Livestock and Meat Situation

Economics, Statistics, and Cooperatives Service

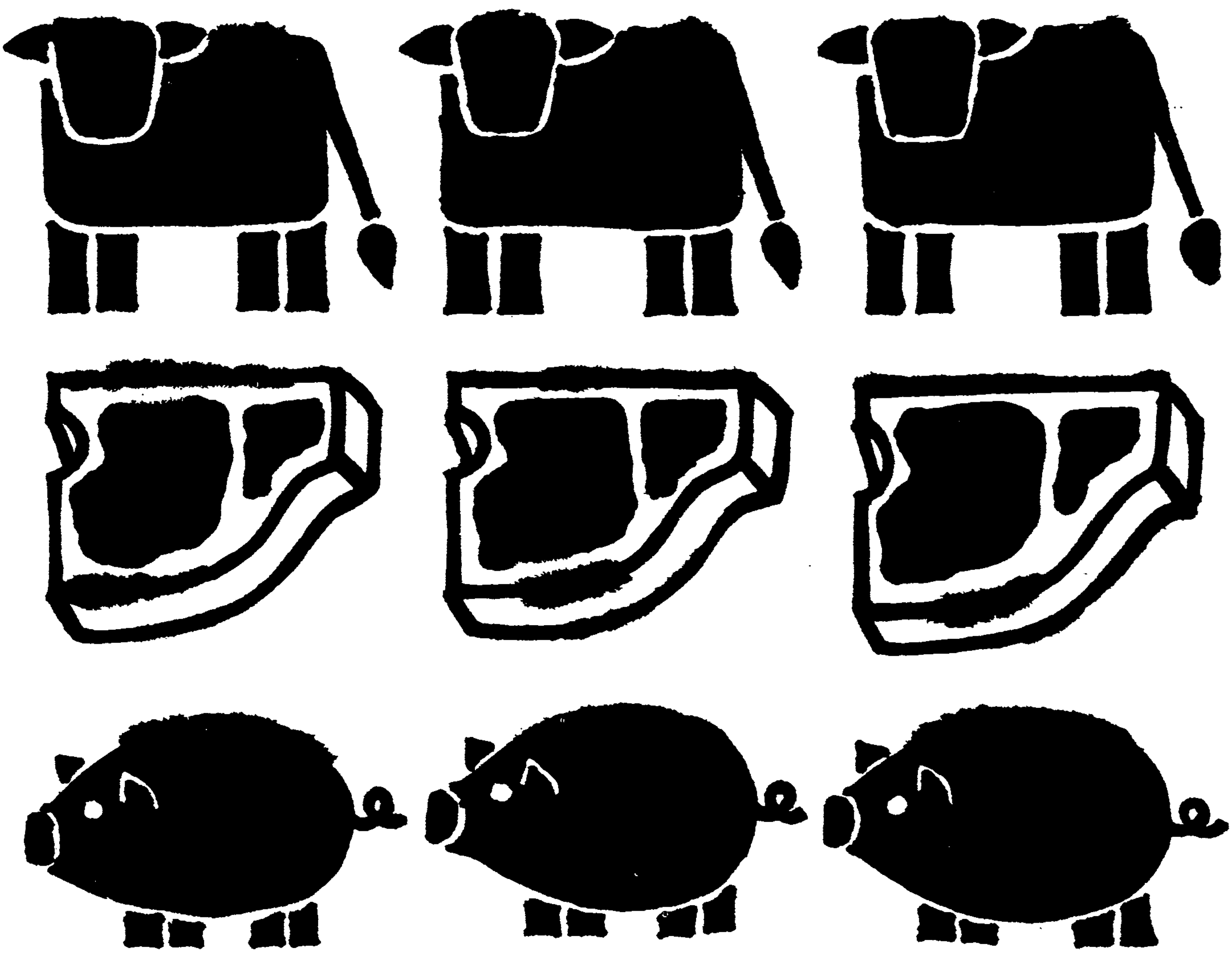
U.S. Department of Agriculture

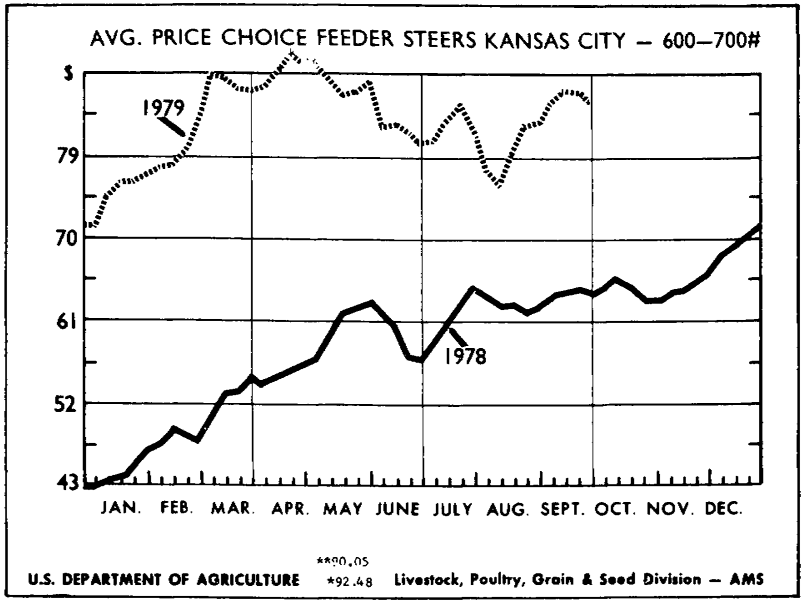
Approved by the World Food and Agricultural Outlook and Situation Board

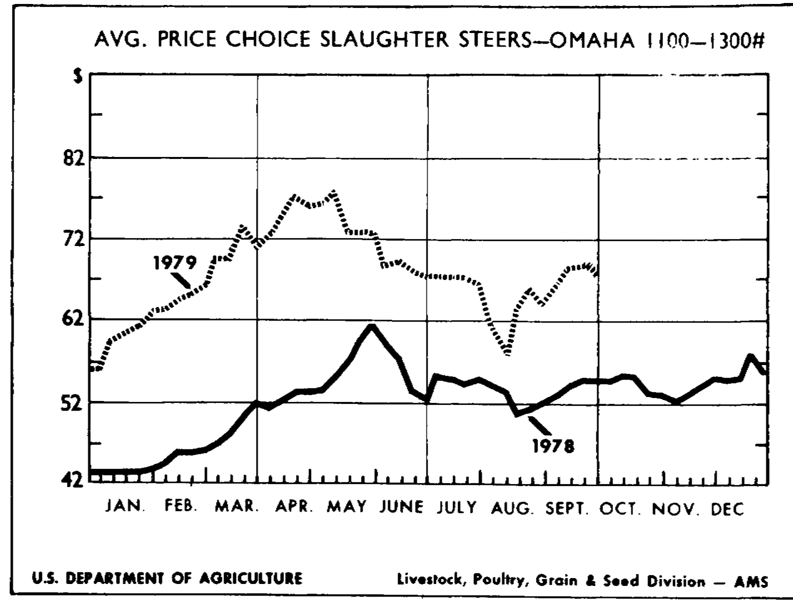
OCTOBER

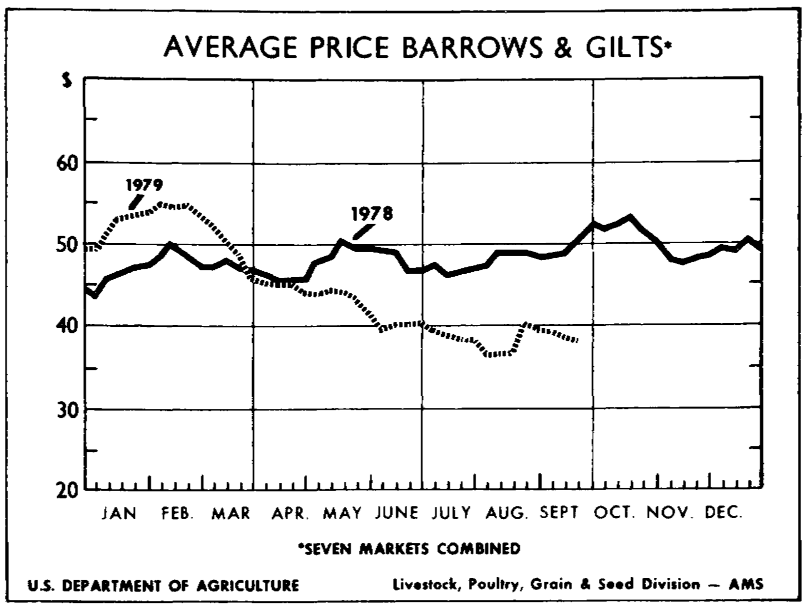
LMS-229

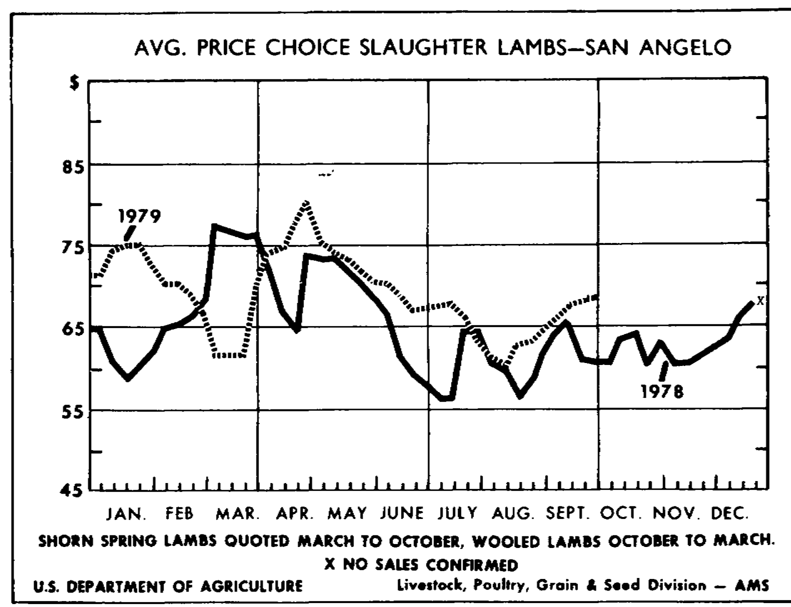
1979




AVG. PRICE CHOICE FEEDER STEERS KANSAS CITY — 600—700#
$
79
70
61
52
43
1979
1978
JAN. FEB. MAR. APR. MAY JUNE JULY AUG. SEPT. OCT. NOV. DEC.
**90.05
*92.48
U.S. DEPARTMENT OF AGRICULTURE
Livestock, Poultry, Grain & Seed Division — AMS


AVG. PRICE CHOICE SLAUGHTER STEERS—OMAHA 1100—1300#
$
82
72
62
52
42
1979
1978
JAN. FEB. MAR. APR. MAY JUNE JULY AUG. SEPT. OCT. NOV. DEC
U.S. DEPARTMENT OF AGRICULTURE
Livestock, Poultry, Grain & Seed Division — AMS


AVERAGE PRICE BARROWS & GILTS*
$
60
50
40
30
20
1979
1978
JAN FEB. MAR APR. MAY JUNE JULY AUG. SEPT OCT. NOV. DEC.
*SEVEN MARKETS COMBINED
U.S. DEPARTMENT OF AGRICULTURE
Livestock, Poultry, Grain & Seed Division — AMS


AVG. PRICE CHOICE SLAUGHTER LAMBS—SAN ANGELO
$
85
75
65
55
45
1979
1978
X
JAN. FEB MAR. APR. MAY JUNE JULY AUG. SEPT. OCT. NOV. DEC.
SHORN SPRING LAMBS QUOTED MARCH TO OCTOBER, WOOLED LAMBS OCTOBER TO MARCH.
X NO SALES CONFIRMED
U.S. DEPARTMENT OF AGRICULTURE
Livestock, Poultry, Grain & Seed Division — AMS

LIVESTOCK AND MEAT SITUATION

CONTENTS

• • •

Approved by
The World Food and Agricultural
Outlook and Situation Board
and Summary released
October 2, 1979

Written by
Joseph Arata
Eldon Ball
Ronald Gustafson
Robert Remmele
202-447-8143

National Economics Division
Economics, Statistics, and Cooperatives Service
U.S. Department of Agriculture
Washington, D.C. 20250

• • •

The *Livstock and Meat Situation* is published in February, April, June, August, October, and December.

SUMMARY

Retail pork and poultry prices are expected to average well below year-earlier levels during the first half of 1980, but beef prices will be slightly higher. At the same time, lower hog and broiler prices will squeeze producer profits. These price forecasts are based on anticipated record-high levels of red meat and poultry production, very large feed grain supplies, and a slowing in the growth of consumers' incomes.

Current prospects suggest a substantial increase—possibly to record levels—in both pork and broiler production this fall and during the first half of 1980. Beef production is expected to be well below 1978 levels during the fall but will probably average near year-earlier production in the first half of 1980. Retail pork and broiler prices are expected to continue to decline this fall, while beef prices may average near the summer quarter level.

The September Hogs and Pigs report indicated that there will be very large supplies of pork for the rest of 1979 and through the first half of next year. The inventory of market hogs was 17 percent larger than a year ago, and the breeding inventory was 10 percent larger. Producers indicated they intend to farrow 13 percent more sows during September-November and 10 percent more sows during December-February.

Hog slaughter was at record levels during the third quarter and is likely to continue near a record pace through next summer. Slaughter may be up near 20 percent during the fall and into the winter of 1980.

Because of the continued high rate of hog slaughter, hog prices will decline from their third-quarter levels. Barrows and gilts may average in the mid-$30's per hundredweight this fall, and prices may be even lower at times. Hog prices are expected to remain low during the first half of 1980.

In the cattle sector, excellent grazing conditions, higher feed prices than a year ago, and large financial losses on fed cattle marketed resulted in

about 25 percent fewer cattle being placed on feed this summer, compared with a year earlier.

The recent low level of feedlot placements is expected to reduce fourth-quarter beef production 16-18 percent below last year. Feedlot placements are likely to rise above year-earlier levels this fall as grazing conditions deteriorate seasonally. Beef production is forecast to increase in the first quarter of 1980, but it will still be below the 1979 levels. Production likely will decline seasonally in the second quarter but could show the first year-to-year increase since the spring of 1977.

Choice steer prices at Omaha are expected to average $66 to $69 in the fourth quarter before declining in the first quarter as production increases.

Broiler production will remain well above year-earlier levels through the first quarter of 1980. Wholesale broiler prices are expected to average near 37 cents a pound in the first half of 1980, about 10 cents below year-earlier levels.

Despite prospects for record-large grain and soybean crops, high feed prices and lower livestock prices point to a deteriorating profit position for livestock producers. Pork and poultry producers, in particular, will likely suffer sharp losses early next year. These losses will probably force producers to reevaluate their second-half production plans.

SITUATION AND OUTLOOK

Commercial Meat Production and Livestock Prices

	1978			1979				1980[1]	
	II	III	IV	I	II	III	IV[1]	I	II
Production:									
Beef (mil. lb.)	5,938	5,923	6,043	5,546	5,076	5,200	5,000	5,400	5,175
% Δ year earlier	−4	−6	−3	−9	−15	−12	−17	−3	+2
Pork (mil. lb.)	3,265	3,160	3,541	3,399	3,760	3,775	4,250	4,150	4,300
% Δ year earlier	+3	+3	+1	+5	+15	+19	+20	+22	+14
Veal (mil. lb.)	149	139	134	115	98	100	100	85	65
% Δ year earlier	−20	−32	−33	−35	−34	−28	−25	−26	−34
Lamb and Mutton (mil. lb.)	76	73	76	72	71	68	70	75	75
% Δ year earlier	−12	−13	−6	−4	−7	−7	−8	+4	+6
Total Red Meat (mil. lb.)	9,428	9,295	9,794	9,132	9,005	9,143	9,420	9,710	9,615
% Δ year earlier	−2	−4	−2	−5	−4	−2	−4	+6	+7
Broilers[2] (mil. lb.)	2,547	2,567	2,443	2,551	2,844	2,900	2,685	2,650	2,750
% Δ year earlier	+6	+6	+9	+10	+12	+13	+10	+4	−3
Turkeys[2] (mil. lb.)	400	680	676	271	465	750	730	315	515
% Δ year earlier	+10	+1	+5	+19	+16	+10	+8	+16	+11
Total Red Meat & Poultry (mil. lb.)	12,375	12,542	12,913	11,954	12,314	12,793	12,835	12,675	12,880
% Δ year earlier	0	−2	0	−2	0	+2	−1	+6	+5
Per capita consumption[5]:									
Red meat	36.9	36.8	38.3	36.8	36.2	36.5	36.8	38.2	37.6
Poultry[6]	14.1	14.5	15.8	13.8	15.4	16.2	17.0	14.2	15.3
Total red meat and poultry	51.0	51.3	54.1	50.6	51.6	52.7	53.8	52.4	52.9
Prices:									
Choice steers, Omaha 900-1100 lb. $/cwt.	55.06	53.75	54.76	65.42	72.51	65.88	66-69	64-67	67-71
Barrows & gilts, 7 mkts. $/cwt.	47.84	48.52	50.05	51.98	43.04	38.50	34-36	31-33	30-32
Slaughter lambs, Choice San Angelo $/cwt.	69.14	61.07	63.44	68.97	73.55	65.41	63-65	65-67	68-70
Broilers, 9-city avg.[3] Cents/lb.	47.6	46.6	42.1	47.5	47.7	41.00	37-39	35-37	36-38
Turkeys, New York[4] Cents/lb.	61.4	68.2	77.1	70.2	66.2	63.00	59-61	51-53	50-52

[1] Forecast. [2] Federally inspected. [3] Wholesale weighted average. [4] Wholesale, 8-16 lb. young hens. [5] Total including farm, retail wts. [6] Includes broilers, turkeys, and small amt. of other chickens.

FEED, HAY, AND GRAZING PROSPECTS

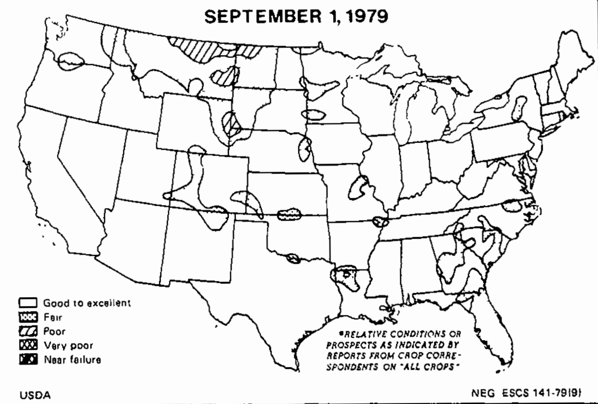
Feed and roughage supplies will be adequate for the expected increases in livestock and poultry feeding even if grain exports are expanded in 1979/80. Favorable growing conditions during August boosted the September forecast of 1979 feed grain production to 221 million metric tons, 5 million above the August 1 forecast and 4 million above last year's record. At the beginning of October conditions continue to favor record feed grain and soybean crops, and abundant forage supplies. Based on conditions as of September 1 the corn crop was forecast at nearly 7.3 billion bushels, up 2 percent from the August estimate and 3 percent above a year ago. Sorghum production was projected at 814 million bushels, a 4-percent increase from the August estimate. Farm prices of corn in 1979/80 are expected to average between $2.40 and $2.70 per bushel, compared with $2.20 in 1978/79 and $2.02 in 1977/78.

The September forecast of soybean production was a record high 2.17 billion bushels, 18 percent larger than the 1978 crop. Decatur soybean meal prices are expected to average between $160 and $200 per ton for 1979/80, compared with $190 in 1978/79 and $164.20 in 1977/78.

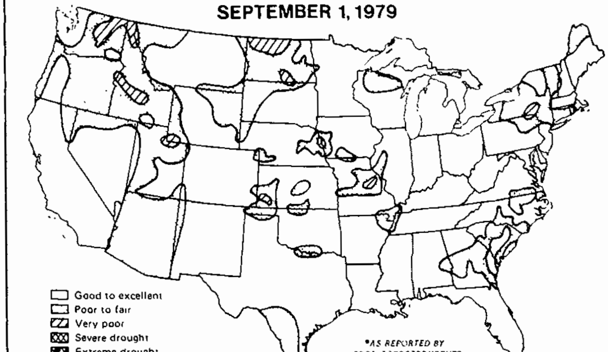
Pasture and range conditions on September 1 were the best for that date since 1961—much better than last year and the 1968-77 average. Most of the Nation reported good to excellent pasture and range conditions. The exceptions were South Carolina, parts of the Northeast, Utah, Arizona, and an area from North Dakota and Wyoming westward. Near the end of September soils were dry in the Southern Plains and western States and grazing conditions were deteriorating.

Hay production this summer reflected the favorable growing conditions for forages. A record hay supply of 166.5 million tons for 1978/79, reduced hay use due to a smaller cattle herd, and excellent grazing conditions this year should result in a record total hay supply of 170.1 million tons in 1979/80. At $50.30 a ton, the average farm price for hay in the 1978/79 hay production year, which ended in April 1979, was well below the price of the previous 2 years. Hay prices in the 1979/80 feeding year beginning in May have averaged from $7 to $10 a ton higher than last year despite larger carryover stocks.

FEED CROP PROSPECTS*
SEPTEMBER 1, 1979



PASTURE AND RANGE CONDITIONS*
SEPTEMBER 1, 1979



*INDICATES CURRENT SUPPLY OF PASTURE FEED FOR GRAZING ON NON-IRRIGATED PASTURES AND RANGES RELATIVE TO THAT EXPECTED FROM EXISTING STANDS UNDER VERY FAVORABLE WEATHER CONDITIONS.

USDA NEG ESCS 140-79(9)

LIVESTOCK AND MEAT SUPPLIES

Record red meat and poultry supplies during the first half of 1980 now appear likely. Red meat and poultry production may be nearly a billion pounds above the previous record set in the first half of 1977. Record pork and poultry production will more than make-up for the decline in beef production from the first half of 1977. Per capita consumption in the first half of 1980 will be near or slightly above the levels in the first halves of 1971-1972 when pork production was at record levels and 1976-1977 when beef production was record high. Increased production in the first half of 1980 will force livestock and poultry prices lower. Financial losses to producers in the first half of 1980 may slow second-half production as pork and broiler producers bring production plans in line with lower prices.

CATTLE

Beef production will remain well below last year's levels for the remainder of 1979. Excellent grazing conditions, higher feeding costs than a year ago, and losses on fed cattle being marketed has sharply reduced placements of cattle on feed. The combination of good forage conditions and the lower prices being bid by cattle feeders have encouraged feeder cattle producers to retain their calves and yearlings until later in the season.

Table 1– Beef supplies and prices

	Commercial cattle slaughter[1]						Average dressed weight	Commercial production	Per capita consumption[2]	Prices			
	Steers and heifers			Cows	Bulls and stags	Total				Retail	Choice Feeders 600-700 lb. Kansas City	Choice Steers Omaha 900-1100 lb.	Farm[3]
	Fed	Non-fed	Total										
	1,000 head						*Lb.*	*Mil. lb.*	*Lb.*	*Cents/lb.*	*$/cwt.*		
1975: I	5,690	1,611	7,301	2,224	208	9,733	600	5,842	30.3	137.2	27.39	35.72	27.33
II	5,200	1,658	6,858	2,419	273	9,550	586	5,593	28.4	155.3	34.67	48.03	34.57
III	5,190	1,913	7,103	3,124	312	10,539	564	5,942	30.2	166.0	35.54	48.64	33.83
IV	5,130	1,865	6,995	3,790	304	11,089	568	6,296	31.2	160.9	38.06	46.05	33.07
Year	21,210	7,047	28,257	11,557	1,097	40,911	579	23,673	120.1	154.8	33.91	44.61	32.30
1976: I	6,550	1,375	7,925	2,748	240	10,913	595	6,492	32.8	151.3	39.19	38.71	33.37
II	6,150	1,429	7,579	2,330	261	10,170	604	6,145	31.2	150.8	43.89	41.42	37.17
III	6,430	1,605	8,035	2,612	262	10,909	607	6,618	33.5	145.3	38.10	37.30	32.97
IV	5,910	1,588	7,498	2,929	235	10,662	601	6,412	31.8	145.4	36.40	39.00	31.93
Year	25,040	5,997	31,037	10,619	998	42,654	602	25,667	129.3	148.2	39.40	39.11	33.70
1977: I	6,710	1,009	7,719	2,535	212	10,466	601	6,287	31.7	144.6	37.77	37.88	33.07
II	6,400	1,406	7,806	2,162	225	10,193	604	6,158	30.9	146.4	41.10	40.77	35.20
III	6,420	1,567	7,987	2,398	244	10,629	595	6,321	32.0	149.0	41.16	40.47	34.70
IV	6,360	1,217	7,577	2,769	222	10,568	588	6,220	31.3	153.4	40.70	42.42	34.97
Year	25,890	5,199	31,089	9,864	903	41,856	597	24,986	125.9	148.4	40.18	40.38	34.40
1978: I	7,050	658	7,708	2,317	184	10,209	598	6,106	30.4	162.7	47.89	45.77	40.30
II	6,900	617	7,517	2,148	211	9,876	601	5,938	29.8	185.7	58.00	55.06	49.63
III	6,770	772	7,542	1,993	208	9,743	608	5,923	29.7	189.4	62.71	53.75	50.07
IV	7,020	497	7,517	2,012	195	9,724	621	6,043	30.2	189.7	66.52	54.76	52.93
Year	27,740	2,544	30,284	8,470	798	39,552	607	24,010	120.1	181.9	58.78	52.34	48.23
1979: I	7,020	157	7,177	1,567	148	8,892	624	5,546	28.4	215.4	80.93	65.42	64.70
II	6,365	160	6,525	1,367	148	8,040	631	5,076	26.2	235.5	86.83	72.51	70.27
[4]III	6,580	165	6,745	1,300	155	8,200	634	5,200	26.1	225.5	82.38	65.88	64.60
IV													
Year													

[1] Classes estimated. [2] Total, including farm production. [3] Annual is weighted average. [4] Preliminary.

Feedlot Placements Continue Lower

Adequate supplies of cattle, particularly yearlings, and record high grain production at seasonally lower prices would usually encourage large placements of cattle on feed. However, this summer's placements have been sharply below the record rate of the third quarter of 1978. Net placements in July were 25 percent below last year and 22 percent below 2 years ago. In August 1979, net feedlot placement in the 7-States were 1.26 million head compared to 1.63 million head placed in 1978. This reflected declines of 23 and 13 percent, respectively, from the 1978 and 1977 levels. The number of cattle on feed September 1 in the 7 major cattle feeding States was at the lowest level of any month since September 1977.

Net placements during September 1978 were a record 2.37 million head. This year, net placements in September are expected to be sharply below last year's record level. Net placements for September and the third quarter could be about one-fourth below year-earlier levels.

Feeder cattle outside feedlots on October 1, available for placements are expected to equal or exceed the number available at that time in 1978. Continued reductions in calf and steer and heifer slaughter and lower net feedlot placements should insure adequate numbers of feeder cattle for later placements. Movement of these cattle to market and the level of feedlot placements will depend on fall pasture conditions and cattle feeders' price expectations. With excellent grazing conditions, these cattle may not be taken off pastures until the first hard frosts reduce grazing availability or until cattle feeders increase their bids.

Feedlot Production Costs Affect Bids for Feeder Cattle

Cattle feeders failed to cover all costs in August, and only broke even in July. Many of the fed cattle being marketed from feedlots during September through November were placed on feed this past spring when 600-700 pound feeder cattle prices were in the upper $80's to low $90's. Much of the weight gain on these cattle occurred during the period of this year's highest grain prices. The selling price required to cover feed and feeder costs on these cattle ranges from $66 to $68 per hundredweight; $75 to $77 per hundredweight would be required to cover all costs. Cattle feeders may about cover feed and feeder cattle costs on these cattle, but they are not likely to cover full costs of production in the next several months.

This situation where cattle feeders are losing money on cattle being marketed has caused them to act differently than they did last spring. Recently they have not been willing to bid aggressively for the feeder cattle supply as they did in the spring. Choice 600-700 pound feeder steers at Kansas City averaged between $85 and $87 per hundredweight in September. However, to cover all production costs on feeder cattle purchased in early fall and to be marketed in the first quarter of 1980, assuming that Choice 900-1,100 pound steers at Omaha will average about $64 to $67, would require a feeder cattle price in the $68 to $76 range with corn at the farm selling for about $2.50 a bushel. Thus, as the seasonal movement of feeder cattle increases, prices are expected to decline below the September level.

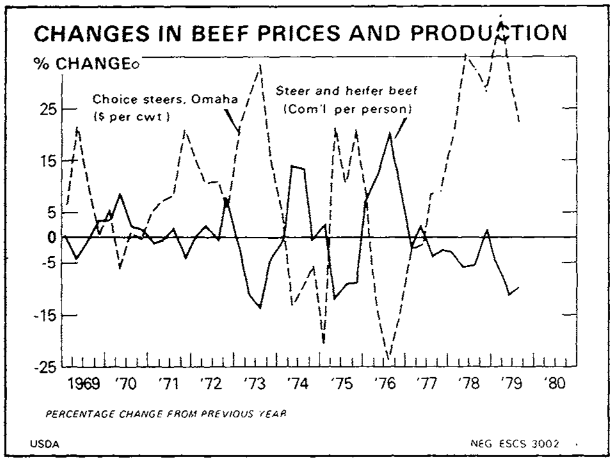
Feeder cattle prices are expected to rise again next spring. With good late season grazing and large hay supplies, feeder cattle producers may be induced to carry more cattle over the winter on a stocker program. This would be particularly so if wheat grazing is good, and current moisture conditions favor a good grazing year. If these conditions continue, an increased proportion of feeder cattle placements would be shifted from this fall and winter into next spring.

Beef Production Continues To Decline

Both fed and nonfed beef production continues below third-quarter 1978 levels. Despite a 12- to 13-percent reduction in cattle slaughter in July and August, beef production was only 8 to 9 percent below last year. An increased proportion of fed cattle in the slaughter mix, accompanied by a 23- to 28-pound increase in average liveweight, has helped to partially offset the decline in the number of cattle slaughtered.

This summer, nonfed steer and heifer slaughter dropped to less than 25 percent of a year earlier. July-September cow slaughter was almost 35 percent below third-quarter 1978's slaughter of about 2.0 million head. Strong demand for stock cows and much higher feeder cattle prices have placed both classes of nonfed slaughter cattle out of the price range of packers. This trend may slow, but only slightly, as grazing conditions deteriorate and marketings increase later this fall to avoid over-wintering expenses.

Fed cattle marketings for the third quarter are running about in line, to slightly above, producer marketing intentions as reported on July 1. At that time, producers indicated they would have about 5 percent fewer fed cattle to market than in July-September 1978. Figures available through August indicated this level of marketings will be attained. Cattle slaughter in September averaged 18 to 22 percent below the large slaughter levels of last year. Third-quarter beef production was 12 percent below last year and only 2 percent above the second quarter of this year.



Fourth-quarter fed cattle marketings in the 23 States will be much lower than the 6.7 million head marketed during that period in 1978. Sharply lower feeder cattle placements in the third quarter will push more production from late 1979 into the first half of 1980. While nonfed steer and heifer and cow slaughter will increase seasonally this fall, they will remain well below last year. Beef production is likely to be 16 to 18 percent below last year, unless prices for heavier yearling feeder cattle decline sufficiently to increase nonfed slaughter. Rapid declines in grazing conditions, lower price expectations by cattle feeders, and bunched feeder cattle marketings could bring about lower prices for heavy, fleshy feeder cattle and this would allow for increased nonfed steer and heifer slaughter.

Fed Cattle Prices to Remain Firm

Fed cattle prices should remain strong, particularly as beef production declines through the fourth quarter. Prices for Choice 900-1,100 pound steers at Omaha increased from $58 in early August to the upper $60's in late September. However, if fed cattle marketings were to bunch, prices could be forced lower, particularly with the large pork and broiler supplies expected this fall. Any weakness in prices is expected early in the fourth quarter as cattle in the middle weight groups on July 1 are cleaned up through the end of

October. Choice steers at Omaha may average about $68 dollars in the fourth quarter. Expected higher fed cattle prices in November and December, together with seasonally lower grain prices and declining grazing conditions, should result in increased feeder cattle placements during this period.

Although fed cattle prices are expected to rise during the fourth quarter, competition from large supplies of other meats will restrain price increases. Sharp year-to-year increases in fourth-quarter pork and broiler production levels are expected to help augment the lower beef supplies and hold down beef price gains.

1980—First Half

Beef production in the first half of 1980 will depend on both the level and timing of feeder cattle placements. If placements increase in the fourth quarter as expected, production in the first quarter may be only about 3 percent below a year earlier, and second-quarter production could exceed the very low April-June 1979 levels. However, the rate of cattle placed on feed this fall and the number of feeder cattle carried through the winter in stocker programs will largely determine first versus second-half 1980 beef production.

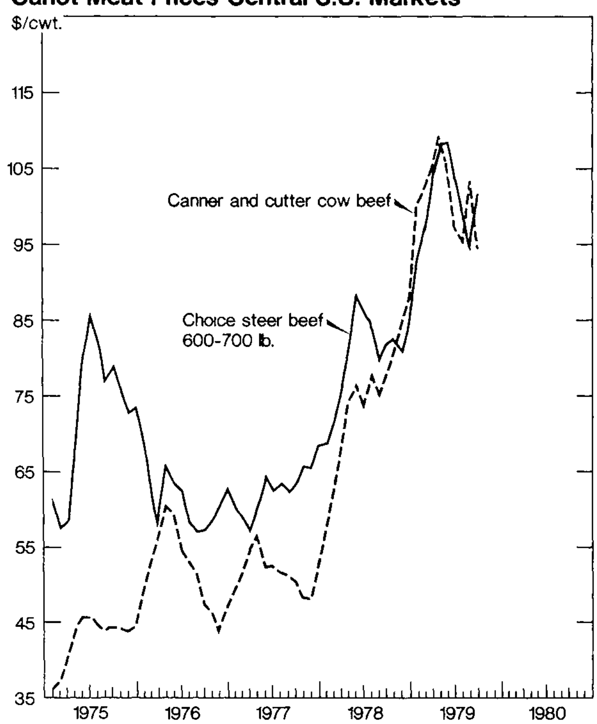
Nonfed steer and heifer slaughter during the first half of 1980 will remain low, but because of the very low level to which it has already dipped, the year-to-year changes will be small. Cow slaughter may remain near the first-half 1979 level. A larger number of older, less productive cows in the herd are expected to be culled as the number of replacement heifers entering the herd increases. Prices for both stock cows and feeder cattle likely will remain strong, particularly in the second quarter as the grazing season begins.

Choice steer prices are expected to average $64 to $67 in the first quarter, with strongest prices coming early in the quarter and declining as fed cattle marketings increase. Prices in the second quarter of 1980 are expected to strengthen from the first-quarter level with the lowest prices coming early in the quarter when fed cattle marketings are expected to be the heaviest. A hard winter and poor rates of gain on cattle in feedlots could push more marketings into the second quarter resulting in higher first-quarter prices and lower prices in the second quarter. Competition between beef and the other meats in the second quarter will still be strong as pork production continues large. However, as the quarter progresses, beef production should decline and fed cattle prices increase.

Veal Production

Calf slaughter continues sharply below the volume of the last few years as the demand for both feeder cattle and replacement cattle for the breeding herd increases. Calf slaughter through August of this year was 35 percent below year-earlier levels. Calf slaughter is expected to remain low until feeder cattle supplies increase substantially in the expansion phase of the cattle cycle. Veal consumption in 1980 is expected to drop below the 2.1 pounds per capita in 1979.

Carlot Meat Prices Central U.S. Markets*



*Prior to 1978 midwest mkts.

USDA Neg. ESCS 762-79(10)

Feeder steer prices consistent with break-even, given corn and fed steer prices[1]

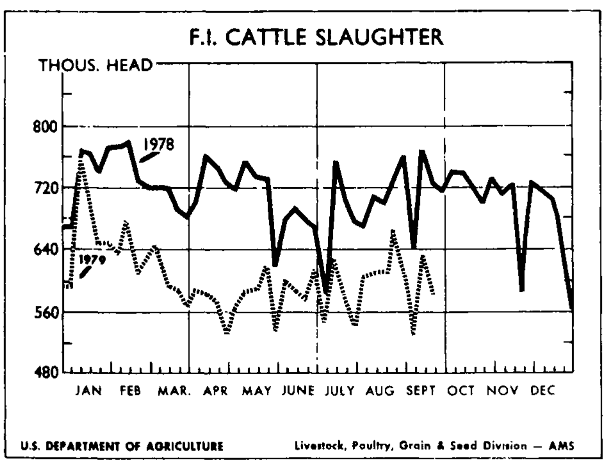
Corn (Farm price)	Choice steers, $/cwt.						
	45	50	55	60	65	70	75
$/bu.	*Feeder steers, $/cwt.*						
1.75	38	47	56	65	73	82	91
2.00	37	45	54	63	71	80	89
2.25	35	43	52	61	70	78	87
2.50	33	41	50	59	68	76	85
2.75	31	40	48	57	66	75	83
3.00	29	38	46	55	64	73	81
3.25	27	36	45	53	62	71	80
3.50	25	34	43	51	60	69	78

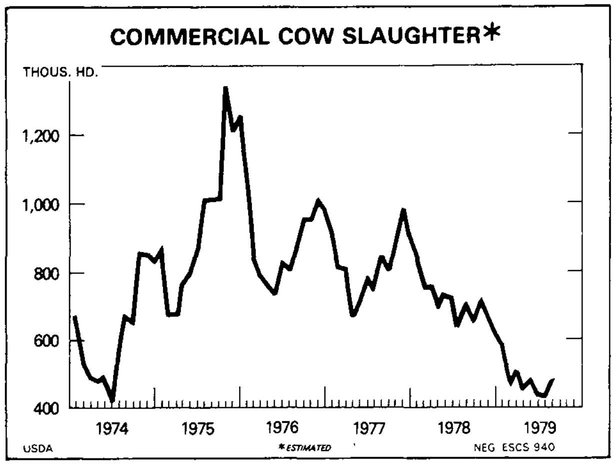
[1] Assuming all other costs at July 1979 levels. (see corn belt cattle feeding table).

Federally inspected cattle slaughter

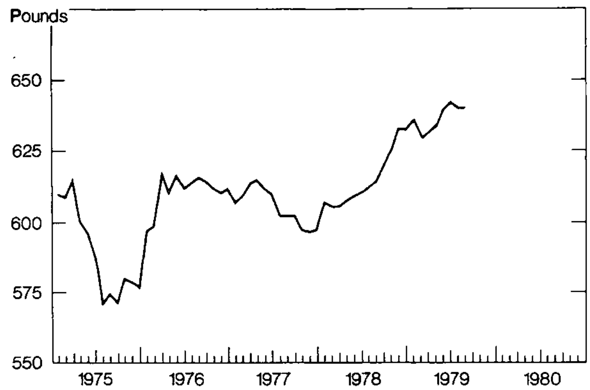
Week ended 1978[1]	Cattle 1978	Cattle 1979	Steers 1978	Steers 1979	Cows 1978	Cows 1979
	Thousands					
Jan. 6	671	599	307	312	169	102
13	791	775	366	394	192	147
20	760	712	357	372	176	125
27	737	637	343	334	173	113
Feb. 3	774	651	363	340	181	112
Feb. 10	765	630	366	325	171	115
17	777	678	375	373	173	113
24	727	600	343	316	171	100
Mar. 3	729	633	345	329	162	111
Mar. 10	725	649	358	344	145	109
17	717	599	341	308	160	112
24	689	593	323	320	150	102
31	683	568	324	298	146	103
Apr. 7	704	591	329	320	163	101
14	767	575	377	314	156	97
21	744	574	356	301	154	101
28	735	527	337	263	168	107
May 5	717	567	344	293	158	103
12	752	581	368	304	153	99
19	730	586	350	311	161	103
26	722	614	348	339	152	98
June 2	618	534	297	286	132	90
June 9	695	604	324	326	157	98
16	694	586	328	321	156	86
23	678	576	318	304	155	97
30	683	623	325	337	145	102
July 7	582	546	294	294	102	82
14	756	626	331	313	177	114
21	700	571	316	287	153	95
28	678	527	316	281	136	80
Aug. 4	672	606	295	316	145	94
11	709	614	332	325	143	93
18	694	614	323	322	139	90
25	724	600	336	335	143	106
Sept. 1	757	609	341	303	153	102
Sept. 8	648	531	291	272	128	80
15	770	633	343	282	153	125
22	719		314		151	
29	710		321		146	
Oct. 6	741		336		153	
13	755		338		155	
20	721		321		154	
27	699		317		150	
Nov. 3	729		340		151	
Nov. 10	710		324		154	
17	728		331		162	
24	583		276		117	
Dec. 1	730		352		150	
Dec. 8	717		339		160	
15	719		347		148	
22	657		328		126	
29	555		289		93	

[1] Corresponding date: 1978, January 7.

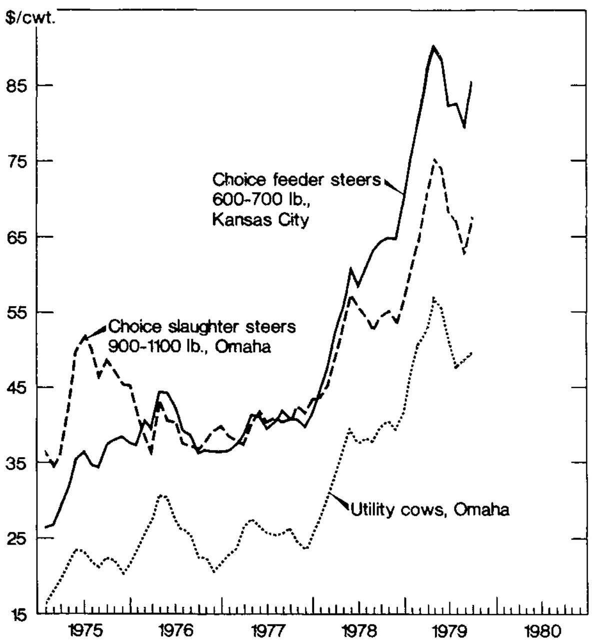




Average Dressed Weight of Cattle



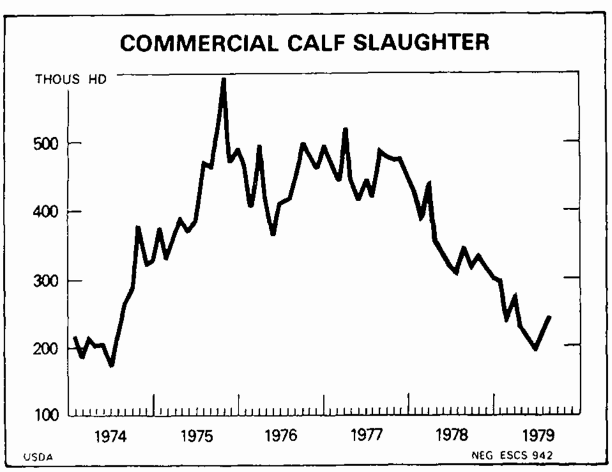
Cattle Prices



Veal supplies and prices

	Commercial			Per capita[1]	Prices		
	Slaughter	Av. dr. wt.	Production		Retail	Choice vealers So. St. Paul	Farm[2]
	1,000 head	*Lb.*	*Mil. lb.*	*Lb.*	*Cents per lb.*	*$/cwt.*	*$/cwt.*
1974							
I	614	135	83	.5	197.3	63.17	52.33
II	585	144	84	.4	193.9	54.38	42.50
III	762	159	121	.6	194.4	43.96	33.47
IV	1,026	150	154	.8	190.7	37.02	26.13
Year	2,987	148	442	2.3	194.1	49.63	35.20
1975							
I	1,068	155	166	.9	183.4	38.68	24.40
II	1,137	160	182	.9	182.1	42.18	28.37
III	1,449	160	232	1.2	182.1	37.56	26.67
IV	1,555	159	247	1.2	177.0	43.33	28.30
Year	5,209	159	827	4.2	181.1	40.44	27.20
1976							
I	1,370	150	206	1.0	173.8	50.84	33.13
II	1,195	149	178	.9	174.3	44.01	38.23
III	1,349	152	205	1.0	174.9	38.62	34.00
IV	1,436	156	224	1.1	170.1	47.24	32.63
Year	5,350	152	813	4.0	173.3	45.18	34.10
1977							
I	1,438	140	201	1.0	177.7	53.42	35.23
II	1,304	143	187	.9	178.9	53.13	37.47
III	1,380	149	205	1.0	181.1	44.90	37.17
IV	1,395	144	201	1.0	183.3	41.33	37.17
Year	5,517	144	794	3.9	180.3	48.19	36.90
1978							
I	1,251	142	178	.9	179.9	43.95	44.80
II	1,006	148	149	.7	195.9	73.33	56.73
III	966	144	139	.7	225.9	80.21	62.33
IV	947	141	134	.7	236.1	79.47	68.33
Year	4,170	144	600	3.0	209.5	69.24	58.05
1979							
I	808	142	115	.6	251.3	89.90	85.80
II	630	156	98	.5	285.5	103.05	94.43
[3]III	680	147	100	.5	293.0	92.57	88.73
IV							
Year							

[1] Total, including farm production. [2] Annual is weighted average. [3] Preliminary.



COMMERCIAL CALF SLAUGHTER

Choice steer prices per 100 pounds, Omaha[1]

Month	1974	1975	1976	1977	1978	1979
	Dollars					
January	47.14	36.34	41.18	38.38	43.62	60.35
February	46.38	34.74	38.80	37.98	45.02	64.88
March	42.85	36.08	36.14	37.28	48.66	71.04
April	41.53	42.80	43.12	40.08	52.52	75.00
May	40.52	49.48	40.62	41.98	57.28	73.99
June	37.98	51.82	40.52	40.24	55.38	68.53
July	43.72	50.21	37.92	40.94	54.59	67.06
August	46.62	46.80	37.02	40.11	52.40	62.74
September	41.38	48.91	36.97	40.35	54.26	67.84
October	39.64	47.90	37.88	42.29	54.93	
November	37.72	45.23	39.15	41.83	53.82	
December	37.20	45.01	39.96	43.13	55.54	
Average	41.89	44.61	39.11	40.38	52.34	

[1] 900-1,100 lb.

Feeder cattle prices per 100 pounds, Kansas City

Month	Choice feeder steers 600-700 lb.			Choice feeder steer calves[1]		
	1977	1978	1979	1977	1978	1979
	Dollars					
Jan.	36.49	44.07	75.29	37.99	46.15	85.19
Feb.	37.86	47.60	80.26	41.69	51.78	94.70
Mar.	38.95	52.00	87.25	44.36	57.64	101.04
Apr.	41.69	55.08	89.98	45.72	61.10	105.62
May	41.72	60.36	88.32	45.20	68.17	106.88
June	39.90	58.56	82.19	42.46	67.00	96.38
July	40.64	60.60	82.48	43.14	68.42	98.72
Aug.	41.99	63.08	79.31	45.27	71.61	98.39
Sept.	40.85	64.46	85.34	46.06	74.51	104.29
Oct.	40.82	64.88		44.48	72.30	
Nov.	39.94	64.85		42.95	73.03	
Dec.	41.33	69.33		43.84	78.27	
Av.	40.18	58.78		43.60	65.83	

[1] 400-500 lb.

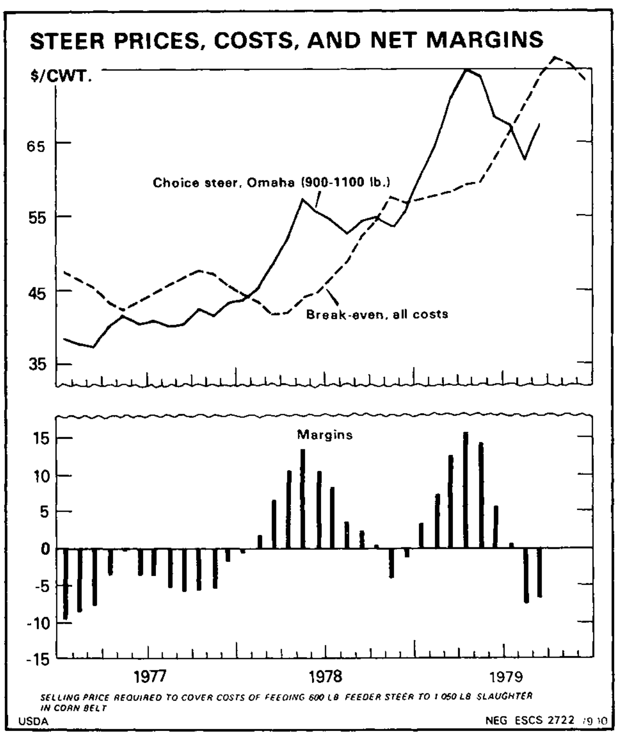
Utility cow prices per 100 pounds, Omaha

Month	1974	1975	1976	1977	1978	1979
	Dollars					
January	31.45	16.82	23.26	22.95	27.59	47.33
February	32.65	18.18	25.90	23.88	30.34	50.81
March	31.76	19.45	27.45	26.67	32.44	52.94
April	30.50	21.67	30.72	27.63	36.94	57.00
May	27.67	23.55	30.24	26.57	39.21	55.51
June	26.39	23.32	27.47	25.64	37.61	50.60
July	24.22	22.00	25.80	25.23	38.09	47.80
August	24.54	21.29	25.10	25.38	37.85	48.33
September	22.56	22.45	22.90	26.12	39.75	49.65
October	19.68	22.01	22.72	24.89	40.46	
November	17.62	20.73	20.59	23.80	39.30	
December	17.67	21.64	21.60	25.02	41.85	
Average	25.56	21.09	25.31	25.32	36.79	

Steer prices, costs, and net margins[1]

Year	Steers Omaha	Feed & Feeder	Break-even	Net margin
	$ per cwt.			
1977				
January	38.38	41.81	47.82	-9.44
February	37.98	40.46	46.35	-8.37
March	37.28	39.25	45.06	-7.78
April	40.08	37.86	43.66	-3.58
May	41.98	36.24	42.07	-0.09
June	40.24	37.73	43.58	-3.34
July	40.94	38.50	44.41	-3.47
August	40.11	39.28	45.31	-5.20
September	40.35	40.01	46.10	-5.75
October	42.29	41.46	47.65	-5.36
November	41.83	40.77	47.04	-5.21
December	43.13	38.88	45.09	-1.96
1978				
January	43.62	38.04	44.27	-0.65
February	45.02	36.92	43.12	+1.90
March	48.66	35.76	41.92	+6.74
April	52.52	35.80	41.95	+10.57
May	57.28	37.34	43.54	+13.74
June	55.38	38.57	44.82	+10.56
July	54.59	40.01	46.42	+8.17
August	52.40	42.03	48.70	+3.70
September	54.26	45.20	52.04	+2.22
October	54.93	47.74	54.71	+0.22
November	53.82	50.83	57.91	-4.09
December	55.54	49.63	56.66	-1.12
1979				
January	60.35	49.92	57.02	+3.33
February	64.88	50.59	57.81	+7.07
March	71.04	50.97	58.26	+12.78
April	75.00	51.72	59.04	+15.96
May	73.99	52.43	59.80	+14.19
June	68.53	55.33	62.88	+5.65
July	67.06	58.73	66.53	+0.53
August	62.74	61.90	70.12	-7.38
September	67.84	66.14	74.65	-6.81
October		68.02	76.65	
November		67.39	75.93	
December		64.70	73.06	

[1] Selling price required to cover costs of feeding 600 lb. feeder steer to 1,050 lb. slaughter in Corn Belt.



7 States Cattle on Feed, Placements, and Marketings

Year	On feed	Change, previous year	Net placements	Change, previous year	Marketings	Change, previous year
	1,000 head	*Percent*	*1,000 head*	*Percent*	*1,000 head*	*Percent*
1977						
Jan.	8,213	−3.8	1,262	−1.6	1,602	+9.6
Feb.	7,873	−5.8	1,250	−3.3	1,567	+2.5
Mar.	7,556	−7.0	1,435	+15.0	1,710	−7.1
Apr.	7,281	−3.3	1,470	−1.8	1,554	+2.8
May	7,197	−4.2	1,335	+8.9	1,479	+0.6
June	7,053	−3.0	1,367	+7.0	1,546	+5.3
July	6,874	−2.9	1,439	+29.3	1,442	−5.2
Aug.	6,871	+3.0	1,453	+7.2	1,598	+0.6
Sept.	6,726	+4.5	1,762	+8.9	1,530	+3.5
Oct.	6,958	+5.7	2,771	+25.1	1,589	+6.6
Nov.	8,140	+11.5	1,915	−5.7	1,488	+11.6
Dec.	8,567	+7.1	1,965	+16.5	1,605	+9.0
1978						
Jan.	8,927	+8.7	1,437	+13.9	1,750	+9.2
Feb.	8,614	+9.4	1,338	+7.0	1,676	+7.0
Mar.	8,276	+9.5	1,668	+16.0	1,678	−1.9
Apr.	8,262	+13.5	1,300	−11.6	1,701	+9.5
May	7,861	+9.2	1,829	+37.0	1,673	+13.1
June	8,013	+13.6	1,616	+18.2	1,657	+7.2
July	7,982	+16.1	1,509	+4.9	1,604	+11.2
Aug.	7,867	+14.5	1,621	+11.6	1,674	+4.8
Sept.	7,835	+16.5	2,366	+34.3	1,646	+7.6
Oct.	8,541	+22.8	2,626	−5.2	1,865	+17.4
Nov.	9,302	+14.3	1,730	−9.7	1,717	+15.4
Dec.	9,315	+8.7	1,571	−20.1	1,660	+3.4
1979						
Jan.	9,226	+3.3	1,391	−3.2	1,888	+7.9
Feb.	8,729	+1.3	1,135	−15.2	1,650	−1.6
Mar.	8,214	−0.7	1,429	−4.1	1,695	+1.0
Apr.	7,948	−3.8	1,255	−3.5	1,535	−9.8
May	7,668	−2.5	1,633	−10.5	1,603	−4.2
June	7,698	−3.9	1,385	−14.8	1,521	−8.2
July	7,562	−3.6	1,116	−25.1	1,475	−8.0
Aug.	7,203	−8.4	1,260	−23.3	1,626	0
Sept.	6,837	−12.7				

Cattle on Feed, Placements, and Marketings, 7 States

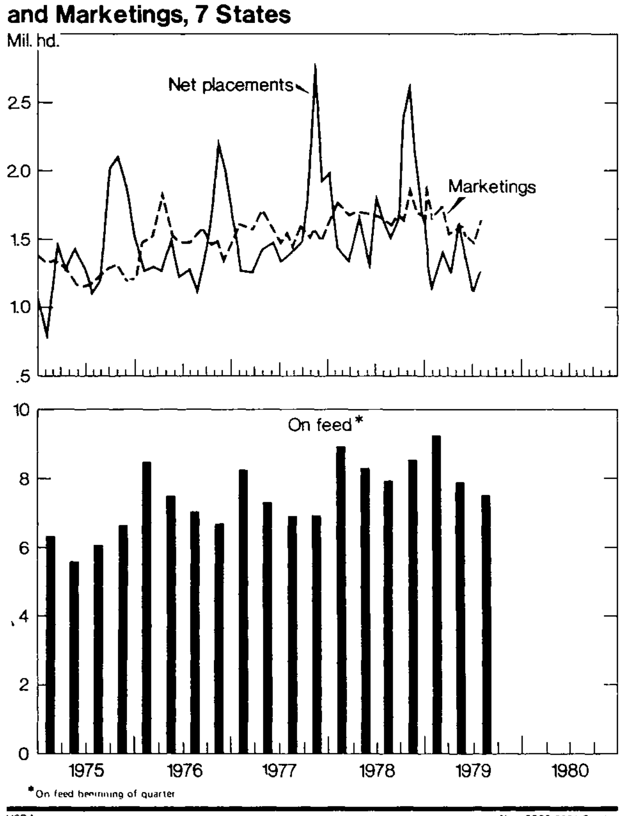


Table 2—Corn Belt cattle feeding

Selected expenses at current rates[1]

Purchased during / Marketed during	June 78 / Dec. 78	July / Jan. 79	Aug. / Feb.	Sept. / Mar.	Oct. / Apr.	Nov. / May	Dec. / June	Jan. 79 / July	Feb. / Aug.	Mar. / Sept.	Apr. / Oct.	May / Nov.	June / Dec.	July / Jan. 80	Aug. / Feb.	Sept. / Mar.
	Dollars per head															
Expenses:																
600 lb. feeder steer	351.36	363.60	378.48	386.76	389.28	389.10	418.98	451.74	481.56	523.50	539.88	529.92	493.14	494.88	475.86	512.04
Transportation to feedlot (400 mi)	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28
Corn (45 bu.)	101.70	94.05	88.20	83.70	87.30	90.90	91.80	93.60	94.50	95.85	101.25	104.40	111.15	122.40	110.70	110.25
Silage (1.7 tons)	31.55	30.38	29.00	28.58	30.02	31.20	31.08	31.99	33.00	33.66	32.63	34.17	35.44	35.85	33.81	34.65
Protein supplement (270 lb.)	27.68	27.14	26.73	27.00	26.86	29.30	29.30	29.16	30.10	30.38	29.84	28.76	29.84	31.18	28.76	30.38
Hay (400 lb.)	8.80	9.00	8.80	9.10	9.65	10.00	9.80	10.20	10.80	11.10	10.65	10.30	9.75	8.90	9.20	9.85
Labor (4 hours)	11.08	11.08	11.36	11.36	11.36	11.68	11.68	11.68	13.16	13.16	13.16	12.80	12.80	12.80	12.20	12.20
Management[2]	5.54	5.54	5.68	5.68	5.68	5.84	5.84	5.84	6.58	6.58	6.58	6.40	6.40	6.40	6.10	6.10
Vet medicine[3]	3.51	3.52	3.52	3.56	3.57	3.59	3.62	3.74	3.80	3.88	3.93	3.96	3.97	4.01	4.00	4.05
Interest on purchase (6 mo.)	15.81	16.36	17.03	17.40	17.52	17.51	18.85	20.33	21.67	23.56	24.29	23.85	22.19	22.27	21.41	23.04
Power, equip, fuel, shelter, depreciation[3]	16.37	16.40	16.42	16.59	16.66	16.72	16.88	17.45	17.71	18.11	18.35	18.46	18.52	18.70	18.68	18.90
Death loss (1% of purchase)	3.51	3.64	3.78	3.87	3.89	3.89	4.19	4.52	4.82	5.24	5.40	5.30	4.93	4.95	4.76	5.12
Transportation (100 miles)	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31
Marketing expenses	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Miscellaneous & indirect costs[3]	7.08	7.09	7.10	7.18	7.20	7.23	7.30	7.55	7.66	7.83	7.93	7.98	8.01	8.09	8.08	8.17
Total	594.93	598.74	607.04	611.72	619.93	627.90	660.26	698.74	736.30	783.79	804.83	797.24	767.08	781.37	744.50	785.69
	Dollars per cwt.															
Selling price/cwt. required to cover feed and feeder costs (1,050 lb.)	49.63	49.92	50.59	50.97	51.72	52.43	55.33	58.73	61.90	66.14	68.02	67.39	64.70	66.02	62.70	66.40
Selling price/cwt. required to cover all costs (1,050 lb.)	56.66	57.02	57.81	58.26	59.04	59.80	62.88	66.55	70.12	74.65	76.65	75.93	73.06	74.42	70.90	74.83
Feed cost per 100 lb. gain	37.72	35.68	33.94	32.97	34.18	35.87	36.00	36.66	37.42	38.00	38.75	39.47	41.37	44.07	40.55	41.14
Choice steers, Omaha	55.54	60.35	64.88	71.04	75.00	73.99	68.53	67.06	62.74	67.84						
Net margin/cwt.	−1.12	+3.33	+7.07	+12.78	+15.96	+14.19	+5.65	+0.53	−7.38	−6.81						
Prices:																
Feeder steer Choice (600-700 lb. Kansas City/cwt.)	58.56	60.60	63.08	64.46	64.88	64.85	69.83	75.29	80.26	87.25	89.98	88.32	82.19	82.48	79.31	85.34
Corn/bu.	2.26	2.09	1.96	1.86	1.94	2.02	2.04	2.08	2.10	2.13	2.24	2.32	2.47	2.72	2.46	2.45
Hay/ton[4]	44.00	45.00	44.00	45.50	48.25	50.00	49.00	51.00	54.00	55.50	53.25	51.50	48.75	44.50	46.00	49.25
Corn silage/ton[5]	18.56	17.87	17.06	16.81	17.66	18.35	18.28	18.82	19.41	19.80	19.19	20.10	20.85	21.09	19.89	20.38
32-36% Protein supp./cwt.[6]	10.25	10.05	9.90	10.00	9.95	10.85	10.85	10.80	11.15	11.25	11.05	10.65	11.05	11.55	10.65	11.25
Farm Labor/hour[6]	2.77	2.77	2.84	2.84	2.84	2.92	2.92	2.92	3.29	3.29	3.29	3.20	3.20	3.20	3.05	3.05
Interest annual rate	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Transportation rate/cwt. 100 mile	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Index of prices paid by farmers (1910-14 = 100)	747	748	749	757	760	763	770	796	808	826	837	842	845	853	852	862

[1] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual feeders. For individual use, adjust expenses and prices for management, production level and locality of operation. [2] Assumes one hour at twice the labor rate. [3] Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes and wage rates. [4] Average price received by farmers in Iowa and Illinois. [5] Corn silage price derived from an equivalent price of 5 bushels corn and 330 lb. hay. [6] Average price paid by farmers in Iowa and Illinois. [7] Converted from cents/mile for a 44,000 pound haul. [8] Yardage plus commission fees at a midwest terminal market.

Table 3—Great Plains Custom cattle feeding[1]

Purchased during / Marketed during	June 78 Dec. 78	July Jan. 79	Aug. Feb.	Sept. Mar.	Oct. Apr.	Nov. May	Dec. June	Jan. 79 July	Feb. Aug.	Mar. Sept.	Apr. Oct.	May Nov.	June Dec.	July Jan. 80	Aug. Feb.	Sept. Mar.
	Dollars per head															
Expenses:																
600 lb. feeder steer	342.18	358.02	359.52	381.00	370.50	384.90	404.34	448.44	481.38	528.66	541.56	515.40	454.44	474.00	456.78	485.28
Transportation to feedlot (300 ml)	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96
Commission	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Feed:																
milo (1,500 lb.)	63.75	62.55	59.10	58.65	62.55	61.20	58.65	60.75	60.45	60.60	62.25	64.95	73.95	80.10	71.85	71.25
corn (1,500 lb.)	71.85	67.65	66.75	63.75	68.85	69.45	66.90	71.70	72.30	72.15	75.45	79.65	86.55	90.75	84.75	81.75
cottonseed meal (400 lb.)	37.60	39.60	36.80	38.40	40.00	43.20	43.20	44.40	44.00	44.00	42.40	42.40	41.60	43.20	44.00	44.40
alfalfa hay (800 lb.)	37.60	37.20	38.40	39.00	40.00	40.00	41.00	43.00	42.20	43.20	44.20	41.00	41.00	40.40	39.80	39.60
Total feed cost	210.80	207.00	201.05	199.80	211.40	213.85	209.75	219.85	218.95	219.95	224.30	228.00	243.10	254.45	240.40	237.00
Feed handling & management charge	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Vet medicine	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Interest on feeder & ½ feed	22.38	23.08	23.00	24.04	23.81	25.82	26.73	29.31	31.02	33.53	34.32	33.04	30.24	31.56	31.73	35.47
Death loss (1.5% of purchase)	5.13	5.37	5.39	5.72	5.56	5.77	6.07	6.72	7.22	7.93	8.12	7.73	6.82	7.10	6.85	7.23
Marketing[2]	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.	F.O.B.
Total	611.45	624.43	619.92	641.52	642.23	661.30	677.85	735.28	769.53	821.03	839.26	815.13	765.56	798.07	766.72	795.94
	Dollars per cwt.															
Selling price required to cover:[3]																
Feed and feeder cost (1,056 lb.)	52.37	53.51	53.08	55.00	55.10	56.70	58.15	63.29	66.32	70.89	72.52	70.40	66.05	68.98	66.02	68.40
All costs	57.90	59.13	58.70	60.75	60.82	62.62	64.19	69.63	72.87	77.75	79.48	77.19	72.50	75.57	72.61	75.37
Selling price $/cwt.[4]	56.85	61.28	65.14	72.15	75.72	75.73	70.48	69.25	63.50	68.80						
Net margin/cwt.	−1.05	+2.15	+6.44	+11.40	+14.90	+13.11	+6.29	−0.38	−9.37	−8.95						
Costs per 100 lb. gain:																
Variable costs less interest	47.99	47.27	46.09	45.90	48.19	48.72	47.96	50.11	50.03	50.38	51.28	51.95	54.78	57.11	54.25	53.65
Feed costs	42.16	41.40	40.21	39.96	42.28	42.77	41.95	43.97	43.79	43.99	44.86	45.60	48.62	50.89	48.08	47.40
Unit Prices:																
Choice feeder steer 600-700 lb. Amarillo $/cwt.	57.03	59.67	59.92	63.50	61.75	64.15	67.39	74.74	80.23	88.11	90.26	85.90	75.74	79.00	76.13	80.88
Transportation rate $/cwt/100 miles[5]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Commission fee $/cwt.	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50
Milo $/cwt.[6]	4.25	4.17	3.94	3.91	4.17	4.08	3.91	4.05	4.03	4.04	4.15	4.33	4.93	5.34	4.79	4.75
Corn $/cwt.[6]	4.79	4.51	4.45	4.25	4.59	4.63	4.46	4.78	4.82	4.81	5.03	5.31	5.77	6.05	5.65	5.45
Cottonseed meal $/cwt.[7]	9.40	9.90	9.20	9.60	10.00	10.80	10.80	11.10	11.00	11.00	10.60	10.60	10.40	10.80	11.00	11.10
Alfalfa hay $/ton[8]	94.00	93.00	96.00	97.50	100.00	100.00	102.50	107.50	105.50	108.00	110.50	102.50	102.50	101.00	99.50	99.00
Feed handling & management charge $/ton	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Interest, annual rate	10.00	10.00	10.00	10.00	10.00	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	11.00	11.75

[1] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual feedlots. For individual use, adjust expenses and prices for management, production level, and locality of operation. Steers are assumed to gain 500 lb in 180 days at 2.8 lb per day with a feed conversion of 8.4 lb. per pound gain. [2] Most cattle sold F.O.B. the feedlot with 4 percent shrink. [3] Sale weight 1,056 pounds (1,100 pounds less 4 percent shrink). [4] Choice slaughter steers, 900-1,100 lb., Texas-New Mexico direct. [5] Converted from cents per mile for a 44,000 pound haul. [6] Texas Panhandle elevator price plus $.15/cwt. handling and transportation to feed lots. [7] Average prices paid by farmers in Texas. [8] Average prices received by farmers in Texas plus $30/ton handling and transportation to feedlots.

HOGS

There will be large supplies of pork for the rest of 1979 and for much of 1980. The September Hogs and Pigs report indicated that the inventory of market hogs and pigs on farms in the 14 States surveyed was 17 percent larger than a year earlier. This inventory will supply the slaughter hogs through the first quarter of 1980. The report also stated that producers plan to increase September-November farrowings by 13 percent and December-February farrowings by 10 percent. These pigs will be marketed in the second and third quarter of 1980. This large supply of hogs implies prices below the total cost of production through much of 1980.

The inventory of market hogs in the 14 States was 48.8 million head. Market hogs weighing 60-179 pounds numbered 19 percent more than last year and those weighing less than 60 pounds were up 16 percent. The hogs in the heavier weight class will supply the bulk of hog slaughter for the fourth quarter of this year. Hogs in the lighter-weight category will be marketed mainly in the first quarter of 1980.

The inventory of hogs kept for breeding was the largest September inventory since 1970; it was 10 percent greater than a year ago, but 5 percent below the June breeding inventory. The breeding inventory generally declines from June to September as producers cull breeding stock following the seasonally large March-May pig crop. This year about 1.4 million sows were slaughtered during June-August, 35 percent more than were slaughtered during the same period last year. This year-to-year change in sow slaughter, however, overstates the extent of liquidation because producers had reduced sow slaughter last year to increase the breeding inventory. Additions to the breeding inventory were not enough to maintain the inventory at the June level. Trade data indicated that gilts comprised a greater-than-average percentage of the slaughter during June and July. However, during August, gilt slaughter as a percentage of total barrow and gilt slaughter fell below average.

The greatest rates of expansion in hog numbers continues outside of Iowa and Illinois, the two largest hog-producing States. Georgia, Minnesota, and Ohio each recorded increases of over 30 percent in the number of sows farrowed during June-August. Missouri, North Carolina, and South Dakota increased farrowings by more than 20 percent. Illinois increased farrowings by 11 percent and Iowa by 10 percent during this period. Farrowing intentions for September-November indicate that the greatest rates of increase will continue to come from States other than Iowa and Illinois.

Summer Slaughter Up a Fifth

Nearly 22 million hogs were slaughtered during the third quarter of 1979, 19 percent above year-ago levels. Record numbers of hogs were slaughtered in both July and August. Federally inspected slaughter averaged 1.6 million head per week for this period. Slaughter during August exceeded year-earlier levels by about 23 percent. The market became very current by late August, and the average liveweight of barrows and gilts at the seven markets fell more than it usually does—from over 240 pounds during early July to 230 pounds by late August.

The high slaughter rates in August reduced the number of hogs available for slaughter during September. Hog slaughter during September was drawn largely from the September 1 inventory of hogs weighing over 180 pounds, which was up 12 percent. Hog slaughter during September was 10 percent greater than a year ago.

The increase in hog slaughter put downward pressure on prices at all levels. The retail price of pork during the third quarter fell about 10 cents per pound from the second quarter and averaged near $1.38 per pound. Increased specialing of pork products at the retail level reduced the farm-to-retail spread and added strength to market hog prices.

At the wholesale level, loins and hams gave strength to the hog prices, although pork belly prices fell considerably.

Prices for barrows and gilts at the seven major markets averaged near $38.50 per hundredweight during the third quarter, about $5 below the second quarter and $10 below the same period a year ago. Prices declined to $36 during mid-August as hog slaughter increased and cattle prices fell sharply. However, hog prices were over $40 at times in September as cattle prices rose about $10 from the August lows.

Hog Slaughter To Continue Near Record Levels

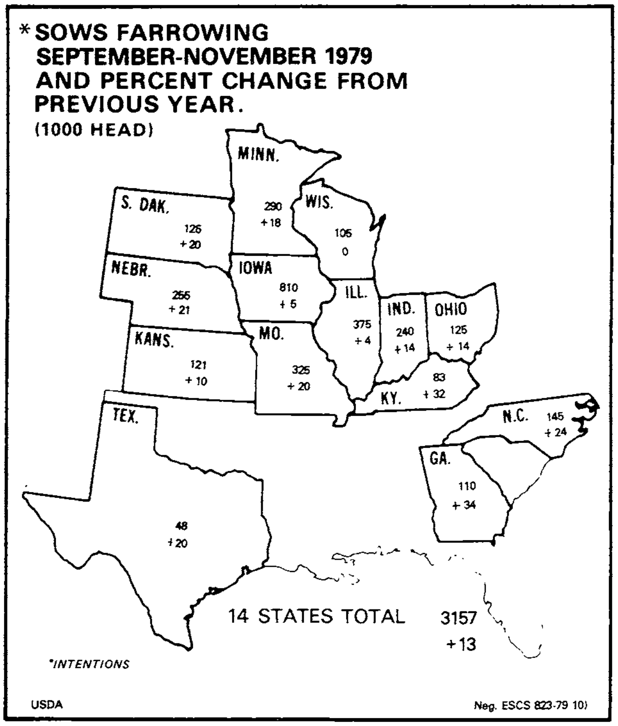
Hog slaughter during the fourth quarter may be near 24.5 million head, 20 percent above a year ago, but 700,000 head below the record set in the fourth quarter of 1970. Large numbers of cattle are also expected to move to market early in the fourth quarter, although cattle slaughter is expected to decline sharply in the last half of the quarter.

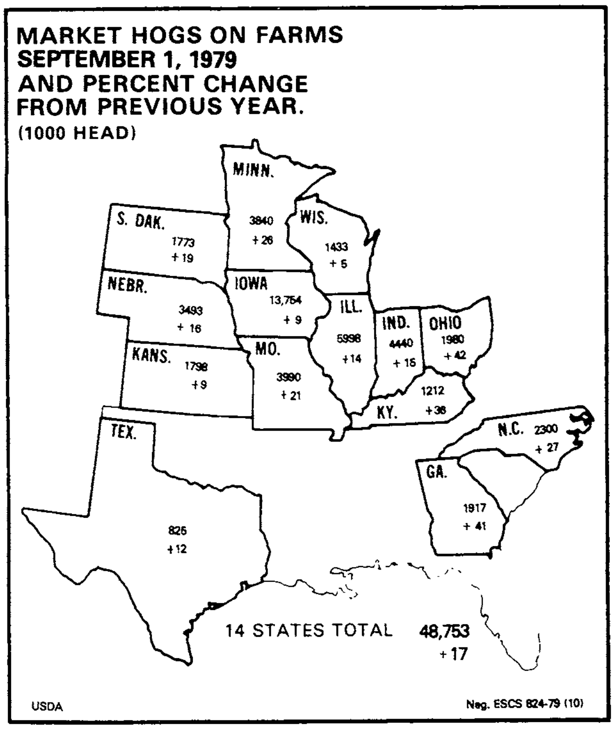
The heavy marketings of both hogs and cattle during the first half of the quarter are expected to result in lower hog prices. Barrow and gilt prices could fall to the low $30's in October or November; however, prices may increase late in the fourth quarter as cattle slaughter decreases. The fourth-quarter barrow and gilt price may average from $34 to $36 per hundredweight.

September 1 inventory, farrowings, and pig crops, 14 selected States

Item	1977	1978	1979	1980	1979/ 1978
		1,000 head			*% chg.*
INVENTORY: . . .	49,123	49,300	56,990		+16
Breeding:	7,186	7,463	8,237		+10
Market:	41,937	41,837	48,753		+17
Weight groups					
−60 lb.	17,500	17,631	20,379		+16
60-119 lb. . . .	10,569	10,447	12,351		+18
120-179 lb. . .	8,055	7,921	9,480		+20
180+ lb.	5,813	5,838	6,543		+12
FARROWINGS:					
Dec.-Feb.	2,304	2,285	2,660	2,933	+16
Mar.-May	2,893	2,870	3,486	(+10)	+21
Dec.-May	5,197	5,155	6,146		+19
June-Aug.	2,600	2,658	3,110		+17
Sept.-Nov.	2,565	2,796	3,157[1]		+13
June-Nov.	5,165	5,454	6,267[1]		+15
PIG CROPS:					
Dec.-Feb.	15,586	15,626	18,266		+17
Mar.-May	21,386	20,716	24,994		+21
Dec.-May	36,972	36,342	43,260		+19
June-Aug.	18,768	19,195	22,253		+16
Sept.-Nov.	18,421	20,027			
June-Nov.	37,189	39,222			
PIGS PER LITTER:					
Dec.-Feb.	6.76	6.84	6.87		0
Mar.-May	7.39	7.22	7.17		−1
Dec.-May	7.11	7.05	7.04		0
June-Aug.	7.22	7.22	7.16		−1
Sept.-Nov.	7.18	7.16			
June-Nov.	7.20	7.19			

[1] Intentions.





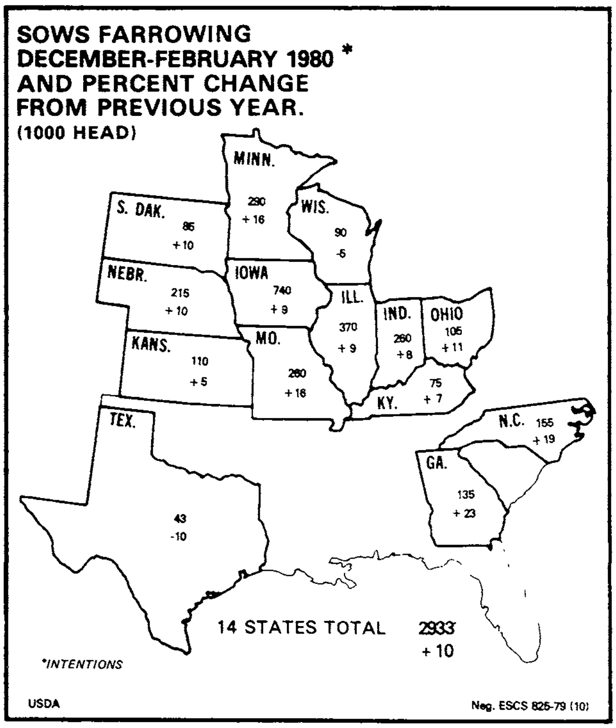


Table 4– Pork supplies and prices

Year	Estimated commercial slaughter[1]				Average dressed weight	Commercial production	Per capita consumption[2]	Prices[3]		
	Barrows and gilts	Sows	Boars	Total				Retail	Barrows and gilts 7 markets[3]	Farm
	1,000 head				*Lb.*	*Mil lb.*	*Lb.*	*Cents per lb.*	*$/cwt.*	
1975: I ...	17,711	886	162	18,759	167	3,142	15.5	114.1	39.35	38.43
II ...	16,704	939	165	17,808	168	2,992	14.4	122.7	46.11	43.93
III ...	14,151	1,003	153	15,307	167	2,555	12.5	148.8	58.83	56.20
IV ...	15,659	982	172	16,813	172	2,896	13.7	152.9	52.20	51.67
Year	64,225	3,810	652	68,687	169	11,585	56.1	134.6	48.32	47.56
1976: I ...	16,605	694	132	17,431	170	2,958	14.4	141.2	47.99	47.10
II ...	15,962	718	141	16,821	169	2,847	13.5	138.2	49.19	47.93
III ...	16,872	964	147	17,983	168	3,014	14.4	137.1	43.88	43.30
IV ...	20,215	1,184	150	21,549	170	3,669	17.2	119.6	34.25	33.57
Year	69,654	3,560	570	73,784	169	12,488	59.5	134.0	43.11	42.98
1977: I ...	18,522	1,031	217	19,770	167	3,294	15.6	120.5	39.08	38.23
II ...	17,582	950	211	18,743	170	3,184	14.9	121.7	40.87	39.57
III ...	17,002	1,086	205	18,293	168	3,073	14.7	131.0	43.85	42.63
IV ...	19,139	1,167	191	20,497	171	3,500	16.3	128.2	41.38	39.73
Year	72,245	4,234	824	77,303	169	13,051	61.5	125.4	41.07	40.04
1978: I ...	18,200	1,011	194	19,405	167	3,243	15.2	137.0	47.44	46.20
II ...	17,940	906	196	19,042	171	3,265	15.0	142.4	47.84	46.77
III ...	17,343	1,025	185	18,553	170	3,160	15.0	144.7	48.52	46.77
IV ...	19,037	1,096	182	20,315	174	3,541	16.2	150.1	50.05	48.60
Year	72,520	4,038	757	77,315	171	13,209	61.4	143.6	48.49	47.08
1979: I ..	18,902	952	186	20,040	170	3,399	15.9	156.1	51.98	50.93
II ...	20,512	1,005	224	21,741	173	3,760	17.3	148.2	43.04	42.53
[4]III ...	20,339	1,455	251	22,045	171	3,775	17.7	137.5	38.50	36.97
IV ...										
Year										

[1] Classes estimated. [2] Total, including farm production. [3] Annual average weighted. [4] Preliminary.

For 1979, hog slaughter may be near 88 million head, up 14 percent from 1978. Pork prices at the retail level are expected to average $1.45 per pound, nearly the same as a year ago. Barrow and gilt prices at the seven major markets may average near $42, 15 percent below 1978.

Low Hog Prices Likely For First Half 1980

Hog prices are expected to remain low through the first half of 1980, largely because slaughter will be at record levels. Slaughter for the first quarter of 1980 will be drawn mainly from the June-August pig crop. Actual farrowings during June-August in the 14 States surveyed were up 17 percent from last year, the same as was indicated by June 1 farrowing intentions. The number of pigs saved per litter fell to 7.16 compared with 7.22 a year ago, so the June-August pig crop was 16 percent larger than a year ago.

The year-to-year percentage change in the June-August pig crop would normally approximate the change in first-quarter hog slaughter. However, slaughter during the quarter may be up about 20 percent. Sow and boar slaughter are expected to be higher, and fewer gilts will be added to the breeding inventory than a year earlier. More than 200,000 hogs were added to the 14-State breeding inventory from December 1, 1978, to March 1, 1979.

Hog slaughter during the second quarter will be drawn mainly from the September-November pig crop. June indications were that there would be 14 percent more sows farrowing during this period than a year ago. In September, producers had revised their intentions only slightly downward; a 13-percent increase is now anticipated. At this time, it appears likely that producers will carry through with these intentions. This suggests second-quarter slaughter may exceed first quarter slaughter by 2 to 4 percent and exceed a year-earlier slaughter by 13 to 15 percent.

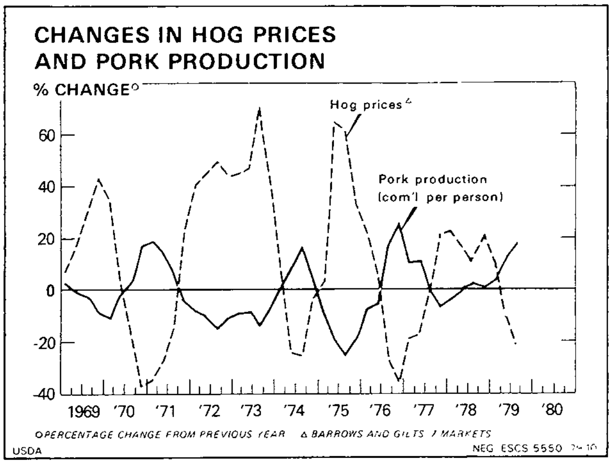
Hog prices during the first half of 1980 are likely to remain low. Beef supplies for the first half of the year may be near the low levels of a year earlier, but record pork supplies will weigh heavily on hog prices. Poultry production is also expected to be near record levels during the first half of 1980. This large supply of meats may keep barrow and gilt prices in the low- to mid-$30's during much of the first half of 1980. Prices may drop below $30 per hundredweight at times if large fed cattle and hog marketings coincide.

Large Pork Supplies Expected For Second Half 1980

The first indication of potential pork supplies for the second half of 1980 points to continued large pork output. Farrowing intentions for December-February indicate that 10 percent more sows may farrow this winter. Breeding for the winter quarter farrowings occurs during August through October, so potential farrowings are nearly determined at this time.

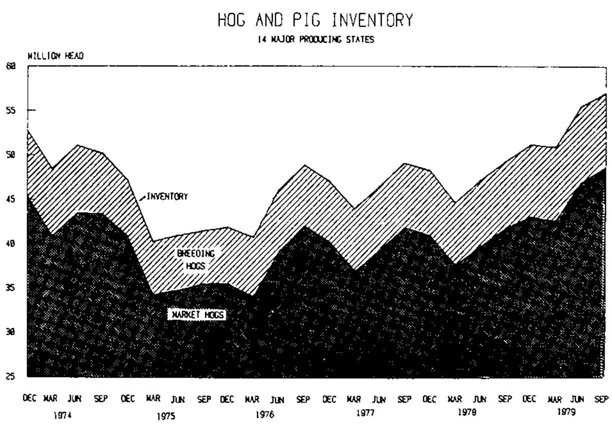
After the September survey was taken, hog prices rose above $40 at times and may have given producers an encouraging view of the future. A forecast of record corn and soybean crops imply large supplies of feed, so producers were probably optimistic about the future hog-feed price relationship. Thus, the December-February farrowings may be near intentions.

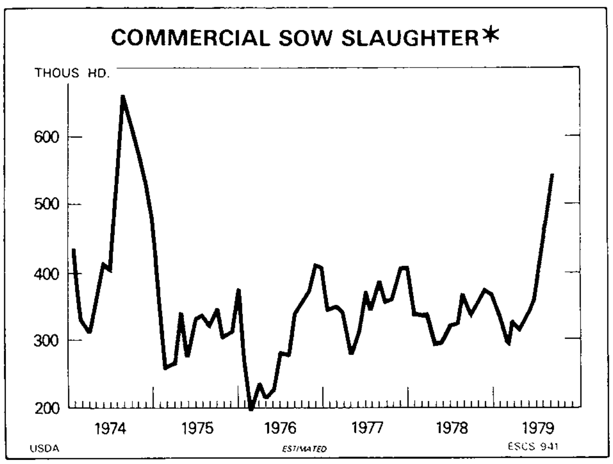
The feed cost-hog price relationship over the next 2 to 3 months will influence producer's decisions on the number of sows to farrow during March-May. The prospects for a record corn crop imply lower farm prices for corn this fall than this past summer. Although strong domestic and foreign demand will give strength to the overall level of corn prices, transportation and storage problems in the Corn Belt may cause farm prices of corn in some interior areas to run well below central market prices and encourage expanded livestock feeding. These factors would argue against any large drop in farrowings for the March-May period.



Hog-corn price ratio, Omaha basis

Month	1974	1975	1976	1977	1978	1979
Jan.	14.8	12.6	18.6	16.4	22.7	24.5
Feb..	13.4	14.1	18.6	16.8	24.0	25.4
Mar..	12.5	14.3	17.7	15.9	22.2	22.6
Apr..	12.1	14.1	18.3	16.0	20.4	19.9
May.	10.2	16.4	17.7	18.8	20.9	18.1
June	10.0	17.9	17.6	20.7	20.6	15.2
July.	11.2	19.4	16.8	23.8	21.8	14.1
Aug.	10.5	18.6	16.2	26.4	24.5	15.4
Sept.	10.3	20.7	15.1	24.6	25.7	16.2
Oct..	10.6	21.2	13.7	22 6	25.5	
Nov.	11.0	19.4	14.4	19.2	23.5	
Dec..	11.8	18.5	16.4	21.4	23.4	
Avg. . . .	11.3	16.9	16.5	20.2	22.9	

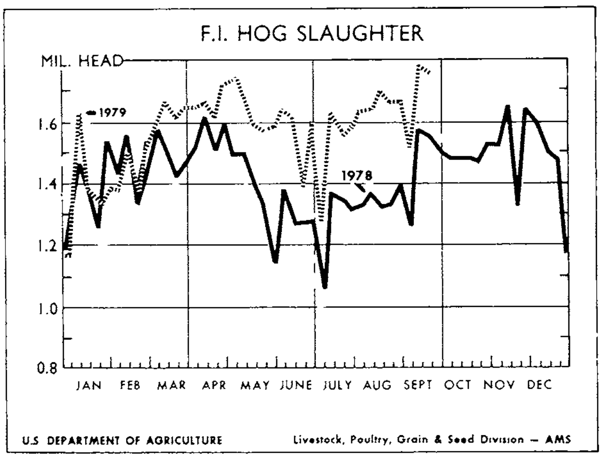




Federally inspected hog slaughter

Week ended 1978[1]	1975	1976	1977	1978	1979
	Thousands				
Jan. 6 . . .	1,588	1,407	1,399	1,247	1,179
13	1,432	1,326	1,357	1,473	1,625
20	1,385	1,227	1,495	1,376	1,389
27	1,450	1,203	1,344	1,261	1,345
Feb. 3 . . .	1,424	1,208	1,388	1,527	1,383
Feb. 10 . .	1,419	1,234	1,520	1,437	1,381
17	1,340	1,168	1,470	1,551	1,488
24	1,352	1,255	1,379	1,348	1,367
Mar. 3 . . .	1,453	1,273	1,534	1,424	1,533
Mar. 10 . .	1,395	1,422	1,632	1,579	1,592
17	1,393	1,403	1,568	1,508	1,662
24	1,315	1,383	1,609	1,422	1,607
31	1,404	1,388	1,518	1,452	1,641
Apr. 7 . .	1,439	1,387	1,502	1,508	1,644
14	1,478	1,290	1,488	1,608	1,669
21	1,401	1,271	1,576	1,504	1,609
28	1,368	1,321	1,522	1,588	1,710
May 5 . . .	1,301	1,309	1,527	1,498	1,757
12	1,221	1,316	1,439	1,522	1,680
19	1,221	1,197	1,336	1,377	1,598
26	1,101	1,257	1,283	1,329	1,593
June 2 . .	1,294	1,038	1,112	1,138	1,390
June 9 . .	1,254	1,199	1,383	1,377	1,647
16	1,163	1,155	1,298	1,283	1,631
23	1,132	1,103	1,253	1,297	1,398
30	853	1,024	1,164	1,266	1,600
July 7 . .	1,061	941	949	1,054	1,269
14	1,100	1,159	1,232	1,378	1,629
21	1,055	1,181	1,214	1,376	1,590
28	1,027	1,265	1,287	1,318	1,591
Aug. 4 . .	1,051	1,342	1,264	1,337	1,638
11	1,157	1,344	1,315	1,367	1,662
18	1,057	1,332	1,342	1,329	1,692
25	1,169	1,401	1,368	1,349	1,664
Sept. 1 . .	996	1,350	1,411	1,404	1,673
Sept. 8 . .	1,267	1,227	1,270	1,251	1,509
15	1,258	1,579	1,568	1,579	
22	1,198	1,508	1,590	1,581	
29	1,188	1,593	1,547	1,497	
Oct. 6 . .	1,159	1,647	1,505	1,479	
13	1,193	1,660	1,582	1,533	
20	1,163	1,669	1,597	1,475	
27	1,194	1,599	1,487	1,478	
Nov. 3 . .	1,275	1,729	1,685	1,527	
Nov. 10 .	1,336	1,706	1,603	1,549	
17	1,376	1,646	1,655	1,651	
24	1,069	1,386	1,308	1,328	
Dec. 1 . .	1,372	1,644	1,623	1,642	
Dec. 8 . .	1,237	1,614	1,462	1,613	
15	1,219	1,522	1,504	1,497	
22	949	1,140	1,369	1,489	
29	970	1,206	1,187	1,149	

[1] Corresponding dates: 1975, January 11; 1976, January 10; 1977, January 8; 1978, January 7.



Hog prices, costs, and net margins[1]

Year	Barrows & gilts 7 markets	Feed and feeder	Break-even	Net margins
	$ per cwt.			
1977				
January . . .	39.52	33.60	40.65	-1.13
February . .	40.18	28.62	35.46	+4.72
March	37.53	27.23	34.14	+3.39
April	36.97	30.41	37.42	-.45
May	41.79	30.75	37.83	+3.96
June	43.86	34.91	42.43	+1.43
July	45.76	37.99	45.70	+.06
August . . .	44.38	39.89	47.71	-3.33
September .	41.40	39.25	47.21	-5.81
October . .	40.83	35.71	43.48	-2.65
November .	39.33	34.15	41.96	-2.63
December .	43.99	33.45	41.22	+2.77
1978				
January . . .	45.99	31.89	39.58	+6.41
February . .	48.83	30.64	38.25	+10.58
March	47.50	31.63	39.31	+8.19
April	46.04	31.00	38.62	+7.42
May	49.17	33.44	41.33	+7.84
June	48.31	36.97	45.40	+2.91
July	46.78	41.37	50.09	-3.31
August . . .	48.77	43.88	52.71	-3.94
September .	50.00	43.58	52.26	-2.26
October . .	52.23	39.60	48.01	+4.22
November .	48.36	38.71	47.12	+1.24
December .	49.57	40.35	49.02	+.55
1979				
January . . .	52.13	40.85	49.63	+2.50
February . .	54.42	41.04	49.79	+4.63
March	49.38	39.56	48.27	+1.11
April	45.04	38.58	47.23	-2.19
May	43.79	37.67	46.35	-2.56
June	40.29	42.60	52.09	-11.80
July	38.73	43.17	52.76	-14.03
August . . .	38.21	42.73	52.28	-14.07
September .		38.58	47.74	
October . .		34.49	43.31	
November .		33.58	42.25	
December .		32.30	40.83	

[1] Selling price required to cover costs of feeding 40-50 lb. feeder pig to 220 lb. slaughter hog in Corn Belt.

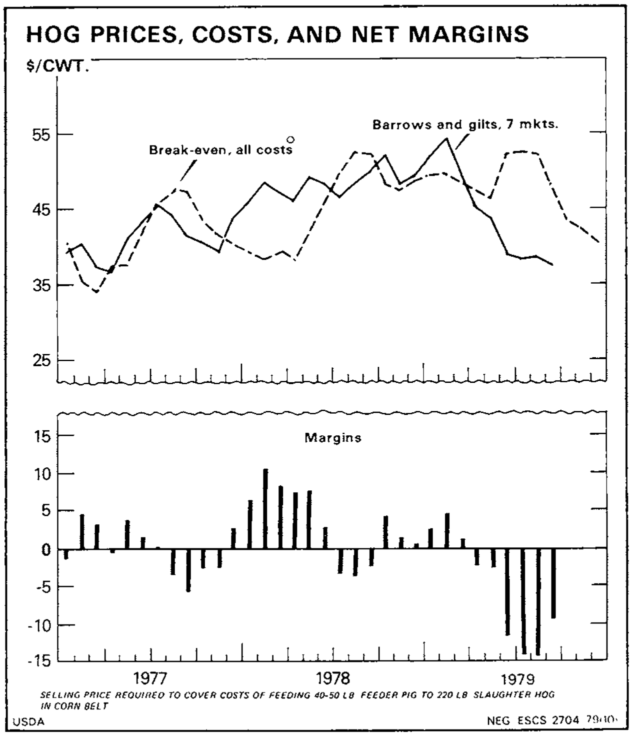


Table 5—Corn Belt hog feeding[1]

Selected costs at current rates

Purchased during Marketed during	June 78 Oct. 78	July Nov.	Aug. Dec.	Sept. Jan. 79	Oct. Feb.	Nov. Mar.	Dec. Apr.	Jan. 79 May	Feb. June	Mar. July	Apr. Aug.	May Sept.	June Oct.	July Nov.	Aug. Dec.	Sept. Jan. 80
	Dollars per head															
Expenses:																
40 lb. feeder pig	45.36	45.21	50.83	52.91	51.84	47.01	44.49	42.26	52.54	53.14	50.84	40.89	30.11	24.14	25.53	29.30
Corn (11 bu.)	24.86	22.99	21.56	20.46	21.34	22.22	22.44	22.88	23.10	23.43	24.64	25.52	27.17	29.92	27.06	26.95
Protein supplement (130 lb.)	16.90	16.96	16.38	16.51	17.10	17.81	17.94	17.74	18.07	18.40	18.52	18.46	18.59	19.82	18.46	18.46
Labor & management (1.3 hr.)	7.20	7.20	7.38	7.38	7.38	7.59	7.59	7.59	8.55	8.55	8.55	8.32	8.32	8.32	7.93	7.93
Vet medicine[3]	1.77	1.77	1.78	1.79	1.80	1.81	1.82	1.88	1.91	1.96	1.98	1.99	2.00	2.02	2.02	2.04
Interest on purchase (4 mo.)	1.36	1.36	1.52	1.59	1.56	1.41	1.33	1.27	1.58	1.59	1.53	1.23	.90	.72	.77	.88
Power, equip, fuel, shelter, depreciation[3]	4.30	4.31	4.31	4.36	4.38	4.39	4.44	4.58	4.65	4.76	4.82	4.85	4.87	4.91	4.91	4.97
Death loss (4% of purchase)	1.81	1.81	2.03	2.12	2.07	1.88	1.78	1.69	2.10	2.13	2.03	1.64	1.20	.97	1.02	1.17
Transportation (100 miles)	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48
Marketing expenses	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Miscellaneous & indirect costs[3]	.44	.44	.44	.45	.45	.45	.45	.47	.48	.49	.49	.50	.50	.50	.50	.51
Total	105.62	103.67	107.85	109.19	109.54	106.19	103.90	101.98	114.60	116.07	115.02	105.02	95.28	92.94	89.82	93.83
	Dollars per cwt.															
Selling price/cwt. required to cover feed and feeder costs (220 lb.)	39.60	38.71	40.35	40.85	41.04	39.56	38.58	37.67	42.60	43.17	42.73	38.58	34.49	33.58	32.30	33.96
Selling price/cwt. required to cover all costs (220 lb.)	48.01	47.12	49.02	49.63	49.79	48.27	47.23	46.35	52.09	52.76	52.28	47.74	43.31	42.25	40.83	42.65
Feed cost per 100 lb. gain	23.20	22.19	21.08	20.54	21.36	22.24	22.43	22.57	22.87	23.24	23.98	24.43	25.42	27.63	25.29	25.23
Barrows and gilts 7 markets/cwt	52.23	48.36	49.57	52.13	54.42	49.38	45.04	43.79	40.29	38.73	38.21	38.50				
Net margin/cwt.	+4.22	+1.24	+.55	+2.50	+4.63	+1.11	−2.19	−2.56	−11.80	−14.03	−14.07	−9.24				
Prices:																
40 lb. feeder pig (So. Missouri)	45.36	45.21	50.83	52.91	51.84	47.01	44.49	42.26	52.54	53.14	50.84	40.89	30.11	24.14	25.53	29.30
Corn[4] \$/bu.	2.26	2.09	1.96	1.86	1.94	2.02	2.04	2.08	2.10	2.13	2.24	2.32	2.47	2.72	2.46	2.45
38-42% protein supp.[5] \$/cwt.	13.00	13.05	12.60	12.70	13.15	13.70	13.80	13.65	13.90	14.15	14.25	14.20	14.30	15.25	14.20	14.20
Labor and management[6] \$/hr.	5.54	5.54	5.68	5.68	5.68	5.84	5.84	5.84	6.58	6.58	6.58	6.40	6.40	6.40	6.10	6.10
Interest rate (annual)	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Transporation rate/cwt. (100 miles)[7]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Index of prices paid by farmers (1910-14 = 100)	747	748	749	757	760	763	770	796	808	826	837	842	845	853	852	862

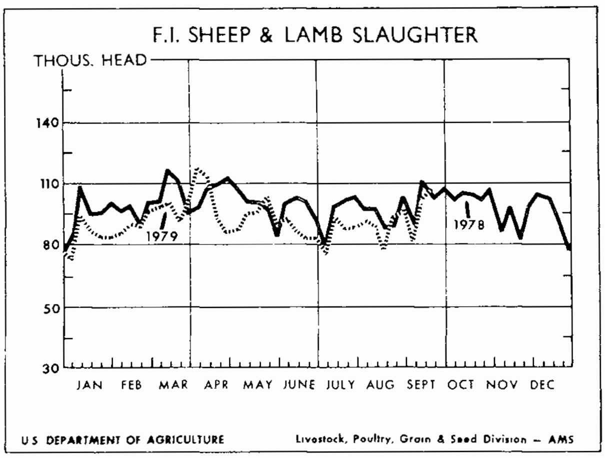
[1] Although a majority of hog feeding operations in the Corn Belt are from farrow to finish, relative fattening expenses will be similar. [2] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed rations and expense items do not necessarily coincide with the experience of individual feeders. For individual use, adjust expenses and prices for management, production level, and locality of operation. [3] Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes and wage rates. [4] Average price received by farmers in Iowa and Illinois. [5] Average prices paid by farmers in Iowa and Illinois. [6] Assumes an owner-operator receiving twice the farm labor rate. [7] Converted to cents/cwt. from cents/mile for a 44,000 pound haul. [8] Yardage plus commission fees at a midwest terminal market.

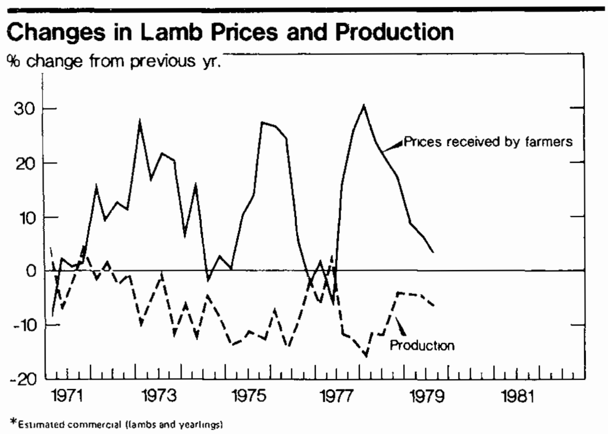
SHEEP AND LAMB

Table 6—Lamb supplies and prices

	Commercial slaughter[1]			Average dressed weight	Commercial production	Per capita consumption[2]	Retail	Prices		
	Lambs and yearlings	Sheep	Total					San Angelo		Farm[3]
								Choice slaughter	Choice feeder	
	1,000 head			*Lb.*	*Mil. lb.*	*Lb.*	*Cents/lb.*	*Dollars per/cwt.*		
1976: I	1,647	69	1,716	55	95	.5	179.5	51.50	51.45	48.43
II	1,423	138	1,561	53	82	.4	189.0	58.63	56.94	55.37
III	1,655	123	1,778	52	92	.5	190.2	43.54	47.32	43.37
IV	1,558	101	1,659	55	92	.5	183.7	45.81	49.39	43.07
Year	6,283	431	6,714	54	361	1.9	185.6	49.87	51.28	46.90
1977: I	1,500	82	1,582	57	90	.5	181.8	52.98	54.87	49.00
II	1,465	160	1,625	53	86	.4	183.4	55.76	52.24	52.23
III	1,490	163	1,653	51	84	.4	191.3	51.88	50.80	50.33
IV	1,393	103	1,496	54	81	.4	190.8	56.31	62.59	53.97
Year	5,848	508	6,356	54	341	1.7	186.8	54.23	55.12	51.30
1978: I	1,273	68	1,341	56	75	.4	206.9	67.67	74.72	63.77
II	1,244	130	1,374	55	76	.4	227.2	69.14	72.38	64.07
III	1,238	99	1,337	55	73	.4	221.8	61.07	75.27	60.33
IV[4]	1,231	86	1,317	58	76	.4	222.8	63.44	80.07	63.20
Year[4]	4,986	383	5,369	56	300	1.6	219.6	65.33	75.61	62.70
1979: I	1,152	58	1,210	60	72	.4	241.4	68.97	85.02	69.70
II	1,157	107	1,264	56	71	.4	250.1	73.55	79.01	68.97
[4]III	1,155	95	1,250	54	68	.4	245.0	65.41	71.83	64.37
IV										
Year										

[1] Classes estimated. [2] Total, including farm production. [3] Weighted annual average. [4] Preliminary.





CONSUMPTION AND PRICES

After pushing through the $75-per-hundredweight mark during April, cattle prices slipped below $60 in early August. Retail prices peaked during the second week in May and declined steadily through August. However, the gross marketing spread increased through July. The truckers' strike during May and June disrupted marketings, if only through the threat of halting shipments of meat. These disruptions may have served to limit packer interest in slaughter cattle as indicated by sharply lower bids. The possibility of temporary shortages at the retail level slowed the retail price decline.

A tendency to hold cattle on feed in July as prices declined served only to aggrevate the situation as average weight creeped steadily higher. With Choice steer prices $20 under the spring peak, average carcass weights in mid-August were some of the highest of the year.

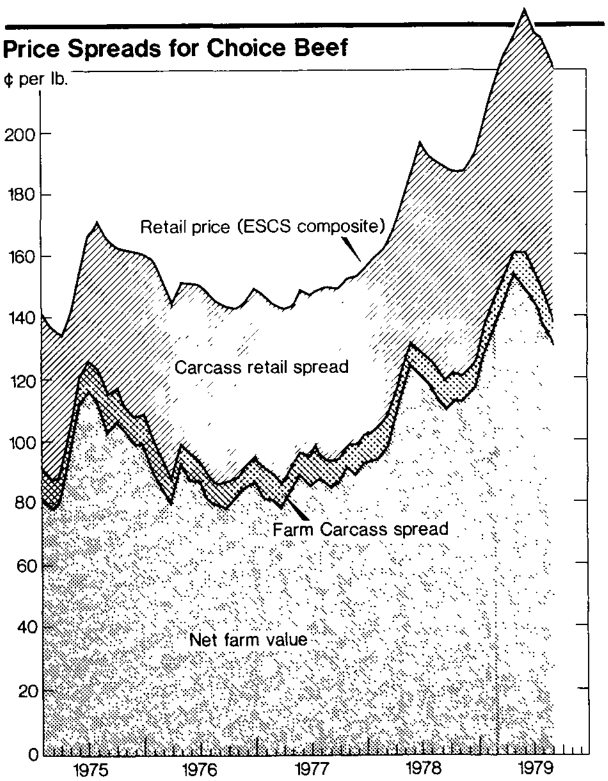
A marked increase in retail specialing of beef in late July and August helped to alleviate the bulge in beef supplies with live cattle prices bouncing back to the upper $60's during September. But it is the influence of retail specialing that promises a fluctuating beef market in the months ahead. The runup in carcass beef prices in recent weeks has reversed the downward trend in retail prices and there is some evidence that movement of beef at retail is slowing. If retail movement slows, the result likely will be lower carcass beef prices, not lower retail prices. Economic studies have shown the retail demand for beef to be price inelastic, that is a 1-percent change in beef prices will result in less than a 1-percent change in consumption. Hence, with inelastic demand, a retail price reduction would not increase consumption or sales sufficiently to offset the retailer's loss in revenue due to lower prices. This explains, in part, the tendency for farm-to-retail margins to widen when farm prices decline.

Retail pork prices have declined throughout the year in response to what will be about a 15-percent increase in production. Poultry prices have also declined as that industry expands production. These items provided consumers with an alternative to higher priced beef. The price index for red meat, poultry, and fish is expected to show an increase for all of 1979 of about 15 percent, but retail pork prices will average near the year-earlier level while poultry prices will be up around 5 percent. Beef prices will average more than 25 percent higher. Total meat consumption on a per capita basis will be about the same as a year ago. Beef consumption will be down about 12 percent, with offsetting gains in pork and poultry consumption.

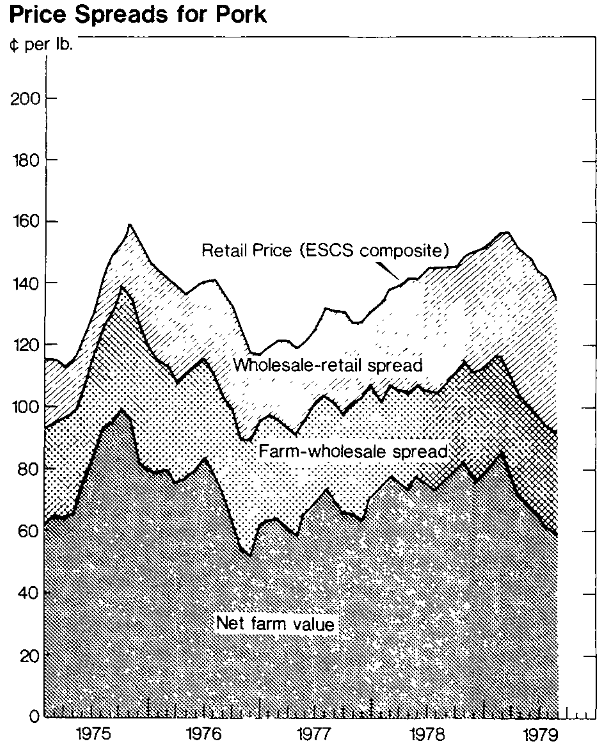
Per capita beef consumption during the fourth quarter may be 16 to 18 percent under a year ago with prices about 23 percent higher. Pork consumption may increase 18 to 20 percent, with fourth-quarter prices almost 10 percent under last year's level. Poultry consumption will be up about 12 percent with prices down 6 percent.

The retail price outlook for the first half of 1980 depends in large part on the severity of the current economic recession. Per capita consumption of red meat and poultry in the first half of 1980 will be up about 4 percent. Beef and poultry consumption will be near this year's first-half total and pork consumption could be increased by about 15 percent. If consumer expenditures show an annual rate of growth through the first half of 1980 of about 8 percent, consumers could face price increases for beef of 3 to 5 percent. Pork and poultry prices could decline 13 to 15 percent and 10 to 12 percent, respectively.

Price Spreads for Choice Beef



Price Spreads for Pork



ELASTICITIES AND PRICE FLEXIBILITIES FOR FOOD ITEMS

By Eldon Ball, Agricultural Economist
National Economics Division

ABSTRACT: This paper presents estimates of the price elasticity of demand as well as price flexibility coefficients for selected foods. Food groups not considered explicitly are aggregated into one commodity group. Nonfood items also appear as one commodity. An interpretation of the estimated price/quantity relationships is given.

KEYWORDS: Price elasticity of demand, price flexibility, personal consumption expenditures.

Demand analysis in its purest form is concerned with consumer reaction to prices and income which are considered given. Stated differently, consumers are price takers, and adjust quantities consumed in response to changes in price. Consumer behavior is then limited to a decision of quantities purchased at a given price.

The response of consumers to a change in the price of a specific commodity depends on tastes and preferences, which may change over time. Therefore, the response to a change in price or income is likely to be greater as the time for adjustment is increased.

Price elasticity is a measure of how sensitive consumption of a commodity is to a change in the price of that commodity, while holding all other prices and income constant. Statistically, the price elasticity is the percentage change in the quantity of a commodity consumed, given a 1-percent change in the price of that commodity. Similarly, the income elasticity of demand provides a measure of how sensitive consumption is to a 1-percent change in income, while hold all prices constant.

When agricultural commodities are involved, the classical demand model often is inverted with prices assumed to adjust to quantities consumed. The supply of agricultural commodities is assumed to be largely determined by past prices. With perishable commodities consumption is essentially equal to predetermined supplies, and prices bear the burden of adjustment. Price flexibility is then a measure of how sensitive price is to a 1-percent change in quantity consumed (sold).

When considering quantities purchased to depend on prices and income, it is a theoretical property that an equal percentage change in all prices and expenditures will leave the quantity demanded unchanged. The level of demand depends on relative prices, not absolute prices. All price and expenditure elasticities sum to zero. This restriction was imposed on the estimation process used here. When this property (homogeneity) holds for elasticities, then each flexibility coefficient with respect to expenditures (or income) must be 1. If consumers' expenditures increase by a given percentage and the consumption of all commodities remains fixed, then each commodity price will increase by that same percentage. The original relationship between prices and expenditures will be maintained.

Preliminary estimates of price and expenditure elasticities of demand, and price flexibilities, for red meats, poultry, fish, other food items, and nonfood items appear as part of a larger study by the Department of Agriculture's Economics, Statistics, and Cooperatives Service. The estimated coefficients are derived from relative changes in annual price and consumption data from 1953 through 1975.

Demand Elasticities

The demand for food is not as responsive to a price or income change as is demand for many nonfood items. A 1-percent change in the price of food will result in less than a 1-percent change in the quantity of food consumed. The changes in quantity of specific commodities consumed as a result of a 1-percent change in price, or a 1-percent change in personal consumption expenditures, are summarized in tables 1 and 2. Of particular interest in this study is the demand for red meat, poultry, and fish. Other food items are aggregated into one variable, as are nonfood items such as clothing, shelter, and energy.

Each quantity change indicated in tables 1 and 2 explicitly assumes only one price or expenditure change is considered. All other parameters are held constant. It should also be noted that elasticity coefficients have a valid interpretation only for small changes in price or income. Elasticity coefficients are measures of rates of change which depend on the slope of the demand curve at a point. Substantial movement away from that point may involve dramatic changes in the slope of the curve.

As shown in table 1, a 1-percent increase (decrease) in the price of red meat would be expected to result in about a six-tenths of a 1-percent decrease (increase) in quantity consumed; the estimated price elasticity of demand for red meat is -0.621. A similar change in the consumption of poultry would be expected in response to a 1-percent change in the price of that commodity; the estimated price elasticity of demand is -0.661. For fish, the increase (decrease) in quantity consumed in response to a 1-percent reduction (increase) in the price might be closer to four-tenths of 1 percent. The estimated change in quantity of a commodity consumed as a result of a 1-percent change in the price of that commodity appears on the diagonal of table 1.

The last column of table 1 shows how sensitive quantities of food items consumed are to changes in total consumer expenditures. For a 1-percent increase (decrease) in consumers' expenditures, the quantity of red meat consumed would increase (decrease) by three- to four-tenths of 1 percent, the demand for poultry by two-tenths of 1 percent, and the demand for fish by as much as eight-tenths of 1 percent.

A change in the price of one commodity will affect the quantity consumed that commodity and may also have influence on the quantities consumed of other commodites. This impact is measured by the cross-price elasticity. These cross-price elasticities are summarized in the off-diagonal cells of table 1. For example, the change in quantity demanded of red meat in response to a 1-percent change in the price of poultry is the number found at the intersection of the row entitled "red meat" and the column entitled "poultry." This estimated cross-price elasticity coefficient is 0.097.

Similarly, a 1-percent increase in the price of red meat would likely increase the quantity of poultry consumed by six-tenths of 1 percent, and the quantity of fish by four-tenths of 1 percent. Higher red meat prices increase the consumption of substitutes.

Of much concern today are rising nonfood costs. Such price increases reduce the economic well-being of the population, but an increase in nonfood prices implies a reduction in the relative price of food items. Ignoring the fact that a reduction in real income is implied, the relative price reduction would stimulate food demand. It is critical to reiterate at this point that elasticity coefficients apply only to small changes in price or income. Given a 1-percent increase in the price level of nonfood items, consumption of red meat and poultry would likely increase by two- to three-tenths of 1 percent; the estimated cross-price elasticity between red meat and nonfood items is 0.205, and for poultry and nonfood items, 0.254. Quantity changes for fish, eggs, dairy, and other food items exhibit both positive and negative signs. However, within this group, the only statistically significant relationship involving nonfood prices is the cross-price elasticity between dairy and nonfood items. This may be due to the relatively small share of the consumer budget allocated to these commodities.

It may be desirable to look at the demand for meat products individually. From table 2, it is seen that a 1-percent increase in the price of beef would result in approximately a seven-tenths of a 1-percent decrease in the quantity of beef consumed. A 1-percent increase in the price of pork would result in a seven- to eight-tenths of 1 percent decrease in the quantity of pork consumed. The change in consumption of an individual commodity in response to a 1-percent price change for that commodity is tabulated along the diagonal of table 2.

Cross-price effects appear in the off-diagonal cells of table 2. For example, the effect of a 1-percent change in beef and veal prices on the demand for pork would be the number found at the intersection of the column entitled "beef and veal" and the row entitled "pork." A 1-percent increase in the price of beef and veal would increase the quantity of pork consumed by two-tenths of 1 percent.

The effects of a 1-percent change in the level of expenditures are depicted in the last column of table 2. With both beef and pork, a 1-percent increase in consumer expenditures would be expected to result in an increase in consumption of about one-half of 1 percent.

Price Flexibilities

Although individuals make decisions concerning quantities purchased based in part on prices, market supplies of many agricultural commodities are fixed in the short run. In this case, price changes are the means of allocating the fixed supply among consumers. Price flexibility is the percentage change in the price of a commodity associated with a 1-percent change in the quantity consumed of that commodity. For food, a 1-percent change in the quantity marketed and consumed will result in more than a 1-percent change in price. Estimates of price flexibility coefficients are obtained by taking the inverse of the elasticity matrix.

The commodity groups of table 2 were reconsidered, with the focus on price changes in response to a quantity change. A 1-percent increase in the quantity of beef and veal consumed (sold) would be expected to force beef and veal prices about 1.5 percent lower. This assumes that the quantity of other commodities, as well as the level of expenditures, does not change. The reduction in pork prices resulting from a 1-percent increase in pork consumption would also be about 1.5 percent. If broiler consumption was increased by 1 percent, broiler prices might decline by more than 2 percent. These results are summarized in table 3. The diagonal cells represent the percent change in price of a commodity given a 1-percent change in consumption of that commodity, while off-diagonal cells give the effect of a change in consumption of one commodity on the prices of other commodities.[1]

From table 3 it is apparent that a change in pork consumption would have a smaller effect on beef prices than the reverse. A 1-percent change in pork consumption would change beef prices by only three- to four-tenths of 1 percent, while a 1-percent change in beef consumption could change pork prices by five-tenths of 1 percent. Broiler prices are very responsive to changes in pork consumption; more so than in response to changes in beef consumption. A 1-percent increase in pork consumption would decrease poultry prices by about 1.3 percent.

Beef prices are not very responsive to changes in poultry consumption, but pork is. If broiler consumption were to increase by 1 percent, beef prices would be expected to decrease by only two-tenths of 1 percent. But pork prices might decline by about five-tenths of 1 percent. Pork prices would be affected as much by a 1-percent change in poultry consumption as a 1-percent change in beef consumption.

[1]Though not explicit in table 3, it should be noted that when price is the dependent variable and quantities and consumer expenditures are independent variables then expenditures (or income ignoring distributional effects) can in theory be entered with a flexibility coefficient of one.

Table 1—Price and Expenditure Elasticities of Demand, Composite Groups[1]

(Corresponding percentage change in consumption of . . .)	(Given a 1-percent change in the price of . . .)							
	Red Meat	Poultry	Fish	Eggs	Dairy	Other Food	Nonfood	Expenditures
Red Meat	−.621	.097	.030	−.006	.026	−.035	.200	.354
	(.026)	(.008)	(.006)	(.003)	(.014)		(.077)	(.083)
Poultry	.573	−.661	−.067	.031	−.359	.032	.254	.196
	(.046)	(.035)	(.019)	(.010)	(.048)		(.148)	(.138)
Fish	.368	−.157	−.419	−.029	−.599	.231	−.206	.810
	(.072)	(.043)	(.047)	(.021)	(.091)		(.256)	(.229)
Eggs	−.013	.032	−.009	−.069	.154	−.244	.202	−.054
	(.017)	(.010)	(.009)	(.006)	(.023)		(.058)	(.056)
Dairy	.039	−.080	−.056	.033	−.375	.355	−.164	.247
	(.039)	(.011)	(.009)	(.005)	(.030)		(.055)	(.050)
Other Food	−.037	.003	.011	−.027	.146	−.217	−.100	.222
Nonfood	−.031	−.006	−.003	−.010	.048	−.199	−.999	1.205
	(.002)	(.001)	(.001)	(.0003)	(.002)		(.009)	(.009)
Budget Share	.053	.009	.004	.009	.040	.101	.784	1.000

[1]Numbers in parentheses are standard errors.

Table 2—Price and Expenditure Elasticities of Demand, Commodity Subgroup[1]

(Corresponding percentage change in consumption of . . .)	(Given a 1-percent change in the price of . . .) Beef and Veal	Pork	Other Meat	Chicken	Turkey	Fresh Fish	Processed Fish	Expenditures
Beef and veal . . .	−.725	.124	−.024	.039	.002	.001	.015	.490
	(.059)	(.028)	(.025)	(.024)	(.014)	(.015)	(.013)	(.133)
Pork	.180	−.748	.069	.109	.014	.017	.029	.480
	(.041)	(.036)	(.019)	(.023)	(.011)	(.012)	(.009)	(.163)
Other Meat	−.153	.036	−.502	−.063	.068	.048	−.006	.426
	(.145)	(.074)	(.203)	(.064)	(.059)	(.090)	(.072)	(.207)
Chicken	.163	.302	−.043	−.454	−.031	−.018	−.082	.208
	(.097)	(.061)	(.044)	(.082)	(.039)	(.032)	(.029)	(.254)
Turkey	−.012	.150	.180	−.117	.816	.152	.110	.151
	(.207)	(.112)	(.155)	(.149)	(.142)	(.107)	(.098)	(.407)
Fresh Fish	.013	.157	.118	−.066	.144	−.049	.156	.662
	(.216)	(.113)	(.225)	(.117)	(.101)	(.179)	(.125)	(.370)
Processed Fish . . .	.209	.281	−.014	−.295	.104	.156	−.343	.448
	(.181)	(.089)	(.179)	(.107)	(.093)	(.125)	(.131)	(.319)
Budget Share . . .	.028	.020	.005	.007	.002	.002	.002	—

[1] Numbers in parentheses are standard errors.

Table 3—Price Flexibility Matrix, Commodity Subgroups[1]

(Corresponding percentage change in consumption of . . .)	(Given a 1-percent change in consumption of . . .) Beef and veal	Pork	Other Meats	Chicken	Turkey	Fresh Fish	Processed Fish
Beef and veal	−1.537	−.348	.104	−.230	.019	.041	−.017
Pork	−.492	−1.549	.108	−.532	.053	.215	.089
Other Meats	.563	.232	−1.724	−.227	.129	1.011	.633
Chicken	−.911	−1.281	−1.390	−2.218	−.189	−1.194	−.226
Turkey	.233	.175	.351	−.800	−.626	2.269	1.051
Fresh Fish	.464	1.087	2.553	−4.520	2.146	6.387	4.766
Processed Fish	−.288	.356	1.603	−.936	1.000	4.781	−.193
Budget Share	.028	.020	.005	.007	.002	.002	.002

[1] Inverse of elasticity matrix of table 2.

Table 7—Average retail price of meat per pound, United States, by months, 1965 to date[1]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
							Beef, Choice grade[2]						
1965	78.7	78.0	77.3	79.4	81.2	84.9	85.8	84.9	83.7	83.1	83.9	83.6	82.0
1966	82.9	85.1	86.1	86.6	85.8	83.7	83.5	83.7	84.2	83.3	82.3	85.6	84.4
1967	82.3	82.8	82.7	82.3	81.5	83.9	85.3	86.0	87.6	87.3	86.4	87.3	84.6
1968	86.3	87.1	87.7	87.7	87.9	87.9	89.2	89.1	90.5	89.8	90.2	90.6	88.7
1969	91.6	91.8	93.1	95.5	100.1	104.3	105.0	103.6	101.7	97.8	99.1	99.5	98.6
1970	100.2	100.0	102.3	102.8	102.4	101.5	103.8	103.5	101.9	101.0	100.8	99.7	101.7
1971	100.5	104.7	105.8	107.6	108.6	109.5	108.6	109.6	109.9	109.1	110.4	112.7	108.1
1972	116.0	120.4	120.5	116.6	116.1	118.3	122.3	120.8	117.9	117.8	117.4	119.8	118.7
1973	127.7	136.3	141.7	142.4	142.5	142.0	143.0	151.3	152.1	142.8	141.8	141.3	142.1
1974	150.4	157.8	149.7	143.6	142.3	139.3	145.5	151.3	149.5	144.5	142.1	139.7	146.3
1975	140.5	136.5	134.5	141.8	156.7	167.3	170.8	165.0	162.3	161.9	160.7	160.1	154.8
1976	158.1	151.8	143.9	151.2	151.1	150.1	147.5	144.9	143.4	142.6	145.1	148.5	148.2
1977	147.1	144.0	142.7	143.5	148.4	147.3	148.4	149.4	149.2	152.0	152.5	155.7	148.4
1978	159.5	161.7	167.0	176.0	185.9	195.2	191.6	189.3	187.4	187.6	187.8	193.6	181.9
1979	204.9	215.3	225.9	232.8	240.2	233.6	232.2	220.9					
							Veal, retail cuts						
1965	82.9	84.2	82.6	82.4	82.9	81.9	84.3	84.5	83.4	85.1	82.6	82.8	83.3
1966	85.1	89.2	89.4	90.3	88.5	90.7	91.1	90.6	91.3	91.3	90.5	91.4	90.0
1967	92.0	90.1	91.4	92.8	93.3	93.7	93.9	96.1	96.3	96.7	97.4	97.2	94.2
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	129.4	130.6	132.9	133.7	134.8	138.5	139.3	139.6	140.3	140.6	140.9	135.8
1972	142.8	148.6	149.7	151.0	151.7	154.2	156.4	157.3	157.6	158.4	159.4	159.9	153.9
1973	162.2	169.1	176.9	180.5	181.1	181.3	183.2	188.7	188.5	190.6	186.2	191.6	181.7
1974	194.5	198.4	199.1	194.8	193.3	193.7	192.4	194.8	196.1	192.4	189.1	190.6	194.1
1975	187.0	183.5	179.6	180.2	182.9	183.1	186.6	181.6	178.2	176.8	176.7	177.4	181.1
1976	174.4	173.7	173.3	171.7	173.9	177.2	176.5	175.4	172.9	170.4	170.1	169.8	173.3
1977	176.7	178.4	175.2	175.8	174.9	175.2	174.6	175.6	174.3	172.3	175.8	174.5	175.3
1978	176.5	180.3	183.0	186.0	191.3	210.3	223.0	225.8	228.9	234.0	236.8	237.6	209.5
1979	247.0	254.8	252.2	273.1	289.1	294.4	294.1	293.2					
							Pork[2]						
1965	56.9	56.1	56.8	56.5	60.2	66.0	69.8	71.1	71.7	70.7	70.5	76.6	65.2
1966	79.3	79.5	76.8	71.9	70.5	72.8	73.4	75.1	73.7	71.1	68.8	67.5	73.4
1967	66.9	65.6	63.9	62.6	65.4	69.4	70.4	69.6	68.7	66.0	66.0	64.3	66.6
1968	64.8	66.1	66.5	65.7	66.1	67.2	68.8	68.4	68.2	67.2	66.5	66.4	66.8
1969	67.3	67.9	68.4	68.5	71.0	74.3	76.2	77.6	78.2	78.0	77.4	79.0	73.6
1970	81.4	81.1	80.7	79.3	79.4	79.4	80.0	79.1	76.1	74.0	70.2	67.9	77.4
1971	67.9	68.9	69.4	68.2	67.7	69.1	70.9	71.1	70.5	70.8	70.9	72.4	69.8
1972	75.8	80.8	78.9	77.7	78.9	81.5	85.1	85.5	86.1	87.0	86.7	88.0	82.7
1973	93.6	96.6	102.5	102.2	101.9	103.6	107.0	130.9	125.7	116.5	114.8	115.2	109.2
1974	116.2	116.7	111.4	104.3	99.0	93.3	103.3	108.3	109.5	108.5	111.0	112.3	107.8
1975	114.6	114.5	113.3	115.4	122.6	130.1	143.3	149.7	153.3	158.2	153.5	147.1	134.6
1976	143.9	141.3	138.4	136.3	138.3	140.1	141.8	137.1	132.4	124.6	117.3	117.0	134.0
1977	119.5	121.0	120.9	118.8	120.8	125.6	132.0	130.2	130.7	126.8	127.4	130.5	125.4
1978	133.8	138.0	139.2	141.6	141.4	144.2	144.2	144.4	145.5	149.4	150.4	150.5	143.6
1979	154.2	157.1	156.9	150.7	149.3	144.5	142.4	135.9					
							Lamb, Choice grade						
1965	75.4	74.4	76.4	77.5	78.3	81.4	83.8	82.5	81.5	80.5	80.2	79.1	79.2
1966	81.8	85.8	87.6	86.4	85.6	86.6	86.8	86.3	85.2	84.9	86.1	84.5	85.6
1967	84.6	83.4	83.3	82.9	84.6	88.8	89.5	89.3	90.3	89.6	90.2	89.9	87.2
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	107.4	108.0	109.6	111.4	111.5	112.6	110.9	112.7	113.0	109.7
1972	113.0	115.3	115.5	116.0	115.7	119.0	121.2	121.5	121.0	121.5	122.5	123.7	118.8
1973	125.6	130.2	136.1	135.5	134.2	132.2	133.4	140.4	145.4	135.2	131.3	131.7	134.3
1974	132.6	138.2	141.9	141.3	141.8	144.4	151.4	151.5	154.1	151.8	152.2	155.9	146.4
1975	156.0	157.1	154.5	158.2	164.2	169.2	174.9	173.5	175.7	175.0	176.5	177.0	167.6
1976	178.3	178.3	181.8	184.0	189.0	194.1	193.6	191.2	185.7	184.9	183.6	182.6	185.6
1977	181.4	182.8	181.3	178.3	183.5	188.5	192.6	192.9	188.3	189.2	193.6	189.7	186.8
1978	199.8	206.8	214.0	220.3	224.7	236.7	222.2	222.6	220.7	221.7	223.2	222.6	219.6
1979	235.4	244.4	244.4	248.6	250.7	251.1	248.0	244.8					

[1] Estimated weighted average price of retail cuts. Compiled by Economics, Statistics, and Cooperatives Service. [2] Series revised. See Special Article in LMS-222, August 1978.

Table 8— Average retail price of specified meat cuts, per pound, by months, 1973 to date

Year and item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Cents											
Choice Beef:												
Porterhouse steak												
1974	201	208	200	196	197	197	206	217	215	208	208	202
1975	201	199	196	207	234	259	268	259	261	257	251	251
1976	247	232	220	230	232	231	230	224	220	216	219	222
1977	215	215	214	217	231	236	243	244	241	242	238	245
1978	245	253	259	274	290	309	308	305	305	298	297	299
1979	306	318	333	343	358	353	353	342				
Round steak, full cut B.I.												
1974	163	171	161	157	155	152	160	169	167	160	161	156
1975	154	153	149	157	178	188	190	184	179	182	180	179
1976	177	167	166	173	171	163	161	157	154	149	157	162
1977	158	166	164	165	173	169	169	161	170	170	171	173
1978	176	177	184	197	206	216	205	208	204	203	204	209
1979	220	231	243	253	256	249	243	236				
Rib roast, small end B.I.												
1974	168	174	166	163	164	161	168	178	177	172	168	166
1975	169	166	160	168	187	212	221	212	206	202	201	201
1976	201	187	182	187	188	187	183	181	180	178	184	188
1977	189	182	180	181	185	186	189	189	188	191	196	204
1978	209	207	210	221	231	245	243	240	240	241	238	245
1979	254	257	270	278	289	288	287	278				
Rump roast, B.O.												
1974	179	185	176	171	170	167	173	182	180	175	175	172
1975	173	170	167	175	193	200	202	195	194	196	194	193
1976	190	184	175	182	180	179	174	169	169	167	172	174
1977	174	173	172	170	176	172	175	176	173	178	180	181
1978	181	182	190	199	209	218	208	210	206	207	208	212
1979	225	238	248	257	264	258	255	243				
Chuck blade pot roast B.I.												
1974	101	108	97	91	87	84	90	97	94	90	87	87
1975	87	84	81	88	99	106	109	103	100	101	100	98
1976	97	90	84	88	90	89	83	80	82	82	83	88
1977	85	84	81	82	86	83	82	82	81	87	88	89
1978	92	97	102	110	118	124	120	118	114	117	116	122
1979	137	149	159	164	165	159	158	144				
Ground beef												
1974	102	106	102	95	93	89	91	93	94	88	85	84
1975	81	78	76	80	88	91	92	88	88	87	86	87
1976	86	85	82	85	87	86	84	82	82	78	80	82
1977	81	81	79	79	82	79	80	82	81	81	82	84
1978	87	94	101	108	115	119	116	116	115	118	118	124
1979	137	147	154	160	168	162	160	151				
Veal, cutlet												
1974	341	348	350	343	341	342	340	345	348	342	336	339
1975	328	323	317	319	325	326	334	326	321	320	320	323
1976	306	305	304	301	305	310	309	307	302	298	297	296
1977	310	314	310	313	313	315	316	319	318	317	324	324
1978	310	316	321	326	336	369	391	396	402	411	415	417
1979	433	447	442	479	507	516	516	514				
Pork:												
Top loin chops												
1974	170	172	166	158	157	150	170	172	170	167	168	167
1975	172	169	168	170	183	190	209	209	211	210	210	200
1976	199	198	194	188	194	196	198	190	184	174	171	170
1977	182	180	175	173	180	178	197	196	193	190	188	191
1978	195	199	200	197	202	208	210	209	208	214	216	214
1979	225	231	226	220	219	214	214	203				
Sirloin roast												
1974	111	114	107	101	99	95	110	113	110	109	111	112
1975	114	113	112	113	122	131	149	149	151	153	151	143
1976	144	143	139	137	139	142	145	137	132	122	115	114
1977	121	122	117	113	118	120	133	129	130	126	124	127
1978	132	138	136	139	140	147	146	147	146	150	152	150
1979	160	167	163	159	156	155	155	146				
Bacon, sliced												
1974	128	127	118	113	108	100	112	124	131	130	135	134
1975	139	140	138	142	149	157	168	187	196	198	179	167
1976	162	160	155	156	160	161	164	157	158	142	128	127
1977	132	132	133	133	139	142	150	149	155	144	134	135
1978	142	152	162	173	166	162	157	155	156	158	157	156
1979	158	165	164	156	153	144	139	131				
Ham, Smoked whole												
1974	100	99	99	89	84	77	83	87	87	88	93	97
1975	98	98	95	96	100	103	110	117	121	128	128	130
1976	128	125	123	120	120	121	122	119	111	111	106	117
1977	112	109	115	108	107	119	111	110	112	116	122	128
1978	124	125	125	122	121	123	124	125	129	138	142	143
1979	143	141	142	137	135	126	124	121				
Lamb, loin chops												
1974	229	234	230	224	234	248	249	249	246	246	247	250
1975	255	257	251	262	270	278	278	281	275	278	279	282
1976	282	280	282	295	316	319	310	303	283	280	288	284
1977	290	299	301	300	320	319	320	306	316	317	319	323
1978	343	347	355	361	363	365	362	357	360	359	362	359
1979	377	390	390	394	404	405	402	395				

[1] Revised Series: Data from USDA, ESCS retail price survey. BLS data previously used, discontinued.

Table 9— Beef, Choice yield Grade 3: Retail, carcass, and farm values, spreads, and farmers' share, 1965 to present[1]

Year	Retail price[2]	Gross carcass value[3]	Carcass by-product allowance[4]	Net carcass value[5]	Gross farm value[6]	Farm by-product allowance[7]	Net farm value[8]	Farm-retail spread: Total	Farm-retail spread: Carcass-retail	Farm-retail spread: Farm-carcass	Farmers' share[9]
	Cents/lb.										*Percent*
1965	82.0	60.2	1.1	59.1	59.9	6.1	53.8	28.2	22.9	5.3	66
1966	84.4	60.7	1.1	59.6	61.0	6.7	54.3	30.1	24.8	5.3	64
1967	84.6	61.7	1.1	60.6	60.4	5.2	55.2	29.4	24.0	5.4	65
1968	88.7	65.5	1.2	64.3	64.0	5.2	58.8	29.9	24.4	5.5	66
1969	98.6	71.3	1.3	70.0	70.7	6.2	64.5	34.1	28.6	5.5	65
1970	101.7	71.1	1.3	69.8	70.2	6.3	63.9	37.8	31.9	5.9	63
1971	108.1	78.8	1.4	77.4	76.7	6.2	70.5	37.6	30.7	6.9	65
1972	118.7	83.5	1.5	82.0	85.0	9.4	75.6	43.1	36.7	6.4	64
1973	142.1	102.5	1.8	100.7	106.8	12.6	94.2	47.9	41.4	6.5	66
1974	146.3	101.8	1.8	100.0	101.5	10.1	91.4	54.9	46.3	8.6	62
1975	154.8	110.2	2.0	108.2	108.6	9.6	99.0	55.8	46.6	9.2	64
1976	148.2	93.1	1.7	91.5	94.4	10.4	84.1	64.1	56.7	7.4	57
1977	148.4	95.7	1.9	93.8	97.3	11.8	85.5	62.9	54.6	8.3	58
1978	181.9	121.6	2.3	119.3	126.1	15.0	111.1	70.8	62.6	8.2	61
1973											
I	135.2	99.3	1.8	97.5	103.1	11.9	91.2	44.0	37.7	6.3	67
II	142.3	104.4	1.9	102.5	109.6	12.8	96.8	45.5	39.8	5.7	68
III	148.8	110.1	2.0	108.1	117.9	14.0	103.9	44.9	40.7	4.2	70
IV	142.0	96.1	1.7	94.4	96.8	11.9	84.9	57.1	47.6	9.5	60
1974											
I	152.6	108.7	2.0	106.7	109.5	12.2	97.3	55.3	45.9	9.4	64
II	141.7	97.8	1.8	96.0	96.4	9.7	86.7	55.0	45.7	9.3	61
III	148.8	106.6	1.9	104.7	107.2	10.4	96.8	52.0	44.1	7.9	65
IV	142.1	94.3	1.7	92.6	92.8	8.4	84.4	57.7	49.5	8.2	59
1975											
I	137.2	90.5	1.6	89.0	87.5	7.2	80.0	57.2	48.2	9.0	58
II	155.3	118.5	2.1	116.4	117.6	9.8	107.8	47.5	38.9	8.6	69
III	166.0	120.6	2.2	118.4	118.1	10.7	107.5	58.5	47.6	10.9	65
IV	160.9	111.3	2.0	109.3	111.0	10.5	100.5	60.4	51.6	8.8	62
1976											
I	151.3	94.3	1.7	92.7	93.4	9.4	84.0	67.3	58.6	8.7	56
II	150.8	97.6	1.7	95.8	100.5	11.5	89.0	61.8	55.0	6.8	59
III	145.3	88.0	1.6	86.4	89.9	10.4	79.5	65.8	58.9	6.9	55
IV	145.4	92.6	1.7	90.9	94.0	10.2	83.8	61.6	54.5	7.1	58
1977											
I	144.6	89.9	1.7	88.2	91.2	11.5	79.7	64.9	56.4	8.5	55
II	146.4	95.5	1.9	93.6	98.6	12.5	87.0	59.4	52.8	6.6	59
III	149.0	96.1	2.1	93.9	97.3	11.6	85.7	63.3	55.1	8.2	58
IV	153.4	101.3	1.9	99.4	102.3	11.7	90.5	62.9	54.0	8.9	59
1978											
I	162.7	108.5	2.0	106.4	110.4	12.6	97.8	64.9	56.3	8.6	60
II	185.7	129.1	2.2	126.9	133.8	14.2	119.6	66.1	58.8	7.3	64
III	189.4	124.3	2.4	121.9	129.3	16.2	113.1	76.3	67.5	8.8	60
IV	189.7	124.5	2.4	122.1	131.0	17.2	113.8	75.9	67.6	8.3	60
1977											
Jan.	147.1	91.7	1.7	90.0	91.9	11.2	80.7	66.4	57.1	9.3	55
Feb.	144.0	90.3	1.7	88.6	91.5	11.3	80.2	63.8	55.4	8.4	56
Mar.	142.7	87.7	1.8	85.9	90.3	12.1	78.2	64.5	56.8	7.7	55
Apr.	143.5	92.8	1.9	90.9	97.2	13.1	84.1	59.4	52.6	6.8	59
May	148.4	97.9	1.9	96.0	101.3	12.8	88.5	59.9	52.4	7.5	60
June	147.3	95.7	1.9	93.8	97.2	11.7	85.5	61.8	53.5	8.3	58
July	148.4	96.9	2.1	94.8	98.6	11.6	87.0	61.4	53.6	7.8	59
Aug.	149.4	95.3	2.2	93.1	96.1	11.6	84.5	64.9	56.3	8.6	57
Sept.	149.2	96.0	2.1	93.9	97.2	11.5	85.7	63.5	55.3	8.2	57
Oct.	152.0	100.4	1.9	98.5	101.8	11.5	90.3	61.7	53.5	8.2	59
Nov.	152.5	100.1	1.9	98.2	101.0	11.8	89.2	63.3	54.3	9.0	58
Dec.	155.7	103.5	2.0	101.5	104.0	11.9	92.1	63.6	54.2	9.4	59
1978											
Jan.	159.5	104.2	2.1	102.1	104.7	12.3	92.4	67.1	57.4	9.7	58
Feb.	161.7	107.8	2.0	105.8	108.5	12.4	96.1	65.6	55.9	9.7	59
Mar.	167.0	113.4	2.0	111.4	118.1	13.1	105.0	62.0	55.6	6.4	63
Apr.	176.0	123.1	2.1	121.0	127.5	13.5	114.0	62.0	55.0	7.0	65
May	185.9	133.7	2.2	131.5	139.2	14.3	124.9	61.0	54.4	6.6	67
June	195.2	130.5	2.2	128.3	134.6	14.7	119.9	75.3	66.9	8.4	61
July	191.6	127.6	2.3	125.3	131.8	15.0	116.8	74.8	66.3	8.5	61
Aug.	189.3	121.0	2.5	118.5	125.8	16.3	109.5	79.8	70.8	9.0	58
Sept.	187.4	124.3	2.5	121.8	130.4	17.4	113.0	74.4	65.6	8.8	60
Oct.	187.6	123.8	2.4	121.4	130.2	17.5	112.7	74.9	66.2	8.7	60
Nov.	187.8	121.6	2.4	119.2	128.3	17.1	111.2	76.6	68.6	8.0	59
Dec.	193.6	128.2	2.5	125.7	134.4	16.9	117.5	76.1	67.9	8.2	61
1979											
Jan.	204.9	141.1	2.6	138.5	145.7	17.6	128.1	76.8	66.4	10.4	63
Feb.	215.3	147.7	2.7	145.0	156.8	19.8	137.0	78.3	70.3	8.0	64
Mar.	225.9	157.5	2.9	154.6	172.7	25.9	146.8	79.1	71.3	7.8	65
Apr.	232.8	163.5	3.1	160.4	181.4	27.8	153.6	79.2	72.4	6.8	66
May	240.2	163.5	3.1	160.4	178.6	28.1	150.5	89.7	79.8	9.9	63
June	233.6	155.5	3.1	152.4	166.0	25.1	140.9	92.7	81.2	11.5	60
July	232.2	150.7	2.7	148.0	161.2	23.6	137.6	94.6	84.2	10.4	59
Aug.	220.9	142.6	2.7	139.9	151.4	21.9	129.5	91.4	81.0	10.4	59
Sept.											
Oct.											
Nov.											
Dec.											

[1] Revised series. [2] Estimated weighted average price of retail cuts from Choice Yield Grade 3 carcass. [3] Value of carcass quantity equivalent to 1 lb. of retail cuts. A wholesale carcass equivalent of 1,464 was used prior to 1970, it was increased gradually to 1,476 in 1976 and later years. [4] Portion of gross carcass value attributed to fat and bone trim [5] Gross carcass value minus carcass byproduct allowance. [6] Market value to producer for quantity of live animal equivalent to 1 lb. of retail cuts. The farm product equivalent of 2.35 was used prior to 1970; it was increased gradually to 2.40 in 1976 and later years. [7] Portion of gross farm value attributed to edible and inedible byproducts. [8] Gross farm value minus farm byproduct allowance. [9] Percent net farm value is of retail price.

Table 10—Pork: Retail, wholesale, and farm values, spreads, and farmers' share, 1965 to present[1]

Year	Retail price[2]	Wholesale value[3]	Gross farm value[4]	Byproduct allowance[5]	Net farm value[6]	Farm-Retail Spread: Total	Farm-Retail Spread: Wholesale-retail	Farm-Retail Spread: Farm-wholesale	Farmers' share[7]
	Cents/lb.								Percent
1965	65.2	55.8	44.0	3.9	40.1	25.1	9.4	15.7	62
1966	73.4	61.6	48.0	4.1	43.9	29.5	11.8	17.7	60
1967	66.6	55.0	39.2	2.9	36.3	30.3	11.6	18.7	55
1968	66.8	55.3	38.0	2.4	35.6	31.2	11.5	19.7	53
1969	73.6	62.8	46.4	3.7	42.7	30.9	10.8	20.1	58
1970	77.4	63.4	43.0	3.7	39.3	38.1	14.0	24.1	51
1971	69.8	57.0	34.9	2.9	32.0	37.8	12.8	25.0	46
1972	82.7	71.3	49.6	3.4	46.2	36.5	11.4	25.1	56
1973	109.2	95.8	73.8	6.2	67.6	41.6	13.4	28.2	62
1974	107.8	85.5	63.6	6.4	57.2	50.6	22.3	28.3	53
1975	134.6	115.3	86.5	6.6	79.8	54.8	19.3	35.5	59
1976	134.0	105.2	75.8	4.8	71.0	63.0	28.8	34.2	53
1977	125.4	99.0	70.2	4.6	65.6	59.8	26.4	33.4	52
1978	143.6	107.7	82.5	5.9	76.6	67.0	35.9	31.1	53
1973									
I	97.6	87.9	64.8	4.5	60.3	37.3	9.7	27.6	62
II	102.6	87.2	67.0	5.8	61.2	41.4	15.4	26.0	60
III	121.2	111.7	89.2	8.0	81.2	40.0	9.5	30.5	67
IV	115.5	96.5	74.5	6.8	67.7	47.8	19.0	28.8	59
1974									
I	114.8	90.9	68.7	6.7	62.0	52.8	23.9	28.9	54
II	98.9	73.3	50.1	4.7	45.4	53.5	25.6	27.9	46
III	107.0	85.6	65.5	6.5	59.0	48.0	21.4	26.6	55
IV	110.6	92.2	69.9	7.4	62.5	48.1	18.4	29.7	56
1975									
I	114.1	95.2	69.3	5.5	63.7	50.4	18.9	31.5	56
II	122.7	107.5	81.1	6.3	74.8	47.9	15.2	32.7	61
III	148.8	132.0	103.6	7.9	95.7	53.1	16.8	36.3	64
IV	152.9	126.6	91.9	6.6	85.2	67.7	26.3	41.4	56
1976									
I	141.2	112.1	83.0	5.4	77.6	63.6	29.1	34.5	55
II	138.2	112.9	85.1	5.3	79.8	58.4	25.3	33.1	58
III	137.1	104.5	75.9	5.0	70.9	66.2	32.6	33.6	52
IV	119.6	91.5	59.2	3.7	55.5	64.1	28.1	36.0	46
1977									
I	120.5	95.0	66.4	4.5	61.9	58.6	25.5	33.1	51
II	121.7	96.6	69.4	4.8	64.6	57.1	25.1	32.0	53
III	131.0	100.9	74.5	4.8	69.7	61.3	30.1	31.2	53
IV	128.2	103.3	70.4	4.4	66.0	62.2	24.9	37.3	52
1978									
I	137.0	104.8	80.7	5.6	75.1	61.9	32.2	29.7	55
II	142.4	105.6	81.3	5.8	75.5	66.9	36.8	30.1	53
III	144.7	107.6	82.4	6.0	76.4	68.3	37.1	31.2	53
IV	150.1	112.7	85.3	6.1	79.2	70.9	37.4	33.5	53
1977									
Jan.	119.5	96.4	67.2	4.4	62.8	56.7	23.1	33.6	53
Feb.	121.0	95.8	68.3	4.7	63.6	57.4	25.2	32.2	53
Mar.	120.9	92.8	63.8	4.5	59.3	61.6	28.1	33.5	49
Apr.	118.8	91.4	62.8	4.5	58.3	60.5	27.4	33.1	49
May	120.8	97.2	71.0	5.0	66.0	54.8	23.6	31.2	55
June	125.6	101.3	74.6	4.9	69.7	55.9	24.3	31.6	56
July	132.0	103.9	77.8	5.1	72.7	59.3	28.1	31.2	55
Aug.	130.2	101.3	75.4	4.8	70.6	59.6	28.9	30.7	54
Sept.	130.7	97.7	70.4	4.5	65.9	64.8	33.0	31.8	50
Oct.	126.8	100.7	69.4	4.4	65.0	61.8	26.1	35.7	51
Nov.	127.4	102.4	66.9	4.2	62.7	64.7	25.0	39.7	49
Dec.	130.5	106.7	74.8	4.5	70.3	60.2	23.8	36.4	54
1978									
Jan.	133.8	101.7	78.2	5.2	73.0	60.8	32.1	28.7	55
Feb.	138.0	106.9	83.0	5.6	77.4	60.6	31.1	29.5	56
Mar.	139.2	105.8	80.8	6.0	74.8	64.4	33.4	31.0	54
Apr.	141.6	104.6	78.3	5.6	72.7	68.9	37.0	31.9	51
May	141.4	106.9	83.6	5.9	77.7	63.7	34.5	29.2	55
June	144.2	105.4	82.1	6.0	76.1	68.1	38.8	29.3	53
July	144.2	104.7	79.6	5.7	73.9	70.3	39.5	30.8	51
Aug.	144.4	107.5	82.8	6.0	76.8	67.6	36.9	30.7	53
Sept.	145.5	110.7	85.0	6.4	78.6	66.9	34.8	32.1	54
Oct.	149.4	114.8	89.1	6.5	82.6	66.8	34.6	32.2	55
Nov.	150.4	111.0	82.4	5.8	76.6	73.8	39.4	34.4	51
Dec.	150.5	112.2	84.4	5.9	78.5	72.0	38.3	33.7	52
1979									
Jan.	154.2	116.0	88.6	6.4	82.4	71.8	38.2	33.6	53
Feb.	157.1	116.0	92.3	7.3	85.0	72.1	41.1	31.0	54
Mar.	156.9	109.4	83.6	7.1	76.5	80.4	47.5	32.9	49
Apr.	150.7	103.8	76.7	5.8	70.9	79.8	46.9	32.9	47
May	149.3	99.9	74.2	6.0	68.2	81.1	49.4	31.7	46
June	144.5	96.7	68.5	5.3	63.2	81.3	47.8	33.5	44
July	142.4	93.4	66.3	5.2	61.1	81.3	49.0	32.3	43
Aug.	135.9	92.0	64.8	5.0	59.8	76.1	43.9	32.2	44
Sept.									
Oct.									
Nov.									
Dec.									

[1] Revised series. [2] Estimated weighted average price of retail cuts from pork carcass. [3] Value of wholesale quantity equivalent to 1 lb. of retail cuts. A wholesale carcass equivalent of 1.06 is used for all years. [4] Market values to producer for quantity of live animal equivalent to 1 lb. of retail cuts. The farm product equivalent of 2.12 was used prior to 1959; it was decreased gradually to 1.70 in 1977 and later. [5] Portion of gross farm value attributable to edible and inedible byproducts. [6] Gross farm value minus byproduct allowance. [7] Percent net farm value is of retail price.

Table 11—Per capita meat consumption by quarters[1]

Year	Carcass weight					Retail weight				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Beef										
1971	27.7	28.1	29.3	27.9	113.0	20.5	20.8	21.7	20.6	83.6
1972	28.2	28.9	29.4	29.6	116.1	20.9	21.4	21.7	21.9	85.9
1973	28.0	26.2	26.8	28.6	109.6	20.7	19.4	19.8	21.2	81.1
1974	28.3	28.8	29.4	30.3	116.8	20.9	21.3	21.8	22.4	86.4
1975	30.3	28.4	30.2	31.2	120.1	22.4	21.0	22.4	23.1	88.9
1976	32.8	31.2	33.5	31.8	129.3	24.3	23.1	24.8	23.5	95.7
1977	31.7	30.9	32.0	31.3	125.9	23.4	22.9	23.7	23.2	93.2
1978	30.4	29.8	29.7	30.2	120.1	22.5	22.0	22.0	22.4	88.9
1979	28.4	26.2	26.1	24.6	105.3	21.0	19.4	19.3	18.2	77.9
Veal										
1971	.7	.6	.7	.7	2.7	.6	.5	.5	.6	2.2
1972	.6	.5	.5	.6	2.2	.5	.4	.4	.5	1.8
1973	.5	.4	.4	.5	1.8	.5	.3	.3	.4	1.5
1974	.5	.4	.6	.8	2.3	.4	.3	.5	.7	1.9
1975	.9	.9	1.2	1.2	4.2	.8	.8	1.0	1.0	3.6
1976[2]	1.0	.9	1.0	1.1	4.0	.9	.7	.8	.9	3.3
1977	1.0	.9	1.0	1.0	3.9	.9	.7	.8	.8	3.2
1978	.9	.7	.7	.7	3.0	.7	.6	.6	.6	2.5
1979	.6	.5	.5	.5	2.1	.5	.4	.4	.4	1.7
Pork										
1971	20.0	19.3	19.4	20.3	79.0	17.1	16.6	16.8	17.7	68.2
1972	18.8	17.8	16.6	18.1	71.3	16.6	15.5	14.7	16.1	62.9
1973	16.6	16.2	14.4	16.7	63.9	14.9	14.5	13.1	15.1	57.6
1974	17.2	17.8	16.8	17.3	69.1	15.7	16.0	15.0	15.5	62.2
1975	15.5	14.4	12.5	13.7	56.1	14.0	13.2	11.5	12.5	51.2
1976	14.4	13.5	14.4	17.2	59.5	13.1	12.4	13.3	15.8	54.6
1977	15.6	14.9	14.7	16.3	61.5	14.5	13.7	13.5	15.0	56.7
1978	15.2	15.0	15.0	16.2	61.4	14.1	13.9	13.9	15.0	56.9
1979	15.9	17.3	17.7	19.3	70.2	14.9	16.0	16.5	18.0	65.4
Lamb & Mutton										
1971	.8	.8	.8	.7	3.1	.7	.7	.7	.7	2.8
1972	.8	.9	.9	.7	3.3	.7	.8	.8	.6	2.9
1973	.7	.7	.7	.6	2.7	.7	.6	.6	.5	2.4
1974	.6	.6	.6	.5	2.3	.5	.5	.5	.5	2.0
1975	.5	.5	.5	.5	2.0	.5	.4	.4	.5	1.8
1976	.5	.4	.5	.5	1.9	.5	.4	.4	.4	1.7
1977	.5	.4	.4	.4	1.7	.4	.4	.4	.3	1.5
1978	.4	.4	.4	.4	1.6	.4	.4	.3	.3	1.4
1979	.4	.4	.4	.4	1.6	.4	.4	.3	.3	1.4
Red Meat										
1971	49.2	48.8	50.2	49.6	197.8	38.9	38.6	39.7	39.6	156.8
1972	48.4	48.1	47.4	49.0	192.9	38.7	38.1	37.6	39.1	153.5
1973	45.8	43.5	42.3	46.4	178.0	36.8	34.8	33.8	37.2	142.6
1974	46.6	47.6	47.4	48.9	190.5	37.5	38.1	37.8	39.1	152.5
1975	47.2	44.2	44.4	46.6	182.4	37.7	35.4	35.3	37.1	145.5
1976	48.7	46.0	49.4	50.6	194.7	38.8	36.6	39.3	40.6	155.3
1977	48.8	47.1	48.1	49.0	193.0	39.2	37.7	38.4	39.3	154.6
1978	46.9	45.9	45.8	47.5	186.1	37.7	36.9	36.8	38.3	149.7
1979	45.3	44.4	44.7	44.8	179.2	36.8	36.2	36.5	36.8	146.4
Chicken										
1971						9.8	10.2	10.5	10.0	40.5
1972						10.3	11.0	10.6	10.1	42.0
1973						9.9	10.5	10.2	10.1	40.7
1974						10.3	10.9	10.5	9.4	41.1
1975						9.6	10.4	10.5	10.1	40.6
1976						10.6	11.1	11.2	10.4	43.3
1977						10.7	11.6	11.5	11.0	44.8
1978						11.4	12.4	12.2	11.7	47.7
1979						12.3	13.5	13.7	12.6	52.1
Turkeys										
1971						1.0	1.2	2.0	4.1	8.3
1972						1.1	1.3	2.1	4.4	8.9
1973						1.2	1.3	2.1	3.9	8.5
1974						1.2	1.6	2.0	4.1	8.9
1975						1.1	1.4	2.0	4.1	8.6
1976						1.2	1.5	2.1	4.4	9.2
1977						1.3	1.5	2.3	4.2	9.3
1978						1.3	1.7	2.3	4.1	9.4
1979						1.5	1.9	2.5	4.4	10.3
Red meat & poultry										
1971						49.7	50.0	52.2	53.7	205.6
1972						50.1	50.4	50.3	53.6	204.4
1973						47.9	46.6	46.1	51.2	191.8
1974						49.0	50.6	50.3	52.6	202.5
1975						48.4	47.2	47.8	51.3	194.7
1976						50.6	49.2	52.6	55.4	207.8
1977						51.2	50.8	52.2	54.5	208.7
1978						50.4	51.0	51.3	54.1	206.8
1979						50.6	51.6	52.7	53.8	208.8

[1] Total consumption including farm, 50 States.

Supply and distribution of commercially produced meat, by months, carcass weight

Meat and period	Supply			Distribution				
	Production[6]	Beginning stocks[4]	Imports	Exports and shipments	Ending stocks[4]	Military	Civilian consumption	
							Total	Per person[2]
	Million pounds							*Pounds*
Beef:								
1978								
July	1,852	372	179	16	337	9	2,041	9.4
August	2,097	337	155	24	316	29	2,220	10.3
September	1,974	316	212	19	332	18	2,133	9.8
October	2,103	332	197	16	348	16	2,252	10.4
November	2,038	348	225	16	388	20	2,187	10.1
December	1,902	388	198	19	405	17	2,047	9.4
1979								
January	2,069	405	226	15	431	23	2,231	10.3
February	1,700	431	213	21	405	14	1,904	8.8
March	1,777	405	239	20	427	11	1,963	9.0
April	1,586	427	222	18	413	15	1,789	8.2
May	1,766	413	216	14	404	30	1,947	8.9
June	1,724	404	239	18	388	(20)	1,941	8.9
July	1,682	388	186	17	370	(15)	1,854	8.5
August	1,919	370	152		323			
Veal:								
1978:								
July	44	10	1	1	9	(3)	45	.2
August	50	9	1	(3)	8	1	51	.3
September	45	8	1	(3)	10	(3)	44	.2
October	48	10	2	(3)	8	(3)	52	.2
November	45	8	4	1	8	1	47	.2
December	41	8	4	1	9	(3)	43	.2
1979								
January	41	9	2	1	10	1	40	.2
February	35	10	2	1	8	(3)	38	.2
March	39	8	3	1	9	1	39	.2
April	33	9	2	1	9	(3)	34	.2
May	33	9	2	1	9	1	33	.2
June	32	9	1	(3)	8	1	33	.1
July	34	8	1	(3)	8	(3)	35	.2
August	34	8	1	(3)	7	(3)	36	.2
Lamb & Mutton:								
1978								
July	23	10	5	(3)	12	(3)	26	.1
August	25	12	3	1	11	(3)	28	.1
September	25	11	3	(3)	11	(3)	28	.2
October	27	11	2	1	12	(3)	27	.1
November	25	12	2	(3)	12	(3)	27	.1
December	24	12	3	1	12	(3)	26	.1
1979								
January	23	12	4	(3)	11	(3)	28	.1
February	22	11	3	(3)	11	(3)	25	.1
March	27	11	6	(3)	12	(3)	32	.2
April	25	12	5	(3)	12	(3)	30	.2
May	25	12	3	(3)	13	(3)	27	.1
June	21	13	6	1	11	(3)	28	.1
July	22	11	3	(3)	12	(3)	24	.1
August	23	12	3		12			
Pork:[5]								
1978								
July	964	260	41	28	220	7	1,010	4.7
August	1,101	220	33	39	179	11	1,125	5.2
September	1,095	179	33	34	178	12	1,083	5.0
October	1,176	178	51	40	207	10	1,148	5.3
November	1,236	207	40	48	245	9	1,181	5.4
December	1,129	245	40	40	242	10	1,122	5.2
1979								
January	1,147	242	43	36	225	13	1,158	5.3
February	1,001	225	36	27	220	8	1,007	4.6
March	1,251	220	44	33	247	8	1,227	5.6
April	1,238	247	47	38	278	7	1,209	5.5
May	1,309	278	40	42	292	13	1,280	5.9
June	1,213	292	51	38	270	(10)	1,235	5.7
July	1,221	270	39	36	227	(10)	1,257	5.8
August	1,352	227	37		181			
Total Meat:								
1978								
July	2,883	652	226	45	578	16	3,122	14.4
August	3,273	578	192	64	514	41	3,424	15.9
September	3,139	514	249	53	531	30	3,288	15.2
October	3,354	531	252	57	575	26	3,479	16.0
November	3,344	575	271	65	653	30	3,442	15.8
December	3,096	653	245	61	668	27	3,238	14.9
1979								
January	3,280	668	275	52	677	37	3,457	15.9
February	2,758	677	254	49	644	22	2,974	13.7
March	3,094	644	292	54	695	20	3,261	15.0
April	2,882	695	276	57	712	23	3,062	14.0
May	3,133	712	261	57	718	44	3,287	15.1
June	2,990	718	297	57	677	(31)	3,237	14.8
July	2,959	677	229	53	617	(25)	3,170	14.6
August	3,328	617	193		523			

[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 lb. [4] Beginning 1977, excludes beef and pork stocks in cooler. [5] Change in carcass weight. See article by L. A. Duewer. [6] Totals based on unrounded data.

Selected price statistics for meat animals and meat

Item	1978	1979								
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	Dollars per 100 pounds									
SLAUGHTER STEERS:										
Omaha:										
Choice, 900-1100 lb.	55.54	60.35	64.88	71.04	75.00	73.99	68.53	67.06	62.74	67.84
Good, 900-1100 lb.	51.40	56.01	61.18	66.46	70.15	69.86	64.55	61.31	57.48	60.49
California, Choice 900-1100 lb.	58.03	62.20	67.88	75.12	77.69	76.10	69.19	68.38	63.70	68.88
Colorado, Choice 900-1100 lb.	56.56	60.64	64.75	72.05	75.13	74.61	69.68	68.49	63.25	68.43
Texas, Choice 900-1100 lb.	56.85	61.28	65.14	72.15	75.72	75.73	70.48	69.25	63.50	68.80
SLAUGHTER HEIFERS:										
Omaha:										
Choice, 900-1100 lb.	54.06	58.74	63.12	68.66	73.06	72.48	67.80	64.79	60.94	65.90
Good, 700-900 lb.	50.40	54.62	58.85	68.24	67.54	67.08	63.48	60.55	55.13	59.58
COWS:										
Omaha:										
Commercial	42.46	48.04	51.72	54.11	58.08	56.07	51.16	47.50	46.70	48.64
Utility	41.85	47.33	50.81	52.94	57.00	55.51	50.60	47.80	48.33	49.65
Cutter	40.27	44.97	48.94	51.50	54.86	53.42	48.18	45.80	46.59	48.32
Canner	38.62	41.92	46.15	49.15	52.47	50.84	45.79	43.32	44.13	46.24
VEALERS:										
Choice, S. St. Paul	78.00	80.73	91.48	97.50	104.56	110.35	94.25	92.29	88.74	96.68
FEEDER STEERS:										
Kansas City:										
Choice, 400-500 lb.	78.27	85.19	94.70	101.04	105.62	106.68	96.38	98.72	98.39	104.29
Choice, 600-700 lb.	69.83	75.29	80.26	87.25	89.98	88.32	82.19	82.48	79.31	85.34
Good, 600-700 lb.	60.88	66.20	72.10	77.45	79.32	78.53	75.28	74.94	71.59	75.14
All weights and grades	64.19	69.95	75.61	82.55	86.83	82.20	75.00	72.07	72.37	
Amarillo:										
Choice, 600-700 lb.	67.39	74.74	80.23	88.11	90.26	85.90	75.74	79.00	76.13	80.88
Georgia Auctions:										
Choice, 600-700 lb.	63.17	69.70	76.88	80.88	84.88	79.90	75.38	73.83	70.10	74.88
Good, 400-500 lb.	69.67	76.20	85.62	92.62	93.62	88.20	82.25	83.50	78.70	80.75
FEEDER HEIFERS:										
Kansas City:										
Choice, 400-500 lb.	68.19	73.35	81.66	87.51	90.69	89.18	83.15	83.52	79.39	86.53
Choice, 600-700 lb.	62.54	67.12	71.53	75.49	78.86	76.80	74.32	73.88	69.18	75.07
SLAUGHTER HOGS:										
Barrows and Gilts:										
Omaha:										
Nos. 1 & 2, 200-230 lb.[1]	51.29	53.64	55.38	49.82	45.99	44.78	41.61	40.46	38.92	39.28
All weights	48.99	51.75	54.38	49.10	44.91	43.43	39.46	38.17	37.71	38.42
Sioux City	49.73	52.11	54.93	49.66	45.29	43.80	39.94	38.58	38.41	
7 markets[2]	49.57	52.13	54.42	49.38	45.04	43.79	40.29	38.73	38.21	
Sows:										
7 markets[2]	41.64	46.20	49.22	45.47	42.09	39.59	33.62	30.70	30.38	
FEEDER PIGS:										
Nos. 1 & 2, So. Mo., 40-50 lb (per hd.)	44.49	42.26	52.54	53.14	50.84	40.89	30.11	24.14	24.58	29.30
SLAUGHTER LAMBS:										
Lambs, Choice, San Angelo	65.83	73.80	69.12	64.00	78.62	73.20	68.83	65.83	62.65	67.75
Lambs, Choice, So. St. Paul	66.04	74.66	69.88	64.22	71.40	66.18	60.90	62.29	59.75	65.92
Ewes, Good, San Angelo	36.67	36.90	37.62	45.75	42.12	32.85	28.88	31.83	29.60	28.56
Ewes, Good, So. St. Paul	22.90	24.12	27.50	28.15	28.50	24.14	21.28	22.34	22.68	22.48
FEEDER LAMBS:										
Choice, San Angelo	82.33	86.30	84.50	84.25	89.75	76.15	71.12	70.25	71.00	74.25
Choice, So. St. Paul	70.10	80.20	78.82	67.15	67.50	67.50	67.50	68.12	66.50	68.42
FARM PRICES:										
Beef Cattle:	54.10	59.80	64.10	70.20	72.40	71.50	66.90	65.60	61.30	66.90
Calves	71.90	78.10	85.50	93.80	96.40	96.70	90.20	90.00	84.60	91.60
Hogs	48.00	50.60	52.80	49.40	44.30	43.60	39.70	37.90	35.50	37.50
Sheep	25.50	27.80	28.50	31.00	29.90	26.60	24.80	25.80	26.20	26.10
Lambs	65.10	73.10	71.80	64.20	69.80	70.10	67.00	65.00	61.10	67.00
MEAT PRICES:										
Wholesale:										
Central U.S. markets[3]										
Steer beef, Choice, 600-700 lb.	84.75	93.57	97.47	104.59	108.61	108.64	103.56	99.85	94.13	101.91
Heifer beef, Choice, 500-600 lb.	83.47	92.18	96.75	102.75	107.14	107.34	102.28	98.07	92.63	99.00
Cow beef, Canner and Cutter	87.88	100.05	102.28	105.20	109.26	105.22	97.12	95.08	103.50	94.62
Pork loins, 8-14 lb.	96.06	110.78	108.10	94.98	95.11	92.06	96.43	87.62	83.98	88.41
Pork bellies, 12-14 lb.	57.74	60.23	62.53	54.46	51.88	46.57	44.09	38.95	36.51	38.63
Ham, skinned, 14-17 lb.	99.86	83.58	86.27	89.82	76.47	72.29	70.17	64.48	66.84	70.64
East Coast:										
Lamb, Choice and Prime, 35-45 lb.	134.79	145.81	144.58	142.16	150.92	140.15	132.86	126.38	119.78	128.40
Lamb, Choice and Prime, 55-65 lb.	126.25	142.48	129.82	127.97	134.88	131.35	128.81	123.33	117.55	128.05
West Coast:										
Steer Beef, Choice, 600-700 lb.	89.08	96.42	101.81	108.76	113.11	112.96	105.40	104.42	100.01	108.14
Retail:										
Beef Choice	193.6	204.9	215.3	225.9	232.8	240.2	233.6	232.2	220.9	
Veal	237.6	247.0	254.8	252.2	273.1	289.1	294.4	294.1	293.2	
Pork	150.5	154.2	157.1	156.9	150.7	149.3	144.5	142.4	135.9	
Lamb	222.6	235.4	244.4	244.4	248.6	250.7	251.1	248.0	244.8	
Price Indexes (BLS, 1967 = 100)[4]										
Wholesale meat	220.3	234.1	240.8	243.4	246.2	242.0	233.7	228.0	215.2	232.7
Retail meat	219.4	227.6	238.6	244.2	248.2	252.1	249.6	248.0	237.8	
Beef and veal	215.4	227.7	243.4	252.1	262.5	270.3	266.9	266.4	251.9	
Pork	223.4	226.7	232.3	233.4	225.9	222.2	217.2	215.1	207.4	
Other meats	219.8	223.7	229.6	233.9	239.4	244.0	248.9	245.1	243.5	
LIVESTOCK-FEED RATIOS, OMAHA[5]										
Beef steer-corn	26.6	28.4	30.3	32.7	33.2	30.8	26.4	24.7	25.7	26.5
Hog-corn	23.4	24.5	25.4	22.6	19.9	18.1	15.2	14.1	15.4	16.2

[1] Prior to Jan. 1, 1979, 200-220 lb. [2] St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis. [3] Prior to Jan. 1979, Midwest markets. [4] See special article, LMS-222. [5] Bushels of No. 2 Yellow Corn equivalent in value of 100 pounds liveweight.

Selected marketings, slaughter, and stock statistics for meat animals and meat

Item	Unit	1978				1979							
		Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
FEDERALLY INSPECTED:													
Slaughter:													
Cattle	1,000 head	3,027	3,180	3,029	2,833	3,090	2,559	2,670	2,366	2,622	2,554	2,492	2,860
Steers	1,000 head	1,354	1,434	1,408	1,394	1,605	1,352	1,402	1,247	1,393	1,380	1,289	1,469
Heifers	1,000 head	1,000	1,008	918	826	886	724	748	653	727	719	750	886
Cows	1,000 head	610	668	641	562	549	440	475	424	452	408	404	451
Bulls and stags	1,000 head	63	70	62	51	50	43	46	42	49	47	49	54
Calves	1,000 head	275	287	274	267	265	212	245	200	188	162	190	216
Sheep and lambs	1,000 head	435	457	413	396	391	354	431	425	421	371	384	415
Hogs	1,000 head	6,203	6,576	6,737	6,101	6,393	5,693	7,113	6,962	7,284	6,678	6,734	7,662
Percentage sows	Percent	5	5	5	6	5	5	4	4	4	5	7	7
Average liveweight per head:													
Cattle	Pounds	1,047	1,053	1,070	1,073	1,070	1,058	1,063	1,064	1,065	1,063	1,061	1,060
Calves	Pounds	200	203	201	197	201	206	200	215	227	237	224	204
Sheep and lambs	Pounds	111	114	115	116	115	118	120	115	115	112	112	110
Hogs	Pounds	239	243	248	247	241	237	238	240	243	246	246	240
Average dressed weight:													
Beef	Pounds	619	625	632	632	635	629	630	634	639	642	640	640
Veal	Pounds	123	124	124	116	122	127	123	130	140	146	137	126
Lamb and mutton	Pounds	56	58	58	58	58	59	61	58	57	56	56	55
Pork	Pounds	171	172	176	176	172	169	170	172	174	175	175	171
Production:													
Beef	Mil. lb.	1,869	1,981	1,910	1,786	1,952	1,603	1,678	1,494	1,671	1,634	1,589	1,824
Veal	Mil. lb.	33	35	33	31	32	27	30	26	26	23	26	27
Lamb and mutton	Mil. lb.	24	26	24	23	23	21	26	25	24	20	21	22
Pork	Mil. lb.	1,057	1,133	1,185	1,072	1,096	959	1,205	1,192	1,263	1,170	1,178	1,304
COMMERCIAL:													
Slaughter:[1]													
Cattle	1,000 head	3,223	3,408	3,269	3,047	3,304	2,736	2,852	2,533	2,792	2,715	2,659	3,030
Calves	1,000 head	316	331	316	300	296	240	272	223	214	193	218	241
Sheep and lambs	1,000 head	455	476	430	411	402	364	444	444	434	385	400	435
Hogs	1,000 head	6,441	6,840	7,042	6,434	6,696	5,947	7,397	7,237	7,564	6,940	7,002	7,956
Production:													
Beef	Mil. lb.	1,974	2,103	2,038	1,902	2,069	1,700	1,778	1,586	1,765	1,724	1,682	1,919
Veal	Mil. lb.	45	48	45	41	41	35	38	33	33	32	34	34
Lamb and mutton	Mil. lb.	25	27	25	24	23	22	27	25	25	21	22	23
Pork	Mil. lb.	1,095	1,176	1,236	1,129	1,147	1,001	1,251	1,238	1,309	1,213	1,221	1,352
COLD STORAGE STOCKS FIRST OF MONTH:[2]													
Beef	Mil. lb.	316	332	350	388	405	431	405	427	413	404	388	370
Veal	Mil. lb.	8	10	8	8	9	10	8	9	9	9	8	8
Lamb and mutton	Mil. lb.	11	11	12	12	12	11	11	12	12	13	11	12
Pork	Mil. lb.	179	177	207	245	242	225	220	247	278	292	270	227
Total meat and meat products[3]	Mil. lb.	581	598	639	715	724	736	711	763	785	791	747	688
FOREIGN TRADE:													
Imports: (carcass weight)													
Beef and veal	Mil. lb.	213	199	229	202	228	215	242	224	218	240	187	153
Pork	Mil. lb.	33	51	40	40	43	36	44	47	40	51	39	37
Lamb and mutton	Mil. lb.	3	2	2	3	4	3	6	5	3	6	3	3
Exports: (carcass weight)													
Beef and veal	Mil. lb.	15.16	12.43	11.00	15.52	11.26	17.08	15.78	15.77	10.51	14.05	13.73	14.69
Pork	Mil. lb.	26.38	29.97	32.20	25.19	24.32	17.45	20.40	23.48	28.82	15.54	24.38	19.90
Lamb and mutton	Mil. lb.	.12	.08	.21	.91	.18	.14	.05	.06	.08	.12	.08	.08
Live animal imports:													
Cattle	Number	23,561	52,651	198,228	250,827	97,289	46,654	42,037	40,527	48,876	27,594	19,550	18,329
Hogs	Number	39,498	14,833	6,060	6,277	33,206	17,189	14,698	3,982	13,281	7,201	5,781	4,960
Sheep and lambs	Number	2,194	4,908	124	864	751	461	4	8	79	28	36	345
Live animal exports:													
Cattle	Number	13,549	12,111	13,831	9,767	4,517	7,169	5,213	4,694	4,352	7,539	6,903	7,987
Hogs	Number	1,423	3,067	1,022	652	1,020	390	624	985	1,394	809	2,201	959
Sheep and lambs	Number	9,817	7,707	6,479	12,572	3,783	4,541	8,597	23,962	9,562	11,986	18,732	14,830

[1] Federally inspected and other commercial. [2] Beginning Jan. 1977 excludes beef and pork stocks in cooler. [3] Includes stocks of canned meats in cooler in addition to the meats listed. [4] Less than 500,000 lb.

LIST OF TABLES

STANDARD SUMMARY TABLES

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101
FIRST CLASS

U.S.MAIL

To stop mailing ☐ or to change your address ☐ send this sheet with label intact, showing new address, to Information, Staff, ESCS, U.S. Dept. of Agriculture, Rm. 0054 South Building, 14th & Independence Ave. S.W., Wash., D.C. 20250.

LMS-229 OCTOBER 1979

7659 ESRECE#14A422 18004 0001
ESCS REFERENCE CENTER
#147 GHI BLDG
WASHINGTON DC 20041