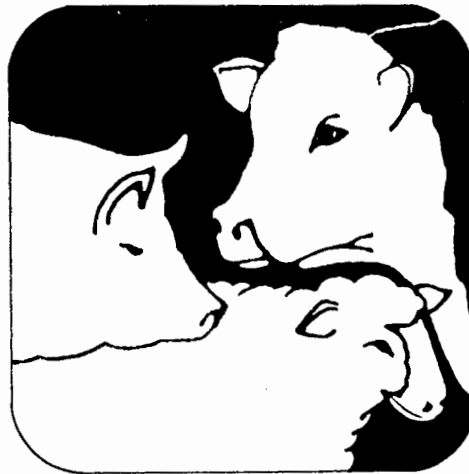
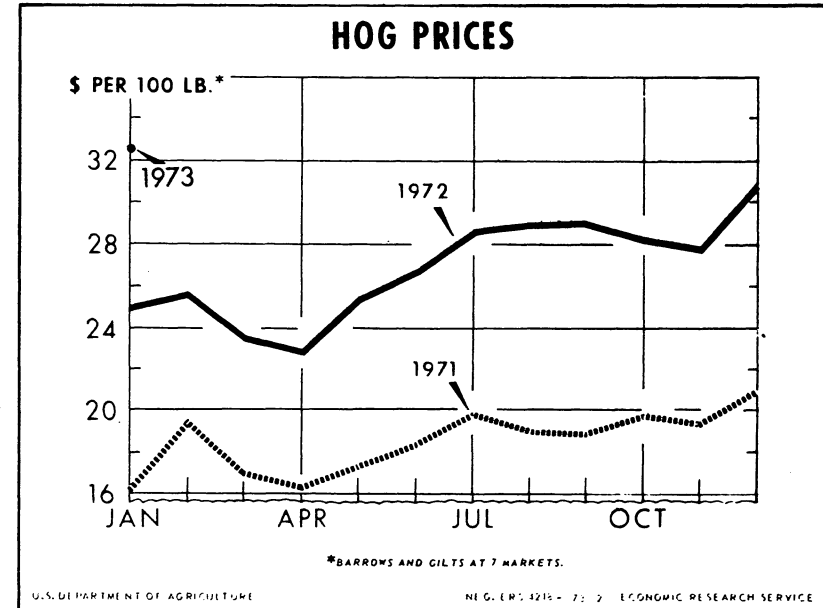
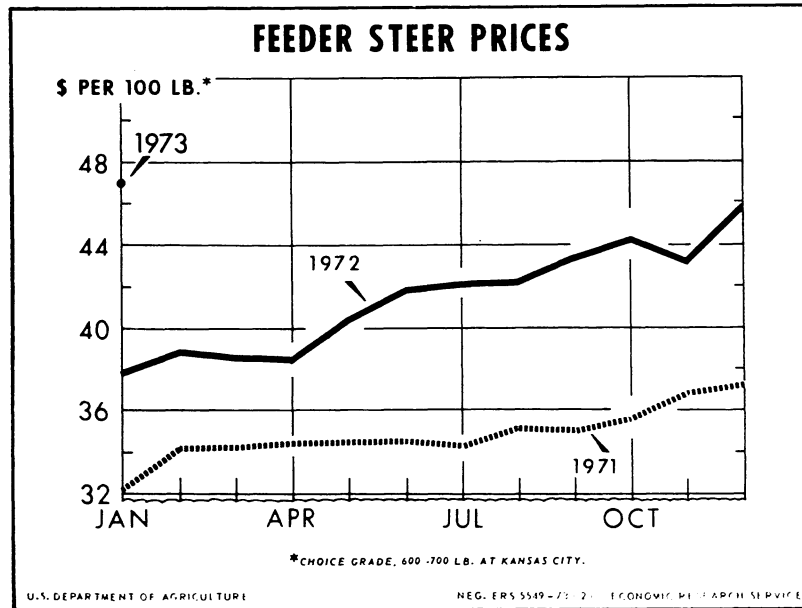
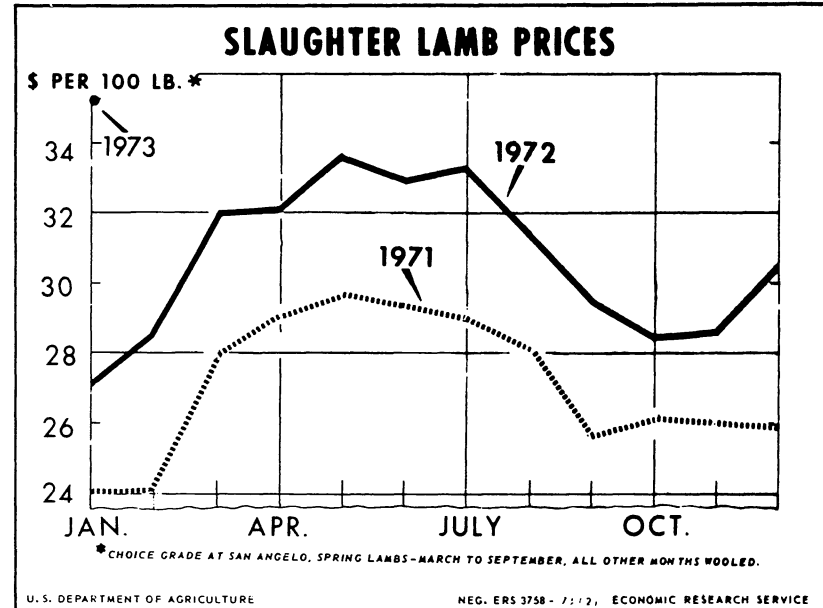
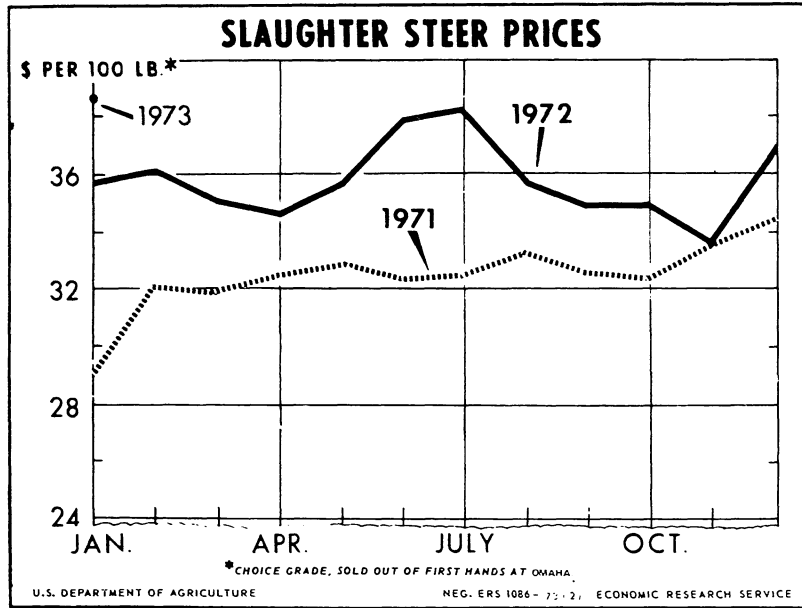


LIVESTOCK AND MEAT Situation



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LIVESTOCK AND MEAT SITUATION

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Approved by
The Outlook and Situation Board
and Summary released
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SUMMARY

Livestock prices in the first half of 1973 will continue well above a year earlier. Red meat production likely will be about the same as during the first half of 1972 and consumer demand for meat is very strong.

Red meat output for the whole year likely will total more, following a small reduction in 1972. Beef production rose last year but pork output was down sharply. Further increases in beef production are in prospect for 1973, with fed beef accounting for most of the increase. This year, pork production is expected to be about the same as in 1972 with second half gains offsetting reductions in the first half.

Only moderate gains in beef output are expected over the next several months. Cattle feeders placed only slightly more cattle on feed last fall than a year earlier but marketed 9 percent more. Thus, there was a 4 percent rise in January 1 feedlot inventories in 23 feeding States. All of the increase was in the West where feedlots held 14 percent more cattle than a year ago. Corn Belt feedlot inventories were off 2 percent. Cattle feeders intend to market 7 percent more cattle this winter than last and spring marketings will also be larger.

Cow slaughter in the first half is expected to run a little lower than in January-June 1972 but may be up moderately in the second half. The cow herd has been increasing for several years. This will likely cause heavier culling later this year, despite high feeder cattle prices.

Fed cattle prices will continue relatively high. Choice slaughter steers at Omaha in late January were bringing \$42 per 100 pounds, up \$9.50 from November lows and \$5.50 above a year earlier. Fed cattle prices are not expected to change substantially in the first half, although occasional soft spots will develop. Prices will average well above the \$36 of last January-June. Higher feed costs this year will lead to lighter slaughter weights.

Feeder cattle prices were record high in 1972 and are expected to remain high in 1973. In January, yearling feeder steers at Kansas City climbed to nearly \$49 about \$10 above a year ago. There will likely be little seasonal rise this winter and spring but prices may continue near recent levels if there is no substantial weakness in fed cattle prices. There are enough feeder cattle around to allow larger

placements this winter and spring and provide larger output of fed beef in the second half.

Hog slaughter in the first half of this year will probably be down a little from a year ago. On December 1, there were 4 percent fewer market hogs on farms in weight groups that will be marketed this winter and there was no change in the number in weight groups that will be marketed in the spring.

Hog prices advanced more than \$8 per 100 pounds in 1972, averaging \$26.75 for the year. Barrows and gilts at 7 markets reached a record of almost \$34 in the last week of January 1973, up \$7 from a year ago. Prices probably will dip later in the winter as slaughter increases seasonally. However, prices will stay well above year-earlier levels.

Second half hog slaughter will be substantially

larger than in July-December 1972 because the spring pig crop this year is estimated to be up 7 percent.

With larger pork supplies in the second half, prices will run below a year earlier but continue well above July-December 1971, when they were \$19.65.

Feelots held as many lambs at the beginning of the year as they did a year ago. Winter marketings may be as large as last winter because the early lamb crop was up a little. Spring slaughter will likely drop below a year earlier because the late lamb crop will be smaller, judging from the decline in the inventory. Thus, slaughter will be down for the whole year.

Choice slaughter lambs in San Angelo in late January were \$36 per 100 pounds, \$8 above a year earlier. First half lamb prices are expected to average well above a year earlier.

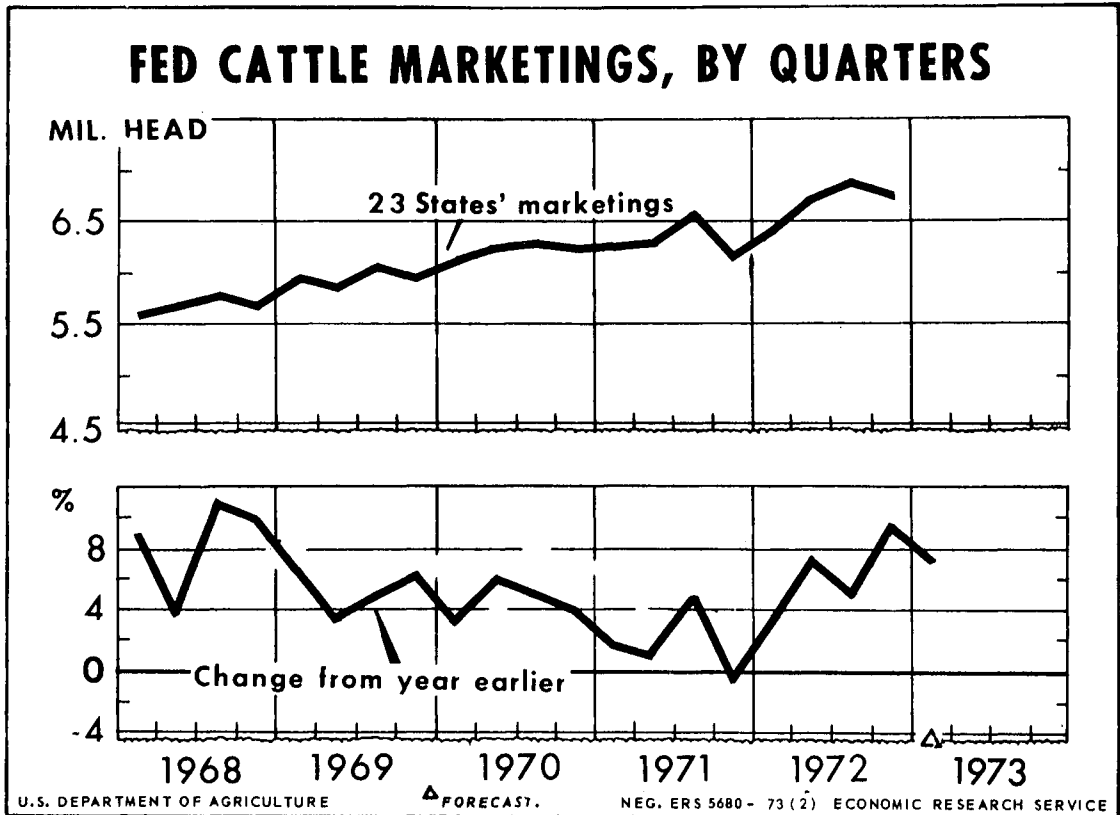
SITUATION AND OUTLOOK

CATTLE

Commercial cattle slaughter increased less than 1 percent in 1972, but slaughter weights were heavier and beef output rose 2 percent. Annual increases in beef output during the last 5 years averaged only about 1 percent in contrast to the 5 percent annual average increases during the early and middle 1960's. Beef consumption, however, has increased more than

production in recent years because of larger imports and smaller military takings.

This year, cattle slaughter will likely rise 2 to 4 percent, and calf slaughter will be smaller again. Calf slaughter has been trending downward for several years and in 1972 dropped a whopping 17 percent. Veal production last year was half what it was only 7 years ago. During rapid buildup periods in the cattle industry, total cattle and calf slaughter normally increases slowly or not at all.



Marketings of fed cattle were up 6 percent in 1972, following only a 2 percent rise in 1971. The sharper increase in 1972 was largely the result of a very strong fed cattle market, an increasing capacity in commercial feedlots, and the larger 1971 calf crop. Most of the increase was in the West where 9 percent more fed cattle were marketed. Corn Belt feeders upped marketings only 3 percent.

Prices of all classes of cattle were higher in 1972. Choice steers at Omaha averaged a record \$35.85 per 100 pounds compared with \$32.40 in 1971. The feeder cattle market was strong most of the year with Choice yearling steers at Kansas City climbing from \$37 in early January to near \$45 by mid-October and averaging \$41.40 for the year. This was \$6.50 higher than in 1971. Cow prices followed a normal seasonal pattern, rising through the first half, steady in the summer, and declining some in the fall, but at a higher level. Utility cow prices at Omaha averaged \$25.20, up \$3.60 from the 1971 average.

Cattle prices rose despite the 2 percent increase in beef output, a 13 percent increase in beef imports, and a 7 percent rise in broiler production. The price strength was the result of very strong consumer demand for red meat and smaller output of pork, veal, and lamb.

Cattle prices in 1973 are expected to average higher than last year, with strong demand more than offsetting some further increase in beef supplies. In the second half of the year, pork supplies will rise moderately above a year earlier and will tend to temper the strength in beef prices.

Feedlot Inventory Up

At the beginning of 1973 there were 13.9 million cattle and calves on feed in 23 major feeding States, 4 percent more than a year earlier. There was a 2 percent drop in feedlot inventories in the Corn Belt but a 14 percent increase in the 10 Western States (Washington, Oregon, California, Idaho, Arizona, Montana, Colorado, New Mexico, Oklahoma, and

Texas). Many Western feedlots are large commercial operations. The growing capacity of these lots requires an ever-expanding number of replacement cattle. Western feedlots on January 1 accounted for 45 percent of the total number of cattle and calves on feed in 23 States compared with 41 percent last year and 32 percent a decade ago.

Rising feed costs, higher feeder cattle prices, and a delayed harvest last fall discouraged increases in placements in the Corn Belt. This was in sharp contrast to the fall of 1971 when feed supplies were large, prices of replacement cattle were lower, and Corn Belt placements were 7 percent above 1970 levels. Higher feed prices last fall and this winter are largely in response to strong feed demand, unusually large exports of grain and the slow harvest resulting from bad weather in major grain producing areas.

Cattle feeders plan to market 7 percent more cattle this winter than last. Corn Belt feeders plan a 3 percent increase while feeders in the West plan a 13 percent increase. However, intentions may not be met. For example, there were only 3 percent more cattle on feed in weight groups that normally supply the bulk of first quarter marketings. Also, adverse weather has slowed weight gains. This will cause some delay in shipping fed cattle to slaughter.

Choice steers at Omaha in late January were bringing an average of \$42 per 100 pounds, up \$9.50 from November lows. Winter marketings will run above fall and year-earlier winter levels. However, pork output will continue reduced and demand for meat will continue strong. These factors point to upward pressure on cattle and beef prices in the first quarter. Prices may not change substantially from current levels in the next few months but some soft spots could develop from time to time.

Spring Marketings Up

Fed cattle marketings in the spring likely will continue moderately larger than a year earlier and

Table 1.—Cattle and calves on feed in 23 States, January 1, by regions

Item	1971	Change from 1970	1972	Change from 1971	1973	Change from 1972
	<i>Thousand head</i>	<i>Percent</i>	<i>Thousand head</i>	<i>Percent</i>	<i>Thousand head</i>	<i>Percent</i>
North Central States						
East	1,738	-7	1,774	+2	1,636	-8
West	5,604	-7	6,087	+9	6,041	-1
Total	7,342	-7	7,861	+7	7,677	-2
Texas and Oklahoma	1,716	+5	2,034	+19	2,517	+24
Other Western States	3,151	+0.3	3,435	+9	3,726	+8
Total	12,209	-3	13,330	+9	13,920	+4

seasonally larger than this winter. There were 8 percent more cattle on feed January 1 in weight groups that typically supply over half of spring marketings.

Cattle were affected to some extent by the ice and snow storms that hit the Southwest during December and early January. Slower gains are resulting in delayed marketings. Field estimates indicate that feedlot death losses in the storm area rose to 2½ to 3 percent during December and early January from a norm of up to 1 percent. Also, losses on wheat pasture rose from less than 1 percent to perhaps 5 percent or more. These deaths involved mostly fresh, young cattle recently shipped into the area. Some of these animals would have been marketed in the spring.

These losses were devastating to some feeders and will certainly affect the number of cattle shipped near midyear out of some areas. However, this is a relatively small factor and will have little impact on the national supply of beef. Judging from the increase in the number of lighter cattle on feed on January 1 and some probable increase in winter placements, spring marketings likely will be at least as large and perhaps a little larger than last spring.

Choice steers at Omaha averaged \$36 during April-June 1972. Prices this spring will run well above that. Any increases in fed cattle supplies in the spring may be small. Also, market weights will be down, partially offsetting any rise in the number of cattle shipped. Pork supplies in the spring will be about the same as last spring, although they will be declining seasonally.

Choice steer prices per 100 pounds, Omaha

Month	1969	1970	1971	1972	1973
	Dol.	Dol.	Dol.	Dol.	Dol.
January	27.82	28.23	29.11	35.74	40.62
February	27.63	29.30	32.23	36.19	
March	29.00	30.97	31.81	35.13	
April	30.41	30.64	32.44	34.53	
May	33.18	29.52	32.88	35.66	
June	33.99	30.29	32.39	37.88	
July	31.56	31.12	32.44	38.21	
August	30.40	30.14	33.24	35.66	
September	28.77	29.32	32.62	34.85	
October	27.72	28.67	32.34	34.85	
November	27.67	27.21	33.58	33.56	
December	27.98	26.71	34.40	36.79	
Average	29.66	29.34	32.42	35.83	

Lighter Cattle Coming

Beef production this winter will only be up a little more than the number of cattle killed. This is in contrast to the fourth quarter 1972 when cattle slaughter was up 3 percent from a year earlier and beef production was 6 percent larger.

Dressed weights of cattle slaughtered under Federal inspection in the fourth quarter of 1972 averaged 22 pounds over a year earlier. However, in January, weights were running only 5 pounds heavier than a year earlier because of high feed costs, a strong fed cattle market, and adverse weather. Weights will approach year-earlier levels later this winter. Higher feed costs will be a major factor encouraging earlier shipment of fed cattle.

Last summer, market weights of Choice steers sold at 7 Midwest markets averaged 1,094 pounds, up about 4 pounds. In the fall, they were 20 pounds above a year earlier. In recent weeks market weights have been running nearer a year earlier.

Average liveweight of Choice steers, 7 markets

Month	1970	1971	1972	1973
	Pounds	Pounds	Pounds	Pounds
January	1,138	1,139	1,128	
February	1,142	1,142	1,122	
March	1,142	1,134	1,135	
April	1,139	1,133	1,139	
May	1,141	1,139	1,134	
June	1,137	1,130	1,119	
July	1,112	1,099	1,106	
August	1,095	1,080	1,081	
September	1,089	1,091	1,095	
October	1,098	1,102	1,122	
November	1,114	1,116	1,130	
December	1,128	1,124	1,150	
Year	1,124	1,122	1,124	

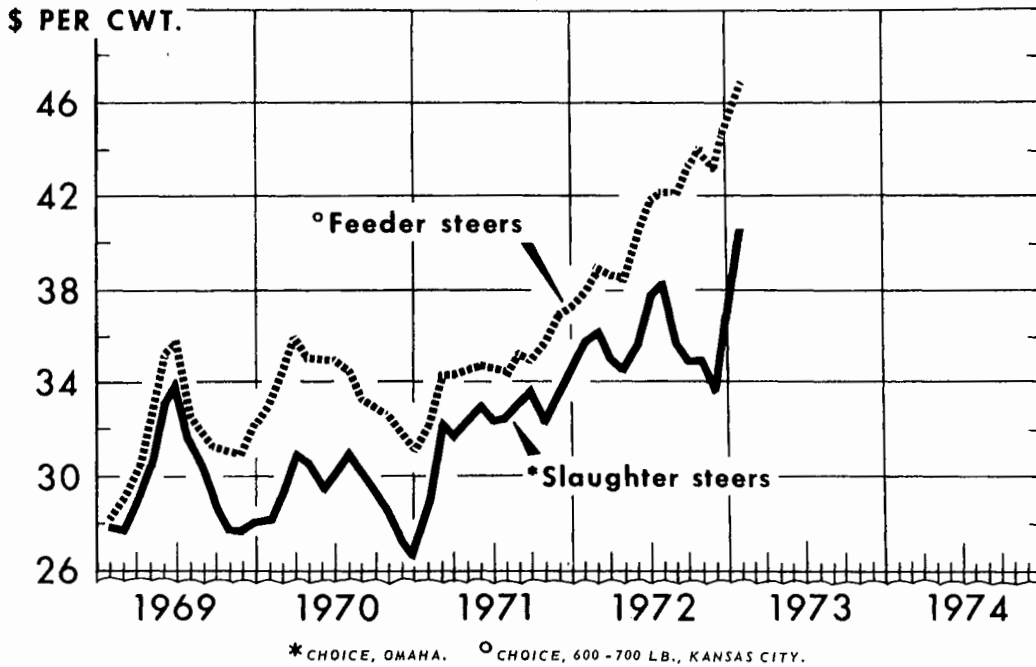
Although heavy steers accounted for a larger portion of fed cattle marketings in the second half of 1972, the price spread between Choice 900-1,100 pound steers and 1,100-1,300 pound steers didn't change much on Midwest markets; the 900-1,100 pound animals were mostly 25 to 50 cents higher. On the West Coast, the spread was wider, running 75 cents to \$1 most of the time. Discounts on heavy cattle are frequently more severe than this when average weights get as heavy as they were in the fall. The market for fed cattle has apparently been strong enough to override the increase in heavy cattle. However, cattle feeders still have more to lose than they have to gain by holding cattle to excessive weights because of the high cost of gain on over-finished cattle.

Larger Second Half Marketings

Fed cattle marketings in the second half of 1973 likely will be moderately larger than a year earlier because cattle feeding will continue to be relatively profitable during the first half of the year.

On the basis of the beginning inventory this year, 2 percent more cattle are available for feeding than in early 1972. So with a strong market for fed cattle, producers likely will place more cattle on feed this

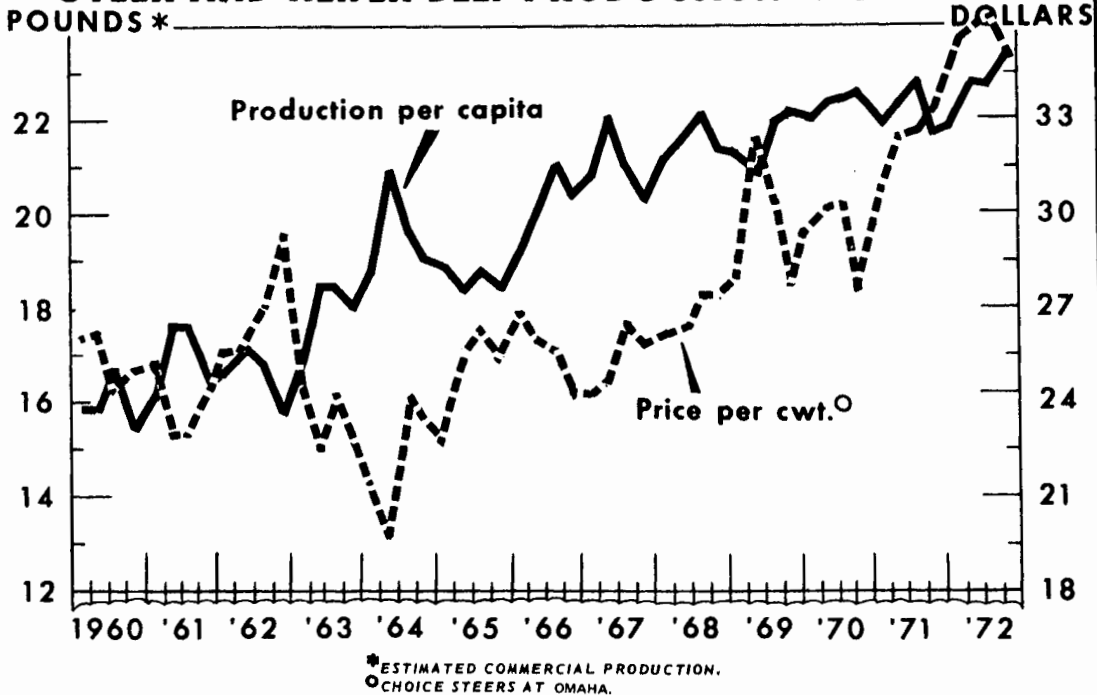
STEER PRICES



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STEER AND HEIFER BEEF PRODUCTION AND PRICES



U.S. DEPARTMENT OF AGRICULTURE

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winter and spring than a year ago. Most of the increase will be in Western feedlots as commercial feeders with expanding facilities will tend to bid cattle away from Corn Belt feeders.

The steer-corn price ratio dropped in late 1972 as corn prices rose and cattle prices dipped. However, the ratio was still fairly high compared with most any year prior to 1971/72. A high cattle market in January resulted in a 26.5 ratio at Omaha in contrast to a 24.6 ratio in December and 28.3 in January 1972.

Feeder cattle prices have been unusually strong the past 2 years. In 1972, as in 1971, they strengthened during the second half. This was in contrast to the usual decline during that time of year when movement from range and pasture into feedlots picks up seasonally. Choice steers at Kansas City, 600-700 pounds, averaged \$42 per 100 pounds last July. By the end of the year this grade and class approached \$46.50, \$9 higher than a year earlier. In January, prices were near \$49.

Feeder cattle prices per 100 pounds, Kansas City

Month	Choice feeder steers 600-700 lbs. ¹			Choice feeder steer calves ²		
	1971	1972	1973	1971	1972	1973
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Jan.	32.20	37.92	47.33	36.18	41.50	51.95
Feb.	34.24	38.86		38.48	43.94	
Mar.	34.26	38.64		38.17	44.69	
Apr.	34.46	38.54		38.62	45.16	
May	34.52	40.43		39.19	46.67	
June	34.52	41.94		39.15	47.32	
July	34.36	42.02		39.10	47.10	
Aug.	35.18	42.07		39.36	48.32	
Sept.	34.97	43.29		39.33	48.70	
Oct.	35.64	44.15		39.95	49.81	
Nov.	36.88	43.17		41.70	48.37	
Dec.	37.20	45.77		41.81	49.90	
Av.	34.87	41.40		39.25	46.79	

¹ Prior to 1972 550-750 lbs. ² 400-500 lbs., prior to 1972 300-500 lbs.

Until the past couple of years, feeder cattle prices would rise seasonally from a fall low to a spring high as the volume of movement fell off sharply in the winter and spring. With little change in fed cattle prices this winter and spring and a larger supply of feeder cattle, there likely will be little further upward pressure on feeder cattle prices through the first half. They are now record high and will continue above January-June 1972 when Choice yearlings at Kansas City averaged \$39.35 per 100 pounds.

The uptrend in feeder cattle prices in 1972 resulted in a sharper negative feeding margin for most cattle feeders. This situation of fed cattle selling for a lower price per pound than they cost as feeders several months earlier is expected to continue in 1973 and will be a problem to cattle feeders during times when the fed cattle market weakens.

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

Year	Fed cattle ¹	Feeder cattle ²	Margin
	Dollars	Dollars	Dollars
1971			
January ...	29.10	33.28	-4.18
February ..	32.18	32.86	-.68
March	31.89	32.66	-.77
April	32.41	31.79	+.62
May	32.86	31.28	+1.58
June	32.35	32.20	+.15
July	32.44	34.24	-1.80
August	33.10	34.26	-1.16
September .	32.58	34.46	-1.88
October ...	32.22	34.52	-2.30
November ..	33.30	34.52	-1.22
December ..	34.28	34.36	-.08
1972			
January ...	35.63	35.18	+.45
February ..	36.32	34.97	+1.35
March	35.17	35.64	-.47
April	34.52	36.88	-2.36
May	35.70	37.20	-1.50
June	37.91	37.92	-.01
July	38.38	38.86	-.48
August	35.70	38.64	-2.94
September .	34.69	38.54	-3.85
October ...	34.92	40.43	-5.51
November ..	33.59	41.94	-8.35
December ..	36.85	42.02	-5.17
1973			
January ...	40.65	42.07	-1.42

¹ Choice steers at Omaha, 900-1,100 pounds. ² Choice steers at Kansas City, 600-700 pounds, prior to 1972 550-750 lb.

Calf Slaughter Declines

Calf slaughter has been declining for several years and in 1972 dropped 17 percent. Another sharp reduction seems in prospect this year although perhaps not as large as in 1972.

Choice 100-250 pound vealers at South St. Paul were \$58.50 per 100 pounds in late January, \$8 above a year ago. Strong demand and a continuing smaller supply will likely hold vealer prices well above year-earlier levels at least through the first half of 1973. Vealers at South St. Paul averaged \$53 during January-June 1972. First half prices this year will average \$8 to \$10 higher. In July-December, prices may run nearer but still above a year earlier as supplies of red meats become larger, mainly due to larger pork supplies, and begin to restrict some of the upward price pressures of the first half.

Cow Slaughter to Continue Down

Commercial cow slaughter in 1972 was down 6 percent. Record prices for feeder cattle encouraged cattlemen to hold older cows for another season's production. Also, in some areas, drought conditions in 1971 had caused some heavy culling in the spring. Producers in 1972 were able to cull lightly to make up

for the loss. In general, cow slaughter has been low in recent years because of the build-up in the beef cow herd. Cow slaughter in 1972 in relation to the number of cows on farms was lower than it has been since the early 1960's when cattlemen were building the cow herd.

Cow slaughter this winter and spring is expected to run slightly under a year earlier. In the second half of 1973 cow slaughter may be about the same or a little larger than in July-December 1972. Culling rates in the second half will probably be a little heavier largely because of the advancing age of the cow herd. However, the persistently strong feeder cattle market will encourage cattlemen with available feed to continue expanding their breeding herds. Also, there have been recent changes in the grain programs, allowing haying and expanded grazing on set-aside acreage.

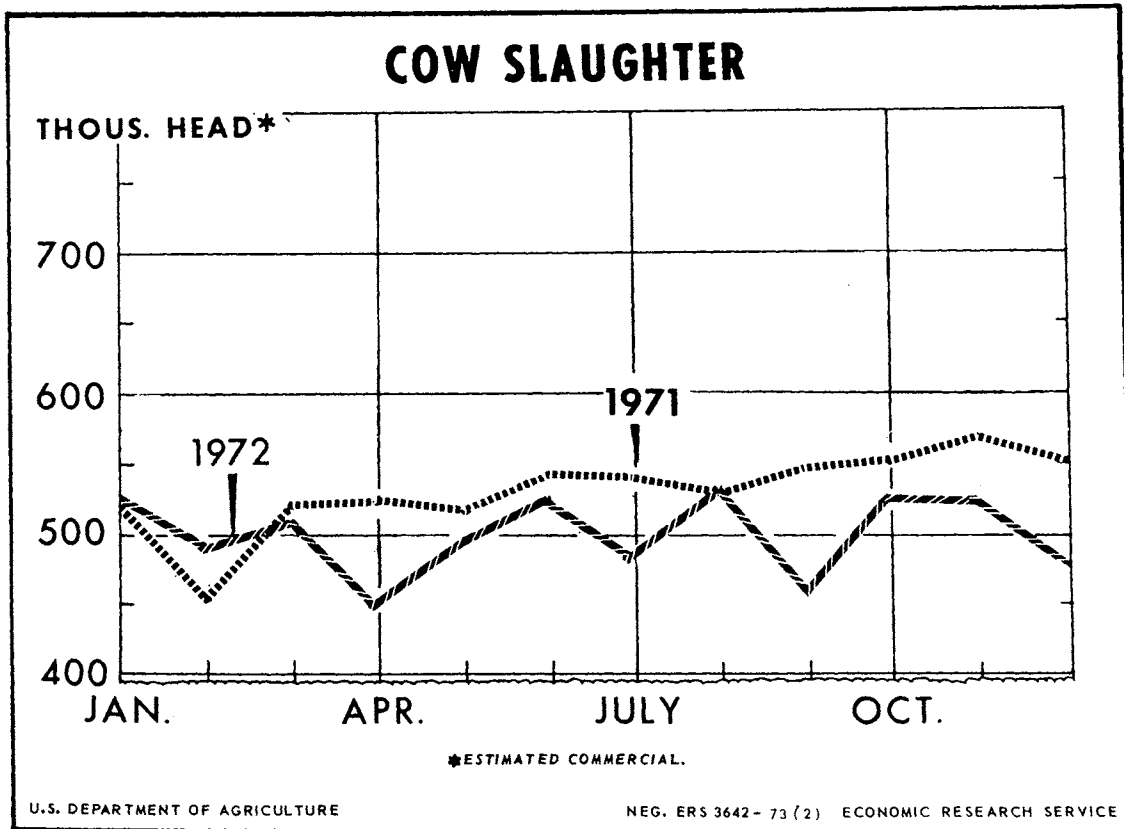
Utility cow prices at Omaha averaged \$25.20 per 100 pounds in 1972, \$3.60 above 1971 and the highest on record. These record prices were reached despite a sharp increase in imports of processing beef. Utility cows averaged \$26.75 in late January 1973, \$3.50 above a year ago. Cow prices may rise seasonally this spring but by less than last January-June's \$4 advance. Cow beef production in the spring will be about the same as last spring and beef imports are expected to be larger this year.

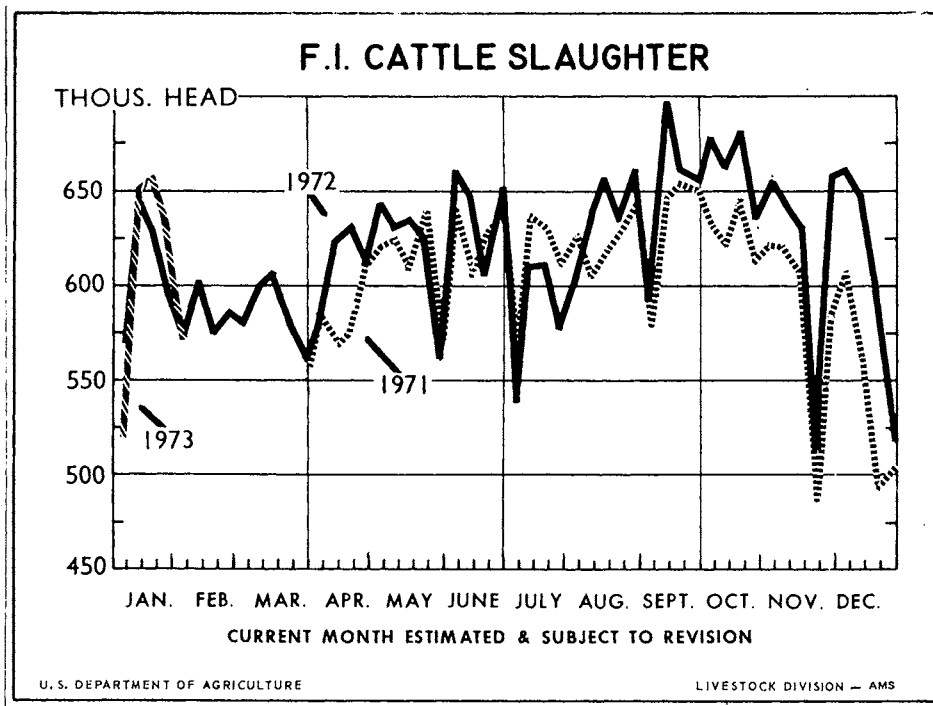
Utility cow prices per 100 pounds, Omaha

Month	1970	1971	1972	1973
	Dollars	Dollars	Dollars	Dollars
January	20.93	19.98	22.61	26.67
February	22.18	20.98	23.80	
March	23.24	22.03	24.73	
April	23.23	21.48	24.70	
May	22.64	22.30	25.51	
June	22.58	22.03	26.00	
July	20.85	21.68	26.22	
August	20.48	21.72	26.18	
September	21.13	21.84	26.57	
October	20.84	22.30	26.19	
November	19.04	21.45	24.98	
December	18.77	21.64	25.02	
Average	21.32	21.62	25.21	

More Big Feedlots

The decline in the total number of feedlots continued in 1972. There were 154,536 feedlots in 23 States, down 6 percent from a year earlier. The demise of smaller lots, those with a capacity of less than 1,000 head, accounted for most of the reduction. They also represented almost 99 percent of the total number of lots but marketed only 38 percent, or 10.3 million head, of the cattle. In 1971 these smaller lots accounted for 42 percent, or 10.5 million head, of total marketings, down from 60 percent, or 11.1 million cattle, in 1964.





There were 2,107 feedlots with a capacity of 1,000 head or more in 1972, 4 percent fewer than a year earlier. These larger lots made up only a little more than 1 percent of the total but marketed 62 percent, or 16.6 million head, of the fed cattle. In 1964, lots with 1,000 head or more capacity accounted for 40 percent, or 7 million head, of fed cattle marketed in 23 States.

To assess the trend to bigness in cattle feeding, look at the increase in the number of lots with a capacity of over 16,000 head. In 1964, there were 44 such lots that marketed 9 percent of the fed cattle. In 1971, there were 159 of them and they accounted for 27 percent of total marketings. Last year, their numbers rose to 184, accounting for 32 percent of fed cattle marketings.

HOG SITUATION

Slaughter Sharply Lower

The downswing in the hog production cycle in 1972 pulled hog slaughter 10 percent below 1971, with sharpest reductions coming late in the year. The 1972 cutback reflected the poor profit situation for pork producers in late 1970 and in most of 1971. However, higher hog prices in 1972 and so far this year have encouraged farmers to increase output. And by summer hog slaughter will be running larger than a year earlier, reflecting the increase in the 1973 spring pig crop.

The number of market hogs on farms on December 1, 1972 was down 3 percent from the year

before. Hogs in heavier weight groups which will reach slaughter weight this winter were off about 4 percent, while the number of lighter pigs which will be slaughtered this spring was about the same as a year earlier. Thus, first quarter hog slaughter this year is expected to run somewhat smaller than in January-March 1972. Hog slaughter in December and early January was off more than indicated by the weight distribution of market hogs on farms on December 1 due in part to adverse weather. Weekly kills likely will stay below 1972 peak fall levels into early spring. But late winter hog slaughter may be only slightly smaller than a year earlier.

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

Weight group	1970	1971	1972	Change from 1971
	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>Percent</i>
Under 60 lbs.	21,420	19,889	20,082	+1
60-119 lbs.	15,630	14,402	13,959	-3
120-179 lbs.	11,416	10,883	10,659	-2
180-219 lbs.	6,936	6,652	6,030	-9
220 lbs. +	2,393	2,211	1,786	-19
Total market hogs and pigs . . .	57,795	54,037	52,516	-3

Hog slaughter in the spring likely will be about the same as in these months of 1972. Slaughter typically increases seasonally in March and April before beginning a decline to the usual summer low. This

year, as hog slaughter rises seasonally in late winter, weekly slaughter rates will be topping the stunted 1972 fall levels.

Market weights of hogs in coming months likely will be running close to year-earlier levels because higher feed costs will prompt pork producers to keep hogs moving to market at light weights. Farmers have held weights down in recent years. The market weight of hogs slaughtered under Federal inspection has averaged about 240 pounds per hog in each of the past 4 years.

Average liveweight of barrows and gilts, 7 markets

Month	1970	1971	1972	1973
	Pounds	Pounds	Pounds	Pounds
January	242	235	238	237
February	236	231	234	
March	238	231	236	
April	243	236	240	
May	246	241	242	
June	243	239	241	
July	234	234	234	
August	227	230	230	
September	230	229	231	
October	234	234	237	
November	238	239	239	
December	237	238	236	
Average	237	235	237	

Hog Prices Zoom

Hog prices rose sharply in 1972. Barrows and gilts at 7 markets averaged \$26.75 per 100 pounds, up from \$18.45 the previous year and well above the 1967-71 average of \$20.50. Prices rose in early 1972, dipped in late winter, but strengthened again in the spring. In the summer, hogs averaged just under \$29 with little variation from July through September. Prices weakened in the fall as slaughter volume increased seasonally, but went up again late in the year and set some new highs as weekly kill levels tapered off. By the end of December, barrows and gilts at 7 markets were topping \$31, up from \$22.50 in early January 1972.

Barrows and gilts at 7 markets averaged \$32.65 per 100 pounds in January 1973, about \$4.75 above 1972 fall lows. Early-year price gains reflect low hog slaughter levels, reduced veal and lamb production, less cow beef, and very strong consumer demand for meat. A small increase in beef output in January was not enough to offset other price-boosting factors in the hog market.

Hog prices will weaken in late winter as slaughter supplies increase seasonally, but prices will stay well above March-April 1972 when hogs averaged about \$23.25 per 100 pounds.

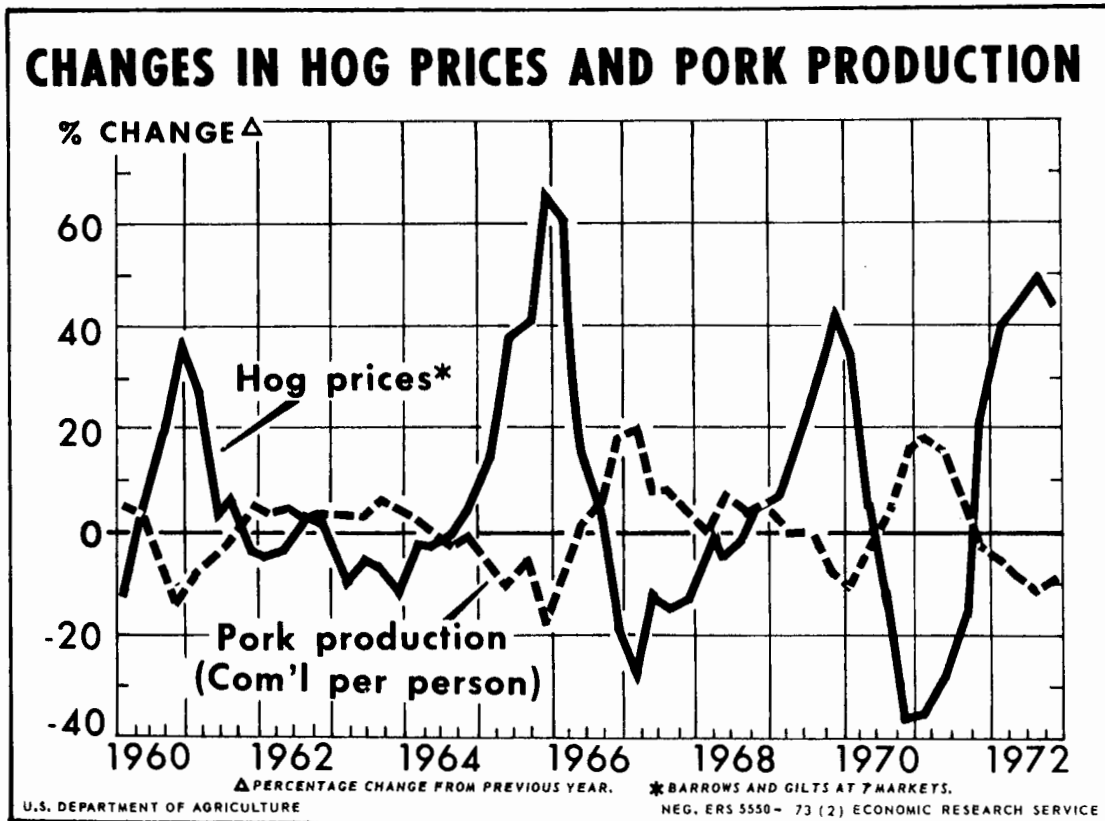


Table 2.—Number of sows of farrowing, pigs saved and pigs saved per litter, spring and fall pig crops, by regions, 1967 to date

Year	North Atlantic	North Central		South Atlantic	South Central	Western	United States
		East	West				
DECEMBER-MAY							
	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>
Sows farrowing:							
1967	85	1,835	3,351	533	634	115	6,559
1968	84	1,824	3,417	548	665	115	6,659
1969	84	1,721	3,182	567	647	116	6,323
1970	85	1,935	3,609	635	736	129	7,134
1971	89	1,931	3,616	701	815	146	7,303
1972	82	1,808	3,227	623	680	131	6,556
1973							¹ 6,980
Pigs saved:							
1967	619	13,519	24,630	3,885	4,567	856	48,117
1968	615	13,359	25,510	3,977	4,705	870	49,077
1969	630	12,516	23,423	4,239	4,787	887	46,521
1970	614	13,919	26,650	4,690	5,390	991	52,292
1971	654	13,780	25,992	5,131	5,898	1,095	52,589
1972	613	13,103	23,658	4,643	5,026	988	48,066
1973							² 51,303
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
Pigs saved per litter:							
1967	7.28	7.37	7.35	7.29	7.20	7.44	7.34
1968	7.32	7.32	7.47	7.26	7.08	7.57	7.37
1969	7.50	7.27	7.36	7.48	7.40	7.65	7.36
1970	7.22	7.19	7.38	7.39	7.32	7.68	7.33
1971	7.35	7.14	7.19	7.32	7.24	7.50	7.20
1972	7.48	7.25	7.33	7.45	7.39	7.54	7.33
1973							² 7.35
JUNE-NOVEMBER							
	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>	<i>1,000 head</i>
Sows farrowing:							
1967	75	1,791	2,803	455	660	111	5,901
1968	80	1,813	2,975	482	657	117	6,130
1969	78	1,716	2,703	502	624	116	5,745
1970	84	2,003	3,314	584	756	136	6,882
1971	77	1,809	3,054	533	682	136	6,297
1972	68	1,861	3,080	517	628	129	6,288
Pigs saved:							
1967	554	13,333	20,644	3,354	4,793	832	43,551
1968	583	13,292	22,050	3,525	4,702	883	45,078
1969	582	12,690	19,585	3,680	4,691	888	42,155
1970	613	14,459	23,633	4,253	5,614	1,017	49,629
1971	581	13,154	22,141	3,891	5,079	1,038	45,923
1972	523	13,373	22,195	3,813	4,741	975	45,654
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
Pigs saved per litter:							
1967	7.39	7.44	7.36	7.37	7.26	7.50	7.38
1968	7.29	7.33	7.41	7.31	7.16	7.55	7.35
1969	7.46	7.40	7.25	7.33	7.52	7.66	7.34
1970	7.30	7.22	7.13	7.28	7.43	7.48	7.21
1972	7.55	7.27	7.25	7.30	7.45	7.63	7.29
1972	7.69	7.19	7.21	7.38	7.55	7.56	7.26

¹ Number indicated to farrow from intentions as of December 1, 1972. ² Average number of pigs per litter with allowance for trend used to calculate indicated number of pigs saved.

Market Situation to Change in Second Half

Hog slaughter in the summer and fall likely will be substantially larger than in July-December 1972. The December 1972-May 1973 pig crop is estimated to be 7 percent larger than in these months a year earlier. Pigs farrowed during this time provide the bulk of second half slaughter hogs.

Using developments in the Corn Belt as a guide, hog slaughter this summer will make a larger percentage gain over a year earlier than fall slaughter will. So the usual seasonal decline in summer slaughter may not be as severe as it has been in other recent years. Moreover, weekly slaughter may reach the lowest ebb of the year in June rather than in July or August, as it usually does.

The turnaround in hog slaughter in prospect reflects the much improved profit situation for pork producers in 1972. The hog-corn price ratio (Omaha basis) averaged nearly 21 during 1972, up from less than 14 in 1971. The rise in hog prices last year outpaced the gain in corn prices, so feeding hogs remained favorable to producers even late in the year. The hog-corn price ratio still hovered near 21 in January, with both hog and corn prices substantially higher than a year earlier.

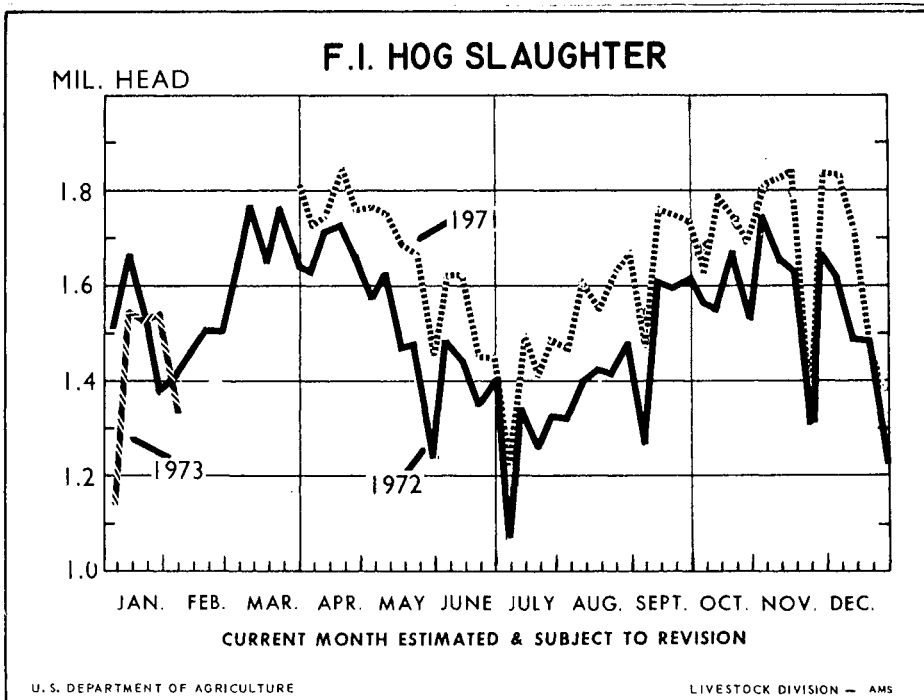
Corn Belt pork producers appear to be making a faster turnaround in production than producers in other areas. During the June-November 1972 farrowing season, Corn Belt producers had 2 percent more sows farrow than a year earlier while producers

in all other States had 6 percent fewer sows farrow. And Corn Belt farmers planned sharper increases during December 1972-May 1973. Corn Belt producers said they would have about 8 percent more sows farrow during the 1973 spring farrowing season, but producers in other regions planned only a 2 percent increase.

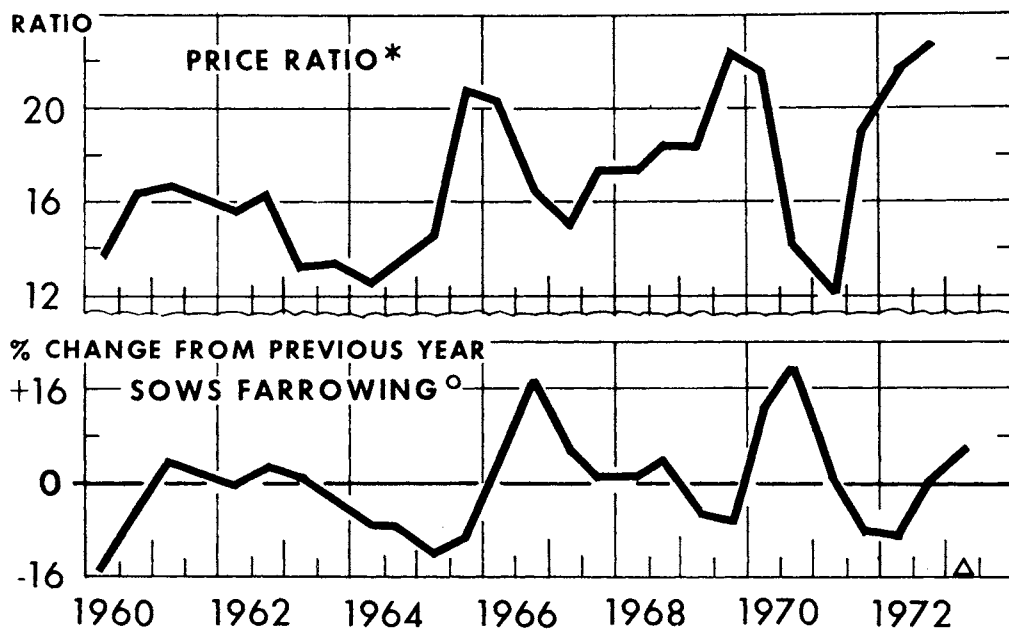
These differences in producer response may reflect, in part, the effect of the rapid increase in feed costs in recent months. Corn Belt hog farmers grow most of the corn they feed and know their supply situation by early fall, while producers in other regions must often depend to a greater extent on feed being shipped in. The uncertainty about the availability and price of corn in some areas because of bad weather and transportation difficulties probably is limiting production gains in some areas.

Hog-corn price ratio, Omaha basis

Month	1970	1971	1972	1973
January	22.8	11.0	19.7	21.4
February	23.5	13.2	20.6	
March	21.7	11.6	19.0	
April	19.6	11.3	18.2	
May	18.8	11.8	19.7	
June	18.8	12.2	21.5	
July	19.5	13.9	22.8	
August	16.3	15.1	23.5	
September	14.5	16.3	22.6	
October	13.2	17.2	21.8	
November	11.5	16.7	20.6	
December	10.8	16.6	20.5	
Average	17.6	13.9	20.9	



HOG-CORN RATIO VS. FARROWINGS



* SEMIANNUAL, U.S. FARM BASIS.

° DECEMBER - MAY AND JUNE - NOVEMBER.

△ FORECAST.

U.S. DEPARTMENT OF AGRICULTURE

NEG. ERS 8486 - 73 (2) ECONOMIC RESEARCH SERVICE

Barrows and gilts at 7 markets averaged nearly \$29 per 100 pounds in both the third and fourth quarters of 1972. With substantially larger hog slaughter in the second half of 1973, prices are expected to drop below 1972 prices in the late spring or summer and then continue below in the fall. A seasonal decline in hog prices is expected next fall rather than the increase that was recorded in each of the last 2 years.

On balance, the 1973 price pattern likely will be similar to the 1970 situation when barrows and gilts rose to \$28 per 100 pounds in February, weakened in the spring, but recovered to \$27 in the summer before dropping sharply in the fall. However, this year's general decline in prices is not expected to be as sharp. And fall lows probably will still be substantially higher than in October-December 1971 when they were about \$20.

Pork producers in the second half of 1973 likely will continue the expansion now underway. Hog prices will soften during the year, especially in the fall, but corn prices will also weaken later in the year, which will maintain a favorable feeding ratio. Thus, hog prices will continue favorable in relation to feed costs during 1973 and producers are expected to continue to step up farrowings throughout the year. This points to larger pork supplies in 1974.

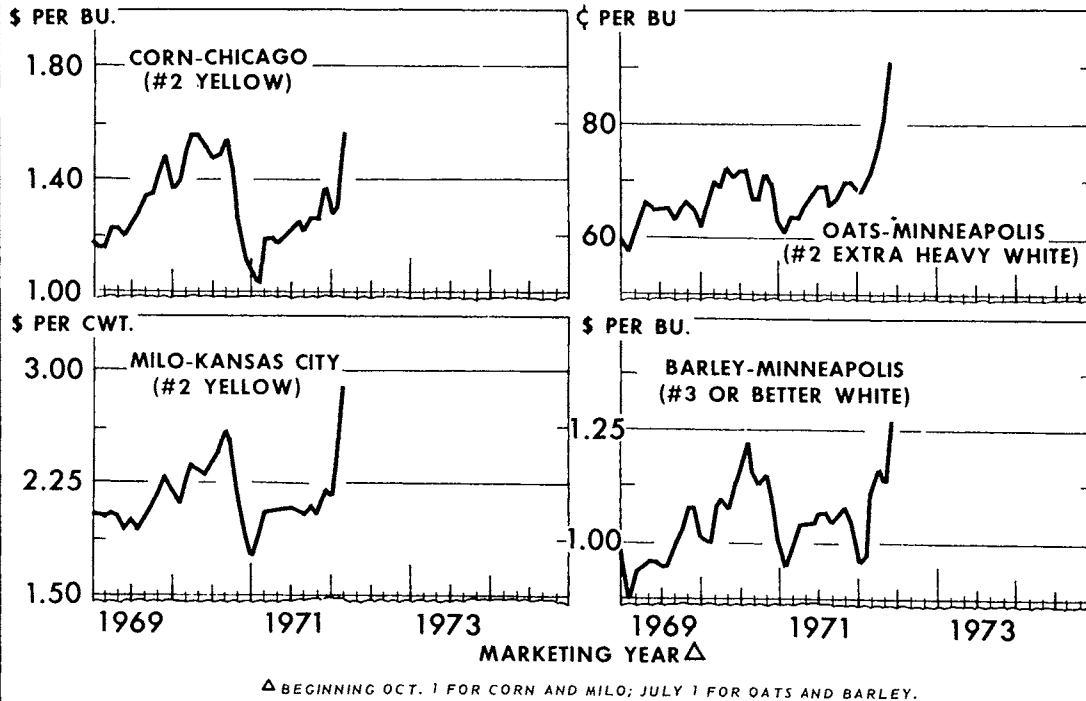
Pork consumption averaged about 67 pounds per person in 1972, down from 73 pounds in 1971. Consumption this year likely will run about the same as last year and be the highest turnaround point in a pork consumption cycle since just after World War II. Typically, pork consumption drops to 55 to 60 pounds per person before hog prices are high enough to bring about producer response. This means that as pork output increases in late 1973 and in 1974, per capita pork consumption will again rise.

Hogs prices per 100 pounds, 7 markets

Month	Barrows and gilts			Sows		
	1971	1972	1973	1971	1972	1973
	<i>Dol.</i>	<i>Dol.</i>	<i>Dol.</i>	<i>Dol.</i>	<i>Dol.</i>	<i>Dol.</i>
Jan.	16.25	24.84	32.51	12.74	20.41	26.32
Feb.	19.43	25.61		16.68	22.90	
Mar.	17.13	23.56		15.28	21.43	
Apr.	16.19	22.89		14.47	20.89	
May	17.43	25.32		14.84	22.12	
June	18.38	26.74		15.07	22.42	
July	19.84	28.57		15.86	23.59	
Aug.	19.05	28.86		15.77	25.22	
Sept.	18.91	29.10		16.08	25.92	
Oct.	19.80	28.09		16.95	25.05	
Nov.	19.39	27.79		16.32	23.04	
Dec.	20.98	30.78		16.26	24.26	
Av.	18.45	26.76		15.54	23.26	

Average for all weights at Midwest markets.

FEED GRAIN MARKET PRICES



U. S. DEPARTMENT OF AGRICULTURE

NEG. ERS 8709-73 (1) ECONOMIC RESEARCH SERVICE

SHEEP AND LAMBS

Sheep and lambs slaughtered in commercial plants last year totaled 10.3 million head. This was 4 percent below 1971 and a record low. A 14 percent drop in ewe slaughter accounted for more than half the decline in the number slaughtered. Lamb and yearling slaughter was off 3 percent.

Lamb prices were sharply higher last year. Choice slaughter lambs averaged \$30.75 at San Angelo, up \$3.50 from 1971. Prices followed a pattern similar to 1971 on this market, rising sharply during the winter-spring, from \$26.50 in early January for wooled fed lambs to \$34 for spring lambs in May. Prices tapered off to \$28.50 by early fall, then rose again to \$31 by the end of the year in response both to reduced lamb slaughter and to the sharp advance for other slaughter livestock.

Choice feeder lambs in 1972 averaged \$30.25 at San Angelo—about 50 cents below slaughter lambs but \$4.40 above a year earlier. The feeder market advanced in the late fall and early winter along with the strong market for slaughter lambs.

Lambs on Feed Unchanged

On January 1 there were 2.9 million lambs on feed in 26 States, about the same as a year ago but more than on January 1, 1971. A small decline in Corn Belt

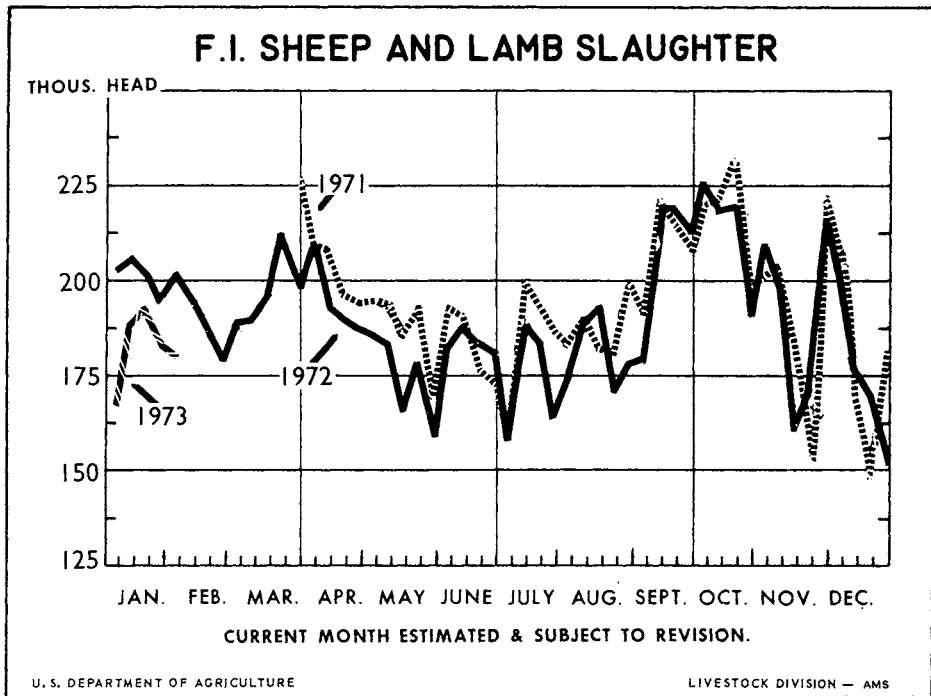
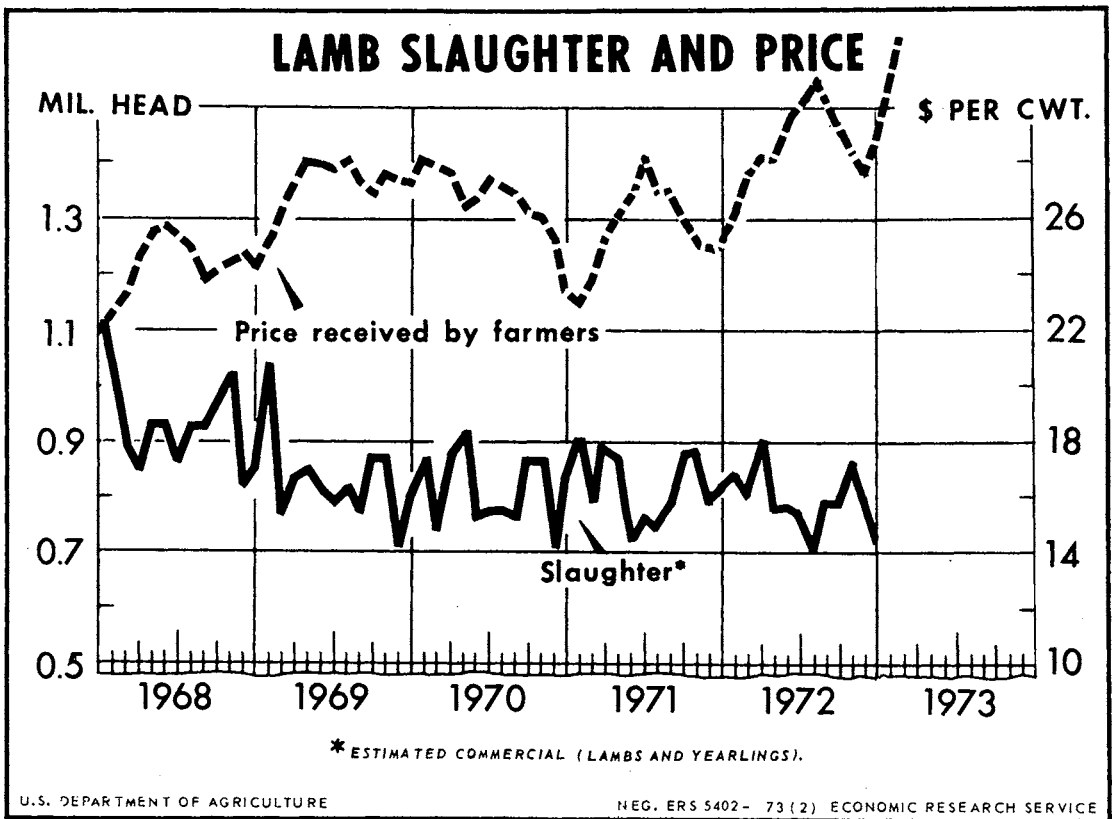
States was offset by a moderate increase in the West. Most of the increase in numbers on feed occurred in the Mountain States; the Pacific Coast showed a decline.

Feedlot placements in 7 major feeding States were down 13 percent in November and December. These States account for more than half of all lambs on feed.

First quarter lamb slaughter has been generally associated with the number of lambs on feed at the beginning of the year. During most of the past several years, changes in the number of lambs on feed on January 1 have been followed by similar changes in first quarter slaughter. However, last year, with 5 percent more lambs on feed, January-March lamb and yearling slaughter dropped 2 percent because of a sharp decline in the early lamb crop (born October-December 1971) which also provides a share of first quarter slaughter supplies. This year's early lamb crop is up 2 percent.

Weekly slaughter under Federal inspection in January averaged 10 percent below a year earlier. Judging from the breakdown by weight groups of lambs on feed on January 1 in 7 States, slaughter will run below year-earlier rates most weeks this winter.

Spring slaughter lamb supplies consist mostly of new crop lambs. With the slightly larger early crop this year, lamb slaughter supplies in the spring will be near a year earlier.



Lamb Prices to Continue Higher

Choice slaughter lambs in late January were selling for \$36 per 100 pounds at San Angelo, \$8 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 this winter and spring. However, the winter-spring price advance will be less than last year's \$6.50 January-May increase. Prices paid for new crop spring lambs will be higher than fed lambs, as usual, but premiums paid may not be as large as last year's \$2.75 to \$3.75.

There are other factors lending strength to lamb prices. The fed cattle market is expected to be mostly steady this winter and hog supplies will be down and prices will be favorable to producers. Also, consumer demand for red meat will continue to give all slaughter animal prices a lift.

Feeder lamb prices likely will advance little above January levels during the next several months and will not rise above slaughter lamb prices. Sharply higher feeding costs this winter likely will discourage lamb feeders from taking on lambs this year at prices much above January levels.

Discounts Small This Year

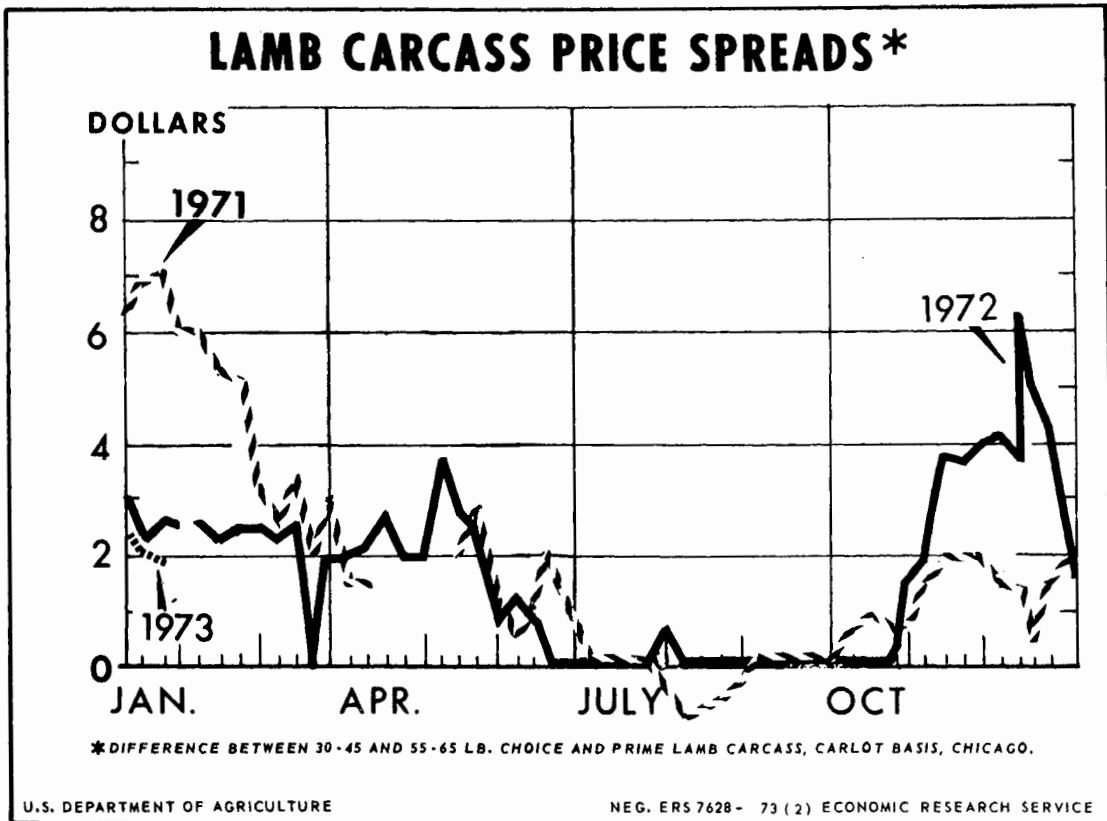
The price spread between 30-45 pound Choice grade lamb carcasses and 55-65 pounders at Chicago in January was a little smaller than last year and less

than half as wide as in other recent years. The heavier carcasses averaged around \$4 per 100 pounds below the lighter weights in late 1972, compared with \$1.50 in late 1971. However, the spread narrowed rapidly in January when slaughter fell sharply below year-earlier rates. From mid-December to mid-January wholesale lamb prices rose 15 percent and the price spread narrowed from \$5 to \$2. This change is typical of periods of rising lamb prices. When prices rise, heavier lambs become more competitive and discounts tend to be smaller.

Choice lamb prices per 100 pounds, San Angelo

Month	Slaughter lambs			Feeder lambs		
	1971	1972	1973	1971	1972	1973
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Jan.	24.06	27.19	35.15	24.00	27.69	34.30
Feb.	24.12	28.69		24.75	28.38	
Mar.	28.05	32.00		28.05	32.25	
Apr.	29.06	31.12		27.44	32.00	
May	29.69	33.75		26.76	32.55	
June	30.05	32.88		25.65	29.81	
July	29.06	33.31		24.69	29.88	
Aug.	28.12	31.52		25.75	29.70	
Sept.	25.70	29.44		24.95	29.56	
Oct.	26.06	28.50		25.19	29.38	
Nov.	26.00	28.52		26.44	30.45	
Dec.	25.94	30.42		26.69	31.25	
Av.	27.16	30.70		25.86	30.24	

¹ Shorn.



Price spreads this winter will continue relatively narrow if the market continues strong. Discounts on heavy lamb carcasses usually disappear in late spring when supplies of fed lambs are very limited. This year, the spread may be eliminated in the strong early spring market.

MEAT CONSUMPTION

Red meat consumption in 1973 is expected to rise a little above the 189 pounds per person consumed in 1972. Beef will account for all of the increase. Little change is likely in pork consumption while veal and lamb consumption will decline.

Red meat consumption dropped about 3 pounds per person in 1972. A 6 pound reduction in pork was only partly offset by a 3 pound increase in beef. Lamb and mutton consumption rose slightly to 3.3 pounds per person, reflecting larger imports. Veal consumption declined to 2.2 pounds, down from 2.7 pounds in 1971.

Beef consumption in 1973 likely will rise 2 to 3 pounds per person above the 115.9 pounds consumed in 1972. Beef output probably will rise moderately and beef imports will also increase. Beef consumption in the first half is expected to run a little larger than the 57 pounds consumed during January-June 1972. Continued gains in cattle feeding will account for the increase in first half beef production.

Veal consumption will decline again in 1973 because of the dwindling dairy herd and the exceptionally strong demand for feeder cattle. First half 1972 consumption averaged 1.1 pounds per person.

With substantially higher hog prices during 1972, pork producers are having more sows bred in the first half of 1973, and this will lead to a substantial increase in pork production in the second half. However, first half output will remain a little smaller than in January-June 1972 as the downswing in the slaughter cycle draws to an end. Pork consumption this winter and spring will total about a pound per person less than the 34.2 pounds consumed in the first half of 1972. Second half consumption will be up and will about offset first half declines.

Lamb and mutton consumption rose last year as a small reduction in production was more than offset by larger imports. This year, production probably

will decline because of the continued downtrend in the sheep flock. Also, imports are not expected to be as large this year. This points to consumption in the first half falling below the 1.7 pounds consumed per person in January-June 1972.

Retail meat prices rose during 1972 as consumption dipped and consumer demand for meat rose. Prices likely will rise somewhat this winter, but run mostly steady in the spring.

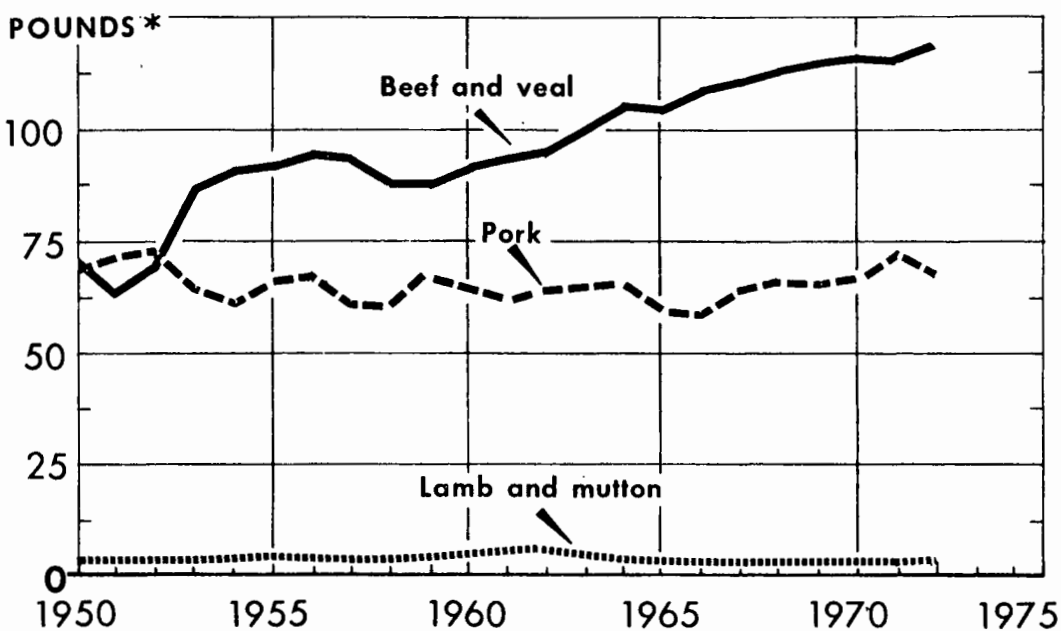
Beef prices declined in the fall but are advancing again this winter. Prices may rise into the spring as small increases in beef output are offset by smaller pork supplies and rapid advances in consumer income. Retail pork prices are also rising this winter, but a generally steady market is in prospect for spring and summer. Veal and lamb prices likely will rise generally in the coming months as supplies trail year-earlier levels.

Meat Consumption

Year	January- June	July- December	Total
<i>Pounds per person</i>			
Beef			
1968	53.9	55.8	109.7
1969	53.9	56.9	110.8
1970	56.2	57.5	113.7
1971	55.8	57.2	113.0
1972 ¹	57.0	58.9	115.9
Veal			
1968	1.8	1.8	3.6
1969	1.7	1.6	3.3
1970	1.5	1.4	2.9
1971	1.3	1.4	2.7
1972 ¹	1.1	1.1	2.2
Pork			
1968	32.4	33.8	66.2
1969	33.0	32.0	65.0
1970	31.0	35.4	66.4
1971	36.1	36.9	73.0
1972 ¹	34.2	33.2	67.4
Lamb & Mutton			
1968	1.9	1.8	3.7
1969	1.7	1.7	3.4
1970	1.8	1.5	3.3
1971	1.6	1.5	3.1
1972 ¹	1.7	1.6	3.3
Red Meat			
1968	90.0	93.2	183.2
1969	90.3	92.2	182.5
1970	90.5	95.8	186.3
1971	94.8	97.0	191.8
1972 ¹	94.0	94.8	188.8

¹ Preliminary.

MEAT CONSUMPTION PER PERSON



*CARCASS WEIGHT BASIS.

U.S. DEPARTMENT OF AGRICULTURE

NEG. ERS 442- 73 (2) ECONOMIC RESEARCH SERVICE

FOREIGN TRADE IN MEAT

Meat imports totaled 2,653 million pounds (carcass weight equivalent) in 1972, 15 percent more than in 1971. This volume of imports was equal to about 7 percent of U.S. commercial production of red meat in 1972. The bulk of the increase was due to larger imports of beef and veal, which totaled 1,996 million pounds, 14 percent more than in 1971. This was equal to 9 percent of domestic production. Pork imports totaled 508 million pounds, up 11 percent from 1971. Imports of mutton and goat were 111 million pounds, up 72 percent. Lamb imports of 37 million pounds were down 2 percent.

U.S. exports of meat, always small compared with imports, were up in 1972. Exports totaled 171 million pounds (carcass weight equivalent), 34 percent more than in 1971. Pork, typically the major export meat, accounted for the largest share of the increase. Pork exports were 107 million pounds, up 47 percent. Beef and veal exports totaled 62 million pounds, up 17 percent. Exports of lamb and mutton were 2.0 million pounds, down 4 percent.

Imports Subject to Meat Import Law

Public Law 88-482, enacted in August 1964, provides that if annual imports of fresh, chilled, and frozen beef, veal, mutton and goat are estimated to equal or exceed 110 percent of the adjusted base quota

for that year, the President is required to invoke a quota on imports of these meats. An objective of the law is to limit imports of these meats in line with changes in U.S. production. The adjusted base quota for 1973 is 1,046.8 million pounds (product weight). The amount of estimated 1973 imports which would trigger its imposition is 110 percent of the adjusted base quota, 1,151.4 million pounds.

The law provides, however, that the President may take action to increase allowable imports or to suspend quotas if he finds that this is required by overriding economic or national security interests of the United States, or if the supply of these meats will be inadequate to meet domestic demand at reasonable prices, or that trade agreements entered into after the enactment of the law ensure that the purpose of the law to limit imports will be carried out. The President invoked quotas for 1973 but immediately suspended them. Since June 1972 there have been no restrictions on meat imports subject to the meat import law.

The Secretary of Agriculture announced on December 29 that calendar 1973 imports of meat subject to the meat import law were estimated at 1,450 million pounds, up from 1,355 million last year.

The Secretary stated that the situation will be reviewed quarterly, and should marketing conditions change substantially, the suspension of import limitations will be reconsidered.

Table 3.—Meat subject to U.S. import quota restriction: Production weight of imports by months, average 1959-63, 1964-72

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>
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	41.9	58.5	59.9	62.2	64.4	57.2	53.7	613.9
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 ¹	124.5	100.7	112.0	88.7	62.1	93.4	110.0	113.0	107.6	89.3	79.3	89.8	1,170.4
1971 ¹	83.4	65.1	88.3	86.2	76.8	101.0	94.4	104.9	158.6	80.4	63.2	130.3	1,132.6
1972	86.9	80.8	75.4	105.4	107.9	106.4	106.8	164.6	163.8	145.1	119.0	93.4	1,355.5

¹ Rejections for calendar year 1969 equaled 13.5 million pounds, 17.4 million pounds for 1970, and 21.0 million pounds for 1971.

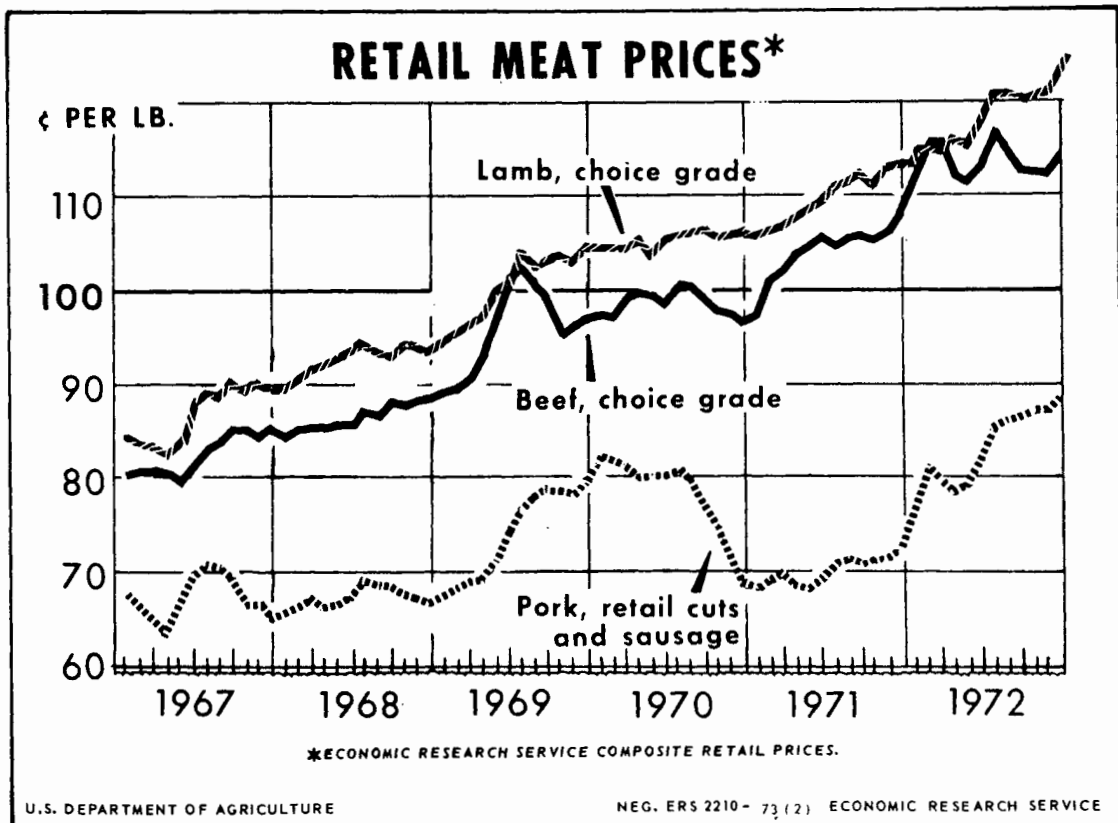
Table 4.—U.S. meat imports and exports and percentage comparisons (carcass weight), 1971 and 1972

Months	Beef and veal			Lamb and mutton ¹			Pork			Total meat		
	1971	1972	Change	1971	1972	Change	1971	1972	Change	1971	1972	Change
	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Pct.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Pct.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Pct.</i>	<i>Mil. lb.</i>	<i>Mil. lb.</i>	<i>Pct.</i>
IMPORTS												
January	128	143	+12	9	3	-68	35	63	+81	172	209	+21
February	100	130	+30	6	5	-18	38	45	+18	144	179	+25
March	137	120	-12	10	6	-40	47	50	+7	194	176	-9
April	134	144	+8	9	27	+220	38	44	+13	181	215	+19
May	119	152	+28	12	27	+125	40	36	-10	171	215	+26
June	165	157	-5	13	14	+4	41	31	-24	219	202	-8
July	150	162	+8	9	16	+79	42	41	-3	201	219	+9
August	175	229	+31	3	24	+696	38	37	-2	216	290	+34
September	237	230	-3	20	15	-23	41	31	-24	298	276	-7
October	121	214	+77	6	5	-12	18	45	+157	145	264	+83
November	97	177	+83	3	3	+20	32	46	+43	132	226	+72
December	193	138	-29	3	3	-18	49	40	-18	245	181	-27
Total	1,756	1,996	+14	103	148	+44	459	509	+11	2,318	2,653	+15
EXPORTS												
January	3.45	4.03	+17	0.17	0.22	+30	4.55	3.28	-28	8.17	7.53	-8
February	4.22	3.89	-8	.17	.11	-34	3.68	3.53	-4	8.07	7.53	-7
March	5.61	4.93	-12	.24	.16	-36	3.36	4.29	+28	9.22	9.38	+2
April	5.27	5.45	+3	.17	.10	-47	3.78	10.43	+176	9.22	15.98	+73
May	4.43	5.70	+29	.18	.23	+22	4.88	19.40	+298	9.49	25.33	+167
June	4.63	5.04	+9	.13	.12	-13	4.65	13.73	+196	9.41	18.89	+101
July	3.63	4.78	+32	.11	.19	+81	3.46	6.48	+87	7.20	11.45	+59
August	3.54	4.48	+27	.21	.21	+3	7.12	5.39	-24	10.86	10.08	-7
September	4.10	4.73	+15	.18	.11	-39	7.52	8.32	+11	11.80	13.16	+11
October	3.25	5.01	+54	.13	.22	+75	6.62	17.58	+166	10.00	22.81	+128
November	5.82	7.45	+28	.21	.20	-4	12.41	7.38	-41	18.44	15.03	-19
December	4.92	6.57	+34	.20	.15	-24	10.35	6.81	-34	15.47	13.53	-13
Total	52.87	62.06	+17	2.10	2.02	-4	72.38	106.62	+47	127.35	170.70	+34

¹ Includes goat meat.

Table 5.— Average retail price of meat per pound, United States, by months, 1968 to date

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Beef, Choice grade													
1968 ...	84.3	85.1	85.6	85.6	85.8	85.8	87.1	87.0	88.4	87.7	88.1	88.5	86.6
1969 ...	89.5	89.6	90.9	93.3	97.8	101.9	102.4	101.1	99.1	95.2	96.5	96.9	96.2
1970 ...	97.5	97.3	99.4	99.9	99.4	98.5	100.7	100.4	98.7	97.9	97.6	96.5	98.6
1971 ...	97.2	101.3	102.2	104.0	104.8	105.7	104.7	105.7	105.9	105.1	106.3	108.5	104.3
1972 ...	111.5	115.8	115.8	112.0	111.4	113.5	117.3	115.8	112.9	112.8	112.3	114.6	113.8
Veal, retail cuts													
1968 ...	99.8	99.2	100.0	102.0	100.0	102.5	101.7	101.4	101.9	101.1	101.9	100.9	101.0
1969 ...	102.5	103.7	104.6	107.5	108.6	112.5	114.0	115.0	115.1	115.2	114.6	116.3	110.8
1970 ...	117.2	119.3	120.8	123.3	123.9	124.9	125.7	126.6	127.0	127.4	127.6	127.9	124.3
1971 ...	128.9	129.5	130.8	133.2	134.2	135.4	139.3	140.2	140.6	141.4	141.9	142.4	136.5
1972 ...	144.3	148.6	149.7	151.0	151.8	154.3	156.5	157.4	157.7	158.5	159.5	160.1	154.0
Pork													
1968 ...	65.4	66.7	67.1	66.3	66.7	67.8	69.4	69.0	68.8	67.8	67.1	67.0	67.4
1969 ...	67.9	68.6	69.0	69.1	71.6	75.0	76.9	78.3	78.9	78.7	78.1	79.7	74.3
1970 ...	82.1	81.8	81.4	79.9	80.0	80.0	80.6	79.7	76.7	74.6	70.8	68.4	78.0
1971 ...	68.4	69.4	69.9	68.7	68.2	69.6	71.4	71.6	71.0	71.3	71.4	72.9	70.3
1972 ...	76.3	81.3	79.4	78.2	79.4	82.0	85.6	86.0	86.6	87.5	87.2	88.5	83.2
Lamb, Choice grade													
1968 ...	89.8	90.4	92.0	92.5	93.3	93.7	94.5	93.6	93.1	94.5	94.2	93.5	92.9
1969 ...	94.5	95.9	96.4	97.1	100.1	101.8	104.4	102.9	103.4	103.9	103.7	104.8	100.7
1970 ...	104.8	104.8	104.7	105.6	103.9	105.7	106.0	106.3	106.3	105.9	105.9	106.4	105.5
1971 ...	105.9	106.5	107.0	107.5	108.2	109.7	111.7	111.8	112.9	111.2	113.1	113.4	109.9
1972 ...	113.4	115.1	115.2	115.6	115.2	118.4	120.6	120.7	120.1	120.5	121.4	124.3	118.3



**Supply and distribution commercially produced meat, by months,
carcass weight, July 1972 to date**

Meat and period	Supply			Distribution				
	Production ¹	Beginning stocks	Imports	Exports and shipments	Ending stocks	Military	Civillian consumption	
							Total	Per person ²
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Pounds
Beef:								
July	1,688	253	160	8	259	21	1,813	8.8
August	1,985	259	226	8	281	17	2,164	10.5
September	1,883	281	226	8	302	20	2,060	10.0
3rd quarter	5,556	253	612	24	302	58	6,037	29.3
October	2,012	302	209	8	329	20	2,166	10.5
November	1,897	329	172	12	351	20	2,015	9.8
December	1,813	351	133	10	373	30	1,884	9.1
4th quarter	5,722	302	514	30	373	70	6,065	29.4
Veal:								
July	33	9	2	(³)	9	1	34	0.1
August	38	9	3	1	10	1	38	.2
September	34	10	4	1	11	1	35	.1
3rd quarter	105	9	9	2	11	3	107	.5
October	37	11	5	1	11	2	39	.2
November	35	11	5	2	12	1	36	.2
December	31	12	5	2	12	1	33	.1
4th quarter	103	11	15	5	12	4	108	.5
Lamb and mutton:								
July	37	20	16	(³)	21	(³)	52	0.3
August	43	21	24	1	21	(³)	66	.3
September	44	21	15	1	19	1	59	.3
3rd quarter	124	20	55	2	19	1	177	.9
October	50	19	5	1	19	(³)	54	.3
November	45	19	3	1	17	1	48	.2
December	42	17	3	(³)	17	(³)	45	.2
4th quarter	137	19	11	2	17	1	147	.7
Pork:								
July	902	319	41	14	254	6	988	4.8
August	1,089	254	37	15	204	5	1,156	5.6
September	1,074	204	31	15	192	14	1,088	5.3
3rd quarter	3,065	319	109	44	192	25	3,232	15.7
October	1,201	192	45	27	208	5	1,198	5.8
November	1,218	208	46	20	243	5	1,204	5.8
December	1,087	243	40	18	226	15	1,111	5.4
4th quarter	3,506	192	131	65	226	25	3,513	17.0
All meat:								
July	2,660	601	219	22	543	28	2,887	14.0
August	3,155	543	290	25	516	23	3,424	16.6
September	3,035	516	276	25	524	36	3,242	15.8
3rd quarter	8,850	601	785	72	524	87	9,553	46.4
October	3,300	524	264	37	567	27	3,457	16.8
November	3,195	567	226	35	623	27	3,303	16.0
December	2,973	623	181	30	628	46	3,073	14.8
4th quarter	9,468	524	671	102	628	100	9,833	47.6

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

Selected price statistics for meat animals and meat

Item	1971		1972		
	Nov.	Dec.	Oct.	Nov.	Dec.
<i>Dollars per 100 pounds</i>					
CATTLE AND CALVES					
Beef steers, slaughter, Omaha					
Prime	34.48	35.15	35.52	34.23	37.39
Choice	33.58	34.40	34.85	33.56	36.79
Good	32.28	32.97	33.79	32.60	35.42
Standard	29.10	29.13	32.30	31.18	32.60
Utility	27.50	28.05	30.86	29.72	31.85
All grades	33.30	33.92	34.68	33.38	36.58
Choice 900-1100 pounds, California	33.81	35.05	35.62	35.45	39.11
Choice 900-1100 pounds, Colorado	33.74	35.48	34.75	33.68	37.35
Cows, Omaha					
Commercial	21.24	21.35	25.91	24.79	24.78
Utility	21.45	21.64	26.19	24.98	25.02
Cutter	20.36	20.43	24.68	23.44	23.12
Canner	19.15	18.87	23.18	21.97	21.51
Vealers, Choice, S. St. Paul	48.28	49.41	60.50	54.16	53.40
Stocker and feeder steers, Kansas City ¹	34.23	35.11	40.87	40.66	42.61
Price received by farmers					
Beef cattle	29.90	30.30	34.20	32.80	34.40
Cows	20.70	21.00	25.10	24.70	25.20
Steers and heifers	32.60	33.10	36.40	35.30	37.30
Calves	37.80	38.40	47.10	46.80	46.50
Beef steer-corn price ratio ²	29.0	27.4	27.1	24.9	24.6
HOGS					
Barrows and gilts, U.S. No. 1 and 2, Omaha					
180-200 pounds	---	---	---	---	---
200-220 pounds	20.20	21.94	28.66	28.72	32.07
220-240 pounds	20.06	21.79	28.57	28.52	31.87
Barrows and gilts, 7 markets ³	19.39	20.98	28.09	27.79	30.78
Sows, 7 markets ³	16.32	16.26	25.05	23.04	24.26
Price received by farmers	18.80	19.70	27.50	26.80	29.50
Hog-corn price ratio ⁴					
Omaha, barrows and gilts	16.7	16.6	21.8	20.6	20.5
Price received by farmers, all hogs	19.3	18.2	23.1	22.3	20.8
SHEEP AND LAMBS					
Sheep					
Slaughter ewes, Good, San Angelo	8.44	8.81	9.38	11.90	12.75
Price received by farmers	6.13	6.22	7.41	7.95	8.49
Lamb					
Slaughter, Choice, San Angelo	26.00	25.94	28.50	28.62	30.42
Feeder, Choice, San Angelo	26.44	26.69	29.38	30.45	31.25
Price received by farmers	25.20	25.40	28.10	27.60	28.70
ALL MEAT ANIMALS					
Index number price received by farmers (1967=100)	124	127	152	148	156
MEAT					
<i>Dollars per 100 pounds</i>					
Wholesale, Chicago, Carlot					
Steer beef carcass, Choice, 600-700 pounds	54.08	55.92	52.95	51.26	57.20
Heifer beef, Choice, 500-600 pounds	53.14	54.78	51.49	49.64	55.75
Cow beef, Canner and Cutter	44.12	45.72	51.15	49.60	51.91
Lamb carcass, Choice and Prime, 45-55 pounds	58.33	59.91	60.75	59.97	62.02
Fresh pork loins, 8-14 pounds	45.26	46.14	64.38	60.22	68.22
<i>Cents per pound</i>					
Retail, United States average					
Beef, Choice grade	106.3	108.5	112.8	112.3	114.6
Pork, retail cuts and sausage	71.4	72.9	87.5	87.2	88.5
Lamb, Choice grade	113.1	113.4	120.5	121.4	124.3
Index number all meats (BLS)					
Wholesale (1967=100)	115.6	119.6	128.7	124.7	135.7
Retail (1967=100)	118.2	119.1	132.7	132.9	132.5
Beef and veal	126.6	128.0	137.3	137.7	136.8
Pork	106.3	107.2	129.2	128.6	128.4

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, Sloux 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	1971		1972		
		Nov.	Dec.	Oct.	Nov.	Dec.
Meat animal marketings						
Index number (1967=100)		121	104	132	116	98
6-State Cattle on Feed Report						
Number on feed	1,000 head	7,418	7,723	7,630	8,348	8,484
Placed on feed	1,000 head	1,689	1,568	2,345	1,671	1,637
Marketings	1,000 head	1,384	1,281	1,627	1,535	1,428
Slaughter under Federal inspection						
Number slaughtered						
Cattle	1,000 head	2,564	2,528	2,909	2,705	2,615
Steers	1,000 head	1,374	1,372	1,524	1,475	1,453
Heifers	1,000 head	644	628	853	710	686
Cows	1,000 head	500	486	480	473	436
Bulls and stags	1,000 head	46	42	52	47	40
Calves	1,000 head	233	238	211	209	202
Sheep and lambs	1,000 head	818	846	937	828	751
Hogs	1,000 head	7,566	7,547	7,048	6,988	6,197
Percentage sows	Percent	6	7	6	7	7
Average live weight per head						
Cattle	Pounds	1,048	1,065	1,054	1,067	1,067
Calves	Pounds	207	203	213	203	197
Sheep and lambs	Pounds	105	106	106	107	107
Hogs	Pounds	243	243	239	245	242
Average production						
Beef, per head	Pounds	620	627	639	645	641
Veal, per head	Pounds	116	114	119	114	110
Lamb and mutton, per head	Pounds	52	52	52	53	54
Pork, per head	Pounds	158	159	161	164	164
Pork, per 100 pounds live weight	Pounds	65	66	67	67	68
Lard, per head	Pounds	21	20	17	19	17
Lard, per 100 pounds live weight	Pounds	9	8	7	8	7
Total production						
Beef	Mil. lb.	1,586	1,580	1,851	1,738	1,670
Veal	Mil. lb.	27	27	25	24	22
Lamb and mutton	Mil. lb.	42	44	49	44	40
Pork	Mil. lb.	1,197	1,199	1,132	1,144	1,015
Lard	Mil. lb.	159	153	123	130	103
Commercial slaughter ¹						
Numbered slaughtered						
Cattle	1,000 head	2,924	2,870	3,192	2,986	2,867
Calves	1,000 head	303	301	259	254	239
Sheep and lambs	1,000 head	859	884	966	854	779
Hogs	1,000 head	8,217	8,267	7,491	7,460	6,664
Total production						
Beef	Mil. lb.	1,786	1,768	2,012	1,897	1,813
Veal	Mil. lb.	42	40	37	35	31
Lamb and mutton	Mil. lb.	44	46	50	45	42
Pork	Mil. lb.	1,296	1,307	1,201	1,218	1,087
Lard	Mil. lb.	168	162	128	136	109
Cold storage stocks first of month						
Beef	Mil. lb.	347	327	302	329	351
Veal	Mil. lb.	8	8	11	11	12
Lamb and mutton	Mil. lb.	20	19	19	19	17
Pork	Mil. lb.	310	325	192	208	243
Total meat and meat products ²	Mil. lb.	768	756	597	644	702

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

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OUTLOOK CONFERENCE SCHEDULED FOR FEB. 20-22, 1973

The 1973 National Agricultural Outlook Conference has been set for Feb. 20 through 22, at the U.S. Department of Agriculture in Washington, D.C.

Central theme of the Conference will be "The Future Structure of Agricultural Production and Marketing." Such topics as the long-range expansion of demand for agricultural products, input requirements of the food industry, significant trends in organization and control of the food and fiber sector of the economy, impact of environmental developments on agricultural production and marketing, and future

developments in the export market will be explored in depth.

The 1973 outlook for U.S. agriculture and the general economy will receive particular attention at the Conference. Sessions on the 1973 outlook for major commodities and rural family living will make up an important part of the Conference as usual. The Conference, sponsored by USDA's Economic Research Service and Extension Service, will feature presentations and panel discussions by leading authorities in agriculture and business.

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