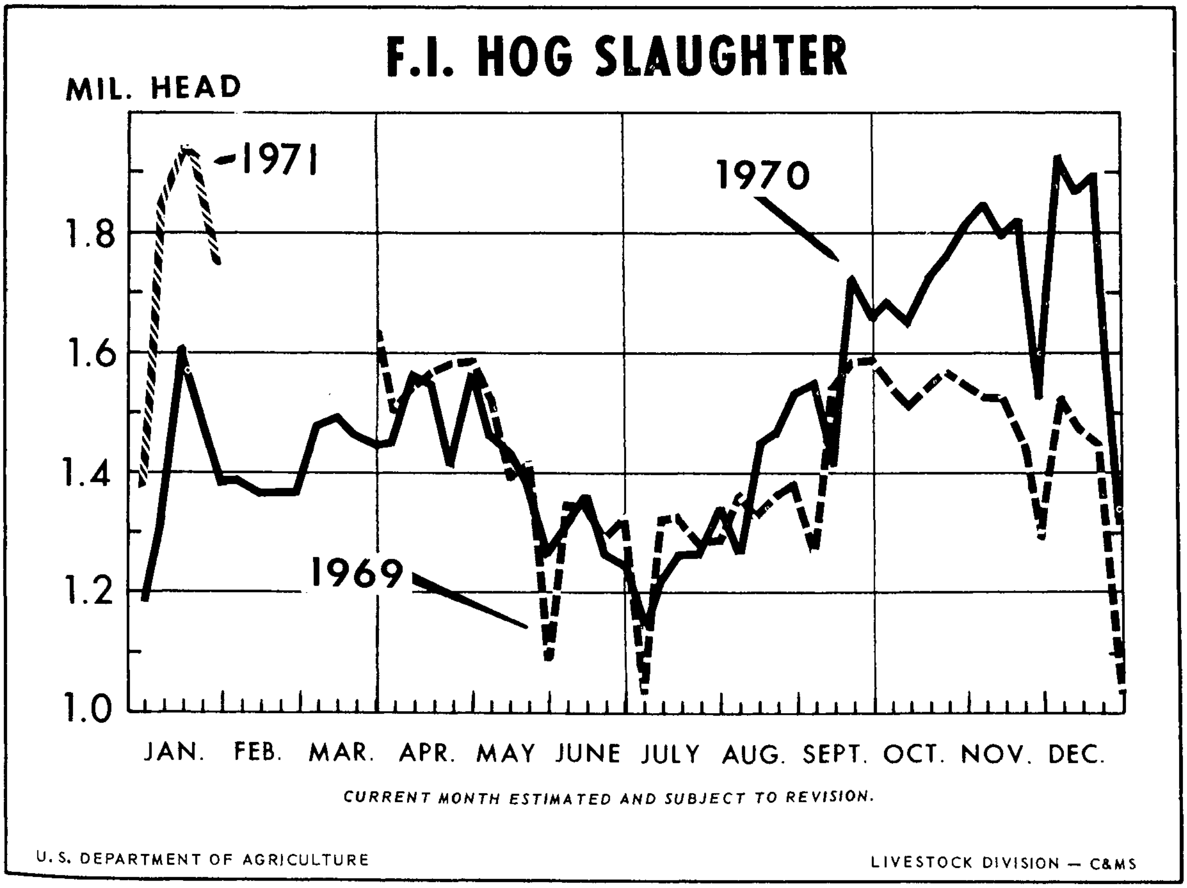
Considering higher feed costs, producers will likely feed hogs to somewhat lighter weights during coming months. But even with 1 to 3 percent lighter weights, pork production will continue much larger than a year earlier through midyear.

Average liveweights of barrows and gilts at 7 markets rose to 237 pounds per head in 1970, up from 234 in 1969 and the heaviest since 1967. Market weights were 5 to 9 pounds per head heavier than a year earlier in the first half, but when corn prices rose, market weights fell off and in November and December were below 1969 weights.

Average liveweight of barrows and gilts, 7 markets

Month	1968	1969[1]	1970	1971
	Pounds			
January	239	233	242	235
February	235	229	236	
March	235	230	238	
April	238	234	243	
May	240	237	246	
June	238	238	243	
July	231	232	234	
August	227	226	227	
September	228	229	230	
October	234	234	234	
November	237	239	238	
December	235	241	237	
Year	235	234	237	

[1] 8 markets prior to 1969.



Less Market Pressure In Second Half

Hog slaughter in the second half of 1971 will come primarily from the December 1970-May 1971 pig crop, now estimated to be up only 1 percent. A prospective 2 percent decrease by Corn Belt producers will be slightly more than offset by a planned 10 percent increase in other regions. All of the decrease in the Corn Belt would be in March-May.

Corn Belt producers are having 6 percent more sows farrow during December 1970-February 1971, but 6 percent fewer during the heavy farrowing season, March-May. With these changes in farrowings, summer slaughter likely will run moderately larger than in 1970. But fall slaughter will rise seasonally although it will be somewhat below the 1970 record October-December kill.

Last year hog prices declined in the early spring, but rose to a summer high of $25.15 per 100 pounds in July. This year's summer high likely will run several dollars below 1970's peak. Also the fall decline is not expected to be nearly as sharp as last fall's drop of $9.50 from July into November and December, since the seasonal increase in slaughter this fall will be considerably smaller than in 1970. Thus, by late in 1971, hog prices may be running above October-December 1970 when barrows and gilts averaged $16.40 at 7 markets.

Expansion Ends

The 1970 annual pig crop was 15 percent larger than in 1969 and the largest crop since 1943. And this year's early spring pig crop is expected to continue upward. However, producers appear to be turning the situation around for late spring; farrowings during March-May likely will be down. This change reflects the sharp decline in hog prices and much higher feed prices during the second half of 1970.

The hog-corn price ratio averaged 20.3 in 1969, tracing out a general uptrend throughout the year. In February 1970, it rose to 24.0—the highest on record. However, as the year progressed, hog prices declined and corn prices went up, so the ratio fell off sharply. By December it averaged 11.1—the lowest since the summer of 1955. Thus, returns to hog producers have been severely squeezed in recent months. Since hog prices are expected to continue relatively low in coming months and corn prices relatively high, producers probably will also reduce the number of sows farrowing in the second half of 1971.

Corn Belt hog producers had 2 percent more breeding hogs on farms on December 1 while producers in other areas had 16 percent more. Thus, Corn Belt producers are making the quickest adjustment to low hog prices.

Hog-corn price ratio, farm basis, by quarters

Year	I	II	III	IV	Average
1965	13.5	15.7	19.3	22.4	17.7
1966	22.0	18.8	17.7	15.5	18.5
1967	14.6	15.8	17.8	17.0	16.3
1968	17.4	17.5	19.6	17.5	18.0
1969	17.9	18.9	21.6	23.0	20.3
1970	23.4	19.8	16.9	12.1	18.0

Sow slaughter under Federal inspection last fall accounted for 6.5 percent of total hog slaughter. This was slightly less than the 6.8 percent a year earlier despite the tightening cost-price squeeze on hog producers.

Sow slaughter was small in the first half of 1970 because producers were building up breeding herds. About mid-year, sow slaughter jumped well above year-earlier levels and then continued much larger through the second half. However, the increase in sow slaughter was about the same as the increase in barrow and gilt slaughter. With a turn-around in farrowings in prospect, sow slaughter in the first half of 1971 will probably remain large and increases over a year earlier may be sharper than for barrows and gilts. The extent of the increase in sow slaughter will be an indicator of the reduction in future farrowings.

Cold Storage Stocks Up

Pork cold storage stocks were relatively low during 1969 and early in 1970 when hog slaughter was down. However, cold storage stocks began to rise this past summer as hog slaughter rose sharply above year-ago levels. By the beginning of 1971, there were 344 million pounds of pork in cold storage, 133 million more than a year earlier. With continued large slaughter supplies ahead, cold storage holdings of pork are expected to show further gains into the late spring. Then as slaughter drops seasonally, much of this pork will move out of storage and into consumption during the summer. Thus, heavy pork consumption will tend to persist after hog slaughter begins falling in response to the turn-around in farrowings.

Feeder Pig Prices Down

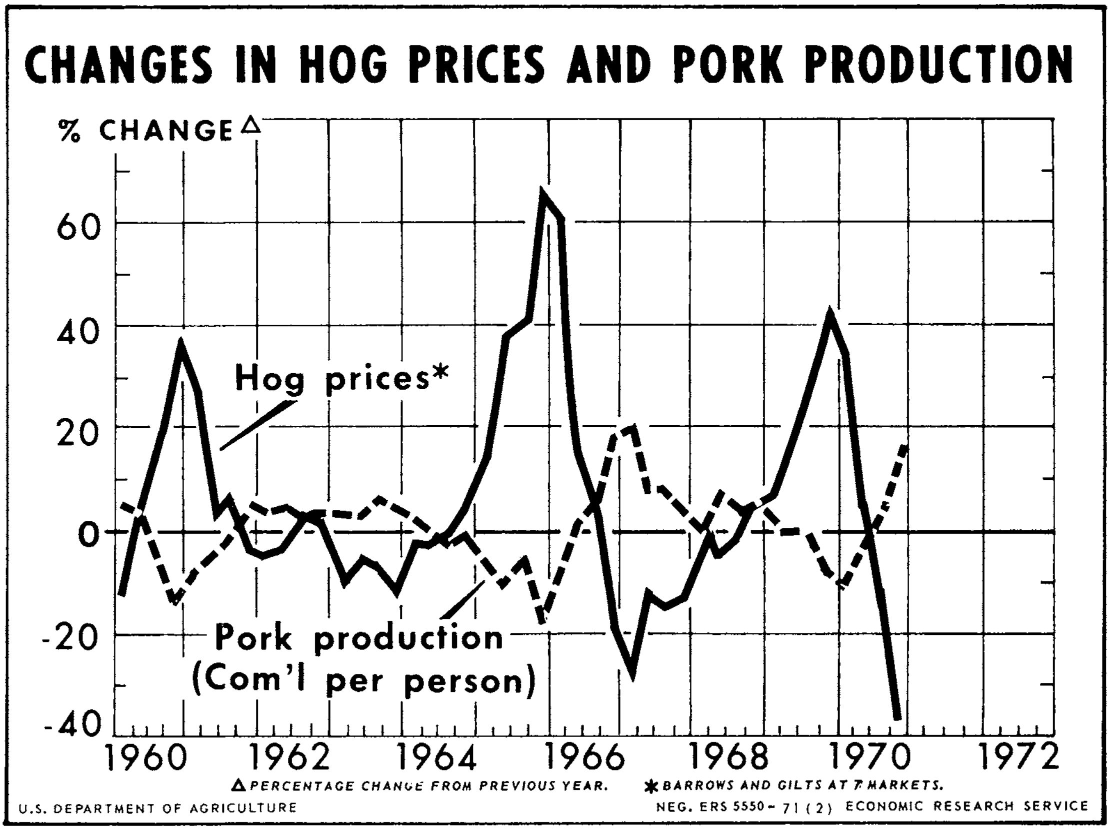
Prices of feeder pigs reflect the attitudes of hog farmers toward future returns from raising hogs. Thus, feeder pig prices usually show more price response than slaughter hog prices. Late last winter, grade 1 and 2 feeder pigs, 40 to 60 pounds, at Illinois markets were averaging about $29 per head. This was about 55 percent above a year earlier. However, as the slaughter market began to decline, feeder pig prices declined faster and by late in the year were only about $12 per head, a 60 percent decline from last winter. The decline in slaughter hog prices during this period was about 45 percent.

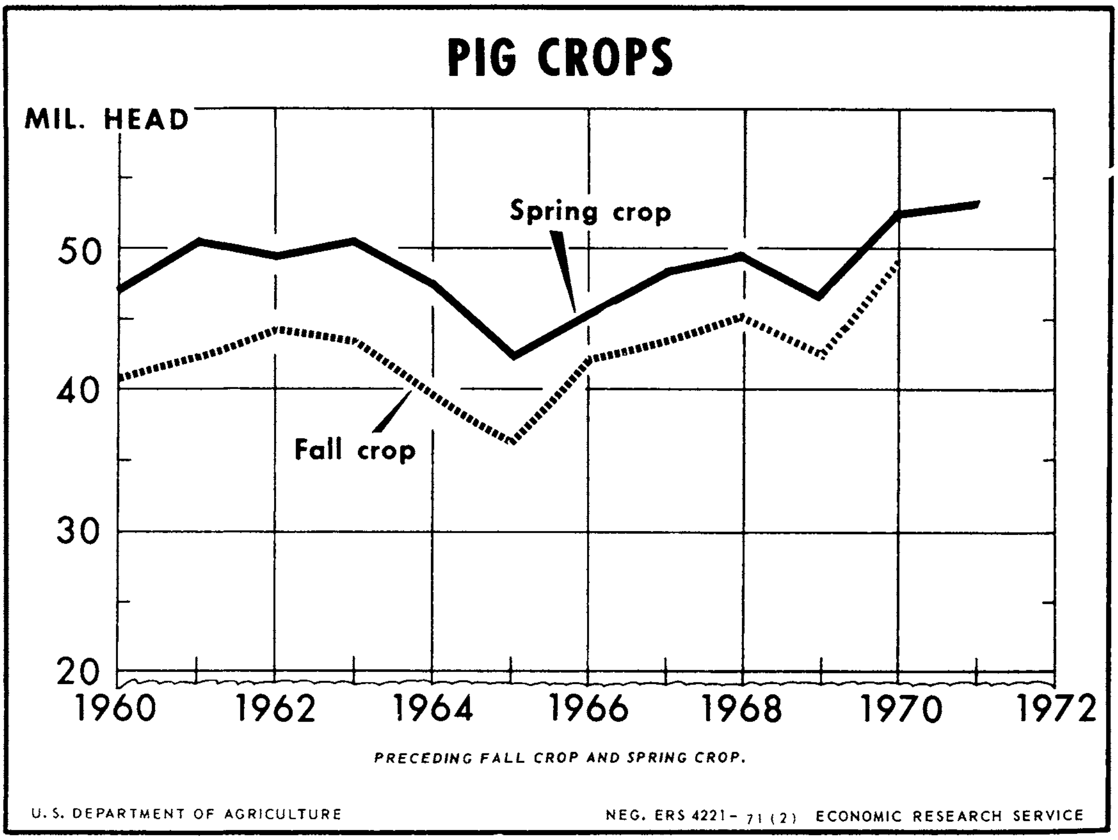
Feeder pig prices weakened further in January to about $11 per head, even though the slaughter market made a small gain. Winter prices are running about $14 per head under a year earlier. No substantial change in feeder pig prices is expected during the winter or early spring, since the slaughter market will continue under heavy pressure. However, next summer and fall feeder pig prices likely will improve more than slaughter hogs as the burdensome slaughter supply is worked down.

Table 2.—Number of sows farrowing pigs saved and pigs saved per litter, spring and fall pig crops, by regions, 1967 to date

Year	North Atlantic	North Central		South Atlantic	South Central	Western	United States
		East	West				
	DECEMBER-MAY						
	1,000 head						
Sows farrowing:							
1967	85	1,835	3,355	544	630	115	6,570
1968	84	1,824	3,421	556	665	113	6,669
1969	89	1,721	3,216	584	642	113	6,360
1970	90	1,935	3,618	667	731	125	7,171
1971[1]	89	1,917	3,525	728	814	143	7,222
Pigs saved:							
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	23,587	4,379	4,743	856	46,788
1970	649	13,919	26,716	4,928	5,335	966	52,551
1971							[2] 53,082
	Number						
Pigs saved per litter:							
1967	7.30	7.37	7.35	7.30	7.20	7.45	7.34
1968	7.32	7.32	7.47	7.27	7.07	7.58	7.37
1969	7.51	7.27	7.33	7.50	7.39	7.58	7.36
1970	7.21	7.19	7.38	7.39	7.30	7.73	7.33
1971							[2] 7.35
	JUNE-NOVEMBER						
	1,000 head						
Sows farrowing:							
1967	75	1,791	2,803	455	656	113	5,899
1968	80	1,813	2,975	483	655	117	6,129
1969	83	1,699	2,701	495	626	117	5,727
1970	86	1,995	3,329	582	767	140	6,905
Pigs saved:							
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	12,573	19,591	3,632	4,676	898	42,019
1970	626	14,401	23,739	4,212	5,690	1,060	49,768
	Number						
Pigs saved per litter:							
1967	7.40	7.44	7.36	7.38	7.26	7.50	7.38
1968	7.31	7.33	7.41	7.30	7.15	7.62	7.35
1969	7.35	7.40	7.25	7.33	7.47	7.68	7.34
1970	7.28	7.22	7.13	7.24	7.42	7.57	7.21

[1] Preliminary. [2] Number indicated to farrow from intentions as of December 1, 1970. Average number of pigs per litter with allowance for trend used to calculate indicated number of pigs saved.


CHANGES IN HOG PRICES AND PORK PRODUCTION
% CHANGE△
60
40
20
0
-20
-40
Hog prices*
Pork production
(Com'l per person)
1960
1962
1964
1966
1968
1970
1972
△ PERCENTAGE CHANGE FROM PREVIOUS YEAR.
* BARROWS AND GILTS AT 7 MARKETS.
U.S. DEPARTMENT OF AGRICULTURE
NEG. ERS 5550- 71 (2) ECONOMIC RESEARCH SERVICE


PIG CROPS
MIL. HEAD
50
40
30
20
Spring crop
Fall crop
1960
1962
1964
1966
1968
1970
1972
PRECEDING FALL CROP AND SPRING CROP.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 4221- 71 (2) ECONOMIC RESEARCH SERVICE

SHEEP AND LAMBS

Sheep and lambs slaughtered in commercial plants in 1970 totaled about 10.6 million head. This was only 1 percent fewer than in 1969 but was the smallest annual slaughter on record. Slaughter is expected to be down more sharply in 1971.

Choice slaughter lambs averaged $27.45 per 100 pounds at San Angelo in 1970, $1.35 below a year earlier but higher than other recent years. Prices were above year-earlier levels in the first quarter of 1970 but $1 to $4 below during the remaining months. Following a sharp early spring drop from $31.75 per 100 pounds in March to $27 in early May, lamb prices generally fluctuated around $27 into early November. Then as a result of heavy slaughter supplies and large output of pork, prices dropped to $23.25 by the end of the year—the lowest since early 1968.

Choice feeder lamb prices in 1970 averaged $27 at San Angelo, about $1 below a year earlier and 50 cents under slaughter lambs. In late January Choice feeder lambs were selling near $24 per 100 pounds, up slightly from late December but still $6 below a year earlier.

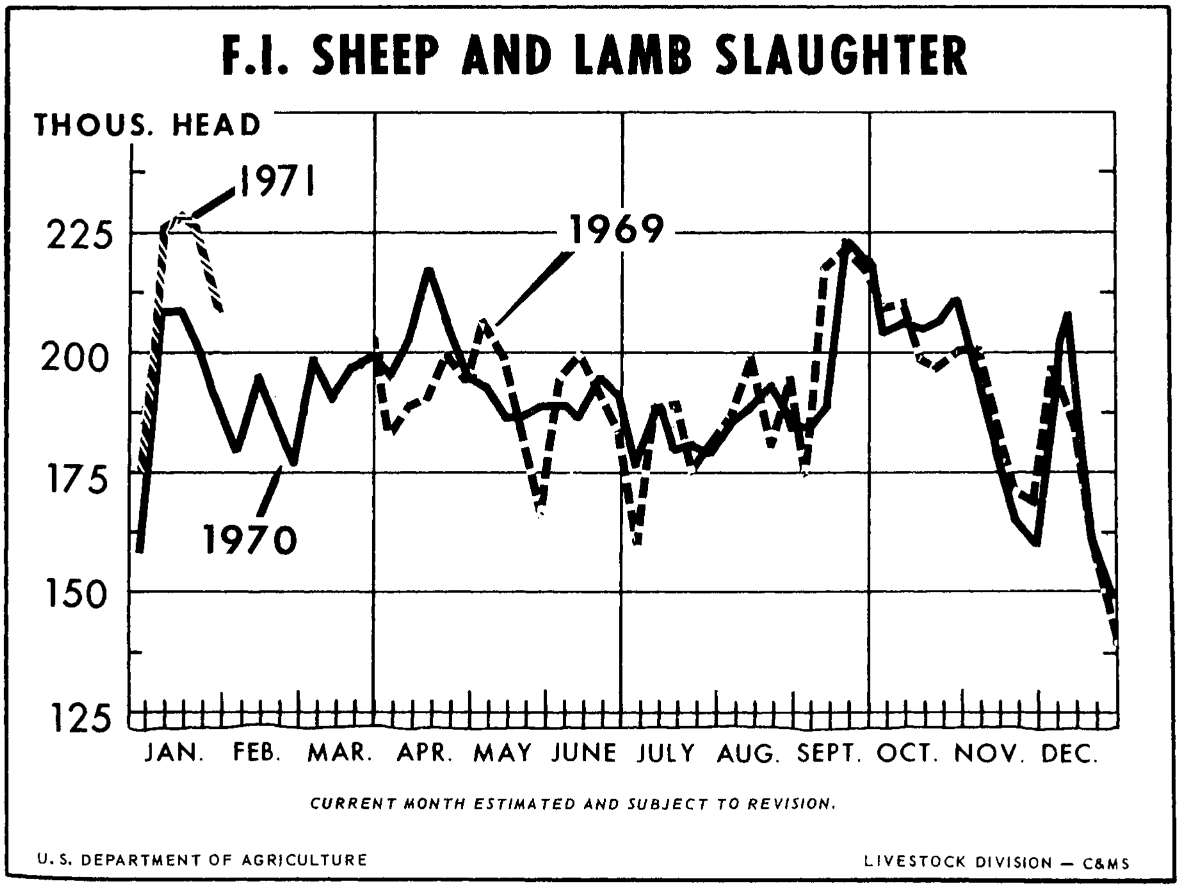
Choice lamb prices per 100 pounds, San Angelo

Month	Slaughter lambs		Feeder lambs	
	1970	1971	1970	1971
	Dollars			
January	28.81	24.06	29.81	24.00
February	28.06		29.50	
March	31.06		30.88	
April	28.35		28.50	
May	27.75		27.12	
June	27.41		26.25	
July	27.00		25.25	
August	27.06		25.44	
September	26.85		26.60	
October	27.19		26.19	
November	25.81		24.56	
December	24.00		23.50	
Average	27.45		26.97	

Slaughter To Drop Below 1970 Levels

Weekly slaughter under Federal inspection in January averaged 10 percent above a year earlier. Slaughter is expected to drop below a year earlier and stay below through the balance of the first half. Fewer lambs on feed in weight groups to be marketed during the balance of the winter and an expected decline in the supply of early spring lambs will probably limit market supplies through spring.

Spring slaughter supplies are mostly new-crop lambs. Since there are probably fewer ewes in the early lamb producing areas than last year, a smaller early lamb crop is expected. Consequently, total slaughter supplies in the spring likely will be smaller than last spring.



Fewer Lambs On Feed

Lambs on feed in 26 States on January 1, 1971, totaled 2.6 million head, 9 percent fewer than a year earlier and the smallest number for that date in any recent year. The number on feed was down 12 percent in the North Central States and 5 percent in the West. During November and December lamb feeders in 7 major feeding States placed 10 percent more lambs on feed than a year earlier and marketings out of feedlots in these States were up 11 percent.

There was some carryover of heavy lambs in January from the heavy placements in November and December. The number of lambs weighing 100 pounds or more was up 37 percent in 7 States. A good part of these probably went to market in January and accounted for the higher weekly slaughter rates in recent weeks. However, based on the breakdown by weight groups of lambs on feed on January 1 in 7 States, the number of fed lambs marketed during the balance of the winter will drop below a year earlier. There were 11 percent fewer lambs weighing under 100 pounds.

Lamb Prices Remain Depressed

Choice grade slaughter lambs in January averaged $24 per 100 pounds at San Angelo, $4.75 below a year earlier. If slaughter supplies follow the pattern suggested by the number of lambs on feed on January 1 and if movement of early lambs is normal, prices will rise through the winter into early spring despite substantial increases in pork output. The early spring peak will likely be below last year's $31.75 in mid-March but the seasonal decline will also be smaller than the $4.75 drop to late April 1970.

A firm fed cattle market this winter and spring will lend some strength to lamb prices. However, substantially larger supplies of pork will be offsetting to some degree. Prices for spring lambs are expected to bring the usual sharp premium over fed lambs, and by midyear lamb prices may be back near year-earlier levels.

Feeder lamb prices are expected to continue below slaughter lamb prices this winter but any upward price movement probably will only match advances in slaughter lamb prices.

Discounts Wide This Fall and Winter

The spread between 30-45 pound carcasses and 55-65 pounders at Chicago widened sharply in late 1970 and by late January 1971 discounts on heavy weights ran $6 to $7 per 100 pounds compared with $2.50 a year ago. Larger slaughter supplies and a lower price level, as well as a seasonally larger proportion of heavy carcasses, contributed to the sharper discounts. As slaughter rates drop below a year earlier later this winter and the market strengthens, price spreads likely will narrow. When early new-crop lambs begin moving to market in volume and fed lamb marketings decline in the spring, discounts will narrow further and probably disappear by midyear.

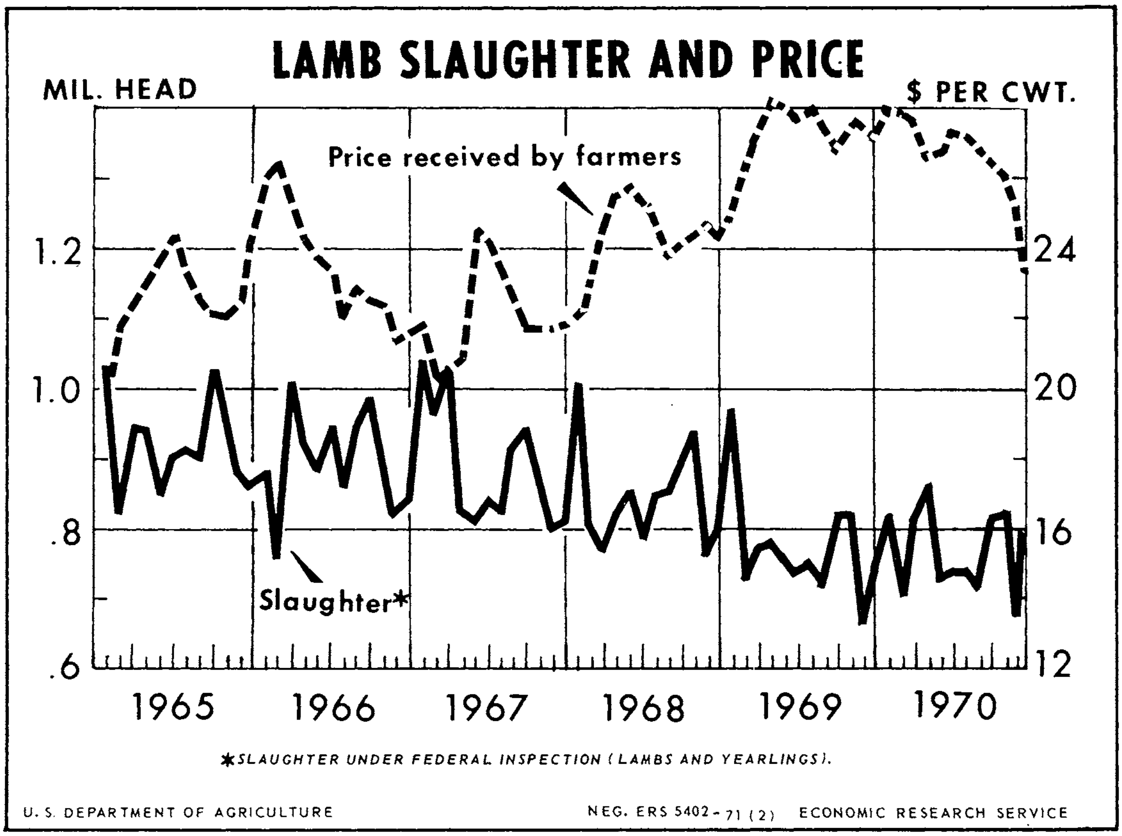
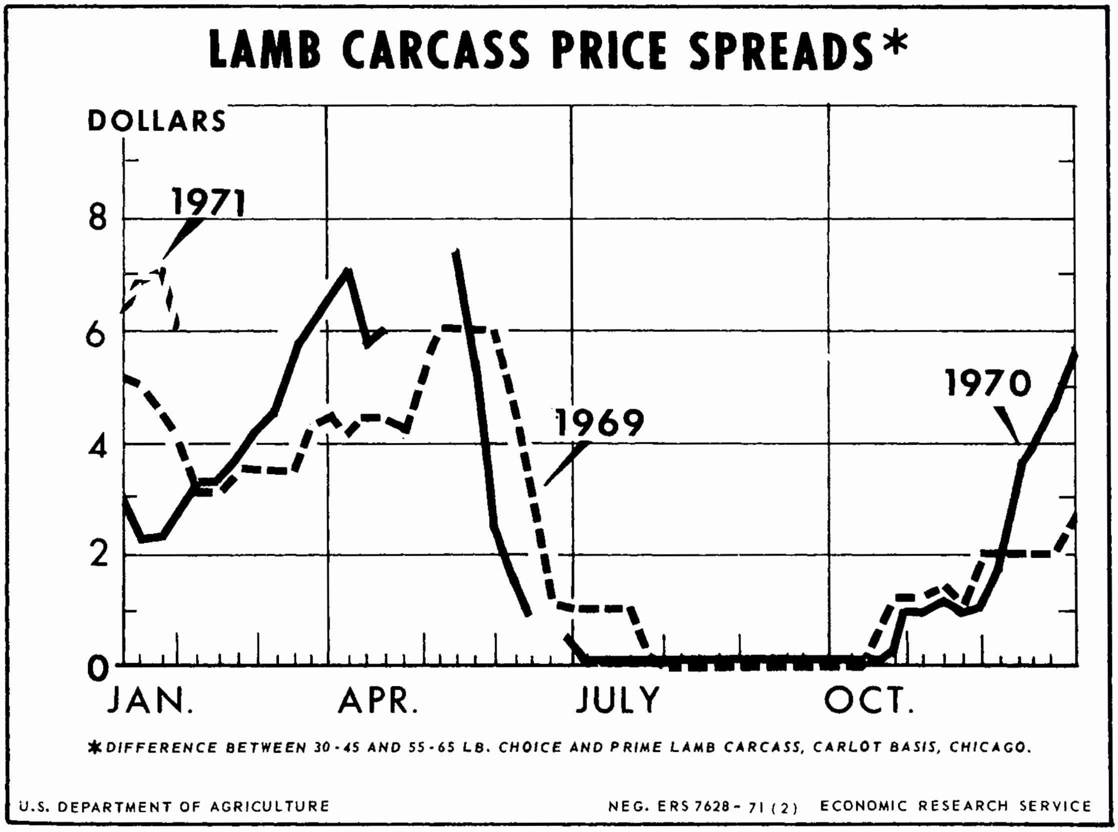
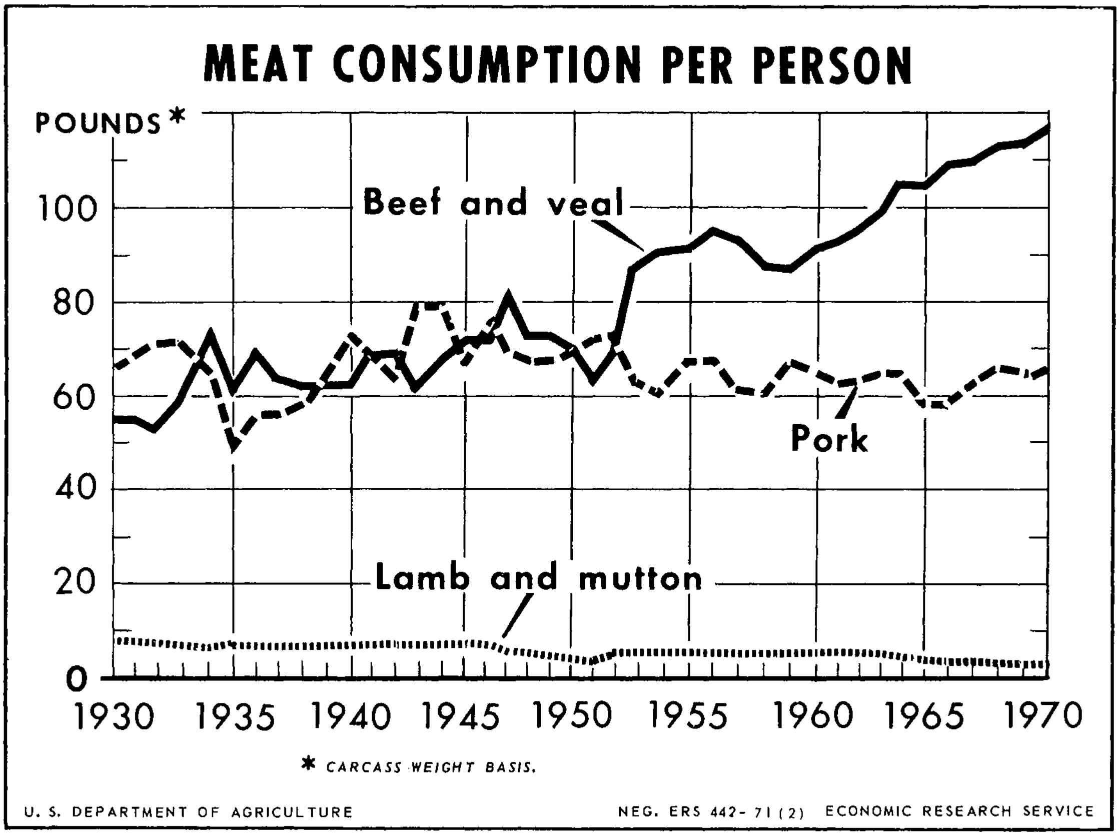


Table 3.—Wholesale price of Choice lamb at Chicago, carlot basis, by months 1968 to date[1]

Month	1968			1969			1970		
	35-45 lb.	55-65 lb.	Difference	35-45 lb.	55-65 lb.	Difference	35-45 lb.	55-65 lb.	Difference
	Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
January	51.70	47.22	4.48	58.92	54.29	4.63	60.64	58.10	2.54
February	54.94	51.94	3.00	60.47	57.22	3.25	59.60	56.02	3.58
March	56.69	53.35	3.34	62.31	58.38	3.93	59.08	53.42	5.66
April	58.25	55.03	3.22	62.85	58.62	4.23	59.70	50.55	9.15
May	58.22	55.72	2.50	64.50	58.50	3.00	59.94	55.35	4.59
June	58.09	57.81	.28	63.06	60.68	2.38	60.94	60.02	.92
July	56.38	56.38	0	61.80	61.15	.65	61.25	61.25	0
August	54.08	54.08	0	60.52	60.52	0	59.89	59.89	0
September	55.28	55.28	0	58.62	58.62	0	58.20	58.20	0
October	56.25	55.46	.79	59.09	58.58	.51	58.41	58.16	.25
November	57.75	54.12	3.63	59.66	58.22	1.44	58.56	57.50	1.06
December	56.12	51.19	4.93	59.02	56.87	2.15	56.28	52.30	3.98
Year	56.15	53.96	2.19	60.90	58.47	2.43	59.37	56.73	2.64

[1] Prime and Choice quoted together.




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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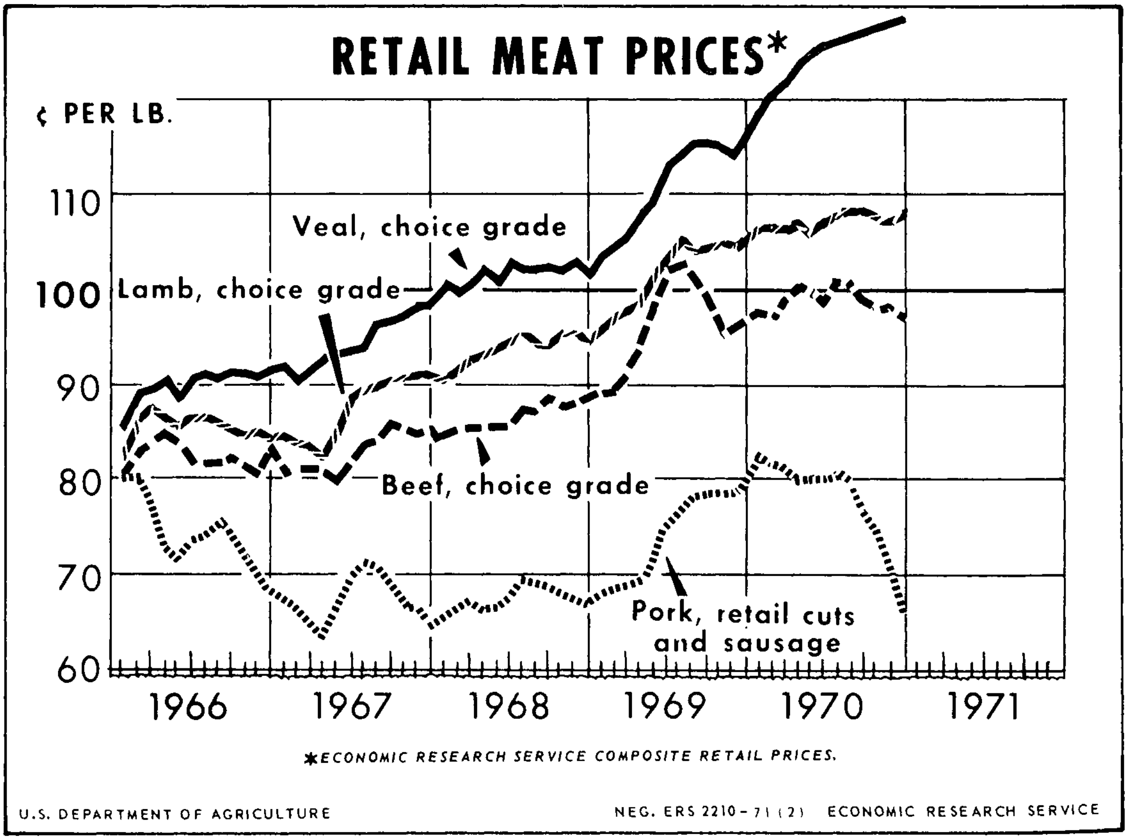
NEG. ERS 442- 71 (2)
ECONOMIC RESEARCH SERVICE


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 2210-71 (2)
ECONOMIC RESEARCH SERVICE

MEAT CONSUMPTION

Meat Consumption Rose Last Year

Increases in meat output in 1970 exceeded population growth and per capita meat consumption rose to 185.5 pounds, up 3.5 pounds from 1969 and a record. Consumer demand for meat continued strong through the year and despite larger meat supplies, retail meat prices also averaged higher. Prices were highest during the spring and summer, tapering off toward the end of the year.

Per capita consumption of red meat in the first half of 1971 likely will run about 5 pounds above a year earlier when 90.2 pounds were consumed. All of the increase will come from pork. Beef consumption will be about the same, but veal and lamb likely will be down.

Beef production and imports increased faster than the population again in 1970 and consumption of 113.4 pounds per person set a new record for the fifth consecutive year. In 1969, beef consumption was 110.5 pounds. Consumption in 1970 expanded further in the first 3 quarters but declined slightly in the fourth. In the first half of 1971, per capita beef supplies are expected to be about the same as a year ago.

The retail price of Choice grade beef rose to about 98 cents per pound in January-March 1970 and then remained near this level. For the year, prices averaged about 2.5 cents above a year earlier. Retail beef prices likely will remain near year-earlier prices through spring.

Veal consumption in 1970 dropped to 2.9 pounds per person, down from 3.3 pounds in 1969. Some further decrease is in prospect for 1971. Retail veal prices averaged $1.25 per pound in 1970, rising steadily from $1.19 in January to $1.28 at the end of the year, a record high. With still smaller consumption, retail veal prices in the first half of this year may be strong, but significant strength will be dampened by large increases in pork supplies.

Pork consumption per person rose about a pound in 1970 to 65.8 pounds. Consumption in the first half was 2 pounds less than a year earlier, but in the second half it was up 3 pounds. In 1971, pork consumption is expected to run well above year-earlier levels until late in the year.

Retail pork prices declined from about 82 cents per pound in January to around 80 cents in April and then held generally steady until late summer. In December the retail price had declined to 68.5 cents, but the drop didn't match the sharp declines in live hog prices during the summer and fall. Thus, the farm-retail spread widened from about 36 cents per pound in July to 41 cents in December (retail weight basis). Retail prices are expected to edge lower during the first half of 1971.

Lamb and mutton consumption in 1970 was about the same as a year earlier. However, the downtrend in consumption is expected to resume this year. Retail prices rose most of 1970 but eased slightly in the fourth quarter to about $1.08 per pound, still 3 cents higher than in October-December 1969. Prices in the first half of 1971 are expected to average near 1970 fall levels.

Meat consumption per person

Item	1968	1969	1970[1]
Beef	109.4	110.5	113.4
Veal	3.6	3.3	2.9
Pork	66.0	64.8	65.8
Lamb and Mutton	3.7	3.4	3.4
Total meat	182.7	182.0	185.5

[1] Estimate.

USDA MEAT PURCHASES

In 1970, the U.S. Department of Agriculture bought 199 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 $107 million.

Purchases under Section 32 of Public Law 320 include 69 million pounds of canned chopped meat (fall purchases were a minimum of 70 percent pork) at an f.o.b. cost of $35 million, 63 million pounds of frozen ground pork ($34 million), and 6.5 million pounds of canned pork with natural juices ($4.5 million).

Section 6 and 32 funds were used by buy 60 million pounds of frozen ground beef at an f.o.b. cost of $34 million.

All pork programs were active in early February but purchases of frozen ground beef were terminated on January 21.

FOREIGN TRADE IN MEATS

Red meat imports totaled 2,387 million pounds (carcass weight equivalent) in 1970, up 8 percent from 1969. The increase was due mainly to larger imports of beef and veal. Pork imports also were larger, but imports of lamb and mutton and goat were smaller.

Imports of beef and veal totaled 1,816 million pounds (carcass weight equivalent) in 1970, 11 percent more than a year earlier. Pork imports at 449 million pounds also were up 10 percent. Lamb imports totaled 43 million pounds, in 1970, 1 percent less than a year earlier; imports of mutton and goat amounted to 79 million pounds, down 27 percent.

U.S. meat exports in 1970 totaled 110 million pounds (carcass weight equivalent), 43 percent less than a year earlier. Pork is the main meat export and totaled 68 million pounds, 56 percent less than in 1969. Beef

Table 4.—U.S. meat imports and exports and percentage comparisons (carcass weight), 1969 and 1970

Months	Beef and veal			Lamb and mutton[1]			Pork			Total meat		
	1969	1970	Change	1969	1970	Change	1969	1970	Change	1969	1970	Change
	Mil. lb.	*Mil. lb.*	*Pct.*	*Mil. lb.*	*Mil. lb.*	*Pct.*	*Mil. lb.*	*Mil. lb.*	*Pct.*	*Mil. lb.*	*Mil. lb.*	*Pct.*
IMPORTS												
January . .	70	187	+166	1	17	+1,402	13	25	+98	84	229	+173
February .	80	149	+86	5	13	+140	28	43	+56	113	205	+81
March	191	168	-12	21	15	-25	51	43	-16	263	226	-14
April	135	129	-4	15	13	-16	43	42	-2	193	184	-5
May	118	96	-18	16	8	-47	42	37	-12	176	141	-19
June	135	138	+2	10	16	+61	35	42	+1	180	196	+8
July	163	166	+2	13	19	+37	38	40	+6	214	225	+5
August . . .	206	180	-13	23	7	-67	27	31	+12	256	218	-15
September	181	180	-1	17	3	-81	32	32	+3	230	215	-6
October . .	165	155	-6	16	3	-79	35	39	+10	216	197	-9
November .	85	129	+50	8	3	-63	30	38	+26	123	170	+37
December .	111	138	+25	8	5	-60	35	37	+4	154	180	+17
Total . . .	1,640	1,816	+11	153	122	-20	409	449	+10	2,202	2,387	+8
EXPORTS												
January . .	2.83	3.57	+26	0.18	0.17	-10	14.01	4.47	-68	17.02	8.21	-52
February .	2.80	2.77	-0.9	.32	.12	-64	16.10	4.37	-73	19.22	7.26	-62
March	3.89	3.11	-20	.30	.14	-54	11.67	4.05	-65	15.86	7.30	-54
April	3.09	3.17	+3	.23	.13	-45	10.74	3.79	-65	14.06	7.09	-50
May	3.80	3.72	-2	.20	.15	-27	23.32	4.13	-82	27.32	8.00	-71
June	2.76	3.43	+24	.11	.20	+88	13.07	4.18	-68	15.94	7.81	-51
July	2.94	3.50	+19	.21	.10	-51	8.22	4.66	-43	11.37	8.26	-27
August . . .	3.17	2.75	-13	.19	.24	+27	6.59	4.52	-31	9.95	7.51	-25
September	2.76	2.67	-3	.15	.10	-29	11.05	10.98	-1	13.96	13.75	-1
October . .	3.12	3.46	+11	.20	.14	-27	20.36	9.15	-55	23.68	12.75	-46
November .	2.86	3.63	+27	.09	.13	+46	13.25	8.84	-33	16.20	12.60	-22
December .	2.67	4.01	+50	.11	.13	+10	5.44	5.24	-4	8.22	9.38	+14
Total . . .	36.69	39.79	+8	2.29	1.75	-24	153.82	68.38	-56	192.80	109.92	-43

[1] Includes goat meat.

Table 5.—Meat subject to U.S. import quota restriction: Product weight of imports by months, average 1959-63, 1964-70

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	78.4	56.1	105.1	86.4	108.6	115.5	102.1	95.8	35.6	1,001.0
1969[1]	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
1970	124.5	100.7	112.0	88.7	62.1	93.4	110.1	112.8	107.6	89.3	79.3	89.8	1,170.4

[1] Rejections for calendar year 1969 totaled 13.5 million pounds.

exports totaled 40 million pounds, 8 percent more than a year earlier.

Imports of Meat Subject to Meat Import Law

Imports of meat subject to the meat import law (mainly fresh, chilled or frozen beef and mutton) totaled 1,170 million pounds (product weight) in 1970. Meat imports were 7.9 percent larger than in 1969.

Live Animal Exports Larger in 1970

Exports of live cattle were up sharply in 1970. Cattle exports totaled 61,714 head (excluding animals for breeding), compared with 5,123 head in 1969. Most of the exports were to Canada—58,990 head—and Mexico took 1,020 head. Slaughter cattle made up the bulk of the exports. The sharpest increases were in November and December when price relationships particularly favored flows to Canada. November exports were 12,983 head, compared with 514 a year earlier; December exports were 42,687 head, up from 669 head in 1969.

Exports of other livestock also were larger in 1970. Hog exports totaled 25,654 head, up from 18,620 in 1969. Mexico took 12,131 head, 5,370 went to Japan, and 4,239 to Canada.

A total of 132,856 head of sheep, lambs, and goats was exported, up from 106,237 in 1969. Most of the exports were to Mexico, 80,480 head, and to Canada, 51,733 head.

ANNUAL OUTLOOK CONFERENCE SCHEDULED FOR FEBRUARY 1971

The National Agricultural Outlook Conference is scheduled for February 23 to 26, 1971. The Conference will give emphasis to the general domestic and international economic situation with time also devoted to the Commodity Sessions.

Table 6.—Average retail price of specified meat cuts, per pound, by months, 1967 to date

Year and item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Cents											
BEEF												
Porterhouse steak												
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
1970	155.1	154.4	155.2	159.8	158.3	159.3	162.7	163.0	161.0	161.5	157.3	155.1
Round steak												
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
1970	128.4	128.6	129.0	133.3	131.1	129.8	131.0	131.2	132.1	130.9	129.6	127.5
Rib roast												
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
1970	111.1	111.2	110.7	112.0	111.8	110.3	111.8	112.9	113.3	112.0	111.6	111.6
Rump roast												
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
1970	126.7	125.9	127.2	131.5	130.5	129.3	129.5	130.0	131.1	130.0	128.5	126.7
Chuck roast												
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
1970	69.8	72.4	72.6	74.3	73.2	72.0	72.3	74.0	73.5	72.8	71.9	70.9
Hamburger												
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
1970	64.6	65.3	65.5	66.3	66.7	66.5	66.9	67.2	66.6	66.4	66.1	66.0
VEAL CUTLET												
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
1970	208.8	212.2	214.6	218.9	219.7	221.3	222.5	223.9	224.4	224.9	225.1	225.4
PORK CHOPS												
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
1970	118.4	120.7	120.8	117.2	116.9	117.2	118.9	120.9	118.5	113.3	108.3	103.0
Roast, loin												
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
1970	83.6	85.1	85.0	83.5	83.5	83.0	84.0	85.2	84.1	81.6	78.1	75.0
Bacon, sliced												
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
1970	96.5	98.0	97.9	97.6	96.8	97.0	97.0	97.9	96.9	93.5	86.5	83.2
Ham, whole												
1966	73.2	71.7	71.0	69.4	67.1	70.2	68.1	69.0	69.8	69.3	68.3	70.0
1967	69.6	69.0	68.5	68.3	67.7	68.3	67.6	69.2	69.7	69.7	69.3	69.8
1968	71.1	69.8	70.2	67.3	69.1	70.9	70.9	72.7	75.8	77.0	77.5	81.1
1969	84.5	82.7	83.5	82.3	79.6	78.0	77.7	77.7	74.8	74.3	74.0	74.1
LAMB CHOPS												
1966	153.3	151.2	150.2	150.9	153.6	160.1	159.9	160.3	161.9	159.9	159.3	158.9
1967	160.0	161.3	162.1	162.7	165.0	165.9	167.1	166.6	166.0	168.2	167.0	167.1
1968	170.3	171.7	172.9	174.1	177.5	181.3	183.5	181.2	181.8	181.9	181.3	182.6
1969	184.5	184.2	185.1	185.4	184.3	183.8	185.2	185.7	186.1	185.8	185.4	187.6

Data from the Bureau of Labor Statistics.

Supply and distribution of commercially produced meat, by months, July 1970 to date

Meat and period	Supply			Distribution				
	Production[1]	Beginning stocks	Imports	Exports and shipments	Ending stocks	Military	Civilian consumption	
							Total	Per person[2]
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Pounds*
Beef:								
July	1,808	317	165	8	308	34	1,940	9.6
August	1,737	308	179	9	290	40	1,885	9.4
September	1,875	290	179	8	287	34	2,015	10.0
3rd quarter	5,420	317	523	25	287	108	5,840	29.0
October	1,917	287	154	8	301	33	2,016	10.0
November	1,697	301	127	9	318	29	1,769	8.7
December	1,854	318	132	11	330			
4th quarter	5,468	287	415	28	330			
Veal:								
July	47	10	1	1	9	3	45	0.2
August	46	9	1	(3)	10	4	42	.2
September	49	10	1	(3)	9	2	49	.2
3rd quarter	142	10	3	(3)	9	9	136	.6
October	49	9	1	(3)	9	1	49	.2
November	43	9	2	(3)	8	1	45	.2
December	44	8	4	1	9			
4th quarter	136	9	7	1	9			
Lamb and mutton:								
July	44	20	19	1	23	(3)	59	0.3
August	41	23	7	1	23	(3)	47	.2
September	47	23	3	1	21	1	50	.2
3rd quarter	132	20	29	3	21	1	156	.7
October	48	21	3	(3)	21	1	50	.2
November	39	21	3	(3)	20	(3)	43	.2
December	46	20	5	1	20			
4th quarter	133	21	11	1	20			
Pork:								
July	991	304	40	13	255	10	1,057	5.3
August	1,008	255	31	12	217	15	1,050	5.2
September	1,158	217	32	20	210	12	1,165	5.8
3rd quarter	3,157	304	103	45	210	37	3,272	16.3
October	1,275	210	39	18	246	11	1,249	6.2
November	1,255	246	38	18	304	13	1,204	6.0
December	1,371	304	37	18	344			
4th quarter	3,901	210	114	54	344			
All meat:								
July	2,890	651	225	23	595	47	3,101	15.4
August	2,832	595	218	22	540	59	3,024	15.0
September	3,129	540	215	29	527	49	3,279	16.2
3rd quarter	8,851	651	658	74	527	155	9,404	46.6
October	3,289	527	197	26	577	46	3,364	16.6
November	3,034	577	170	27	650	43	3,061	15.1
December	3,315	650	180	31	703			
4th quarter	9,638	527	547	84	703			

[1] Excludes production from farm slaughter. [2] Derived from estimates by months of population eating out of civilian food supplies.
[3] Less than 500,000 pounds.

Selected price statistics for meat animals and meat

Item	1969		1970		
	November	December	October	November	December
	Dollars per 100 pounds				
CATTLE AND CALVES					
Beef steers, slaughter, Omaha					
Prime	28.33	28.65	29.38	27.87	27.24
Choice	27.67	27.98	28.67	27.21	26.71
Good	26.46	26.70	27.49	26.28	25.73
Standard	23.99	24.45	24.44	24.22	23.10
Utility	22.00	23.09	---	22.98	22.44
All grades	27.43	27.74	28.44	27.00	26.45
Choice 900-1100 pounds, California	28.25	29.63	29.25	28.81	28.22
Choice 900-1100 pounds, Colorado	27.95	29.08	28.48	27.12	26.86
Cows, Omaha					
Commercial	18.99	19.81	20.52	18.80	18.57
Utility	19.31	20.10	20.84	19.04	18.77
Cutter	17.97	18.63	19.73	18.30	17.95
Canner	16.83	17.30	18.64	17.30	16.81
Vealers, Choice, S. St. Paul	38.20	38.57	44.98	42.98	42.42
Stocker and feeder steers, Kansas City[1]	29.30	29.55	29.68	28.03	27.57
Price received by farmers					
Beef cattle	24.90	25.60	26.50	25.20	24.50
Cows	18.20	19.09	19.70	18.60	18.50
Steers and heifers	27.10	27.80	28.50	27.30	26.60
Calves	31.30	32.60	34.10	33.00	32.80
Beef steer-corn price ratio[2]	23.4	23.9	21.2	20.1	18.5
HOGS					
Barrows and gilts, U.S. No. 1 and 2, Omaha					
180-200 pounds	26.53	---	---	---	---
200-220 pounds	26.74	28.25	18.46	16.65	16.88
220-240 pounds	26.58	28.00	18.31	16.43	16.68
Barrows and gilts, 7 markets[3]	25.77	26.93	17.91	15.69	15.67
Sows, 7 markets[3]	22.23	21.68	14.99	12.31	11.28
Price received by farmers	25.00	25.70	18.00	15.40	15.10
Hog-corn price ratio[4]					
Omaha, barrows and gilts	22.0	23.0	13.2	11.5	10.8
Price received by farmers, all hogs	23.4	23.6	13.4	11.9	11.1
SHEEP AND LAMBS					
Sheep					
Slaughter ewes, Good, San Angelo	9.75	10.42	9.38	9.44	9.12
Price received by farmers	7.84	8.51	7.18	7.16	6.85
Lambs					
Slaughter, Choice, San Angelo	28.62	28.50	27.19	25.81	24.00
Feeder, Choice, San Angelo	29.81	29.00	26.19	24.56	23.50
Price received by farmers	27.30	27.20	26.00	25.20	23.40
ALL MEAT ANIMALS					
Index number price received by farmers (1957-59=100)	129	133	123	114	111
	Dollars per 100 pounds				
MEAT					
Wholesale, Chicago, Carlot					
Steer beef carcass, Choice, 600-700 pounds	44.27	44.95	45.91	44.86	43.79
Heifer beef, Choice, 500-600 pounds	42.95	43.90	44.76	42.88	41.91
Cow beef, Canner and Cutter	39.72	41.12	43.04	41.48	41.37
Lamb carcass, Choice & Prime 45-55 pounds	59.66	58.52	58.41	58.56	55.53
Fresh pork loins, 8-14 pounds	58.41	58.04	45.85	40.85	39.02
	Cents per pound				
Retail, United States average					
Beef, Choice grade	96.6	97.0	98.0	98.2	96.6
Pork, retail cuts and sausage	78.1	79.7	74.4	70.8	68.5
Lamb, Choice grade	104.8	105.9	107.9	107.9	108.4
Index number all meats (BLS)					
Wholesale (1957-59=100)	119.8	121.4	115.8	112.2	107.5
Retail (1957-59=100)	131.1	131.3	133.3	131.0	129.1
Beef and veal	131.5	130.6	136.4	134.9	133.9
Pork	132.0	133.3	129.9	124.9	120.7

[1] Average all weights and grades. [2] Bushels of No. 2 Yellow Corn equivalent in value to 100 pounds of slaughter steers sold out of first hands, Omaha, all grades. [3] 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	1969 Nov.	1969 Dec.	1970 Oct.	1970 Nov.	1970 Dec.
Meat animal marketings						
Index number (1957-59=100)		133	122	163	140	135
6-State Cattle on Feed Report						
Number on feed	1,000 head	6,829	7,159	6,527	6,996	7,221
Placed on feed	1,000 head	1,564	1,544	1,899	1,538	1,365
Marketings	1,000 head	1,234	1,260	1,430	1,313	1,305
Slaughter under Federal inspection						
Number slaughtered						
Cattle	1,000 head	2,368	2,568	2,753	2,424	2,611
Steers	1,000 head	1,181	1,323	1,407	1,277	1,414
Heifers	1,000 head	656	704	805	642	687
Cows	1,000 head	493	503	496	466	471
Bulls and stags	1,000 head	38	38	45	39	39
Calves	1,000 head	281	302	266	245	276
Sheep and lambs	1,000 head	730	798	917	735	847
Hogs	1,000 head	5,825	6,344	7,662	7,350	7,990
Percentage sows	Percent	7	7	6	7	6
Average live weight per head						
Cattle	Pounds	1,043	1,059	1,038	1,051	1,065
Calves	Pounds	189	180	203	186	181
Sheep and lambs	Pounds	106	106	103	104	105
Hogs	Pounds	245	245	240	244	243
Average production						
Beef, per head	Pounds	613	625	621	624	636
Veal, per head	Pounds	106	102	114	104	102
Lamb and mutton, per head	Pounds	51	52	51	51	52
Pork, per head	Pounds	156	158	154	156	156
Pork, per 100 pounds live weight	Pounds	64	64	64	64	64
Lard, per head	Pounds	24	23	23	24	22
Lard, per 100 pounds live weight	Pounds	10	9	10	13	9
Total production						
Beef	Mil. lb.	1,449	1,601	1,705	1,508	1,657
Veal	Mil. lb.	30	31	30	25	28
Lamb and mutton	Mil. lb.	37	42	46	38	44
Pork	Mil. lb.	906	998	1,174	1,143	1,249
Lard	Mil. lb.	142	145	176	174	178
Commercial slaughter[1]						
Number slaughtered						
Cattle	1,000 head	2,735	2,948	3,144	2,775	2,971
Calves	1,000 head	380	399	354	328	352
Sheep and lambs	1,000 head	778	840	964	774	887
Hogs	1,000 head	6,462	7,084	8,338	8,083	8,819
Total production						
Beef	Mil. lb.	1,641	1,804	1,917	1,697	1,854
Veal	Mil. lb.	49	50	49	43	44
Lamb and mutton	Mil. lb.	40	44	48	39	46
Pork	Mil. lb.	1,003	1,109	1,275	1,255	1,371
Lard	Mil. lb.	151	155	185	185	190
Cold storage stocks first of month						
Beef	Mil. lb.	335	333	287	301	318
Veal	Mil. lb.	7	10	9	9	8
Lamb and mutton	Mil. lb.	17	17	21	21	20
Pork	Mil. lb.	202	221	210	246	304
Total meat and meat products[2]	Mil. lb.	612	635	588	646	715

[1] Federally inspected and other commercial. [2] Includes stocks of canned meats in cooler in addition to the 4 meats listed.

LIST OF TABLES

INDEX TO 1970 ISSUES

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