Livestock, Dairy and Poultry Situation and Outlook

Economic Research Service **LDP-M-86**
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In 2001, the Livestock, Dairy, and Poultry Situation and Outlook Report will be electronically released monthly. The report will be available on the World Wide Web (http://www.ers.usda.gov/Prodsrvs/rept-ldp.htm and click on Livestock, Dairy and Poultry Situation and Outlook Report) in Adobe Acrobat format (PDF files). The content of each issue may vary. They will be released on January 24, February 28, March 28, April 25, May 30, June 27, July 25, August 29, September 26, October 24, November 28, and December 27. The reports should be available by 4:00 p.m. Eastern Time on day of release.

Producers' Returns Up in First-Half

Prices for milk, cattle, hogs, and broilers rose in first-half 2001 and feed costs declined boosting producers' returns. Milk and beef production declined, while pork and broiler production rose slightly. However, strong broiler and pork exports reduced domestic supplies below a year ago.

Weather Extremes Continue to Impact Beef Production

Poor weather conditions reduced beef supplies this past winter and spring, resulting in sharply higher fed cattle prices and record retail beef prices as competition for the reduced supply of beef increased. Although cattle-on-feed inventories at the beginning of the year were 3 percent above a year earlier, first half beef production was 5 percent lower as both marketings and slaughter weights declined. Steer and heifer slaughter weights were on a record-setting path until December when winter weather conditions began having an impact. In March, weights for steers and heifers were 17 and 16 pounds below a year earlier, respectively. However, with improved weather and feeding conditions slaughter weights were again near to above last year's pace in August. Drought conditions since spring have also pushed more cattle into feedlots, which combined with compensatory weight gains and a slow marketing pace, will add to second- half fed beef supplies.

Beef Cow Slaughter Continues High

Beef cow slaughter has risen sharply over the past couple of months. Unless rains begin soon enough to generate pasture for fall and winter grazing, cow slaughter will increase further. Any additional increase in beef cow slaughter in 2001 will result in even sharper declines in beef production in the future. Beef

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Approved by the World Agricultural Outlook Board

production is revised upward in second half 2001 as more cattle have been placed into feedlots. Many of these cattle normally would not have been placed on feed until this fall or late winter. Steer and heifer slaughter weights again are at record levels as feedlot conditions are much improved from the extremes of winter and early spring. However, beef production in both July and August was below year-earlier levels as cattle remain on feed longer. With larger on feed inventories, second-half marketings in late summer through mid fall should rise above year-earlier levels.

Cattle on Feed Inventories Up 7 Percent

Drought conditions throughout much of the Southern Great Plains and Pacific Northwest have again resulted in large numbers of cattle being pushed into feedlots. In particular, large numbers of heifers again have been placed on feed rather than entering the breeding herd. In addition, large numbers of this year's calf crop are also being forced into feedlots due to poor forage prospects. Net placements in June were 20 percent above a year earlier, while July placements were up 4 percent. Poor moisture conditions through most of August are almost certain to result in another month of large placements. However, large placements are likely behind us as declining inventories since 1996 and another smaller calf crop this year should result in declining placements in late summer through fall.

If moisture conditions, which began to improve in some areas in late August, continue to improve and fall-winter grazing prospects are more favorable, prospects for beef supply reductions in 2002 will be more certain. Prospects for good winter wheat grazing would particularly result in strong demand for the limited supply of stocker-feeder cattle supplies outside feedlots. High calf prices combined with improved forage conditions could trigger stronger than expected heifer retention and herd expansion, further reducing beef supplies beginning in second half 2002.

Large Beef-Competing Meat Supplies To Hold Down Prices

Larger supplies of fed beef and seasonally large pork supplies likely will result in declining beef prices through late fall. Prices for Choice retail beef likely peaked in June at a record $3.48 a pound, before declining modestly in July. Although prices are likely to decline this fall, they are expected to remain well above last year's $3.11 second-half average. Declining prices and larger supplies of higher quality beef are likely to support stronger exports in the second half of this year. Second-quarter beef exports were 16 percent below a year earlier as the domestic market outbid a soft international market for the lower supply of higher quality beef. Lower U.S. prices, and likely reduced stocks in major export markets are expected to limit price declines as beef supplies rise through mid-fall.

Late summer and fall rains and forage availability will determine the beef flows in 2002. Present large on-feed inventories and record weight trends will hold up beef supplies through first quarter 2002. Normal weather conditions this fall and winter and some modest heifer retention is expected to result in total beef production declining nearly 4 percent in 2002, with the largest declines occurring in the second half of the year. Fed cattle prices are likely to average near $80 per cwt in 2002, up from the mid-$70s this year. Feeder cattle prices are expected to continue strong over the next several years as supplies decline. Larger supplies of competing meats in 2002 will hold down beef price gains and consequently feeder cattle price gains. However, cyclically this is a period when cattle feeders suffer red ink, while cow-calf operators are in the black, and weather permitting, can begin to retain heifers for expansion.

Milk Production Down, Dairy Product Demand Strong

Wholesale prices of dairy products have not exactly been steady but have not changed much since spring. Milk production has recovered only slightly and remains well below a year earlier. Meanwhile, dairy product demand has held strong despite mixed economic trends. Dairy prices may slip slowly during autumn 2001, but conditions are not projected to change quickly. In fact, market tightness probably could send prices upward in response to only slightly different outcomes.

Milk cow numbers have been about flat during recent months, at a level about 1 percent below the rising cow numbers of a year earlier. This year's much higher returns apparently have already slowed dairy farm exits. However, the very tight supplies of replacement heifers continue to inhibit expansion by stronger farms and caused farms to adopt the short-run expedient of keeping last-lactation cows an extra month or two. In addition, tight western hay supplies and high prices may also be affecting expansion plans.

Milk per cow continues to suffer in the face of very favorable milk-feed price ratios. Forage quality remains a major factor. Widespread summer heat has had a significant effect, coming on the heels of damage from last winter's weather. Milk per cow has recovered a little from March-April but stays far below the trend line. Significant growth from a year earlier is not expected until autumn.

Milk production is expected to move above a year earlier this autumn but large increases are not projected until 2002. Average cow numbers and milk production are expected to decline about 1 percent in 2001. Milk output could surge almost 3 percent in 2002 if milk per cow resumes trend growth as expected.

Demand for many dairy products has yet to be affected by the unsettled economy and remains brisk. April-June sales of milkfat were just barely below last year's record, even though very high prices were trying to ration the available supply. Similarly, sales of skim solids rose more than 2 percent from a year earlier, even though prices of whole milk products were sharply higher, and the reduction in the prices of skim milk products was only starting to take effect. Dairy demand probably will stay fairly brisk during the rest of the year, although economic sluggishness might remove some of the edge.

By the end of July, the high U.S. butter prices had attracted the equivalent of 24 million pounds of butter imported beyond the tariff-rate quota (TRQ). The high tariff imports consisted of almost twice as much butter as butteroil. The somewhat tight international butter markets, the seasonal lack of Southern Hemisphere production, the difficulty of marketing imported butter, and the inherent riskiness of over-TRQ imports limited such imports despite the nominal profitability. Over-TRQ imports are not expected to be significant this autumn.

Since the reduction in the support purchase price of nonfat dry milk, U.S. powder has been available for commercial export at some very attractive prices. The European Union (EU) set their export restitution at zero, reflecting their tight domestic situation and international market strength. Even so, buyers have been very unaggressive. The large U.S. supplies are ample for importers' needs, and further weakening in U.S. prices is possible. In addition, seasonal tightening is still a few months away. Significant exports reportedly have been made, but large shipments probably will not start until autumn.

Seasonal easing in cream availability will start soon, as farm milkfat production increases, cream available from fluid products jumps, and ice cream sales decline. Whether this easing translates into lower butter prices hinges on the state of current stocks, particularly pipeline stocks, and expectations of autumn market conditions. Late August price increases imply that users probably are not comfortable with supplies. Even so, prices may peak relatively early if milk production recovers as expected. However, milkfat markets probably will stay fairly tight until yearend and may remain volatile.

Cheese prices may be softened by rising milk output and any slippage in butter prices. Like butter prices, cheese prices are not expected to decline substantially until at least yearend. Cheese prices will also be affected by where nonfat dry milk prices settle. Recent prices for powder have included sales at prices well above the current support purchase price of 90 cents per pound even though sales to the Government have been sizable. If additional commercial exports materialize, price support purchases may cease seasonally, but average prices may slip from current levels.

Farm milk prices will be strong during the rest of the year, and the 2001 annual average will jump about $3 per cwt to near-record levels. The expected surge in milk production next year probably will wipe out more than half of this year's price increase. Even so, farm milk prices are projected to stay well above those of 2000.

U.S. Pork Exports Surge

The United States is expected to export more than 1,543 million pounds of pork this year, and slightly less in 2002 (1,415 million). The expected record exports for this year has been driven by larger than expected shipments to Japan. U.S. pork exports in the first half of 2001 ran 34 percent ahead of last year, primarily due to very large shipments of fresh and frozen pork cuts to Japan. High beef U.S. prices, the foot and mouth disease (FMD) outbreak in Europe, and lower domestic hog slaughter caused Japanese importers contracted for large quantities of pork from the United States, Denmark, and Canada. Imports were so large that the Safeguard threshold of 183,850 metric tons (product-weight equivalent) was exceeded in June. The Safeguard is a WTO-sanctioned means of protecting Japanese pork producers from import surges. On August 1, the Japanese Government imposed the Safeguard, which increases the minimum price of all pork cuts imported into Japan by 24.6 percent. The Safeguard will be in place until March 31, 2002, the end of the Japanese fiscal year.

U.S. Pork Imports Weaker

The United States is expected to import 916 million pounds of pork this year and 960 million in 2002. U.S. pork imports were 12 percent lower than a year ago during January-June.   Imports from both Canada and Denmark declined as both countries increased exports to Japan. The extent to which Japanese pork imports slow down as a result of the Safeguard will strongly influence U.S. pork imports in the second half of 2001.

Live Hog Imports Expected To Be Record Large

Live hog imports are forecast at 5.3 million head for both 2001 and 2002, compared with 4.36 million head in 2000. The rapid evolution of both a feeder pig export sector in Canada and a hog finishing sector in Corn Belt States traditionally given to farrow-to-finish operations, has been the primary factor in increased import forecasts. Continuing expectations for low feed prices and slow expansion of Canadian finishing operations are also contributing to the increased forecast. First-half 2001 live hog imports from Canada were over 1.4 million head, 57 percent of which were feeder animals.

Hog Slaughter Lagging Below Expectations

Hog slaughter in the third quarter has lagged behind expectations based on the December-February pig crop. In addition, dressed weights are also below expectations due to the prolonged heat wave in the central part of the Nation. Due to lower than expected production, prices are running higher than previously forecast. Hog prices in July and August will likely average about $53 per cwt and with breakeven costs in the mid- to high-$30s, producer returns are very favorable.

Sheep and Lamb Inventory Down

On July 1, 2001, all sheep and lamb inventory totaled 8.3 million head, 2 percent below the same period in 2000. The rate of decline in the inventories is slower than in the 1999/2000 period, when the inventories declined 6 percent. Breeding sheep inventory declined 3 percent between July 2000 and July 2001.

First-half 2001 lamb and mutton production was about 8 percent below a year earlier, while choice slaughter lamb prices at the San Angelo averaged $3 per cwt above a year earlier. Slaughter lamb prices remained fairly strong up to the end of the second quarter, averaging in the low $80s per cwt. However, lamb prices for July and August declined sharply to below $60 per cwt. While slaughter is below a year earlier, sharp increases in the dressed weight pushed up production to near year-earlier levels. Expectations that prices would remain strong have encouraged producers to keep lambs on feed longer, resulting in over-finished, poorer quality market animals and rapidly declining prices.

Imports of lamb and mutton continue to increase. Imports are expected to total about 150 million pounds in 2001 and 2002, up 16 percent over 2000. In the first 6 months of 2001, imports totaled 81 million pounds, up 20 percent from the same period last year, nearly equivalent to imports for the entire year in 1997. Australia and New Zealand are the primary suppliers of imported lamb. Growing imports are offsetting production declines; thus significant changes are not reflected in the U.S. lamb and mutton consumption.

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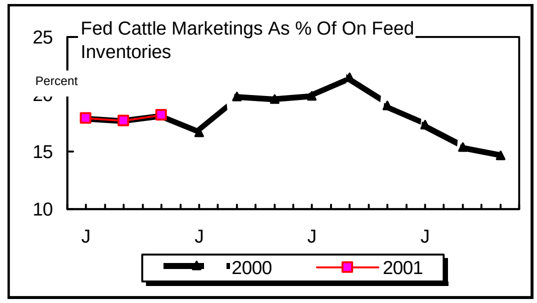
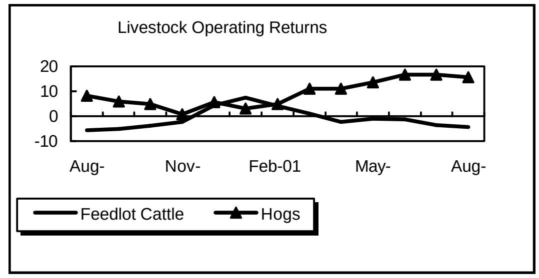
PRODUCTION INDICATORS

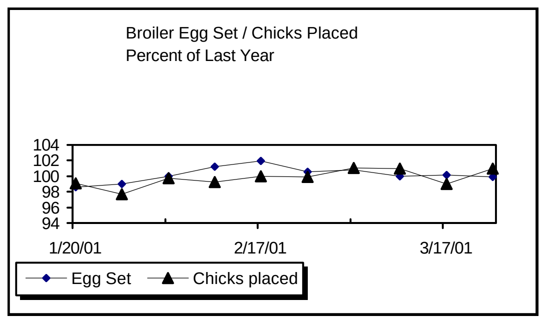
	Jul. '2000	2001 May	2001 Jun.	2001 Jul. /*
			1000 Head	
Cattle:				
On feed - 7 States, 1,000+ Hd.	8,969	9,563	9,660	9,466
Net placements	1,627	1,972	1,630	1,679
Marketings	1,784	1,875	1,824	1,758
Broilers:				
Eggs in incubators (000) /1	612,938	635,189	644,391	625,754
Chicks hatched (000) /2	740,188	775,674	756,556	760,203
Hatching egg layers /1	56,413	56,905	56,856	56,517
Pullets placed (000)	6,310	7,117	6,822	6,326
Hvy-type hen slaughter /2	6,116	6,272	5,762	6,476
Turkeys:				
Eggs in incubators (000) /1	33,970	32,672	33,702	33,116
Poults placed (000)	26,822	26,697	26,021	27,111
Eggs:				
Table egg prod. (mil. doz.) /2	496.0	508.8	491.3	507.1
Table egg layers, (000) /1	265,724	276,513	273,309	272,271
Table eggs/100 layers /1	71.7	71.2	71.9	72.0
Chicks hatched (000) /2	33,237	42,579	40,601	37,903
Lt.-type hen slaughter /2	7,131	7,451	7,589	7,157

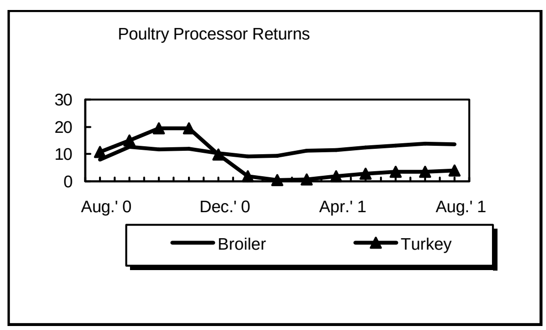




ESTIMATED RETURNS

	Aug. '2000	2001 Jun.	2001 Jul.	2001 Aug. /*
			Cents/lb.	
Great Plains cattle feedlot				
Breakeven price /3	70.70	73.90	74.18	73.85
Selling price	65.02	72.64	70.71	69.45
Net margin	-5.68	-1.26	-3.47	-4.40
N. Central hog farrow to finish				
Breakeven price /3	37.02	37.83	37.02	37.05
Selling price	45.35	54.53	53.75	52.75
Net margin	8.33	16.70	16.73	15.70
Broiler				
Wholesale cost	47.40	46.85	46.82	47.33
Wholesale price	55.47	59.88	60.63	60.93
Net margin	8.07	13.03	13.81	13.60
Turkey				
Wholesale cost	61.15	58.28	58.26	58.26
Wholesale price	71.84	61.79	61.86	62.35
Net margin	10.69	3.51	3.60	4.09
Egg				
Wholesale cost	60.96	62.94	63.37	63.86
Wholesale price	75.32	61.08	61.34	68.03
Net margin	14.36	-1.86	-2.03	4.17





/1 First of month
/2 Last month estimated
/3 Does not include capital replacement cost
/* estimate

MEAT STATISTICS

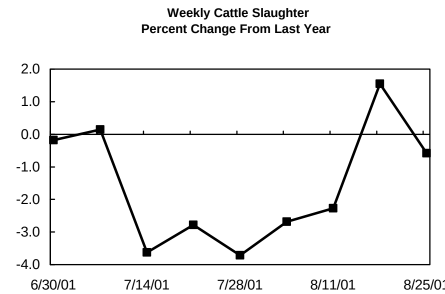
	Jan. - Aug. 2000	Jan. - Aug. 2001	2001 May	May	June	July	Aug.	/*
Commercial production				*Million pounds*				
Beef	17,991	17,277	2,293	2,293	2,269	2,176	2,416	
Veal	144	130	16	16	16	16	17	
Pork	12,364	12,378	1,555	1,555	1,457	1,434	1,595	
Lamb	154	147	17	17	16	17	18	
Total red meat	30,653	29,932	3,881	3,881	3,758	3,643	4,046	
Broilers	20,530	20,756	2,809	2,809	2,601	2,541	2,759	
Other chicken	369	375	46	46	44	55	62	
Turkeys	3,589	3,630	489	489	463	442	478	
Total poultry	24,487	24,762	3,344	3,344	3,108	3,038	3,299	
Total meat & poultry	55,140	54,694	7,225	7,225	6,866	6,681	7,345	

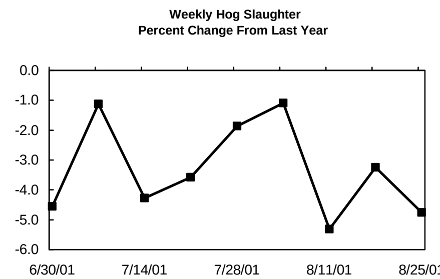
	Jan. - Aug. 2000	Jan. - Aug. 2001	2001 May	May	June	July	Aug.	/*
Commercial slaughter/**				*Thousand head*				
Cattle	24,424	23,719	3,199	3,199	3,120	2,941	3,245	
Steers	12,370	11,758	1,630	1,630	1,583	1,500	1,655	
Heifers	8,051	7,762	1,025	1,025	1,036	943	1,071	
Beef Cows	1,835	2,031	275	275	256	254	260	
Dairy Cows	1,743	1,744	211	211	190	191	201	
Bulls and stags	425	424	58	58	55	53	58	
Calves	757	657	79	79	77	83	89	
Sheep	2,315	2,107	239	239	233	242	262	
Hogs	64,143	63,603	7,958	7,958	7,483	7,446	8,310	
Barrows & gilts	61,914	61,348	7,668	7,668	7,211	7,178	8,020	
Sows	2,013	2,039	262	262	247	244	265	
Broilers	5,603,555	5,592,904	750,445	750,445	699,065	689,968	746,317	
Turkeys	176,482	173,319	23,412	23,412	22,530	21,173	23,368	

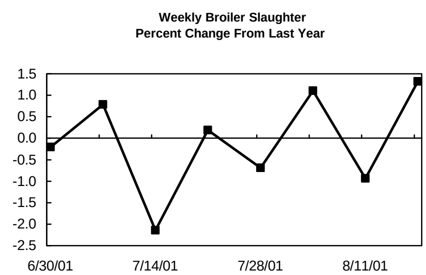
	Aug. 2000	2001 May	May	June	July	Aug.	/*
F.I. dressed weight			*Pounds*				
Cattle	754	722	722	732	745	750	
Calves	177	206	206	206	191	189	
Sheep	64	71	71	71	71	68	
Hogs	192	197	197	196	194	192	
Beginning cold storage stocks			*Million pounds*				
Beef	391.5	315.3	315.3	325.4	340.8	351.6	
Pork	478.5	432.6	432.6	421.2	374.1	338.6	
Bellies	50.5	43.9	43.9	46.0	39.6	25.1	
Hams	129.4	68.7	68.7	80.8	84.0	87.8	
Total chicken	828.5	654.4	654.4	671.1	690.1	652.5	
Turkey	524.0	392.6	392.6	454.6	506.7	536.6	
Frozen eggs	14.4	15.9	15.9	15.8	14.4	16.7	

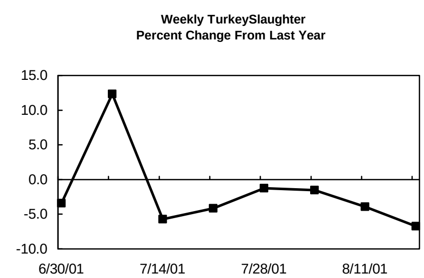
/* Estimates with exception of Cold Storage

/** Slaughter classes are estimated





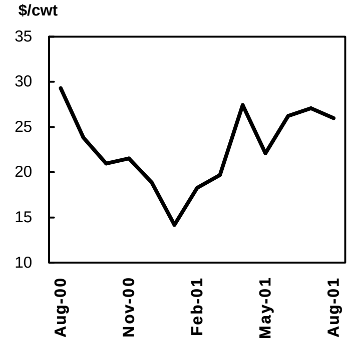




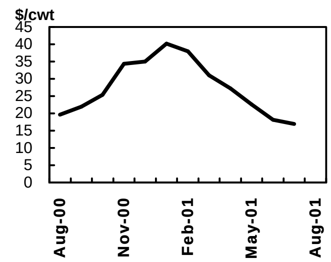
LIVESTOCK PRICES

	2000 Aug.	2001 Apr.	May	June	July	Aug. /*
Cattle prices			$/cwt.			
Steers, Choice, 11-13 cwt.						
Texas Panhandle	65.02	76.50	74.93	72.64	70.71	69.50
Nebraska Direct	64.69	75.92	75.72	73.76	71.66	70.75
Cows - Sioux Falls						
Utility breaking	45.60	49.88	51.30	52.88	50.25	50.50
Utility boning	43.00	46.25	47.70	49.63	47.63	47.75
Feeder Cattle - Oklahoma City						
Steers: Med. #1						
500-550 lb.	100.27	110.03	104.75	106.89	104.95	101.25
600-650 lb.	94.34	103.93	97.02	98.87	97.80	95.50
750-800 lb.	85.85	89.29	88.00	91.12	91.32	89.50
Heifers: Med. #1						
450-500 lb.	93.21	104.01	100.49	102.00	102.54	95.00
700-750 lb.	82.25	84.65	84.72	88.67	88.30	87.00
Hog prices						
Barrows and gilts						
National base 51-52% lean	45.35	49.28	52.34	54.53	53.75	52.75
(live equivalent = carcass x .74)						
Sows						
Iowa-S. Minn. #1-2, 300-400 lbs.	32.55	39.38	38.44	41.88	40.75	38.50
Sheep & lamb prices						
San Angelo TX						
Slaughter lambs, Choice	82.20	83.30	86.07	75.21	69.82	55.00
Ewes, Good	41.40	47.15	47.00	43.89	44.07	41.50
Feeder lambs, Choice	91.70	112.90	99.43	81.29	78.50	73.75

Cattle Price Spread
Stocker minus Fed Steer



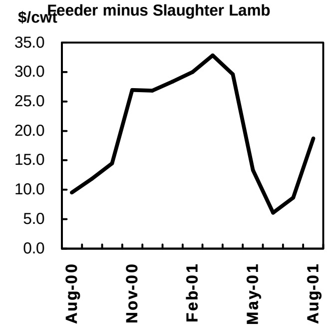
Steer - Hog Price Spread
Fed Steer minus Live Hog



GRAIN AND FEED PRICES

	2000 Aug.	2001 Apr.	May	June	July	Aug. /*
			$/bu			
Corn, #2 Yellow, Cen. Ill	1.49	1.87	1.78	1.76	1.92	1.99
Wheat, HRW Ord., K.C.	2.73	3.32	3.39	3.21	3.09	3.05
			$/ton			
SBM, 48% Solvent, Decatur	157.48	158.48	165.14	172.60	184.43	178.10
Alfalfa Hay, U.S. Avg	83.90	100.00	113.00	103.00	105.00	N/A
Grass Hay, U.S. Avg	68.50	74.20	76.60	70.70	72.50	N/A

Lamb Spread
Feeder minus Slaughter Lamb

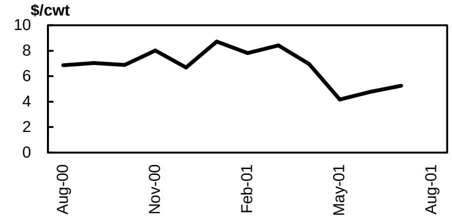


/* Estimates

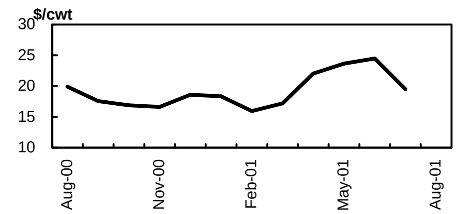
WHOLESALE PRICES

	2000	2001				
	Aug.	Apr.	May	June	July	Aug. /*
Beef, Central U.S.						
Boxed beef cutout			$/cwt			
Choice 1-3 550-700 lb.	111.20	128.93	129.03	126.82	118.93	120.55
Choice 1-3 700-850 lb.	110.33	129.76	130.13	127.85	118.96	119.85
Select 1-3 700-850 lb.	106.59	123.83	114.90	113.42	112.77	114.25
Canner-Cutter Cows	73.04	N/A	N/A	NA	NA	NA
Bnls beef, 90% fresh	101.54	114.68	113.95	116.61	114.90	117.80
Importd bnls. beef 90% frz.	95.48	99.16	98.93	100.26	103.34	109.20
Hide & offal value	8.16	9.90	9.71	9.06	8.49	8.33
Veal carcass, 220-280 lb.	N/A	N/A	N/A	NA	NA	NA
Pork, Central U.S.						
Pork cutout composite	65.69	70.39	71.86	75.32	74.47	75.25
Loins, 14-19 lb. Bl 1/4" trim	120.45	117.98	130.72	132.33	126.41	120.25
Bellies, 12-14 lb. skin on trmd	75.64	85.80	77.91	91.50	102.42	97.75
Hams, 20-23 lb. Bl trmd. TS1	59.47	54.59	57.28	61.08	64.35	68.00
Trimmings, 72% fresh	47.82	60.13	56.57	59.20	56.27	55.75
Lamb, East Coast						
55 lb. Down, Choice	179.15	177.50	N/A	NA	NA	NA
55-65 lb., Choice	179.15	177.50	N/A	NA	NA	NA
			cents/lb.			
Broilers						
12 City Avg.	55.47	58.46	59.40	59.88	60.63	60.93
Georgia dock	58.80	60.80	61.54	61.78	62.40	63.74
Northeast						
Breast, boneless	152.59	132.31	145.35	134.77	139.77	152.93
Breast, Ribs on	72.83	71.03	80.45	68.35	70.86	77.58
Legs, whole	34.60	39.61	43.99	45.70	45.97	46.36
Leg quarters	22.49	27.01	30.07	29.77	30.95	30.90
Turkeys						
Eastern Region						
Toms, 16-24 lb.	70.72	60.57	60.85	61.24	61.23	62.53
Hens, 8-16 lb.	73.61	63.45	65.65	66.00	65.73	66.15
Breast, 4-8 lb.	108.66	100.37	101.40	100.87	99.67	103.00
Drumsticks	25.41	31.03	28.80	29.19	28.71	29.54
Wings, full cut	21.38	40.11	32.35	28.21	28.36	27.66
Eggs, grd A, lg, doz						
12 City Metro	75.32	80.55	61.57	61.08	61.34	68.03
New York	72.50	74.40	58.05	57.31	60.25	63.00

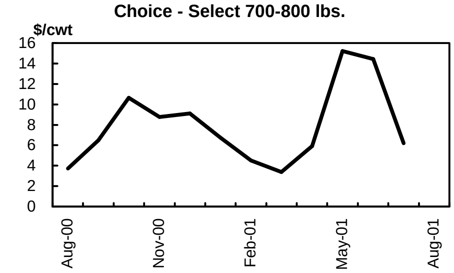
Hog to Cutout Price Spread
Pork + Offal - Live Hog



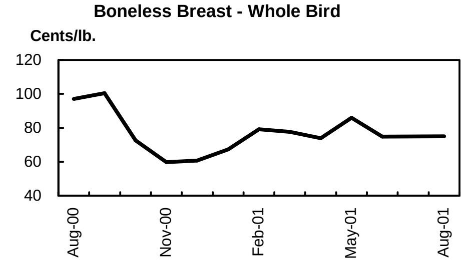
Steer to Cutout Price Spread
Beef + Offal - Fed Steer



Boxed Beef Cutout Spread
Choice - Select 700-800 lbs.



Broiler Price Spread
Boneless Breast - Whole Bird

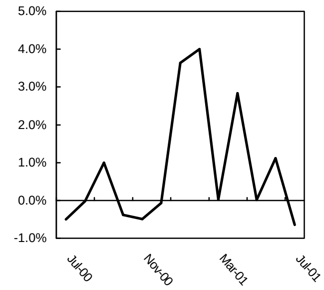


/* Estimates

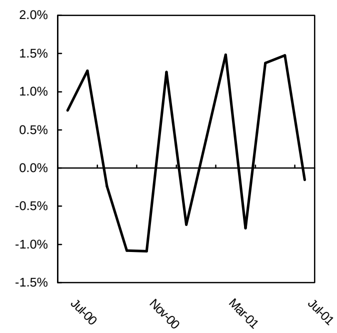
RETAIL PRICES & SPREADS

	Feb-2001	Mar-2001	Apr-2001	May-2001	Jun-2001	Jul-2001
Retail prices			*Cents/lb.*			
Beef - Choice	334.2	334.3	343.8	343.8	347.7	345.4
Beef - All Fresh	296.5	297.9	299.4	301.4	304.9	304.0
Ground Beef	173.2	174.0	176.3	173.5	170.3	168.0
Round Roast	322.3	315.6	325.6	327.0	318.3	315.7
T-bone steak	724.9	734.5	735.3	741.5	767.6	765.1
Pork	261.5	265.4	263.3	266.9	270.9	270.5
Bacon	306.5	315.9	311.4	325.6	325.3	332.4
Chops	344.4	345.2	348.6	349.9	354.6	359.2
Sausage	265.9	270.9	269.0	273.8	282.4	270.6
Broilers - Composite[1]	155.0	156.0	156.6	154.5	154.8	158.5
Whole, fresh	109.0	110.3	110.1	109.5	110.6	110.2
Breast - bone in	205.8	206.6	208.1	205.8	202.4	205.8
Leg - bone in	128.2	129.3	129.4	128.2	130.1	135.1
Turkey; whole frozen	112.5	112.7	109.7	109.4	110.9	111.0
Eggs, Gr A, Lg, Doz	94.3	88.6	102.8	88.1	92.0	86.2
Price indexes			*1982-84=100*			
CPI - All	175.8	176.2	176.9	177.7	178.0	177.5
All food	171.3	171.7	171.9	172.5	173.0	173.5
All meat	156.5	157.9	158.0	158.9	160.2	160.8
Beef & veal	158.6	160.1	161.5	161.7	162.5	162.1
Pork	157.9	159.4	157.9	160.4	162.6	164.8
Poultry	161.8	162.6	163.1	162.3	164.5	166.6
Price Spreads			*Cents / retail lb.*			
Beef						
Farm to wholesale	30.5	32.7	37.6	44.1	42.2	35.4
Wholesale to retail	132.7	131.6	142.1	139.5	149.3	159.5
Farmers share (%)	51	51	48	47	45	44
Pork						
Farm to wholesale	34.0	31.3	33.3	32.9	31.5	31.0
Wholesale to retail	153.8	148.1	142.8	141.0	142.5	144.3
Farmers share (%)	28	32	33	35	36	35
Poultry and eggs						
Wholesale to retail						
Broilers [1]	96.0	96.3	95.7	89.2	89.3	93.4
Retail to consumer						
Turkey	43.3	42.5	39.1	37.7	38.7	38.8
Eggs Cents/doz	19.4	9.1	23.3	27.5	31.9	26.1

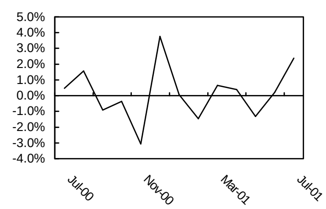
Retail Beef Price
Percent Change From Previous Month



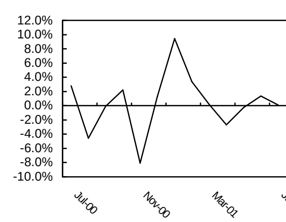
Retail Pork Price
Percent Change from Previous Month



Composite Broiler Price
Percent Change from Previous Month



Retail Turkey Price
Percent Change from Previous Month



Cumulative U.S. Livestock & Meat Imports and Exports

	1999	2000	Jan. - Jun-2000	Jan. - Jun-2001
Beef & Veal Imports		*Carcass wt., thousand lbs.*		
Australia	865,595	1,025,342	427,483	543,876
New Zealand	560,957	639,130	434,485	408,171
Canada	947,238	918,310	453,763	468,824
Brazil	202,241	173,584	84,169	79,292
Argentina	156,785	130,709	71,248	48,114
Central America	62,392	70,232	31,268	34,061
Uruguay	65,931	62,237	38,695	36,094
Mexico	10,482	11,060	5,794	5,621
Other	2,069	1,241	995	224
Total	2,873,689	3,031,844	1,547,900	1,624,277
Beef & Veal Exports				
Japan	1,101,164	1,116,855	571,617	523,012
Canada	249,463	253,693	128,823	112,682
Mexico	466,003	533,615	247,453	250,323
Korea, Rep.	307,957	398,825	189,089	123,729
Caribbean	30,369	21,670	10,636	11,255
Russia	97,299	37,393	32,073	4,092
Other	164,860	154,219	75,326	52,614
Total	2,417,115	2,516,271	1,255,017	1,077,707
Cattle Imports			*Head*	
Mexico	959,840	1,222,569	621,084	691,528
Canada	985,215	964,702	496,099	621,005
Over 700 lbs.	865,558	849,483	429,645	550,994
440-700 lbs.	22,081	30,089	16,259	18,196
Total	1,945,076	2,187,286	1,117,183	1,312,884
Cattle Exports				
Mexico	100,481	126,704	53,436	63,413
Canada	222,830	349,536	130,514	120,158
Total	329,319	481,242	185,784	186,701
Lamb Imports		*Carcass wt.,*	*thousand*	*lbs.*
Australia	48,587	57,883	27,741	34,220
New Zealand	33,991	35,227	19,318	21,574
Total	83,052	94,563	47,837	56,467
Mutton Imports				
Total	29,463	34,342	18,864	24,198
Customs Service		*Product wt.,*	*metric tons*	
YTD imports under WTO		8/21/00	8/14/01	% of quota
Canada		209,941	218,087	NA
Mexico		1,163	2,076	NA
TRQ Countries		379,950	404,658	58
Australia		174,315	221,796	59
New Zealand		169,604	157,478	74
Argentina		10,813	3,721	19
Uruguay		12,263	8,717	44
Other		12,954	12,945	20
Total		591,054	624,820	NA

	1999	2000	Jan. - Jun-2000	Jan. - Jun-2001
Pork Imports		*Carcass wt.,*	*thousand lbs.*	
Canada	617,339	737,498	361,040	342,734
Denmark	132,868	147,966	80,621	52,481
Poland	23,090	23,998	11,704	11,708
Netherlands	9,895	10,749	6,013	4,748
Hungary	5,863	8,722	4,748	3,096
Other	38,060	37,977	20,727	10,507
Total	827,114	966,909	484,853	425,274
Pork Exports				
Japan	542,290	588,941	307,573	413,228
Canada	127,124	138,809	63,637	98,107
Mexico	167,299	302,696	124,338	159,708
Russia	123,034	27,643	7,616	54,268
Korea, Rep	55,214	41,842	22,803	15,470
Hong Kong	47,209	44,901	24,792	13,352
Caribbean	21,080	15,317	7,967	11,542
Other	194,830	145,310	76,267	74,982
Total	1,278,080	1,305,459	634,993	840,657
Hog Imports			*Head*	
Canada	4,135,272	4,358,626	2,024,452	2,487,235
Under 110 lb	2,082,146	2,337,639	1,090,341	1,426,014
Total	4,135,663	4,359,355	2,024,452	2,487,235
Hog Exports				
Total	177,089	69,342	55,369	9,515
Broiler Exports		*RTC, thousand lbs.*		
Japan	218,380	230,679	121,596	125,061
Mexico	298,635	364,006	162,435	176,247
Hong Kong	1,227,094	1,396,842	701,753	687,520
Singapore	23,180	55,888	25,142	28,189
Canada	145,806	168,852	84,568	86,275
Russia	693,859	1,352,606	546,171	1,088,150
Latvia	690,853	308,271	254,543	46,379
Other	1,600,289	1,670,577	795,551	895,287
Total	4,898,096	5,547,721	2,691,759	3,133,108
Turkey Exports				
Mexico	216,370	245,905	105,709	107,378
S. Korea	11,360	9,435	3,231	7,113
Russia	14,532	52,670	32,495	48,236
Hong Kong	33,883	43,338	23,954	17,301
Canada	11,662	9,838	4,314	3,885
Other	91,461	96,973	41,654	57,397
Total	379,268	458,158	211,356	241,311
Shell Egg Exports		*thousand*	*doz.*	
Canada	31,373	30,127	12,202	14,701
Japan	3,118	4,292	768	198
Other	50,323	59,833	28,949	25,599
Total	84,814	94,252	41,919	40,498

MONTHLY U.S. LIVESTOCK & MEAT IMPORTS & EXPORTS

	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01
Beef & Veal Imports						***Carcass wt.,thousand lb.***							
Australia	85,592	94,412	129,101	84,023	86,795	104,605	98,923	94,288	55,957	82,487	126,214	92,576	92,354
New Zealand	76,067	58,191	62,444	30,966	24,979	24,582	3,483	104,050	55,173	65,415	52,485	57,493	73,555
Canada	86,747	83,014	79,289	76,126	75,443	75,898	74,779	73,913	75,576	79,323	65,521	83,497	90,994
Brazil	12,783	18,465	14,095	18,929	13,587	13,551	10,788	13,087	7,825	6,173	14,050	16,401	21,757
Argentina	9,500	12,653	15,279	8,881	6,695	9,208	6,744	8,832	10,179	10,355	6,659	5,692	6,397
Central America	5,365	4,275	5,148	5,949	6,726	9,144	7,721	5,850	7,142	6,332	3,676	6,262	4,799
Uruguay	7,157	5,591	4,054	4,322	4,219	3,816	1,540	5,481	6,522	8,000	11,619	3,378	1,093
Mexico	1,066	753	1,102	843	686	1,116	767	982	988	888	820	685	1,257
Other	203	29	7	22	13	46	129	18	8	23	65	6	105
Total	284,480	277,382	310,517	230,061	219,144	241,966	204,873	306,502	219,368	258,996	281,110	265,990	292,311
Beef & Veal Exports													
Japan	94,821	101,438	100,721	89,893	78,847	91,314	83,026	87,021	77,023	96,134	82,124	90,790	89,921
Canada	19,544	19,744	21,511	19,463	23,742	21,990	18,421	22,792	15,774	17,723	18,256	18,638	19,499
Mexico	41,531	47,829	47,839	44,352	46,071	46,232	53,840	48,313	48,668	38,203	37,178	41,273	36,688
Korea, Rep.	38,140	42,680	52,609	27,968	21,188	26,000	39,291	43,216	19,874	18,121	12,598	12,674	17,246
Caribbean	1,799	1,071	1,556	1,568	1,909	2,487	2,443	1,846	1,296	2,320	2,138	1,774	1,881
Russia	264	413	1,523	1,134	746	1,090	414	35	1,954	1,318	260	424	101
Other	11,691	12,875	14,762	9,468	12,450	15,841	13,497	8,866	8,632	9,574	9,124	8,104	8,313
Total	207,790	226,049	240,521	193,845	184,953	204,954	210,932	212,089	173,222	183,392	161,679	173,677	173,649
Cattle Imports						***Head***							
Mexico	51,199	23,892	43,544	68,281	118,754	194,351	152,663	133,596	122,700	151,794	145,879	92,391	45,168
Canada	85,133	59,613	73,174	77,583	106,109	88,644	63,480	82,541	86,131	123,126	116,990	105,722	106,495
Over 700 lbs.	73,057	50,797	64,959	70,502	97,587	80,712	55,281	73,596	78,951	110,089	102,836	91,807	93,715
440-700 lbs.	2,296	2,022	2,272	2,161	3,744	2,413	1,218	732	783	4,009	5,896	2,939	3,837
Total	136,332	83,505	116,718	145,864	224,873	283,000	216,143	216,487	208,831	274,921	262,869	198,113	151,663
Cattle Exports													
Mexico	12,856	12,991	15,123	14,501	11,945	10,104	8,604	7,832	8,250	9,289	9,828	15,968	12,246
Canada	12,172	9,095	9,749	9,328	116,391	46,536	27,923	29,974	28,690	26,525	8,868	12,938	13,163
Total	25,155	22,563	25,144	24,321	129,569	57,065	36,796	38,127	37,041	36,381	19,678	29,497	25,977
Lamb Imports						***Carcass wt., thousand lb.***							
Australia	5,569	4,834	4,379	4,426	4,727	6,502	5,275	4,482	3,993	8,252	5,392	5,445	6,655
New Zealand	2,617	2,883	1,521	3,031	3,007	2,531	2,936	2,532	3,111	3,538	4,652	3,105	4,636
Total	8,283	7,826	6,046	7,548	7,828	9,268	8,211	7,096	7,316	11,892	10,273	8,599	11,291
Mutton Imports													
Total	2,094	1,948	2,974	2,452	2,057	3,546	2,500	3,895	3,179	3,528	5,339	3,666	4,591
Lamb and mutton exports													
Total	203	430	368	223	186	707	744	716	584	484	579	575	226

	Jun-2000	Jul-2000	Aug-2000	Sep-2000	Oct-2000	Nov-2000	Dec-2000	Jan-2001	Feb-2001	Mar-2001	Apr-2001	May-2001	Jun-2001
Pork Imports						***Carcass wt., thousand lb.***							
Canada	57,945	57,425	63,236	60,375	68,250	64,503	62,669	59,119	52,038	62,776	50,325	59,075	59,401
Denmark	12,746	12,505	12,739	10,248	9,851	11,325	10,677	9,697	12,394	11,214	4,540	4,015	10,620
Poland	3,195	1,969	2,210	1,518	2,079	2,034	2,483	1,830	2,494	2,429	1,598	1,679	1,678
Netherlands	941	980	756	466	658	774	1,102	1,186	451	1,210	323	525	1,054
Hungary	739	783	545	545	468	807	825	809	804	807	265	402	9
Other	3,130	2,470	2,465	2,393	3,305	3,531	3,085	2,432	2,244	2,372	1,100	1,219	1,140
Total	78,697	76,133	81,951	75,544	84,612	82,974	80,842	75,072	70,424	80,808	58,152	66,916	73,902
Pork Exports													
Japan	52,033	44,796	47,121	40,643	44,800	50,764	53,243	59,481	63,234	70,908	66,853	90,889	61,863
Canada	9,913	10,702	11,388	13,936	12,473	15,364	11,310	10,343	12,592	21,356	17,779	17,712	18,326
Mexico	21,000	23,022	26,806	30,171	26,157	31,966	40,236	31,958	30,250	27,094	18,353	24,941	27,111
Russia	208	311	1,263	1,374	4,202	8,736	4,140	5,454	5,775	4,816	12,568	13,782	11,872
Korea, Rep	2,789	2,353	2,402	3,134	3,565	4,669	2,916	2,089	1,475	1,702	3,565	3,705	2,934
Hong Kong	4,987	3,345	4,897	3,890	3,166	2,665	2,146	1,762	1,881	2,818	2,918	2,552	1,420
Caribbean	967	1,238	1,156	886	1,439	1,807	825	785	1,683	1,702	2,675	2,512	2,186
Other	12,360	9,197	13,516	9,850	11,394	14,361	10,724	8,218	11,700	13,785	17,146	13,176	10,956
Total	104,256	94,964	108,551	103,886	107,195	130,331	125,539	120,090	128,589	144,182	141,858	169,269	136,669
Hog Imports						***Head***							
Canada	376,917	344,571	437,294	395,476	411,468	379,405	365,960	427,949	371,713	433,855	413,159	438,539	402,020
Under 110 lb	197,028	174,975	240,951	212,580	210,782	212,628	195,382	224,354	221,002	250,624	230,415	250,835	248,784
Total	376,917	344,771	437,294	395,476	411,997	379,405	365,960	427,949	371,713	433,855	413,159	438,539	402,020
Hog Exports													
Total	1,518	4,112	1,998	1,029	3,591	1,724	1,519	2,132	759	1,031	698	1,766	3,129
Broiler Exports						***RTC, thousand lb.***							
Japan	26,821	19,431	19,909	17,710	15,766	20,524	15,742	18,316	10,644	17,619	18,679	19,996	39,807
Mexico	36,860	29,852	31,163	31,327	33,563	31,598	44,067	32,288	28,753	23,459	24,285	32,613	34,848
Hong Kong	150,465	106,737	132,003	118,331	117,421	111,924	108,673	115,477	119,240	134,220	116,698	108,831	93,054
Singapore	4,178	4,728	6,334	7,015	5,591	4,504	2,573	5,301	4,428	4,557	7,781	3,781	2,341
Canada	15,614	17,250	15,016	14,083	12,897	14,700	10,339	13,304	13,001	13,691	14,572	15,480	16,227
Russia	133,004	83,811	155,685	103,267	202,649	169,272	91,753	226,602	131,453	133,388	177,655	190,604	228,448
Latvia	25,787	17,966	324	17,483	6,899	10,066	989	22,665	312	679	2,172	9,104	11,446
Other	148,654	155,334	141,041	135,897	152,736	152,000	138,018	157,352	177,235	126,023	189,868	130,029	114,780
Total	541,383	435,110	501,475	445,112	547,522	514,589	412,155	591,305	485,066	453,636	551,710	510,438	540,952
Turkey Exports													
Mexico	19,832	15,635	15,672	20,424	24,557	28,500	35,407	21,322	18,273	12,807	11,448	19,665	23,863
Canada	679	585	709	851	1,295	674	1,411	675	665	390	629	692	834
S. Korea	737	836	1,217	1,228	1,047	827	1,049	1,289	1,110	957	1,147	1,566	1,045
Russia	1,173	170	2,238	3,823	5,405	4,915	3,623	5,132	6,589	15,137	6,071	8,053	7,254
Hong Kong	7,501	3,737	3,221	4,005	2,207	1,849	4,364	2,369	2,912	4,241	3,134	1,626	3,019
Other	10,924	6,616	10,302	10,940	9,183	9,815	8,464	9,021	9,564	13,076	10,104	9,011	6,622
Total	40,846	27,580	33,359	41,271	43,694	46,580	54,319	39,808	39,112	46,607	32,535	40,613	42,636
Shell Egg Exports						***thousand doz.***							
Canada	2,512	2,570	3,890	2,655	2,911	2,391	3,508	1,528	1,689	2,395	2,861	3,149	3,080
Japan	43	526	633	585	628	510	642	67	121	3	2	2	3
Total	7,808	7,334	10,024	8,980	8,464	7,976	9,555	5,835	5,209	6,764	6,626	7,868	8,196

For further information: ***Dale Leuck (202) 694-5186, or Mildred Haley (202) 694-5176***

	1999	2000	2000				2001					2002		
	Annual	Annual	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
Production, million lb.														
Beef	26,386	26,777	6,699	6,914	6,511	26,777	6,182	6,501	6,875	6,425	25,983	6,075	6,425	25,000
Pork	19,278	18,928	4,478	4,606	5,010	18,928	4,805	4,544	4,685	5,000	19,034	4,925	4,675	19,625
Broilers	29,741	30,485	7,754	7,594	7,544	30,495	7,547	7,909	7,750	7,700	30,906	7,700	8,050	31,600
Turkeys	5,297	5,402	1,392	1,340	1,385	5,402	1,332	1,378	1,375	1,450	5,535	1,350	1,450	5,700
Total Red Meat & Poultry	81,724	82,577	20,575	20,693	20,684	82,577	20,103	20,562	20,913	20,795	82,373	20,276	20,823	82,808
Table eggs, mil doz.	5,833	5,954	1,467	1,482	1,521	5,954	1,488	1,500	1,510	1,560	6,058	1,525	1,515	6,170
Per capita consumption, Retail lb.														
Beef	69.1	69.4	17.5	18.0	16.7	69.4	16.5	17.2	17.6	16.5	66.7	15.8	16.7	64.3
Pork	53.9	52.5	12.6	12.9	13.8	52.5	13.0	12.2	12.8	13.6	51.6	13.2	12.7	53.1
Broilers	77.0	76.9	19.8	19.2	18.7	76.9	18.9	19.4	19.1	18.8	76.1	18.7	19.7	76.8
Turkeys	18.0	17.8	4.2	4.4	5.5	17.8	3.9	3.9	4.2	5.9	17.9	4.0	4.0	18.2
Total Red Meat & Poultry	220.3	219.5	54.9	55.2	55.5	219.5	53.1	53.4	54.5	55.5	216.6	52.5	53.8	215.5
Eggs, number	255.7	258.2	64.0	64.2	65.6	258.3	64.5	64.2	64.9	67.1	260.6	65.2	64.7	263.2
Market Prices														
Choice steers, Neb., $/cwt.	65.56	69.65	71.59	65.43	72.26	69.65	79.11	75.30	69-71	70-74	73-75	73-79	76-82	76-83
Feeder steers, Ok City, $/cwt.	76.39	86.17	84.76	86.25	88.76	86.17	86.82	89.47	87-89	86-92	87-89	86-92	87-93	88-94
Bng Ut Cows, S. Falls, $/cwt.	38.40	41.71	44.23	42.92	39.81	41.71	43.77	47.86	47-49	44-48	45-48	47-51	48-52	48-52
Barrows & gilts, I N. base, l.e. $/cwt.	34.00	44.70	50.43	46.43	40.78	44.70	42.83	52.05	48-50	40-42	46-47	40-44	45-49	42-45
Broilers, 12 City, cents/lb.	58.10	56.20	55.70	56.80	57.60	56.20	57.80	59.20	59-61	56-60	58-59	57-61	59-63	59-64
Turkeys, Eastern, cents/lb.	69.00	70.50	69.00	73.90	76.20	70.50	61.70	65.00	67-69	73-77	67-68	60-64	62-68	66-71
Eggs, New York, cents/doz.	65.60	68.90	62.10	67.10	83.10	68.90	75.80	63.30	64-66	75-79	69-71	67-73	58-62	65-71
U.S. Trade, million lb.														
Beef & veal exports	2,417	2,516	609	660	601	2,516	569	550	645	605	2,369	610	620	2,500
Beef & veal imports	2,874	3,032	814	818	666	3,032	785	835	755	680	3,055	780	840	3,075
Pork exports	1,278	1,305	308	307	363	1,305	393	450	350	350	1,543	335	375	1,415
Pork imports	827	967	239	233	250	967	226	200	235	255	916	235	235	960
Broiler exports	4,920	5,548	1,326	1,382	1,474	5,548	1,530	1,530	1,500	1,500	6,060	1,525	1,550	6,200
Turkey exports	379	458	91	102	145	458	126	115	110	140	491	120	115	495

ECONOMIC INDICATOR FORECASTS 1/

	2000				2001					2002		
	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
GDP, chain wtd (bil. 1996 dol.)	9,319	9,370	9,394	9,319	9,425	9,469	9,515	9,577	9,502	9,650	9,735	9,771
CPI-U, annual rate (pct.)	3.6	3.1	2.7	3.4	4.2	3.0	2.5	2.5	3.0	2.5	2.5	2.5
Unemployment (pct.)	4.0	4.0	4.0	4.0	4.2	4.5	4.7	4.8	4.5	4.8	4.8	4.8
Interest (pct.)												
3-month Treasury bill	5.7	6.0	6.0	5.8	4.8	3.8	3.5	3.6	3.9	3.7	3.8	4.0
10-year Treasury bond yield	6.2	5.9	5.6	6.0	5.1	5.1	5.0	5.0	5.1	5.1	5.1	5.2

1/ Source: Survey of Professional Forecasters, Philadelphia Federal Reserve Bank, May 2001.

DAIRY FORECASTS

	2000				2001					2002		
	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
Milk cows (thous,)	9,213	9,229	9,211	9,210	9,157	9,124	9,120	9,125	9,130	9,100	9,075	9,065
Milk per cow (pounds)	4,688	4,460	4,416	18,204	4,511	4,672	4,460	4,500	18,145	4,665	4,845	18,770
Milk production (bil. pounds)	43.2	41.2	40.7	167.7	41.3	42.6	40.7	41.1	165.7	42.5	44.0	170.2
Commercial use (bil. pounds)												
milkfat basis	42.5	43.7	43.3	169.2	40.6	42.4	43.9	43.3	170.2	40.7	43.4	173.2
skim solids basis	40.4	41.4	40.7	161.3	39.9	41.2	41.9	41.8	164.8	41.8	42.2	171.1
Net removals (bil. pounds)												
milkfat basis	0.3	0.1	0.2	0.8	0.1	0.0	0.1	0.1	0.2	0.1	0.0	0.2
skim solids basis	2.7	1.7	1.8	8.6	2.2	1.6	1.1	0.8	5.7	0.6	0.1	1.9
Prices (dol./cwt)												
All milk	12.07	12.67	12.70	12.33	13.37	15.30	16.25 -16.55	15.95 -16.55	15.25 -15.45	13.45 -14.35	12.10 -13.10	13.00 -14.00
Basic Formula Price/ Class III	9.42	10.52	9.32	9.74	10.56	13.63	15.20 -15.50	13.90 -14.50	13.35 -13.55	11.50 -12.40	10.45 -11.45	11.30 -12.30
Class IV	11.89	11.89	12.69	11.83	12.76	14.93	14.45 -14.85	13.80 -14.50	13.95 -14.25	11.60 -12.10	11.40 -12.50	11.70 -12.80

U.S. dairy situation at a glance

	Unit	1998	1999	2000	May-00	Jun-00	Jul-00	Aug-00
Milk production:								
Production (20 States)	Mil. lb.	134,900	140,062	144,528	12,758	12,082	12,205	11,928
Milk cows (20 States)	Thou.	7,708	7,734	7,799	7,799	7,808	7,821	7,820
Milk per cow (20 States)	Lb.	17,502	18,109	18,532	1,636	1,547	1,561	1,525
Production (U.S. est.)	Mil. lb.	157,348	162,716	167,658	14,792	14,003	14,123	13,797
Milk prices:								
All milk	Dol./cwt	15.50	14.35	12.32	12.00	12.30	12.60	12.50
Milk eligible for fluid use	Dol./cwt	15.53	14.43	12.37	12.10	12.30	12.60	12.50
Manufacturing grade milk	Dol./cwt	14.36	12.86	10.53	10.10	10.40	10.80	10.70
Class III (cheese milk) 3.5% fat	Dol./cwt	14.20	12.43	9.74	9.37	9.46	10.66	10.13
Class IV (butter-powder milk) 3.5% fat	Dol./cwt	NA	NA	11.83	11.91	12.38	11.87	11.87
Slaughter cow price, WI	Dol./cwt	35.54	37.28	39.60	41.80	42.06	40.94	40.70
Wholesale prices:								
Butter, Central States 1/	Ct/lb	177.6	125.2	118.5	122.2	128.6	120.3	120.3
American cheese, WI assembly pt.								
40-pound blocks	Ct/lb	158.1	142.3	116.2	110.6	120.0	125.2	125.5
Barrels	Ct/lb	151.7	136.4	111.7	109.2	117.2	121.3	111.0
Nonfat dry milk, Central States	Ct/lb	106.9	103.5	101.6	100.1	101.2	102.2	102.3
Retail prices:								
Consumer Price Index	1982-84=100	163.0	166.6	172.1	171.3	172.3	172.6	172.8
All food	1982-84=100	160.7	164.1	167.8	167.3	167.3	168.1	168.7
Dairy products	1982-84=100	150.8	159.6	160.7	159.6	159.5	160.5	161.0
Fluid milk	Dec 1997=100	101.3	107.6	107.8	107.2	106.9	108.2	108.4
Other dairy products	Dec 1997=100	101.9	107.2	109.4	108.6	108.6	110.5	110.5
Dairy product output:								
Butter	Mil. lb	1,168.0	1,277.1	1,273.6	108.9	89.1	85.4	83.7
American cheese	Mil. lb	3,314.7	3,532.4	3,633.9	322.3	308.6	318.8	291.9
Other-than-American cheese	Mil. lb	4,177.5	4,361.8	4,620.6	408.1	387.2	368.8	391.9
Frozen products 2/	Mil. gal.	1,324.3	1,301.0	1,312.2	127.9	134.9	127.5	122.6
All products (m.e.-fat)	Mil. lb	98,378	103,236	105,259	9,524	8,994	8,805	8,617
Nonfat dry milk	Mil. lb	1,135.4	1,359.7	1,451.6	137.9	127.0	120.7	105.3
Beginning stocks:								
Commercial butter	Mil. lb	20.5	25.9	24.9	126.6	137.7	145.4	136.5
Commercial American cheese	Mil. lb	410.3	407.6	458.0	569.7	578.3	596.6	628.1
Other cheese	Mil. lb	70.0	109.5	163.3	224.3	233.1	231.5	242.0
Manufacturers' nonfat dry milk	Mil. lb	103.3	56.9	150.9	231.5	226.0	203.9	208.3
All commercial (m.e.-fat)	Mil. lb	4,889	5,274	6,143	9,927	10,356	10,691	10,846
All commercial (m.e.-skim)	Mil. lb	6,080	5,914	8,047	10,775	10,935	10,858	11,300
All Government (m.e.-fat)	Mil. lb	18	28	44	82	100	121	135
All Government (m.e.-skim)	Mil. lb	258	1,115	1,566	3,052	3,624	4,294	4,768
Commercial disappearance:								
Butter	Mil. lb	1,223	1,311	1,298	100.3	87.3	100.7	124.1
American cheese	Mil. lb	3,338	3,543	3,588	315.7	292.8	288.4	317.5
Other-than-American cheese	Mil. lb	4,452	4,672	4,964	429.4	417.7	387.5	434.1
Nonfat dry milk	Mil. lb	867	737	771	62.2	87.6	75.0	84.8
All products:								
m.e.-fat	Mil. lb	159,779	164,946	169,223	14,558	13,922	14,250	15,130
Milkfat	Mil. lb	5,842	6,049	6,223	525	496	506	541
Skim solids	Mil. lb	13,497	13,636	13,969	1,207	1,170	1,142	1,203
USDA net removals:								
Butter	Mil. lb	6.3	3.7	8.9	0.8	0.7	0.2	0.0
Cheese	Mil. lb	8.2	4.6	28.0	4.5	1.9	2.1	1.5
Nonfat dry milk	Mil. lb	326.4	540.6	692.6	81.8	61.9	42.1	50.5
All products (m.e.-fat)	Mil. lb	366	344	841	107	78	55	46
All products (m.e.-skim)	Mil. lb	3,974	6,455	8,613	1032	777	534	627
Imports:								
All products (m.e.-fat)	Mil. lb	4,588	4,772	4,445	412	439	448	443
All products (m.e.-skim)	Mil. lb	3,744	4,618	4,389	402	358	355	403
International market prices:								
Butter	$/metric ton	1,908	1,506	1,367	1,273	1,353	1,394	1,400
Nonfat dry milk	$/metric ton	1,440	1,332	1,896	1,681	1,962	2,075	2,169

1/ Grade AA Chicago before June 1998. 2/ Hard ice cream, ice milk, and sherbert. NA=Not available

m.e.-fat (skim) = Milk equivalent, fat (skim solids)basis

U.S. dairy situation at a glance (continued)

Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01
11,451	11,813	11,385	11,855	12,062	11,112	12,401	12,158	12,638	12,057	12,053
7,820	7,817	7,805	7,803	7,783	7,767	7,756	7,744	7,745	7,749	7,749
1,464	1,511	1,459	1,519	1,550	1,431	1,599	1,570	1,632	1,556	1,555
13,241	13,714	13,212	13,752	14,010	12,902	14,394	14,079	14,630	13,952	13,887
12.80	12.50	12.60	13.00	13.20	13.00	13.90	14.40	15.40	16.10	16.30
13.00	12.60	12.60	13.10	13.20	13.10	13.90	14.50	15.40	16.20	16.30
11.40	10.60	10.40	10.80	10.90	11.10	12.20	12.90	14.30	15.10	15.40
10.76	10.02	8.57	9.37	9.99	10.27	11.42	12.06	13.83	15.02	15.46
11.94	11.81	13.00	13.27	12.13	12.70	13.46	14.41	15.04	15.33	14.81
38.88	37.56	36.85	37.88	40.75	44.19	43.31	44.13	46.15	45.31	46.31
119.1	116.9	151.7	150.0	122.3	138.1	154.9	174.7	190.4	197.4	192.4
133.4	109.4	107.5	113.0	110.3	120.0	131.9	140.5	160.3	166.8	168.5
125.4	102.9	102.9	110.4	108.7	120.7	128.1	137.2	158.3	162.1	163.4
102.4	102.3	103.1	104.3	103.6	103.2	103.1	104.3	104.0	102.5	100.3
173.7	174.0	174.1	174.0	175.1	175.8	176.2	176.9	177.7	178.0	177.5
168.9	169.1	168.9	170.0	170.9	171.3	171.7	171.9	172.5	173.0	173.5
161.6	161.9	161.4	161.5	163.6	163.6	163.2	163.4	164.7	166.9	168.3
108.8	109.0	108.3	109.3	111.5	110.9	109.9	111.0	111.3	113.0	113.9
111.1	109.6	108.6	109.5	110.4	110.2	110.0	111.2	113.1	113.2	113.4
89.9	103.9	100.4	111.6	129.4	110.2	101.9	106.0	109.1	88.1	NA
275.8	285.6	279.2	303.4	301.1	274.8	299.5	294.3	309.8	307.8	NA
378.0	402.9	395.8	385.0	385.5	357.4	414.6	380.7	399.0	375.8	NA
102.8	103.5	83.9	78.9	90.7	97.3	115.4	119.2	124.8	131.8	NA
8,180	8,574	8,075	8,159	8,843	8,140	8,784	8,763	9,293	8,783	NA
87.9	101.0	99.5	121.4	116.7	132.4	121.0	131.3	139.9	131.1	NA
100.9	84.6	58.0	27.1	24.0	63.3	81.0	89.7	106.9	131.7	147.0
609.3	576.5	546.0	521.8	521.1	508.1	503.1	503.3	509.1	503.8	528.0
230.2	203.9	185.3	173.4	185.2	202.9	218.1	211.1	208.8	214.7	217.6
179.0	154.4	145.7	133.3	146.3	145.5	137.7	123.4	126.9	134.2	162.2
9,799	8,925	7,853	6,862	6,871	7,706	8,167	8,325	8,749	9,299	9,901
10,647	9,758	9,093	8,584	8,838	8,841	8,863	8,651	8,741	8,848	9,461
134	133	130	134	139	181	208	246	255	254	265
5,318	5,621	5,752	6,077	6,028	6,606	6,929	7,861	8,599	8,779	9,151
107.5	132.6	132.6	115.4	92.1	95.7	97.8	96.0	90.1	88.6	NA
309.3	315.6	299.0	303.1	321.1	282.4	302.6	294.3	318.7	292.0	NA
434.7	459.1	447.9	408.8	385.4	363.0	447.9	413.1	420.2	406.5	NA
72.9	59.5	67.1	64.5	46.9	89.3	68.4	79.5	81.9	68.5	NA
14,269	15,000	14,394	13,935	13,438	12,656	14,468	14,032	14,381	13,964	NA
518	556	541	528	507	475	536	514	517	496	NA
1,186	1,221	1,175	1,152	1,169	1,081	1,218	1,192	1,232	1,148	NA
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.9	1.2	6.7	4.2	1.6	1.2	0.0	0.0	0.0	0.0	0.0
40.1	50.4	45.5	44.8	70.6	50.9	66.9	48.5	51.2	34.8	39.2
38	34	84	49	31	23	14	11	11	8	9
500	612	610	564	838	605	778	565	596	405	457
300	359	383	352	433	337	354	493	420	727	NA
329	388	437	415	306	298	305	392	346	463	NA
1,450	1,499	1,469	1,325	1,295	1,275	1,275	1,400	1,445	1,508	1,559
2,212	2,225	2,215	2,175	2,159	2,119	2,100	2,025	2,105	2,119	2,089

Commercial disappearance: Milk in all products, 2001

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	14,010	12,902	14,394	14,079	14,630	13,952	13,887						
Farm use	108	98	108	105	108	105							
Marketings	13,902	12,804	14,286	13,974	14,522	13,847							
Beginning commercial stocks	6,839	7,705	8,167	8,325	8,749	9,299	9,901						
Imports	433	337	354	493	420	727							
Total supply	21,174	20,846	22,807	22,792	23,691	23,873							
Utilization:													
Ending commercial stocks	7,705	8,167	8,325	8,749	9,299	9,901							
USDA net removals	31	23	14	11	11	8	9						
Commercial disappearance	13,438	12,656	14,468	14,032	14,381	13,964							
Percent change from a year ago		[1.7]											[ ]
	10.4	-1.8	-1.8	0.4	-1.2	0.3							
Cumulative disappearance	13,438	26,094	40,562	54,594	68,975	82,939							

	First quarter	Second quarter	Third quarter	Fourth quarter
	40,562	42,377		
Percent change from a year ago	[3.1]			
	1.9	-0.2		

Percentages in brackets adjusted for leap year.

Commercial disappearance: Milkfat, 2001

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	530	484	535	517	527	498							
Farm use	4	4	4	4	4	4							
Marketings	525	480	531	513	523	494							
Beginning commercial stocks	251	283	300	306	321	341	364						
Imports	15	12	12	17	15	26							
Total supply	791	775	843	836	859	861							
Utilization:													
Ending commercial stocks	283	300	306	321	341	364							
USDA net removals	1	1	1	1	1	1							
Commercial disappearance	507	474	536	514	517	496							
Percent change		[1.3]											[ ]
from a year ago	9.8	-2.2	-2.2	-0.3	-1.6	0.0							
Cumulative disappearance	507	982	1,518	2,032	2,549	3,045							

	First quarter	Second quarter	Third quarter	Fourth quarter
	1,518	1,527		
Percent change	[2.7]			
from a year ago	1.5	-0.7		

Percentages in brackets adjusted for leap year.

Commercial disappearance: Skim solids, 2001

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	1,227	1,118	1,251	1,223	1,271	1,204							
Farm use	9	8	9	9	9	9							
Marketings	1,218	1,109	1,241	1,214	1,262	1,195							
Beginning commercial stocks	756	759	761	743	751	760	812						
Imports	26	26	26	34	30	40							
Total supply	2,000	1,894	2,028	1,991	2,043	1,995							
Utilization:													
Ending commercial stocks	759	761	743	751	760	812							
USDA net removals	72	52	67	48	51	35							
Commercial disappearance	1,169	1,081	1,218	1,192	1,232	1,148							
Percent change		[3.7]											[ ]
from a year ago	8.0	0.1	-0.8	6.3	2.0	-1.9							
Cumulative disappearance	1,169	2,250	3,469	4,661	5,893	7,041							
	First quarter			Second quarter			Third quarter			Fourth quarter			
		3,469			3,572								
Percent change		[3.5]											
from a year ago		2.3			2.1								

Percentages in brackets adjusted for leap year.

Commercial disappearance: Butter, 2001

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	129.4	110.2	101.9	106.0	109.1	88.1							
Beginning commercial stocks	24.0	63.3	81.0	89.7	106.9	131.7	147.0						
Imports	2.0	3.2	4.6	7.2	5.8	15.8							
Total supply	155.4	176.7	187.5	202.9	221.8	235.6							
Utilization:													
Ending commercial stocks	63.3	81.0	89.7	106.9	131.7	147.0	144.6						
USDA net removals	0.0	0.0	0.0	0.0	0.0	0.0	0.0						
Commercial disappearance	92.1	95.7	97.8	96.0	90.1	88.6							
Percent change	[	-3.1]											[ ]
from a year ago	13.4	-6.5	-14.9	-3.3	-10.2	1.5							
Cumulative disappearance	92.1	187.8	285.6	381.6	471.7	560.3							
		First quarter			Second quarter			Third quarter			Fourth quarter		
		285.6			274.7								
Percent change	[	-3.1]											
from a year ago		-4.3			-4.3								

Percentages in brackets adjusted for leap year.

Commercial disappearance: Nonfat dry milk, 2001

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	116.7	132.4	121.0	131.3	139.9	131.1							
Beginning commercial stocks	146.3	145.5	137.7	123.4	126.9	134.2	162.2						
Imports	0.0	0.0	0.0	0.2	0.5	0.2							
Total supply	263.0	277.9	258.7	254.9	267.3	265.5							
Utilization:													
Ending commercial stocks	145.5	137.7	123.4	126.9	134.2	162.2							
USDA net removals	70.6	50.9	66.9	48.5	51.2	34.8	39.2						
Commercial disappearance	46.9	89.3	68.4	79.5	81.9	68.5							
Percent change		[101.5]											[ ]
from a year ago	-6.4	94.6	-4.3	167.7	31.7	-21.8							
Cumulative disappearance	46.9	136.2	204.6	284.1	366.0	434.5							
		First quarter			Second quarter			Third quarter			Fourth quarter		
		204.6			229.9								
Percent change		[23.3]											
from a year ago		22.1			28.1								

Percentages in brackets adjusted for leap year.

Commercial disappearance: American cheese, 2001

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	301.1	274.8	299.5	294.3	309.8	307.8							
Beginning commercial stocks	521.1	508.1	503.1	503.3	509.1	503.8	528.0						
Imports	8.6	3.8	3.3	5.8	3.6	8.4							
Total supply	830.8	786.7	805.9	803.4	822.5	820.0							
Utilization:													
Ending commercial stocks	508.1	503.1	503.3	509.1	503.8	528.0	502.9						
USDA net removals	1.6	1.2	0.0	0.0	0.0	0.0	0.0						
Commercial disappearance	321.1	282.4	302.6	294.3	318.7	292.0							
Percent change	[	4.2]											[ ]
from a year ago	20.8	0.6	-3.3	2.5	1.0	-0.3							
Cumulative disappearance	321.1	603.5	906.1	1,200.4	1,519.1	1,811.1							
		First quarter			Second quarter			Third quarter			Fourth quarter		
		906.1			905.0								
Percent change	[	6.6]											
from a year ago		5.4			1.1								

Percentages in brackets adjusted for leap year.

Commercial disappearance: Other-than-American cheese, 2001

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
						Million pounds							
Supply:													
Production	385.5	357.4	414.6	380.7	399.0	375.8							
Beginning commercial stocks	185.2	202.9	218.1	211.1	208.8	214.7	217.6						
Imports	17.6	20.8	26.3	30.1	27.1	33.6							
Total supply	588.3	581.1	659.0	621.9	634.9	624.1							
Utilization:													
Ending commercial stocks	202.9	218.1	211.1	208.8	214.7	217.6	218.7						
USDA net removals													
Commercial disappearance	385.4	363.0	447.9	413.1	420.2	406.5							
Percent change		[3.0]											[ ]
from a year ago	12.0	-0.5	5.0	1.1	-2.1	-2.7							
Cumulative disappearance	385.4	748.4	1,196.3	1,609.4	2,029.6	2,436.1							
		First quarter			Second quarter			Third quarter			Fourth quarter		
		1,196.3			1,239.8								
Percent change		[6.5]											
from a year ago		5.3			-1.3								

Percentages in brackets adjusted for leap year.

Poultry and egg costs and returns

Date	DECATUR SOYBEAN MEAL	CHICAGO No. 2 CORN	COST PER POUND LIVEWEIGHT BASIS Feed	Total	COST PER POUND R.T.C. BASIS Production	Total	12-CITY PRICE	NET RETURNS BEFORE INTEREST & OVERHEAD
	$ / ton	$ / bushel	--------------	----------------	cents/lb.	---------------------------		--------------------
BROILERS								
Jan-2000	163.41	2.06	14.10	24.45	32.17	46.27	55.43	9.16
Feb-2000	170.85	2.12	14.16	24.51	32.24	46.34	53.84	7.50
Mar-2000	175.50	2.17	14.72	25.07	32.98	47.08	54.48	7.40
Apr-2000	177.53	2.21	15.06	25.41	33.43	47.53	55.39	7.86
May-2000	187.87	2.25	15.30	25.65	33.75	47.85	55.71	7.86
June-2000	177.45	2.01	15.45	25.80	33.94	48.04	56.01	7.97
July-2000	163.38	1.65	15.81	26.16	34.43	48.53	56.61	8.08
Aug-2000	159.60	1.61	14.96	25.31	33.30	47.40	55.47	8.07
Sept-2000	174.60	1.67	13.72	24.07	31.67	45.77	58.35	12.58
Oct-2000	173.71	1.91	13.52	23.87	31.41	45.51	57.22	11.71
Nov-2000	181.36	2.06	14.06	24.41	32.12	46.22	58.22	12.00
Dec-2000	195.65	2.06	14.62	24.97	32.85	46.95	57.23	10.28
Jan-2001	183.17	2.03	15.18	25.53	33.60	47.70	56.87	9.17
Feb-2001	166.08	1.99	15.55	25.90	34.08	48.18	57.47	9.29
Mar-2001	156.32	2.07	15.16	25.51	33.56	47.66	58.95	11.29
Apr-2001	158.48	2.04	14.62	24.97	32.85	46.95	58.46	11.51
May-2001	165.14	1.96	14.56	24.91	32.77	46.87	59.40	12.53
Jun-2001	186.50	1.89	14.54	24.89	32.75	46.85	59.88	13.03
Jul-2001/[1]	194.10	1.92	14.52	24.87	32.72	46.82	60.63	13.61
Aug-2001/[1]	182.77	1.99	14.90	25.25	33.23	47.33	60.93	13.10
TURKEYS							3-REGION WHOLESALE PRICE	
Jan-2000	163.41	2.06	19.07	32.77	40.97	57.27	60.18	2.91
Feb-2000	170.85	2.12	19.13	32.83	41.04	57.34	59.61	2.28
Mar-2000	175.50	2.17	19.21	32.91	41.14	57.44	63.12	5.68
Apr-2000	177.53	2.21	20.18	33.88	42.35	58.65	64.83	6.18
May-2000	187.87	2.25	20.78	34.48	43.09	59.39	66.27	6.88
June-2000	177.45	2.01	21.20	34.90	43.62	59.92	68.02	8.09
July-2000	163.38	1.65	21.45	35.15	43.94	60.24	69.58	9.33
Aug-2000	159.60	1.61	22.11	35.81	44.76	61.06	71.84	10.78
Sept-2000	174.60	1.67	20.65	34.35	42.94	59.24	74.34	15.10
Oct-2000	173.71	1.91	18.55	32.25	40.31	56.61	76.01	19.40
Nov-2000	181.36	2.06	18.21	31.91	39.88	56.18	75.65	19.47
Dec-2000	195.65	2.06	19.16	32.86	41.08	57.38	67.29	9.92
Jan-2001	183.17	2.03	20.08	33.78	42.22	58.52	60.31	1.79
Feb-2001	166.08	1.99	21.04	34.74	43.42	59.72	60.15	0.43
Mar-2001	156.32	2.07	21.72	35.42	44.28	60.58	61.20	0.62
Apr-2001	158.48	2.04	21.01	34.71	43.38	59.68	61.58	1.90
May-2001	165.14	1.96	20.03	33.73	42.16	58.46	61.30	4.21
Jun-2001	186.50	1.89	19.88	33.58	41.98	58.28	61.79	3.51
Jul-2001/[1]	194.10	1.92	19.87	33.57	41.96	58.26	61.86	3.60
Aug-2001/[1]	182.77	1.99	19.87	33.57	41.96	58.26	62.35	5.47
EGGS			FEED COST	TOTAL Production		WHOLESALE TOTAL COST	12-METRO PRICE	
Jan-2000	163.41	2.06	23.60	41.80		62.30	68.13	5.83
Feb-2000	170.85	2.12	24.78	42.98		63.48	71.39	7.90
Mar-2000	175.50	2.17	25.45	43.65		64.15	64.70	0.55
Apr-2000	177.53	2.21	25.95	44.15		64.65	73.13	8.48
May-2000	187.87	2.25	26.28	44.48		64.98	58.52	-6.46
June-2000	177.45	2.01	26.94	45.14		65.64	66.50	0.86
July-2000	163.38	1.65	25.04	43.24		63.74	62.22	-1.52
Aug-2000	159.60	1.61	22.26	40.46		60.96	75.32	14.36
Sept-2000	174.60	1.67	21.86	40.06		60.56	68.85	8.28
Oct-2000	173.71	1.91	22.84	41.04		61.54	76.82	15.28
Nov-2000	181.36	2.06	24.28	42.48		62.98	84.69	21.72
Dec-2000	195.65	2.06	25.51	43.71		64.21	96.65	32.44
Jan-2001	183.17	2.03	26.08	44.28		64.78	81.00	16.21
Feb-2001	166.08	1.99	25.40	43.60		64.10	75.93	11.84
Mar-2001	156.32	2.07	24.46	42.66		63.16	80.49	17.33
Apr-2001	158.48	2.04	24.56	42.76		63.26	80.55	17.29
May-2001	165.14	1.96	24.46	42.66		63.16	61.57	-1.59
Jun-2001	186.50	1.89	24.24	42.44		62.94	61.08	-1.86
Jul-2001/[1]	194.10	1.92	24.67	42.87		63.37	61.34	-3.92
Aug-2001/[1]	182.77	1.99	25.16	43.36		63.86	68.03	8.82

/1 Estimates