

Baseline Update for US Agricultural Markets



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FAPRI August 2007 Baseline Update for US Agricultural Markets

This document serves as a mid-year update to the 2007 FAPRI baseline prepared in January 2007. It reflects market developments and incorporates estimate information available in early August 2007.

- This current policy baseline assumes that provisions of the 2002 Farm Security Act are extended indefinitely when they would otherwise expire in 2007.
- Crop acreage and production figures for 2007 are set equal to estimates reported by the United States Department of Agriculture (USDA) in its August 2007 *World Agricultural Supply and Demand Estimates*.
- The projections assume higher petroleum and gasoline prices than in the Food and Agricultural Research Institute's (FAPRI) January baseline. The update reflects recent forecasts from Global Insight, Inc. which show that the price of West Texas Intermediate petroleum will remain around \$70 per barrel.
- Reduced global wheat production results in much higher 2007/08 wheat prices than earlier projected in January. Soybean prices are also higher because of strong demand and the larger reduction in 2007 planted acreage than anticipated.
- Demand for meat and dairy products has remained firm, despite higher prices. Drought conditions and caution regarding higher feed prices has kept production growth in check so far this year. This combination of firm demand and slow supply growth will allow most meat and dairy prices to stay at historically high levels for the next few years.

The estimates reported here cover a number of major US agricultural commodities, including corn, corn products, wheat, soybeans, upland cotton, beef, pork, poultry and dairy. The projections cover the period through the 2012/13 marketing year for crops, and through 2012 for livestock and dairy.

This update should not be confused with a "full" FAPRI baseline exercise, such as that used to generate the FAPRI baseline released earlier this year. A copy of it is online at: <http://www.fapri.missouri.edu/outreach/publications/2007/OutlookPub2007.pdf>. The commodity coverage is limited, the projection period is shorter, and no estimates are made of government costs, farm income, or other aggregate indicators. Most importantly, the update is focused on US markets only. No estimates were prepared for other countries. The US trade figures should be treated with extreme caution, as they are not the result of a comprehensive analysis of global commodity markets.

The next full FAPRI baseline process will begin in November 2007. A preliminary baseline will be prepared and reviewed at a workshop in December. Reviewer comments and other new information will be incorporated in the final baseline, which will be prepared beginning in January 2008.

U.S. Corn Supply and Utilization

Marketing Year	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Area (Million Acres)								
Base Area	87.1	86.7	86.7	86.8	86.8	86.9	86.9	86.9
Planted Area	81.8	78.3	92.9	89.8	93.8	93.9	94.1	93.7
Harvested Area	75.1	70.6	85.4	82.3	86.2	86.3	86.5	86.2
Yield (Bushels per Acre)								
Actual	148.0	149.1	152.8	154.0	155.9	158.2	160.4	162.6
Program, Direct	102.4	102.4	102.4	102.4	102.4	102.4	102.4	102.4
Program, CCP	114.3	114.4	114.4	114.4	114.4	114.4	114.4	114.4
Supply (Million Bushels)								
Beginning Stocks	2,114	1,967	1,137	1,528	1,252	1,318	1,335	1,391
Production	11,114	10,535	13,054	12,680	13,437	13,643	13,872	14,009
Imports	9	10	15	15	15	15	15	15
Domestic Use								
Feed, Residual	6,155	5,750	5,818	5,420	5,459	5,476	5,545	5,589
Fuel Alcohol	1,603	2,150	3,263	4,209	4,764	4,945	4,983	5,001
HFCS	529	510	533	544	550	556	560	562
Seed	20	24	23	24	24	24	24	24
Food, Other	830	842	849	850	857	864	871	878
Exports								
	2,134	2,100	2,192	1,924	1,734	1,777	1,849	1,932
Total Use								
	11,270	11,375	12,677	12,972	13,386	13,641	13,832	13,986
Ending Stocks								
CCC Inventory	0	0	0	0	0	0	0	0
Under Loan	171	190	187	116	130	134	148	159
Other Stocks	1,796	947	1,341	1,136	1,188	1,201	1,243	1,269
Prices and Returns (Dollars)								
Farm Price/bu.	2.00	3.03	3.10	3.38	3.35	3.34	3.28	3.25
Loan Rate/bu.	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95
Average LDP Rate/bu.	0.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Target Price/bu.	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63
CCP Rate/bu.	0.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/bu.	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28
Gross Market Revenue/a.	295.91	451.83	473.96	520.40	521.86	527.67	526.61	527.71
LDP Revenue/a.	61.01	0.05	0.00	0.00	0.00	0.00	0.00	0.00
Variable Expenses/a.	196.75	214.30	226.36	238.73	243.12	245.13	248.79	252.50
Mkt+LDP Net Returns/a.	160.18	237.58	247.60	281.67	278.75	282.54	277.82	275.21
CCP Revenue/Base a.	34.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/Base a.	24.37	24.37	24.37	24.37	24.37	24.37	24.37	24.37

U.S. Ethanol and Co-Product Supply and Use

Calendar or Marketing Year	2005	2006	2007	2008	2009	2010	2011	2012
Ethanol								
	(Million Gallons, Calendar Year)							
Production	3,904	4,855	7,003	10,075	12,438	13,729	14,204	14,417
From Corn	3,766	4,696	6,807	9,814	12,114	13,368	13,809	13,967
From Other Feedstocks	138	160	196	258	311	334	341	344
Cellulosic	0	0	0	3	13	27	53	107
Net Imports (Ethyl Alcohol)	127	721	343	295	286	278	274	272
Disappearance	4,050	5,442	7,300	10,175	12,584	13,924	14,445	14,675
Ending Stocks	234	367	413	609	749	831	863	878
Renewable Fuel Mandate	n.a.	4,000	4,700	5,400	6,100	6,800	7,400	7,500
Production Capacity, Jan. 1	3,644	4,336	5,493	8,554	11,990	14,436	15,503	15,850
Fuel Prices								
	(Dollars per Barrel, Calendar Year)							
Petroleum, Ref. Acquisition	50.31	60.09	64.27	69.32	68.13	67.55	66.63	65.03
Petroleum, W. Texas Interm.	56.56	66.12	67.43	73.75	72.83	71.58	70.67	68.97
	(Dollars per Gallon, Calendar Year)							
Unl. Gasoline, FOB Omaha	1.66	1.94	2.07	2.13	2.13	2.10	2.08	2.06
Unleaded Gasoline, Retail	2.30	2.59	2.67	2.77	2.77	2.75	2.73	2.71
Ethanol, FOB Omaha	1.80	2.58	2.17	1.83	1.79	1.75	1.73	1.72
Ethanol, Tax Credit	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51
Ethanol, Implied Retail	1.93	2.72	2.26	1.96	1.92	1.89	1.87	1.86
Ethanol/Gasoline Retail Ratio	83.9%	105.0%	84.7%	70.8%	69.3%	68.7%	68.6%	68.7%
Distillers, Brewers Grains								
	(Thousand Tons, Sep.-Aug. Year)							
Production (Dry Equivalent)	11,327	15,431	23,981	31,299	35,759	37,275	37,641	37,839
Domestic Use	10,101	13,829	21,957	28,878	33,068	34,468	34,752	34,865
Net Exports	1,226	1,601	2,025	2,421	2,691	2,807	2,889	2,973
	(Dollars per Ton, Sep.-Aug. Year)							
Price, Lawrenceburg, IN	86.56	106.16	96.38	94.32	90.40	91.33	92.78	94.51
Corn Gluten Feed								
	(Thousand Tons, Sep.-Aug. Year)							
Production	8,943	9,253	10,016	10,564	10,792	10,871	10,890	10,900
Domestic Use	5,991	7,514	8,254	8,824	9,048	9,143	9,179	9,207
Net Exports	2,952	1,738	1,763	1,740	1,744	1,728	1,712	1,693
	(Dollars per Ton, Sep.-Aug. Year)							
Price, 21%, IL Points	55.45	69.10	68.92	72.71	70.81	70.47	69.68	69.19
Corn Gluten Meal								
	(Thousand Tons, Sep.-Aug. Year)							
Production	2,353	2,435	2,636	2,780	2,840	2,861	2,866	2,869
Domestic Use	1,374	1,283	1,467	1,600	1,650	1,664	1,662	1,659
Net Exports	980	1,152	1,169	1,180	1,190	1,197	1,203	1,210
	(Dollars per Ton, Sep.-Aug. Year)							
Price, 60%, IL Points	273.50	325.91	334.41	329.96	322.74	318.08	315.60	313.01
Corn Oil								
	(Million Pounds, Oct.-Sep. Year)							
Production	2,483	2,700	2,923	3,083	3,149	3,172	3,178	3,181
Domestic Use	1,685	1,820	2,151	2,295	2,357	2,378	2,380	2,379
Net Exports	754	805	790	787	790	793	797	801
Ending Stocks	200	275	257	258	260	261	263	264
	(Cents per Pound, Oct.-Sep. Year)							
Chicago Price	25.18	30.50	34.17	36.32	36.76	36.89	36.79	36.63

U.S. Wheat Supply and Utilization

Marketing Year	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Area	(Million Acres)							
Base Area	75.4	74.8	74.7	74.9	75.0	75.0	75.0	75.0
Planted Area	57.2	57.3	60.5	62.8	57.5	58.5	58.3	58.3
Harvested Area	50.1	46.8	52.1	53.4	48.8	49.7	49.5	49.4
Yield	(Bushels per Acre)							
Actual	42.0	38.7	40.6	42.7	43.1	43.4	43.7	44.0
Program, Direct	34.5	34.5	34.5	34.5	34.5	34.5	34.5	34.5
Program, CCP	36.1	36.1	36.1	36.1	36.1	36.1	36.1	36.1
Supply	(Million Bushels)							
Beginning Stocks	540	571	456	403	535	505	510	512
Production	2,105	1,812	2,114	2,280	2,103	2,157	2,163	2,177
Imports	82	122	103	102	103	103	103	102
Domestic Use	1,152	1,141	1,189	1,268	1,263	1,272	1,277	1,282
Feed, Residual	160	134	173	245	234	237	235	234
Seed	78	81	85	78	80	80	80	80
Food, Other	914	925	931	944	949	955	962	968
Exports	1,003	909	1,081	982	973	983	987	992
Total Use	2,155	2,050	2,270	2,249	2,236	2,256	2,264	2,274
Ending Stocks	571	456	403	535	505	510	512	517
CCC Inventory	43	41	41	41	41	41	41	41
Under Loan	42	14	12	21	18	19	19	19
Other Stocks	486	401	350	473	446	450	452	457
Prices and Returns	(Dollars)							
Farm Price/bu.	3.42	4.26	5.11	4.19	4.32	4.31	4.31	4.29
Loan Rate/bu.	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Average LDP Rate/bu.	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Target Price/bu.	3.92	3.92	3.92	3.92	3.92	3.92	3.92	3.92
CCP Rate/bu.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/bu.	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Gross Market Revenue/a.	143.62	164.91	207.26	178.78	186.03	187.19	188.31	188.98
LDP Revenue/a.	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Variable Expenses/a.	81.68	89.21	93.78	98.18	99.97	101.09	102.75	104.38
Mkt+LDP Net Returns/a.	62.34	75.70	113.48	80.60	86.06	86.10	85.56	84.60
CCP Revenue/Base a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/Base a.	15.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25

U.S. Soybean Supply and Utilization

Marketing Year	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Area (Million Acres)								
Base Area	52.5	52.0	52.0	52.1	52.1	52.2	52.2	52.2
Planted Area	72.0	75.5	64.1	68.8	68.2	68.1	67.8	67.9
Harvested Area	71.3	74.6	63.3	67.8	67.2	67.1	66.8	67.0
Yield (Bushels per Acre)								
Actual	43.0	42.7	41.5	41.9	42.3	42.8	43.2	43.7
Program, Direct	30.8	30.8	30.8	30.8	30.8	30.8	30.8	30.8
Program, CCP	34.1	34.1	34.1	34.1	34.1	34.1	34.1	34.1
Supply (Million Bushels)								
Beginning Stocks	256	449	575	253	248	252	258	261
Production	3,063	3,188	2,625	2,843	2,843	2,868	2,889	2,925
Imports	3	4	4	4	4	4	4	4
Domestic Use								
Crush	1,739	1,795	1,764	1,756	1,772	1,798	1,827	1,858
Seed, Residual	194	172	167	173	175	178	181	184
Exports								
	940	1,100	1,019	923	895	890	882	883
Total Use								
	2,873	3,067	2,951	2,852	2,842	2,866	2,889	2,925
Ending Stocks								
CCC Inventory	0	0	0	0	0	0	0	0
Under Loan	108	70	31	28	29	30	31	32
Other Stocks	342	505	222	220	223	228	230	234
Prices and Returns (Dollars)								
Farm Price/bu.	5.66	6.40	7.77	8.01	7.92	7.85	7.79	7.72
Ill. Proc. Price/bu.	5.70	7.24	8.09	8.32	8.24	8.17	8.11	8.05
Loan Rate/bu.	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Average LDP Rate/bu.	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.00
Target Price/bu.	5.80	5.80	5.80	5.80	5.80	5.80	5.80	5.80
CCP Rate/bu.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/bu.	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
Gross Market Revenue/a.	243.34	273.52	322.16	335.58	335.17	335.62	336.78	337.37
LDP Revenue/a.	0.48	0.67	0.00	0.00	0.00	0.00	0.00	0.00
Variable Expenses/a.	92.24	99.69	105.94	110.42	112.58	114.17	116.17	118.12
Mkt+LDP Net Returns/a.	151.57	174.49	216.22	225.16	222.60	221.44	220.61	219.25
CCP Revenue/Base a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/Base a.	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52
Bean/Corn Ratio	2.83	2.11	2.50	2.37	2.37	2.35	2.37	2.38
48% Meal Price/ton	174.17	205.00	217.82	215.56	210.07	206.31	204.23	202.04
Oil Price/cwt	23.41	31.00	34.16	36.44	36.93	37.08	36.98	36.82
Crushing Margin/bu.	1.18	1.13	0.99	0.97	0.97	0.97	0.96	0.96

U.S. Upland Cotton Supply and Utilization

Marketing Year	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Area	(Million Acres)							
Base Area	18.50	18.38	18.37	18.39	18.41	18.43	18.43	18.43
Planted Area	13.98	14.95	10.76	11.13	11.81	11.91	11.78	11.73
Harvested Area	13.53	12.41	10.34	10.05	10.65	10.74	10.62	10.57
Yield	(Pounds per Acre)							
Actual	825	806	767	805	814	821	828	836
Program, Direct	600	599	599	599	599	599	599	599
Program, CCP	635	634	634	634	634	634	634	634
Supply	(Million Bales)							
Beginning Stocks	5.48	5.98	9.68	6.07	4.54	4.42	4.61	4.73
Production	23.26	20.82	16.54	16.86	18.05	18.38	18.33	18.41
Imports	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Domestic Use	(Million Bales)							
Mill Use	5.82	4.86	4.54	4.18	4.02	3.85	3.74	3.64
Exports	17.44	12.33	15.61	14.22	14.16	14.34	14.48	14.63
Total Use	23.26	17.19	20.15	18.40	18.18	18.20	18.21	18.27
Unaccounted	0.49	0.05	0.00	0.00	0.00	0.00	0.00	0.00
Ending Stocks	5.98	9.68	6.07	4.54	4.42	4.61	4.73	4.87
CCC Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Stocks	5.98	9.68	6.07	4.54	4.42	4.61	4.73	4.87
Prices and Returns	(Dollars)							
Farm Price/lb.	0.477	0.473	0.539	0.609	0.612	0.604	0.602	0.599
Cotlook A Index/lb.	0.571	0.602	0.656	0.716	0.715	0.707	0.705	0.704
Adjusted World Price/lb.	0.421	0.442	0.501	0.561	0.560	0.552	0.550	0.549
Loan Rate/lb.	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520
Average LDP Rate/lb.	0.099	0.092	0.032	0.000	0.000	0.000	0.000	0.000
Target Price/lb.	0.724	0.724	0.724	0.724	0.724	0.724	0.724	0.724
CCP Rate/lb.	0.137	0.137	0.118	0.049	0.046	0.053	0.055	0.058
Direct Payment/lb.	0.067	0.067	0.067	0.067	0.067	0.067	0.067	0.067
Gross Market Revenue/a.	451.46	450.88	495.92	577.97	583.20	581.46	584.00	585.66
LDP Revenue/a.	81.29	73.71	24.35	0.00	0.00	0.00	0.00	0.00
Variable Expenses/a.	364.85	381.66	393.69	408.27	414.71	418.67	425.48	432.61
Mkt+LDP Net Returns/a.	167.90	142.93	126.57	169.70	168.49	162.78	158.51	153.05
CCP Revenue/Base a.	74.11	73.99	63.53	26.24	24.65	28.51	29.75	31.44
Direct Payment/Base a.	34.02	33.96	33.96	33.96	33.96	33.96	33.96	33.96

U.S. Rice Supply and Utilization

Marketing Year	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Area (Million Acres)								
Base Area	4.49	4.48	4.48	4.48	4.48	4.48	4.48	4.48
Planted Area	3.38	2.84	2.74	2.88	2.77	2.76	2.76	2.76
Harvested Area	3.36	2.82	2.73	2.86	2.75	2.74	2.74	2.74
Yield (Pounds per Acre)								
Actual	6,636	6,868	6,984	7,047	7,130	7,201	7,273	7,345
Program, Direct	4,818	4,820	4,820	4,820	4,820	4,820	4,820	4,820
Program, CCP	5,126	5,128	5,128	5,128	5,128	5,128	5,128	5,128
Supply (Million Cwt.)								
Beginning Stocks	37.7	43.0	41.9	27.4	27.7	27.3	27.7	28.5
Production	223.2	193.7	190.4	201.3	196.2	197.2	199.5	201.5
Imports	17.1	21.0	21.2	21.6	21.9	22.2	22.5	22.8
Domestic Use	119.3	122.8	124.9	126.7	128.4	129.9	131.4	132.9
Exports	115.8	93.0	101.3	95.8	90.0	89.2	89.7	90.5
Total Use	235.1	215.8	226.1	222.5	218.4	219.1	221.1	223.4
Ending Stocks								
CCC Inventory	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Stocks	42.9	41.9	27.4	27.7	27.3	27.7	28.5	29.4
Prices and Returns (Dollars)								
Farm Price/cwt.	7.65	9.68	9.90	9.70	9.64	9.65	9.64	9.64
Adjusted World Price/cwt	6.21	7.32	7.76	7.49	7.35	7.30	7.26	7.22
Loan Rate/cwt	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Average LDP Rate/cwt.	0.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Target Price/cwt.	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
CCP Rate/cwt.	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/cwt.	2.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35
Gross Market Revenue/a.	507.65	664.79	691.40	683.35	687.14	694.66	701.28	708.16
LDP Revenue/a.	38.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Variable Expenses/a	404.93	437.95	461.65	482.27	489.47	494.52	502.02	509.20
Mkt+LDP Net Returns/a.	140.92	226.83	229.74	201.08	197.67	200.14	199.25	198.96
CCP Revenue/Base a.	21.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Payment/Base a.	96.25	96.27	96.27	96.27	96.27	96.27	96.27	96.27

U.S. Planted and Idled Area

Marketing Year	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Planted Area	(Million Acres)							
Corn	81.78	78.33	92.89	89.81	93.83	93.88	94.10	93.69
Soybeans	72.03	75.52	64.08	68.83	68.20	68.06	67.82	67.94
Wheat	57.23	57.34	60.51	62.84	57.49	58.53	58.30	58.25
Upland Cotton	13.98	14.95	10.76	11.13	11.81	11.91	11.78	11.73
Sorghum	6.45	6.52	7.77	7.12	7.29	7.11	7.13	7.03
Barley	3.88	3.45	4.04	3.57	3.99	3.76	3.67	3.55
Oats	4.25	4.17	3.86	3.70	3.78	3.78	3.77	3.75
Rice	3.38	2.84	2.74	2.88	2.77	2.76	2.76	2.76
Sunflowers	2.71	1.95	1.86	1.67	1.88	1.88	1.87	1.81
Peanuts	1.66	1.24	1.19	1.22	1.34	1.30	1.29	1.29
Canola	1.16	1.04	1.17	1.24	1.41	1.36	1.38	1.43
Sugar beets	1.24	1.30	1.24	1.21	1.24	1.20	1.21	1.19
Sugarcane	0.86	0.85	0.84	0.83	0.85	0.84	0.83	0.82
13-Crop Planted	250.60	249.51	252.95	256.05	255.90	256.37	255.91	255.26
Hay Area Harvested	61.73	60.81	61.79	62.02	62.04	61.81	61.68	61.65
13 Crops + Hay	312.33	310.32	314.73	318.07	317.94	318.18	317.59	316.90
Conservation Reserve	35.59	36.02	36.79	34.00	32.00	30.00	30.00	30.00
13 Crops + Hay + CRP	347.92	346.33	351.53	352.07	349.94	348.18	347.59	346.90

U.S. Cattle Sector

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012	
				(Million Head)					
Beef Cows (Jan. 1)	32.9	33.0	32.9	32.8	32.9	33.2	33.6	33.8	
Dairy Cows (Jan. 1)	9.0	9.1	9.1	9.1	9.1	9.1	9.1	9.1	
Cattle and Calves (Jan. 1)	95.4	96.7	97.0	97.0	97.4	97.9	98.5	98.7	
Calf Crop	37.6	37.6	37.4	37.5	37.9	38.3	38.5	38.6	
Calf Death Loss	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	
Calf Slaughter	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	
Beef Cow Slaughter	2.6	3.0	3.1	3.0	2.9	3.0	3.2	3.3	
Dairy Cow Slaughter	2.3	2.4	2.7	2.7	2.7	2.7	2.7	2.7	
Bull Slaughter	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
Steer and Heifer Slaughter	27.2	27.9	27.9	27.9	28.3	28.7	29.0	29.1	
Total Slaughter	33.3	34.6	35.0	34.9	35.2	35.7	36.2	36.4	
Cattle Imports	1.8	2.3	2.3	2.4	2.5	2.5	2.6	2.6	
Cattle Exports	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.2	
Cattle Death Loss	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	
Residual	-0.1	-0.2	0.0	0.1	0.2	0.3	0.3	0.3	
Cattle and Calves (Dec. 31)	96.7	97.0	97.0	97.4	97.9	98.5	98.7	98.8	
Cattle on Feed (Jan. 1)	13.7	14.1	14.3	14.0	13.8	13.9	14.2	14.3	
Supply				(Million Pounds)					
Beginning Stocks	637	571	630	572	575	590	606	620	
Imports	3,599	3,085	3,270	3,320	3,380	3,349	3,409	3,523	
Production	24,787	26,258	26,204	26,226	26,802	27,449	27,999	28,287	
Total	29,023	29,914	30,104	30,118	30,757	31,389	32,015	32,430	
Disappearance									
Domestic Use	27,754	28,139	28,178	27,876	28,284	28,750	29,219	29,528	
Exports	698	1,145	1,354	1,667	1,883	2,033	2,176	2,274	
Total	28,452	29,284	29,532	29,543	30,167	30,783	31,395	31,802	
Ending Stocks	571	630	572	575	590	606	620	628	
Per Capita Consumption				(Pounds)					
Carcass Weight	93.3	93.8	93.0	91.2	91.8	92.5	93.2	93.4	
Retail Weight	65.3	65.6	65.1	63.9	64.2	64.7	65.2	65.4	
Change	-1.0%	0.4%	-0.8%	-1.9%	0.6%	0.8%	0.8%	0.2%	
Prices									
1100 - 1300 #,				(Dollars Per Hundredweight)					
Nebraska Direct Steers	87.28	85.41	91.09	94.21	92.93	90.04	87.84	86.40	
Change	3.0%	-2.1%	6.6%	3.4%	-1.4%	-3.1%	-2.4%	-1.6%	
600 - 650 #, Oklahoma									
City Feeder Steers	120.11	117.68	117.53	118.46	114.27	107.60	103.83	102.03	
Change	7.4%	-2.0%	-0.1%	0.8%	-3.5%	-5.8%	-3.5%	-1.7%	
Utility Cows, Sioux Falls	54.36	47.56	50.94	52.98	52.36	49.92	47.93	47.14	
Change	3.8%	-12.5%	7.1%	4.0%	-1.2%	-4.7%	-4.0%	-1.7%	
Boxed Beef Cutout	145.78	146.82	153.57	158.86	157.61	153.94	150.85	148.29	
Change	3.6%	0.7%	4.6%	3.4%	-0.8%	-2.3%	-2.0%	-1.7%	
				(Dollars Per Pound)					
Beef Retail	4.09	3.97	4.23	4.32	4.31	4.28	4.26	4.25	
Change	0.7%	-3.0%	6.6%	2.0%	-0.1%	-0.8%	-0.4%	-0.2%	
Cow-Calf Returns				(Dollars Per Cow)					
Receipts	584.51	567.69	571.33	577.81	559.41	528.27	509.87	501.32	
Feed Expenses	107.52	134.21	153.51	142.92	138.18	137.40	138.09	138.45	
Non-feed Expenses	338.65	361.12	371.45	379.27	375.90	376.18	376.77	377.48	
Net Returns	138.34	72.35	46.37	55.62	45.33	14.69	-4.99	-14.61	

U.S. Swine Sector

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012
	(Million Head)							
Breeding Herd (Dec. 1*)	5.97	6.01	6.09	6.09	6.03	5.95	5.90	5.89
Gilts Added	3.25	3.40	3.44	3.44	3.39	3.33	3.31	3.32
Sow Slaughter	3.15	3.26	3.38	3.44	3.40	3.33	3.26	3.24
Sows Farrowed	11.54	11.63	11.81	11.83	11.71	11.59	11.52	11.57
Pigs per Litter (Head)	9.01	9.08	9.14	9.19	9.24	9.29	9.34	9.39
Market Hogs (Dec. 1*)	55.0	55.4	56.4	57.6	57.9	57.8	57.6	57.7
Pig Crop	104.0	105.6	107.9	108.8	108.2	107.7	107.7	108.7
Barrow and Gilt Slaughter	100.2	101.1	103.8	105.8	106.2	105.8	105.8	106.6
Hog Imports	8.2	8.8	9.4	9.8	10.0	10.2	10.4	10.7
Hog Exports	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Death Loss/Residual	11.4	12.1	12.2	12.2	12.1	12.0	12.0	12.1
Market Hogs (Nov.30)	55.4	56.4	57.6	57.9	57.8	57.6	57.7	58.2
	(Million Pounds)							
Supply								
Beginning Stocks	543	494	514	541	559	561	558	556
Imports	1,025	990	994	1,015	1,050	1,084	1,094	1,092
Production	20,705	21,075	21,580	22,072	22,210	22,201	22,261	22,487
Total	22,273	22,559	23,088	23,628	23,819	23,846	23,913	24,136
Disappearance								
Domestic Use	19,114	19,050	19,590	20,014	20,122	20,075	20,066	20,211
Exports	2,665	2,995	2,957	3,055	3,136	3,214	3,291	3,363
Total	21,779	22,045	22,547	23,069	23,258	23,289	23,357	23,574
Ending Stocks	494	514	541	559	561	558	556	561
	(Pounds)							
Per Capita Consumption								
Carcass Weight	64.3	63.5	64.7	65.5	65.3	64.6	64.0	63.9
Retail Weight	49.9	49.3	50.2	50.8	50.7	50.1	49.7	49.6
Change	-2.6%	-1.3%	1.9%	1.3%	-0.3%	-1.1%	-0.9%	-0.1%
Prices								
Barrows & Gilts, Natl. Base	(Dollars Per Hundredweight)							
51-52% lean equiv.	50.05	47.26	49.28	46.48	47.89	50.43	53.10	54.29
Change	-4.7%	-5.6%	4.3%	-5.7%	3.0%	5.3%	5.3%	2.2%
Sows, IA-S. Minn. #1-2, 300-400 Lb.	42.70	36.24	37.57	34.60	35.70	38.23	40.86	41.50
Change	-1.8%	-15.1%	3.7%	-7.9%	3.2%	7.1%	6.9%	1.6%
Pork Cutout Value	69.84	67.62	69.25	66.38	67.55	70.46	73.52	74.65
Change	-5.0%	-3.2%	2.4%	-4.1%	1.8%	4.3%	4.4%	1.5%
	(Dollars Per Pound)							
Pork Retail	2.83	2.81	2.87	2.86	2.93	3.01	3.09	3.13
Change	1.3%	-0.7%	2.4%	-0.4%	2.3%	2.7%	2.7%	1.3%
Farrow - Finish Returns	(Dollars Per Hundredweight)							
Receipts	48.74	45.58	47.56	44.67	46.08	48.67	51.39	52.54
Feed Expenses	20.72	21.11	27.50	28.87	29.83	29.36	29.06	28.69
Non-feed Expenses	18.18	18.28	18.67	18.96	18.99	19.13	19.25	19.32
Net Returns	9.84	6.20	1.39	-3.15	-2.75	0.18	3.08	4.53

* Preceding year

U.S. Poultry Supply and Use

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012
Broiler								
Supply (Million Pounds)								
Beginning Stocks	713	924	745	663	761	766	772	777
Imports	34	47	51	48	50	52	54	56
Production	34,986	35,369	35,413	36,334	37,013	37,723	38,385	39,072
Total	35,733	36,340	36,209	37,044	37,824	38,541	39,211	39,905
Disappearance								
Domestic Use	29,607	30,323	30,296	30,871	31,515	32,083	32,623	33,169
Exports	5,203	5,272	5,250	5,412	5,543	5,686	5,811	5,949
Total	34,810	35,595	35,546	36,283	37,058	37,769	38,434	39,118
Ending Stocks	924	745	663	761	766	772	777	787
Per Capita Consumption (Pounds)								
RTC Weight	99.6	101.0	100.0	101.0	102.3	103.2	104.1	104.9
Retail Weight	85.5	86.8	85.9	86.8	87.8	88.7	89.4	90.1
Change	1.7%	1.5%	-1.0%	1.0%	1.2%	0.9%	0.8%	0.8%
Prices (Cents Per Pound)								
12 City Wholesale	70.83	64.36	77.29	74.08	76.73	77.04	77.24	77.23
Change	-4.4%	-9.1%	20.1%	-4.1%	3.6%	0.4%	0.3%	0.0%
Bnls. Breast Whlsle., NE	133.86	112.01	155.52	149.11	155.12	156.94	158.20	158.70
Change	-26.1%	-16.3%	38.8%	-4.1%	4.0%	1.2%	0.8%	0.3%
Whole Leg Wholesale, NE	52.10	38.61	59.78	54.52	56.00	56.31	56.54	56.52
Change	20.0%	-25.9%	54.8%	-8.8%	2.7%	0.6%	0.4%	0.0%
Broiler Retail	174.07	157.06	167.15	166.52	171.20	174.30	177.09	177.39
Change	0.7%	-9.8%	6.4%	-0.4%	2.8%	1.8%	1.6%	0.2%
Broiler - Feed Ratio	7.0	6.2	6.4	5.7	5.9	6.1	6.1	6.2
Turkey								
Supply (Million Pounds)								
Beginning Stocks	288	206	218	236	254	266	269	272
Imports	8	12	11	12	13	14	15	16
Production	5,432	5,612	5,747	5,856	5,910	5,967	6,028	6,091
Total	5,728	5,830	5,976	6,104	6,177	6,248	6,312	6,379
Disappearance								
Domestic Use	4,952	5,065	5,185	5,245	5,291	5,343	5,390	5,439
Exports	570	547	554	605	620	636	650	665
Total	5,522	5,612	5,739	5,850	5,911	5,979	6,040	6,104
Ending Stocks	206	218	236	254	266	269	272	275
Per Capita Consumption (Pounds)								
Change	-2.1%	1.3%	1.5%	0.3%	0.0%	0.1%	0.0%	0.0%
Prices (Cents Per Pound)								
East. Region, Wholesale	73.41	76.95	81.44	77.99	80.06	80.82	81.06	81.22
Change	5.3%	4.8%	5.8%	-4.2%	2.6%	1.0%	0.3%	0.2%
Turkey Retail	107.23	110.82	114.04	113.80	116.75	118.38	119.56	120.34
Change	-1.7%	3.3%	2.9%	-0.2%	2.6%	1.4%	1.0%	0.7%
Turkey - Feed Ratio	7.8	7.9	7.0	6.1	6.3	6.5	6.5	6.6

U.S. Dairy Sector

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012
U.S. Milk Supply								
Dairy Cows (Thou. Head)	9,043	9,112	9,112	9,160	9,131	9,108	9,089	9,074
Milk Yield (Lbs.)	19,565	19,951	20,235	20,589	20,990	21,326	21,654	21,970
Milk Production (Bil. Lbs.)	176.9	181.8	184.4	188.6	191.7	194.2	196.8	199.4
Min. FMMO Class Prices (Dollars per Cwt.)								
Class I Mover	14.40	11.88	18.06	14.97	14.55	14.54	14.60	14.61
Class II	13.48	11.76	18.76	15.67	15.25	15.12	15.11	15.07
Class III	14.05	11.89	17.98	14.60	14.56	14.55	14.61	14.61
Class IV	12.88	11.06	18.07	14.98	14.56	14.42	14.42	14.38
All Milk Price	15.19	12.97	19.07	16.05	15.78	15.72	15.74	15.72
MILCX Payment	0.00	0.61	0.00	0.00	0.00	0.00	0.00	0.00
Wholesale Prices (Dollars per Pound)								
Butter, CME	1.55	1.24	1.53	1.35	1.33	1.31	1.36	1.42
Cheese, Am., 40#, CME	1.49	1.24	1.63	1.49	1.49	1.49	1.50	1.49
Nonfat Dry Milk, AA	0.99	1.02	1.64	1.36	1.32	1.32	1.29	1.26
Evaporated	1.47	1.50	1.72	1.65	1.64	1.65	1.65	1.65
Dairy Product Production (Million Pounds)								
American Cheese	3,808	3,913	4,088	4,202	4,305	4,372	4,433	4,491
Other Cheese	5,341	5,622	5,816	6,203	6,399	6,552	6,699	6,843
Butter	1,347	1,448	1,453	1,477	1,485	1,496	1,494	1,494
Nonfat Dry Milk	1,477	1,463	1,594	1,804	1,877	1,926	1,986	2,048

Notes

