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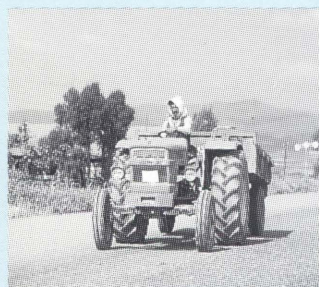
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# AGRICULTURAL OUTLOOK



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**Cover:** *Sea farm in Washington state—drawing in net on salmon raised in a net pen.*  
*Photo by Grant Heilman, Grant Heilman Photography.*



## Smaller U.S. Grain Crops for 1995/96 ... Continued Growth for U.S. Aquaculture ... & Farm Policy Changes in Canada

### Grain & Soybean Prices On the Rise

*The U.S. production forecast* for feed grains for 1995/96 was reduced in October, reflecting the impacts of late planting and a September freeze. Accounting for most of the decline is the 1995 U.S. corn crop, down 25 percent from last year's record. U.S. feed grain exports remain robust, despite the lower output, and strong prices are expected.

Soybean production was also reduced from previous forecasts and is projected to be 13 percent smaller than last year's record, due largely to excessive summer heat and early frost. With use expected to drop just 4 percent, lower ending stocks and a higher season-average price are forecast. Wheat production is forecast to fall for a third consecutive year, a consequence of bad weather. With production down 6 percent and use down only 3 percent, season-average wheat prices are forecast to hit a record in 1995/96, projected at \$4.10-\$4.40 per bushel.

### Aquaculture: Demand Expanding

*Aquaculture producers* see a growing demand for their products. Seafood harvests from wild sources are declining, and populations and incomes are rising in many seafood consuming nations. To meet anticipated demand, the industry is expanding output and developing technologies for farming additional species.

Catfish, trout, and crawfish are the largest sectors in the U.S. aquaculture industry. Nearly all catfish and trout sold commercially in the U.S. comes from farmed production. Record farm prices for catfish, coupled with a 4- to 6-percent increase in sales volume, are expected to produce record gross farm revenues in 1995. Trout sales were also estimated to reach record levels in 1995, boosted by a 6-percent increase in sales volume and a 9-percent jump in prices.



### Canada's Farmers Face Policy Changes

*Canada's mounting federal* budget deficits have led to significant changes in farm policies in 1995. Most notable: elimination of Western Grain Transportation Act (WGTA) transportation subsidies, which is expected to reallocate resources from grain to other commodities. In addition, a change in the Canadian Wheat Board's (CWB) mechanism for pooling producers' freight costs will raise costs to growers who ship to eastern ports.

Despite the decline in overall support for agriculture, funding for Canada's income stabilization program will increase. The implications of policy changes for U.S.-Canada trade are uncertain. More Canadian grains could eventually move south because of the lower transportation costs. On the other hand, if the new Canadian policies encourage crop diversification in the Prairies, and livestock production increases, U.S. grain exports to Canada may rise.

### Tapping the North Africa-Middle East Market

*The highly populated* region of North Africa and the Middle East, comprising 20 countries, is a major importer of agricultural products, taking an estimated \$27.3 billion in 1993. Competition for this market is particularly keen between the European Union (EU) and the U.S. During 1991-93, EU market share for the region's ag imports was about 25 percent, double that of the U.S. Exports of U.S. farm products to the region, primarily grains, are estimated to rise to \$4.3 billion for 1995, based on the first 7 months of the year.

Key variables driving demand for food imports in the region for the remainder of the 1990's include population and income growth, urbanization, diet diversification, changing tastes and preferences, and domestic and trade policies. Moderate economic growth forecast for the region over the next decade could encourage a shift in the mix of ag imports, most likely toward more meat, dairy, and consumer-ready and other high-value products.

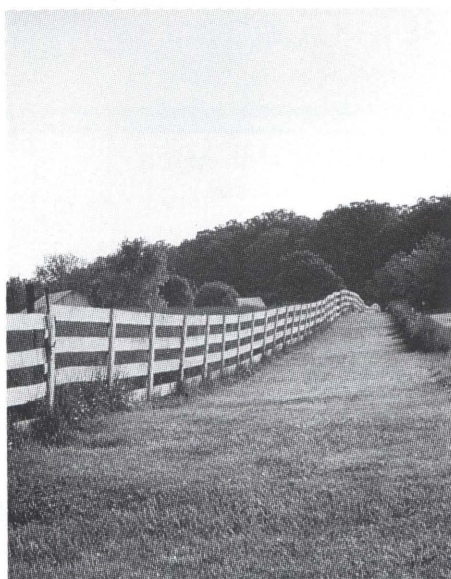
### Strategies To Curb Water Pollution

*Because of the difficulty* in monitoring pollutants, regulations have not been used to curb water pollution from agricultural production and other "nonpoint" sources. Several Federal programs encourage environmentally benign farm management practices on a voluntary basis. These programs induce farmers to adopt less polluting techniques or "best management practices," using cost-sharing and incentive payments, and/or educational and technical assistance.

USDA recently conducted surveys to assess two activities—Demonstration Projects and the Water Quality Incentives Projects, components of USDA's Water Quality Program. Results showed that profitability and familiarity with a particular "best management practice" were critical to its adoption.



## Agricultural Economy



Jack Harrison

### Field Crops Overview

*Production forecasts for all the major field crops were reduced in October, generally reflecting the impact of unfavorable weather in late summer and early fall. Prospects for the U.S. corn and soybean crops have been reduced by late planting coupled with the early freeze in September. In addition, insect damage and dry weather diminished cotton yield and production prospects. Prospective rice yields and production were adversely affected by prolonged heat and dryness in August.*

*Tighter U.S. supplies and continued strong domestic and foreign demand for grains and oilseeds are expected to lead to prices above the September estimates. USDA's October production forecasts are based on conditions as of October 1, and do not take into account any damage from Hurricane Opal.*

**U.S. feed grain supplies will tighten.** The U.S. production forecast for feed grains for 1995/96 was reduced in October. Corn, sorghum, barley, and oats crops are all expected to be down significantly from 1994/95 and below earlier projections. The 1995 U.S. corn

crop is projected at 7.5 billion bushels, down 25 percent from the 1994 record, and accounts for most of the decline in total feed grain output. Despite the lower output, U.S. feed grain exports in 1995/96 will remain relatively robust, forecast down 11 percent from last year's strong performance. With low U.S. feed grain supplies and relatively high prices, nongrain feeds such as soybean meal will become more attractive.

Reduced feed grain supplies and relatively strong use are bolstering corn prices. The season-average farm price is forecast to range from \$2.75 to \$3.15 per bushel, up from \$2.26 in 1994/95 and the highest since 1983/84.

Rising corn prices have typically affected feed and residual use more than food, seed, and industrial use, and exports. Feed and residual use is projected down 15 percent in 1995/96. Domestic food, seed, and industrial use of corn is expected to increase from 1994/95, despite higher prices, although the rise is smaller than projected earlier. U.S. corn exports, although forecast down 10 percent from 1994/95's high level, remain relatively robust due to strong foreign demand.

Export commitments in the first month of the 1995/96 marketing year have already exceeded 40 percent of the total forecast for the year. Many importers have made purchases far in advance of expected delivery dates, probably because of concerns about tight supplies and higher prices later in the year.

Strong world use of coarse grains in 1995/96 is forecast to outstrip production and depress prospective global ending stocks. World coarse grain ending stocks in 1995/96 are projected 31 percent below 1994/95, the lowest since 1974/75. World trade of corn, barley, sorghum, and oats is each expected to decline in 1995/96 because of limited availabilities, with corn exports projected down 10 percent.

A sharp decline is forecast for world crops of corn, barley, sorghum, and oats in 1995/96. Countries of the former Soviet Union (FSU) account for most of the barley harvest decline, while the reduced sorghum crop is due mainly to a

drop in U.S. levels. Corn production is expected to drop substantially in the U.S. and Mexico, offsetting small gains in Eastern Europe, the European Union (EU), and Argentina, and large gains in the Republic of South Africa, the FSU, and China.

On the basis of official data, China's corn area was increased 6.5 percent in October, pushing forecast production to a record 108 million tons. Despite the bumper crop, China is expected to remain a net corn importer in 1995/96 because of booming domestic demand and strong domestic prices.

**U.S. wheat prices are forecast to hit a record** in 1995/96, with season-average farm prices projected at \$4.10-\$4.40 per bushel. Reduced U.S. wheat supplies, strong exports, and prospects for very low ending stocks are contributing to the price runup. Because of adverse weather, U.S. wheat production is projected to fall for the third consecutive year. Supplies of hard wheat are forecast down, while supplies of soft wheat are forecast larger than a year ago.

Although total U.S. wheat production is projected to decline 6 percent from 1994, total use is forecast down only 3 percent. Food use and exports are both forecast to increase. But feed and residual use is projected to fall, because the high-priced wheat will not be competitive with feed grains, and storage and handling may be improved, thereby reducing loss.

U.S. wheat ending stocks in 1995/96 are projected to fall to the lowest level since 1973/74. While U.S. wheat supplies for the domestic market are ample, the low ending stocks will mean that the size of the 1996 crop will strongly determine the levels of prices and exports in 1996/97.

The 1996 U.S. winter wheat crop was planted in September and October. Relatively high wheat prices and favorable planting conditions likely brought additional acreage into production. As of mid-October, seeding was down 2 percentage points and emergence lagged the past 5-year average by about 6 percentage points.



## Agricultural Economy

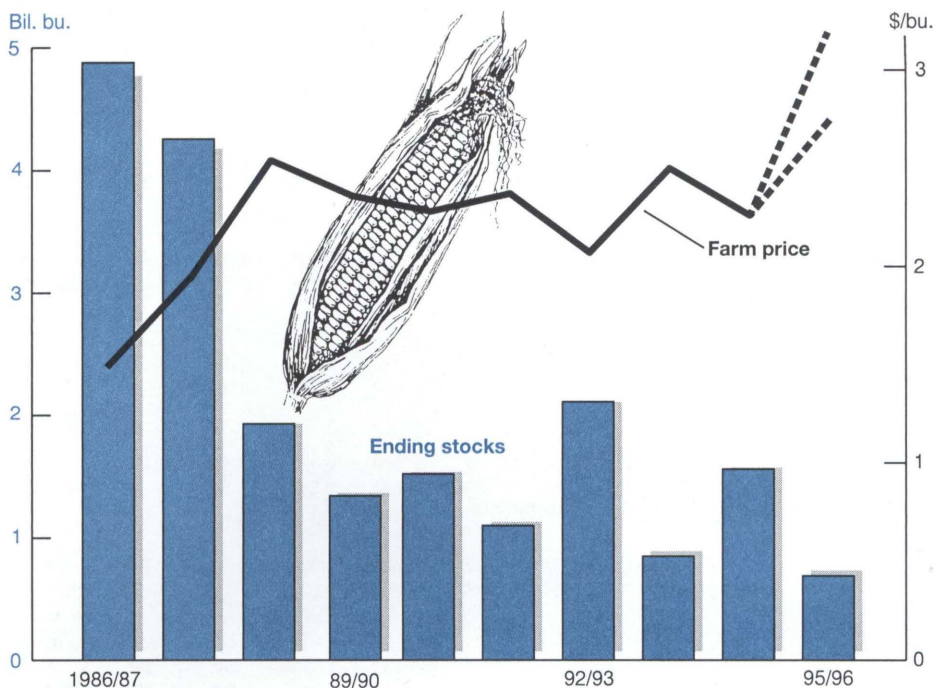
World wheat production in 1995/96 is estimated to remain above 1994/95, because of gains in many foreign countries. In addition to Australia's substantially increased production, India and Pakistan are expected to harvest record crops. Output is also up significantly in several Eastern European countries, as growing conditions were favorable during 1995 for winter wheat. Global wheat consumption in 1995/96 is estimated to drop slightly from 1994/95. However, the estimate of world consumption excluding the FSU is up marginally, despite international wheat prices that are currently significantly higher than last year.

Lower 1995/96 supplies in the major wheat exporting countries have contributed to the climb in wheat prices. Wheat crops in both the U.S. and Argentina are projected to decline in 1995/96, and crops in the EU and Canada are expected to show only marginal gains. Only Australia's wheat harvest is estimated to rise dramatically in 1995/96, because of a recovery from last year's drought. Carryin stocks of the major exporters, including the U.S., are down 26 percent from a year earlier. Because of tight wheat supplies in both the EU and the U.S. in 1995/96, neither has used export subsidies for grain since August.

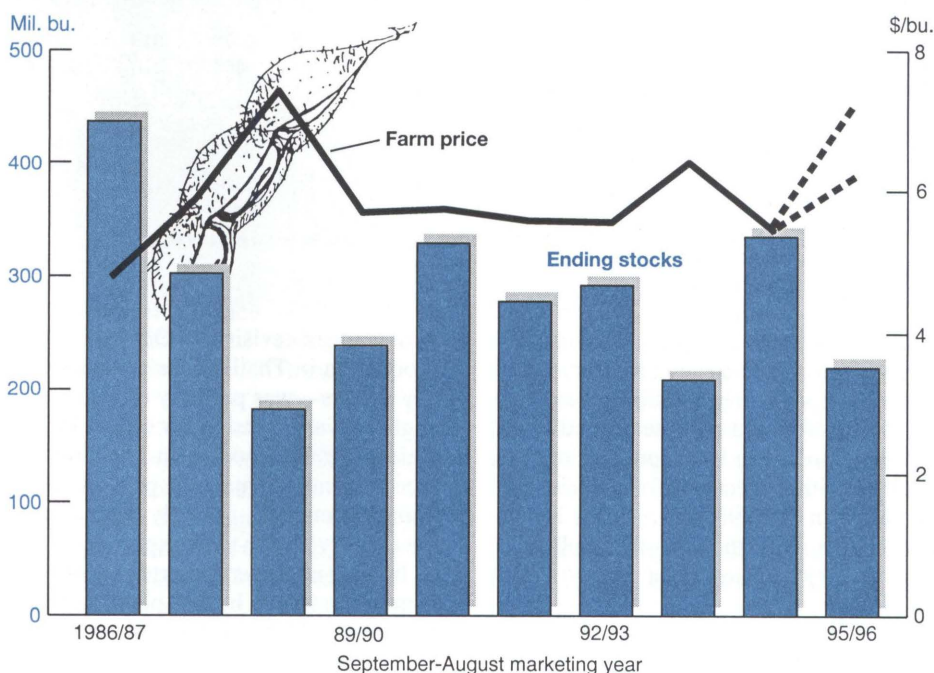
The forecast for U.S. wheat exports was raised slightly in October, which will marginally boost the estimated U.S. global market share to 34 percent. The higher forecast was based on a pace of U.S. export sales significantly ahead of 1994/95, and strong import demand. According to USDA's *U.S. Export Sales* report, U.S. wheat shipments to date are higher than in 1994/95 in the key importing countries of China, Egypt, Morocco, and the Philippines. U.S. exports for the year are forecast up fractionally from 1994/95.

**Strong foreign demand is bolstering U.S. rice prices in 1995/96.** In addition, crop prospects have declined because of adverse weather in August and September. U.S. production in 1995 is projected to decline 10 percent from 1994. Season-average farm prices in 1995/96 are projected to range from \$7 to \$8 per cwt, up from \$6.74 in 1994/95.

## Corn Prices To Climb As Stocks Drop Below a Billion Bushels . . .



## . . . and Declining Soybean Stocks Push Prices to Highest in 7 Years



1994/95 estimates; 1995/96 forecasts.  
Season-average prices.

Despite lower output and higher prices, total use is projected to fall only 4 percent in 1995/96. The reduced crop and continued strong exports are expected to lead to ending stocks 20 percent below 1994/95, and the lowest since 1990/91; the stocks-to-use ratio will fall to the

lowest since 1980/81. With exports accounting for nearly half of U.S. total use, global rice production and consumption will play an important role for U.S. rice prices in 1995/96.



## Agricultural Economy

### U.S. Field Crops—Market Outlook

	Area		Yield	Output	Total supply	Domestic use	Exports	Ending stocks	Farm price
	Planted	Harvested							
	— Mil. acres —		Bu/acre	—	—	Mil. bu	—	—	\$/bu
Wheat									
1994/95	70.3	61.8	37.6	2,321	2,981	1,287	1,188	507	3.45
1995/96	69.1	60.9	35.9	2,183	2,790	1,195	1,200	395	4.10-4.40
Corn									
1994/95	79.2	72.9	138.6	10,103	10,963	7,205	2,200	1,558	2.26
1995/96	71.3	64.7	116.6	7,541	9,110	6,425	2,000	685	2.75-3.15
Sorghum									
1994/95	9.8	9.0	73.0	655	703	411	220	71	2.13
1995/96	9.1	8.3	59.2	492	563	342	180	41	2.60-3.00
Barley									
1994/95	7.2	6.7	56.2	375	580	401	66	113	2.03
1995/96	6.7	6.3	57.6	361	534	390	50	94	2.40-2.70
Oats									
1994/95	6.6	4.0	57.1	229	428	326	1	101	1.22
1995/96	6.3	3.0	55.2	163	369	280	1	88	1.45-1.65
Soybeans									
1994/95	61.7	60.9	41.4	2,517	2,731	1,551	845	335	5.45
1995/96	62.6	61.7	35.5	2,191	2,531	1,511	800	220	6.25-7.25
			Lb./acre	—	—	Mil. cwt (rough equiv.)	—	—	\$/cwt
Rice									
1994/95	3.35	3.32	5,964	197.8	230.9	98.6	100.9	31.4	6.74
1995/96	3.17	3.11	5,710	177.6	217.3	104.2	88.0	25.1	7.00-8.00
			Lb./acre	—	—	Mil. bales	—	—	¢/lb
Cotton									
1994/95	13.7	13.3	708	19.7	23.2	11.2	9.4	2.7	73.0
1995/96	16.7	15.9	579	19.1	21.8	11.2	7.5	3.2	*

Based on October 11, 1995 World Agricultural Supply and Demand Estimates; U.S. marketing years for exports.

\* USDA is prohibited from publishing cotton price projections.

See table 17 for complete definition of terms.

Projections for global rice production in 1995/96 were trimmed in October, putting output nearly 5 million tons below 1994/95, but still the second highest on record. The lower production, coupled with projections for higher consumption in 1995/96, has resulted in expected ending stocks of 42.8 million tons in 1995/96, the lowest since 1976/77.

Calendar year 1996 rice exports are projected down 17 percent from 1995's estimated record. The booming exports in 1995, estimated at 19.4 million tons, reflect strong global imports and record shipments from India. The decline projected for 1996 reflects smaller imports in Bangladesh, China, and Indonesia.

A downward revision in October for production in Thailand and Indonesia—key traders—was partially offset by a slight upward revision for output in China. Severe flooding in Thailand in recent months damaged a portion of the main season crop, possibly decreasing the country's near-term export potential. In Indonesia, larger imports in 1995 were necessitated by late planting of the first crop, which was harmed by wet weather and an insect infestation. Yields for Indonesia's second rice crop were adversely affected by dry weather.

India, with forecast record exports of 3.3 million tons in 1995, will jump ahead of the U.S. to become the world's second-largest rice exporter, after Thailand. An expected market share for India of 17 percent in 1995 would exceed an expected 16-percent share for the U.S., even

with projected record U.S. exports in 1995 of 3.1 million tons.

**U.S. soybean production was revised down 4 percent in October** from the previous month, and is forecast to fall 13 percent from 1994's record. Freezing weather in September ended the growing season for soybeans in much of the northern Midwest. There was little damage to crops in Minnesota and in much of the Dakotas, as frost in September is normal for that area and most fields were planted on time. However, further south, soybeans were more vulnerable to an early frost, because they were planted later than usual and the normal frost date is in October.

When frost occurred on September 22 and 23, it prematurely halted plant development in several states, including parts of both Nebraska and South Dakota. States farther east, including Missouri, Illinois, Indiana, and Ohio, escaped with only scattered frost damage. But yield forecasts for these areas were lowered from September, as the adverse effects of the summer heat became more pronounced. Yet, like a veteran boxer, the 1995 soybean crop keeps absorbing punishment and manages to stand upright. Despite the late plantings and early frost, projected production will still be the third highest on record.

U.S. soybean use in 1995/96 is forecast down only 4 percent from 1994/95, as higher prices are expected to reduce crush only marginally, and exports are projected to decline only 5 percent from last year's robust level—the third largest on record. As a result of continued strong use, ending stocks are projected to fall more than a third from 1994/95, and will be much tighter than projected earlier. Season-average farm prices for soybeans in 1995/96 are projected to range from \$6.25 to \$7.25 per bushel, compared with \$5.45 the previous year.

World soybean production in 1995/96 is expected to decline 7 percent, a result of smaller crops, primarily in the U.S., Brazil, China, and Paraguay. In China, better returns for corn relative to soybeans have led to planting of more area to corn at the expense of soybeans.



## Agricultural Economy

In Brazil, a combination of lower soybean prices and rising interest rates has caused farmers to lose a significant amount of income during the 1994/95 crop year. The Brazilian government announced that soybean farmers will receive neither a minimum price nor a subsidized credit in the 1995/96 marketing year. These events are likely to discourage soybean plantings in Brazil, despite the potential for higher international soybean prices.

World soybean exports in 1995/96 are expected to fall in response to reduced supplies in the U.S. and Brazil. Lower-than-average crush margins are also expected to dampen global imports of soybeans, while encouraging soybean meal imports.

U.S. soybean meal production in 1995 is forecast to decline by less than 1 percent, despite the drop in U.S. soybean output. Domestic soybean meal use is expected to increase from 1994/95, because relatively high feed grain prices will make feeding soybean meal more attractive. Season-average soybean meal prices in 1995/96 are expected to strengthen to \$195-\$220 per ton, compared with \$162.55 in 1994/95. Higher prices, continued strong domestic use, and increased foreign competition are expected to lead to an 8-percent drop in U.S. soybean meal exports.

World soybean crush in 1995/96 is predicted up slightly, as crush margins remain relatively profitable, although down from last year's near-record-high margins. Global soybean meal production, use, and trade in 1995/96 are forecast to reach records for the third consecutive year. Rising meat production coupled with high grain prices are stimulating demand for soybean meal in the U.S., the EU, Asia, and Latin America.

U.S. soybean oil production in 1995/96 is forecast up slightly from 1994/95, because of expected higher rates of soybean oil extraction. Domestic use is expected to continue to increase, but exports are expected to fall considerably from 1994/95's record level. U.S. soybean oil ending stocks are projected to increase by two-thirds from 1994/95,

## World Commodity Market Outlook

	Year <sup>1</sup>	Production	Exports <sup>2</sup>	Consumption <sup>3</sup>	Carryover
Million tons					
Wheat	1994/95	522.4	97.2	549.4	113.7
	1995/96	529.8	95.4	546.2	97.4
Corn	1994/95	555.9	69.9	537.2	91.0
	1995/96	506.3	63.1	534.9	62.4
Barley	1994/95	161.0	14.8	167.0	25.8
	1995/96	149.9	14.2	158.6	17.1
Rice	1994/95	360.5	19.4	361.6	48.7
	1995/96	357.1	16.1	363.0	42.8
Oilseeds	1994/95	259.5	43.8	205.3	25.8
	1995/96	252.8	43.9	211.0	20.9
Soybeans	1994/95	136.5	32.1	108.8	22.4
	1995/96	125.3	31.3	109.9	17.5
Soybean meal	1994/95	86.2	31.1	85.8	3.9
	1995/96	87.1	31.9	87.5	3.7
Soybean oil	1994/95	19.6	6.0	19.6	1.5
	1995/96	19.8	5.2	19.3	1.9
Million bales					
Cotton	1994/95	85.6	29.0	84.3	29.8
	1995/96	88.2	28.1	86.4	31.4

<sup>1</sup> Marketing years are: wheat, July-June; coarse grains, October-September; oilseeds, soybeans, meal, and oil, local marketing years except Brazil and Argentina adjusted to October-September trade; cotton, August-July. <sup>2</sup> Rice trade is for the second calendar year. All trade now has been inflated to include trade among the countries of the former Soviet Union. In addition, rice trade, like other grain trade, excludes intra-EU trade. Oilseed and cotton trade, however, still include intra-EU trade. <sup>3</sup> Crush only for soybeans and oilseeds.

and season-average prices are expected to range from 24 to 28.5 cents per pound, compared with 27.58 cents in 1994/95.

U.S. soybean oil exports in 1995/96 are projected to decline nearly 30 percent from 1994/95. U.S. exports to China account for nearly half of all U.S. soybean oil exports, and China's soybean oil imports are anticipated to fall by 30 percent in 1995/96. Ample oilseed output in China in 1995/96 and sizable edible oil imports during 1994/95 are reducing its soybean oil imports in 1995/96.

**The 1995 U.S. cotton crop is projected to decline 3 percent** from the record 1994 crop. Although planted area is estimated to be the highest since 1956, yields are projected to be the lowest

since 1986. Continued damage from insects, and dry conditions in September in most portions of the cotton belt, have significantly lowered yield potential. Heavy rains and unseasonably cool weather in September also diminished crop prospects in west Texas.

Total use is projected down 9 percent from 1994/95, as relatively high prices are reducing domestic mill use, and stronger foreign competition and smaller world trade are expected to limit U.S. export prospects. U.S. cotton ending stocks in 1995/96 are projected to rise about 20 percent from 1994/95's very low level. Nevertheless, cotton prices remained relatively high through September.



## Agricultural Economy

World cotton output is expected to be up 2.5 million bales in 1995/96, despite smaller crops in the U.S. and China, the world's two largest producers. An 8.5-percent rise (4 million bales) for the other cotton producing countries is foreseen—one of the largest production gains of the last 30 years.

World cotton consumption is predicted to grow 2.4 percent in 1995/96. Improving economic conditions will largely overshadow last year's 30-percent jump in world prices. A sustained recovery in yarn production in China—the world's largest cotton consumer—and a continued near-record rate of cotton consumption in the U.S., will bolster cotton use in 1995/96. In Russia, the beginning of an economic recovery should encourage textile production, and textile output in Eastern Europe is expected to make gains as well, raising cotton consumption in these two areas 12 percent in 1995/96.

Global cotton trade in 1995/96 is expected to weaken, despite higher expected consumption. Trade is expected to fall by 1 million bales, as China slows its stock-building activity and India and Pakistan resume as net exporters after becoming net importers in 1994/95. With world trade shrinking and Pakistan shifting to its more usual role of competitor rather than customer, the U.S. share of world trade in 1995/96 is forecast to decline to 27 percent from 1994/95's exceptional 32 percent. [Sara Schwartz (202) 219-0768, Mark Ash (202) 219-0712, and Carol Whitton (202) 219-0825]

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## Livestock, Dairy & Poultry Overview

*Excessive heat this summer pushed dairy, poultry, and pork production below levels previously expected. Lower production led to higher prices and mitigated much of the impact of rising feed costs on producers' returns during late summer and early fall. By mid-fall, however, expected growth rates for both pork and broiler production had resumed, pressuring prices. Price pressure from record total meat supplies, along with rising feed costs, will squeeze producers' returns.*

*The excessive heat had only minor impacts on beef production this summer. Generally good forage conditions thus far this fall have allowed stocker cattle to remain on pasture, at relatively low cost, for additional weight gain. This is reducing the impact of higher feed costs on feeder cattle prices, but a large movement of cattle into feedlots this fall will pressure prices downward, especially for heavier, fleshy feeder cattle.*

**Feeder cattle prices remain firm despite large supplies.** Feedlot returns remain favorable despite record total meat supplies and rising feed costs. Corn prices in September were up over a third from a year earlier, but feeder cattle prices, although down from a year earlier, have remained relatively stable over the past several months, due largely to the continued availability of quality forage.

Feedlot placements in the seven monthly reporting states in July-August were down 11 percent from a year earlier. As in 1993, when corn production was down, forage conditions have been very favorable and stocker cattle are remaining on pasture for additional weight gain. The number of feeder cattle outside feedlots is large, and will place downward pressure on prices this fall as forage supplies decline seasonally.

Not only will feeder cattle marketings increase this fall, but many of these

cattle will be much heavier and fleshier than typical. Recent rains in the Southern Plains winter wheat grazing areas, plus good winter forage prospects in many other areas, are likely to continue the trend toward larger-than-average proportion of calves remaining on pasture this fall, leading to greater placements of heavier, fleshy cattle next winter and spring.

The number of cattle on feed in the seven monthly reporting states on September 1 was down slightly from a year earlier. These cattle were placed on feed at heavier weights than last year, so a large number will be marketed over the next couple of months. Steer and heifer slaughter in September, adjusted for 1 less slaughter day, was up over 9 percent from a year earlier. Large numbers of market-ready cattle, plus seasonally increasing slaughter weights, will hold prices down.

Third-quarter cow slaughter was up 2 percent from a year earlier. However, as a proportion of cow inventory, this year's cow slaughter—when adjusted for increased slaughter cow imports—was about the same as a year earlier. In contrast, heifer slaughter is up sharply, explaining much of the sharp drop-off in the number of heifers being retained for possible herd expansion. Fourth-quarter cow slaughter is increasing seasonally, and with already record meat supplies, will put additional pressure on beef prices.

Average steer weights continue to lag behind last year's record level, while heifer weights are down only slightly. Heifers will likely continue to provide a larger proportion of higher quality beef for both the domestic and export market.

**Hog slaughter is beginning its seasonal climb.** Weekly hog slaughter finally exceeded 1.9 million head in October for the first time since early March. Although slaughter is forecast to remain at or above this level during the fourth quarter, it will still be 3 percent below a year earlier due to a 3-percent decline in the March-May pig crop. The pig crop was down due to low producer returns in late 1994, which led to a reduction in the breeding herd.

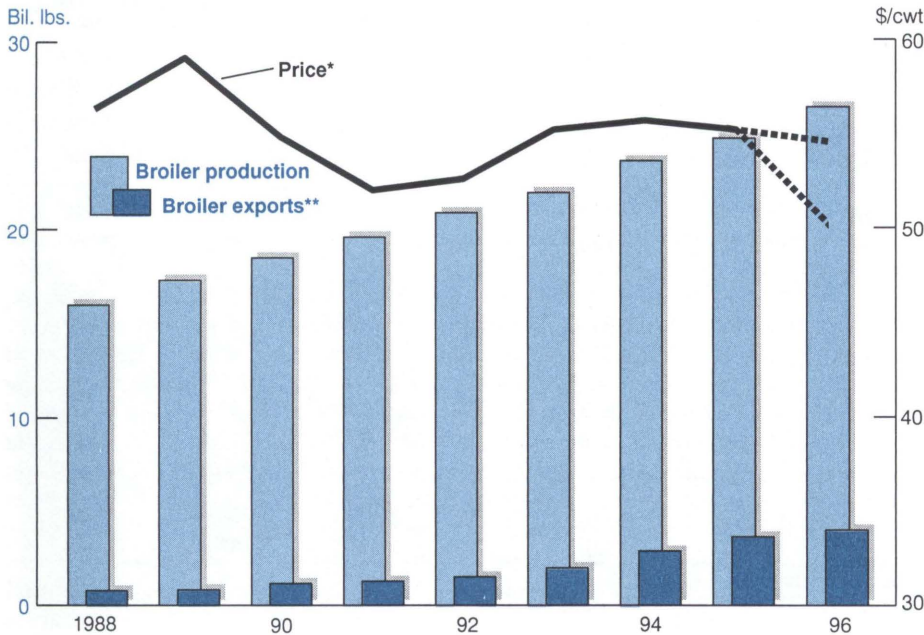






## Agricultural Economy

### As Export Growth Slows, Broiler Prices To Dip in Response to Higher Output



1995 and 1996 forecasts.

\*Wholesale, 12-city average. \*\*Whole birds, parts, and processed meat products.

The egg-production flock is slowly being rebuilt after summer losses from excessive heat, but still remains about 2 percent smaller than in 1994. With flock productivity about the same as last year, November production is expected to be about 2 percent below a year ago. Wholesale egg prices in November are expected to be up 5-10 cents per dozen from a year ago and retail prices 6-8 cents higher. For the year, egg production is forecast to rise less than four-tenths of a percent. Last year, egg production was up about 3 percent.

Chick hatch for the table-egg-laying flock exceeded year-earlier levels in September and October, but these birds will not enter the laying flock until 1996. The table-egg production flock is not expected to match last year's levels until spring. Annual table-egg production is forecast to post a 2-percent rise for 1996.

**Turkey prices are rising with a dip in output.** Turkey production during August and September was below a year earlier due to excessive heat this summer. The lower production meant birds that usually would have entered cold storage for holiday sales were instead shipped to processors for near-term use. This pushed wholesale prices up about 4

cents a pound for both breast and whole bird hens in September from a year earlier.

Turkey production has recovered from heat-reduced levels, with November production expected up about 4 percent from a year earlier due to a 2-percent increase in bird numbers and a 2-percent rise in average weight. Fourth-quarter production is expected to be about 5 percent higher than a year earlier.

Production for 1995, an expected record, will likely be up 3-4 percent from last year. A slightly larger rise is projected for 1996.

Although stocks have not increased as rapidly as expected prior to summer, they are still above last year. Turkey stocks increased very little in September and rose just 8 million pounds during August after 3 consecutive months of increases exceeding 50 million pounds. Nonetheless, the larger stocks and stronger expected fourth-quarter production should provide adequate supplies for the holidays. Continued export expansion will support prices.

Wholesale prices in November are expected to average about 4 cents per pound higher than a year earlier. Retail

stores in some areas have started offering punch cards for customers to earn credit toward receiving a free holiday turkey through repeat shopping trips. This may be an effort to avoid the usual large holiday price discounts. Annual turkey prices in 1995 are expected to be about the same as in 1994.

Since early 1995, the U.S. turkey industry has shifted domestic and export sales toward prepackaged turkey parts and away from whole birds. The additional processing required to cut up and package turkey parts, such as breasts and legs, has increased the supply of edible trimmings. Processors sell these in several ways, including mechanically deboned turkey (MDT). MDT is a relatively low-cost meat protein that can easily be incorporated into sausage and other meat products.

To better reflect total trade in turkey products, exports now include whole turkeys, parts, and other processed turkey products—including MDT. In the first half of 1995, U.S. turkey exports totaled nearly 172 million pounds, up 21 percent from a year earlier. This growth was due to the inclusion of mechanically deboned turkey products in turkey exports. Previously, MDT exports had been included in the "other" poultry export category.

The largest export markets for MDT have been Russia and Estonia, which transships much of its imports to Russia. These two countries account for over half of all U.S. MDT exports. While exports of MDT have boosted total turkey exports on a quantity basis, they have had only a slight impact on the total value of shipments because their price is quite low.

**Mexico has resumed purchases of nonfat dry milk.** Mexico contracted for almost 12,000 tons of nonfat dry milk just as the July-September interim Dairy Export Incentive Program (DEIP) expired. The powder will be delivered in October and November, relieving much of the supply pressure that pushed U.S. nonfat dry milk prices down near the support purchase price. If DEIP activity is substantial under the new allocations, nonfat dry milk prices could rise significantly by late autumn.



Mexico, one of the largest DEIP customers in recent years, had not purchased nonfat dry milk since last winter. Mexican stocks of imported dry milk remained high, despite heavy food aid use. Sales of nonfat dry milk on Mexico's domestic commercial market fell sharply because of higher international prices, peso devaluation, and weakness in the economy. Although Mexican stocks have declined, imports are not likely to return to the levels of recent years.

New interim DEIP allocations were recently announced, with sales to Asia expected by late 1995. However, sales to Algeria or additional sales to Mexico are uncertain. Exports under DEIP during the rest of 1995 will be smaller than a year earlier. Under GATT, subsidized exports are limited and will never again come close to 1995 levels.

Unsubsidized U.S. butter exports are projected to be small during the rest of 1995. Commercial exports were substantial earlier this year, but recent domestic price increases have made U.S. butter exports uncompetitive in international markets. Exports are not expected to resume until domestic markets weaken seasonally at the end of 1995.

World production of milk and dairy products is projected to be large in 1995. However, strong consumption in major exporting countries is limiting supplies on the international market. Stocks of butter and nonfat dry milk are expected to decline even further in 1995, to levels less than half those of the early 1990's.

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## Specialty Crops Overview

*U.S. per capita fruit and vegetable consumption in 1996 is likely to inch up* from 1995, continuing the flat trend of the 1990's. Rising consumption of processed fruits and vegetables is expected to counter lower consumption of fresh produce.

During the 1980's, fresh produce consumption increased about 1.6 percent annually; but in the 1990's, the trend slowed considerably. In 1995, per capita fruit and vegetable consumption is estimated up 1 percent from 1994 to 712 pounds (farm-weight equivalent). About 40 percent of that amount is fresh produce (not processed or frozen), and roughly 40 percent of the total is fruits.

The consumption forecast for highly perishable produce such as bananas, oranges, and fresh vegetables is generally subject to some uncertainty, due to short-run changes in supplies and prices. For example, lettuce consumption decreased in 1995 due to shortages in California and record-high retail prices.

For storable fresh produce (apples, onions, and potatoes, for example) and processed products, the 1996 consumption outlook is shaping up with more certainty, as the 1995 fall harvest is mostly complete. Export demand is an added factor in determining consumption levels; exports are expected to account for nearly 13 percent of U.S. fresh produce supply in 1996, up from 9 percent just 10 years ago.

*Higher retail prices are expected for apples and potatoes in 1996*, based on estimates of 1995 U.S. apple production and preliminary indications about the fall potato crop. Apple production is forecast down about 1 percent, while export demand from Asia and Western Europe is expected to increase; these factors are expected to push up domestic prices and constrain demand.

The 1995 fall potato crop, with official USDA estimates first published in November, has shown signs of a decrease from last season, based on fewer acres, late planting, and less-than-ideal weather early in the growing season in several key producing states. Continued strong export demand for frozen and dehydrated potatoes is expected to compete with domestic use and lift prices in 1996.

U.S. consumption of fresh apples could decrease as much as 5 percent in 1996 to 19 pounds per person because of fewer supplies and higher prices, while fresh potato consumption is expected to remain at or below 49 pounds. Although the trend in domestic consumption of fresh apples and potatoes has been flat, tighter supplies coupled with vigorous export demand will boost prices.

Apple juice consumption is expected to continue increasing at its trend growth rate of nearly 3 percent per year. Forecast 1995 apple production in Michigan, Virginia, Pennsylvania, and other states producing apples for processing is estimated up substantially, nearly offsetting a 9-percent decrease in Washington's crop—which goes mainly for fresh use.

Processed potato consumption is likely to flatten in 1996, as fewer supplies will be available and higher prices cut consumer demand. Strong exports of frozen french fries and potato flakes and chips will reduce domestic supplies. Reports of a drought-reduced potato crop in Western Europe are causing U.S. manufacturers to stock up on frozen and dehydrated potatoes. The anticipated demand from Western Europe marks the second straight year of higher U.S. exports due to tight supplies in that region.

Consumption of fruits and vegetables is measured as net domestic use.

The U.S. supply (farm-level production plus imports and stocks) is adjusted for exports, ending stocks, and spoilage. Although "per capita consumption"—the result of dividing net domestic use by population—is not a direct measure of what is eaten, the trend over time is an indicator of consumer demand.



## Agricultural Economy

**U.S. fresh citrus fruit consumption is forecast at about 24 pounds per capita** for 1996, slightly higher than the recent 10-year average. Fresh-market sales of California and Florida citrus were down slightly in 1995, but larger exports took a greater share of domestic supplies than in 1994. Forecast 1996 citrus production shows an increase in California's orange crop, more than offsetting a drop in Florida's grapefruit crop. Export demand for both is likely to continue strong, and domestic consumption to remain unchanged.

U.S. consumption of orange juice is likely to top 5 gallons per person in 1996, up from less than 4 gallons in 1990. Increased supplies of domestic orange juice are reducing demand for imports, which accounted for only 16 percent of consumption in 1995 compared with nearly 50 percent in 1990. And consumers are paying lower retail prices for frozen concentrated orange juice—down 2 percent in 1995.

Florida's orange crop, the main source of U.S. juice production, is estimated down 2 percent in 1996, but 16 percent above 2 years ago. However, increased acreage, more mature trees, and higher tree density per acre portend increases in the next 10 years. A series of damaging freezes in the 1980's spurred the replanting of orange groves farther south in Florida, and output has nearly doubled since 1990—a 12.5-percent average annual growth rate.

**Consumption of fresh vegetables is likely to increase only slightly in 1996**, following an estimated decrease of 2-3 percent in 1995. The 1995 drop is indicated by lower volume shipped from Florida and California. Consumption of fresh vegetables (excluding potatoes) is likely to total 135-140 pounds per capita in 1995, down from 143 pounds in 1989.

Weather-reduced yields and a cutback in harvested area of broccoli, cabbage, cauliflower, celery, lettuce, and several other fresh vegetables contributed to lower supplies and higher prices during much of 1995. Flooding in California in March interrupted supplies when few other sources could fill the gap. In addition, the aftereffects of Tropical Storm Gordon in Florida last November lowered tomato production during January to March.

U.S. onions produced for storage in 1995 are estimated down slightly from 1994's huge crop, but supplies are still expected to be plentiful and prices lower during January to April 1996. While U.S. consumption of onions—as well as cabbage and bell peppers—has increased in recent years, it has not completely offset declines in other salad vegetables.

Japan's unusually high import demand for U.S. onions last season is not expected to continue, as Japan's 1995 output reportedly rebounded from 1994's weather-reduced crop. Therefore, U.S. domestic onion consumption is likely to

continue its upward trend in 1996, possibly topping 18 pounds per person.

**Processed vegetable consumption in 1996 is likely to decrease**, following an estimated 5-percent rise in 1995. The supply of processed snap beans, sweet corn, green peas, and tomatoes increased in 1995 because processors contracted more acreage in 1994, and average per-acre yields were also higher. The resulting 1994 harvest for these four crops was a record 17.2 million short tons—up 23 percent from 1993.

In 1995, per-acre yields are not likely to reach trend levels, and acreage for canning snap beans and sweet corn was down. Consequently, supplies from the 1995 production of canned vegetables will tighten in 1996, and prices will strengthen. Supplies of frozen vegetables are higher, with wholesale and retail prices easing in the fall.

Consumption of processed snap beans, sweet corn, and green peas has changed little since 1970, with a downward trend for canned items and an upward trend for frozen items. Consumption of these processed commodities totaled 29 pounds per capita in 1994, 28 pounds in 1984, and 31 pounds in 1974.

Reflecting a shift from canned to frozen products, per capita consumption of frozen sweet corn increased to more than 9 pounds in the early 1990's from about 6 pounds in 1980. On the other hand, consumption of canned sweet corn dropped from 13 pounds in 1980 to 10 pounds in 1994. Consumers also turned away from canned snap beans and green peas during this period.

Processed tomatoes are an exception to the canned vegetable downturn. Consumption of processed tomato products (salsa and sauces, for example) in the early 1990's averaged 75 pounds per capita, up from 60 pounds in 1983. Per capita consumption is likely to increase again in 1996, while exports continue to climb at an annual rate of 10 percent.

### Fresh Fruits and Vegetables—Market Outlook

						Consumption	
		Utilized production <sup>1</sup>	Imports <sup>2</sup>	Total supply	Exports <sup>2</sup>	Total	Per capita
		—	—	—	—	—	—
		Million lbs.				Lbs.	
Fruits							
Citrus	1994/95	8,590	485	9,075	2,767	6,308	24
	1995/96	8,802	500	9,302	2,950	6,352	24
Noncitrus <sup>3</sup>	1994/95	13,826	11,045	24,870	2,955	21,915	83
	1995/96	13,273	11,456	24,729	2,220	21,509	81
Vegetables	1995	34,746	5,200	39,946	4,220	35,726	136
	1996	35,788	5,200	40,988	4,520	36,468	137
Potatoes	1995	12,964	606	13,570	573	12,997	49
	1996	12,705	800	13,505	550	12,955	49

1994/95 estimate; 1995/96 forecast; 1995 and 1996 projections.

<sup>1</sup> Crop-year basis for fruits. <sup>2</sup> Fiscal year for fruits; calendar year for vegetables and potatoes. <sup>3</sup> Includes bananas.



The U.S. became a net exporter of processed tomato products in the 1990's, after a decade of imports being fivefold larger than exports. Exports now account for 5 percent of supply, while imports account for just 2 percent.

***Increases in 1996 retail produce prices are not likely to match 1995's.*** Prices spiked in 1995—up 12 percent through October—after an unusual spate of storms and unfavorable winter weather interrupted harvests and damaged fields in Florida and California.

Fresh produce prices increased an average of 7 percent per year during 1990 to 1994, about double the increase for all food. The higher retail prices primarily reflect added value and costs of marketing fresh produce, as well as the larger import component in total U.S. supplies. The above-average rate of inflation for produce may be contributing to the flat trend in consumption.

Grower prices for fresh vegetables (excluding potatoes) increased about 50 percent during first-half 1995, compared with a year earlier. These higher grower prices translated to higher retail prices—up 26 percent during this period. The outlook for increased fresh vegetable consumption in 1996 depends on a rebound in acreage and production and an easing of retail prices.

Higher summer fruit prices followed on the heels of record-high winter and spring vegetable prices. California's summer fruit harvest was limited by unfavorable weather—including a warm winter and a cool, rainy spring, followed by hailstorms. Domestic shipments of U.S. peaches, nectarines, pears, cherries, plums, strawberries, and apricots were down 25 percent through summer 1995, compared with the same period in 1994.

Coinciding with higher prices for domestic summer fruits, labor problems in several banana exporting countries led to lower U.S. banana supplies and higher prices. Moderate increases in apple

## Convenience & Tastes Are Factors In Fresh Vegetable Consumption

The increasing demand for spicy foods and convenience items may boost consumption statistics of several fresh vegetables. The rising trend in consumption of processed tomato products—which use ingredients such as garlic, onions, and bell peppers—is linked to the demand for away-from-home or take-out foods and for spicy foods such as pasta, pizza, and salsa.

Because bell pepper production destined for processed tomato products is not separated from fresh-market sales in the per capita consumption statistics, the total is combined into the category of fresh-market vegetables. Total consumption of bell peppers has increased in the last 5 years, while most other major salad vegetables have remained flat. Per capita consumption of bell peppers increased 40 percent since 1989, from 4.7 pounds to 6.6 pounds in 1994. During this period, consumption of head lettuce, fresh tomatoes, celery, carrots, cauliflower, broccoli, and cucumbers plateaued at 62 pounds per capita.

Garlic consumption has doubled over the last 10 years, going from about 1 pound per capita in the early 1980's to 2 pounds in 1994. Garlic and onions are used in many ethnic foods which have become increasingly popular in a U.S. population that is eating out more and sampling the foods of Asian and South American cultures. Per capita consumption of onions, both fresh and processed, increased from 13 pounds in the early 1980's to about 18 pounds in recent years.

“Lightly processed” fresh vegetables are a recent entry to produce marketing that may be lowering the apparent per capita consumption estimates. Prominent examples of these convenience items include pre-cut carrots, broccoli, cauliflower, melons, and lettuce. Although packaged lettuce is a recent entry to the retail produce section, fast-food restaurants were the first to use pre-cut lettuce. And for the past 10-15 years, salad bars expanded the demand for pre-cut items.

Retail customers may favor pre-cut vegetables for their convenience and efficiency without the food-service costs. Buying lightly processed vegetables may be more efficient than buying bulk, even though the value added in preparation is included in the retail price. But less waste at home can mean less demand for farm-level production.

prices, combined with higher prices of other fruits, kept third-quarter retail prices for all fresh fruits at 10 percent above a year earlier.

Long-term prospects for higher fresh fruit consumption depend on increased plantings of tree fruits, such as apples, pears, and peaches, which take several years to bear fruit. In the last 10-15 years, increased imports of bananas, grapes, mangoes, and other fruits from Southern Hemisphere countries have boosted U.S. consumption.

Finally, processed fruit and vegetable prices in 1996 are likely to continue rising along the trend—about 4 percent per year. Canned fruit and vegetable supplies through first-half 1996 are estimated down from 1995, while frozen vegetables and fruit juice supplies are likely to be higher.

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## Commodity Spotlight



### Demand Grows for Aquaculture Products

With flat or declining seafood harvests from wild sources, and rising populations and incomes in many seafood consuming nations, aquaculture producers see a growing demand for their products. To meet this anticipated demand, the aquaculture industry is expanding production and developing technologies for additional species. U.S. fish farmers face large supplies of competing protein products, growing competition from foreign producers, and a strict domestic regulatory environment.

Broadly defined, aquaculture is the production of aquatic organisms in a controlled environment for all or part of their life cycles. Among the species produced in the U.S. aquaculture industry are: finfish such as catfish, trout, and salmon; shellfish like shrimp and crawfish; mollusks, including clams, oysters, and mussels; and nonfood species like ornamental fish and baitfish. Other sectors of the industry include edible and inedible aquatic plants, and species such as alligators and turtles. Worldwide, the

list of species grown is much longer, and additional species are farmed each year.

The wild harvest of seafood is one of the last commercial vestiges of hunting and gathering activities. Parts of the seafood industry are already relying on aquaculture as the principal source of supplies, and this changeover should accelerate over time.

Several factors are behind the increased reliance on aquaculture production. One factor is that fishing technology has improved to a point where wild seafood populations can be harvested faster than they can reproduce. Another factor is that water pollution from chemical and nutrient runoff has reduced water quality in many freshwater and coastal areas.

### Salmon & Shrimp Net Highest World Value

The three major species in world commercial aquaculture are shrimp, salmon, and catfish. The farm-raised shrimp industry is probably aquaculture's most valuable sector worldwide. U.S. shrimp farmers produced only about 7 million pounds of product in 1994, but worldwide, farm-raised shrimp production is estimated at about 1.3 billion pounds, around 25 percent of the world's total shrimp supply. Since the U.S., unlike many tropical areas, is not well-suited climatically for shrimp production, the domestic industry has concentrated on

developing advanced production technology and broodstock development.

U.S. imports of farm-raised shrimp are estimated at \$1 billion per year. With strong economic growth in many Asian countries fueling demand, and with continuing disease problems in a number of countries constraining output, shrimp prices have increased over the last 2 years. With economic growth in Asia forecast to remain strong and world shrimp production forecast to remain relatively flat, shrimp prices are expected to remain strong for the remainder of 1995 and most of 1996.

During first-half 1995, the total quantity of shrimp (farm-raised and wild) imported by the U.S. fell by 6 percent, but higher prices pushed its value up 2 percent, to \$1.1 billion. With continued growth in the domestic economy, U.S. shrimp imports for 1995 are expected to remain at relatively high levels, near 500 million pounds. However, continued price increases could cause restaurant and food-service companies to look for substitute products and could also lower exports of the U.S. shrimp catch.

Salmon farming, one of the world's largest aquaculture industries, is second to shrimp in terms of trade value. World farm-raised salmon production in 1995 is estimated at over 500,000 metric tons and is forecast soon to surpass wild harvest as a source of supply. *Fish Farming International*, an industry periodical,

#### Shrimp Demand Has Fueled Strong Growth in U.S. Fishery Imports

	1990	1991	1992	1993	1994	1995
<b>Imports</b>						
	\$ million					
Salmon	278	262	253	266	278	173
Shrimp	1,659	1,857	2,017	2,170	2,668	1,082
Other	3,296	3,553	3,436	3,413	3,699	NA
Total	5,233	5,672	5,706	5,849	6,645	NA
<b>Exports</b>						
	\$ million					
Salmon	859	642	972	868	798	145
Shrimp	119	109	116	110	108	60
Other	1,903	2,405	2,378	2,099	2,220	NA
Total	2,881	3,156	3,466	3,077	3,126	NA

1995 data for January-June only.

NA = Not available.

Source: National Marine Fisheries Service and Bureau of the Census, U.S. Department of Commerce.



## Commodity Spotlight

reports that Norway's farm-raised harvest alone is expected to reach 300,000 metric tons in 1995.

The U.S. farm-raised salmon industry is a large part of the domestic aquaculture industry, but only a minor producer worldwide. Most U.S. salmon production comes from wild harvest in Alaska. Despite large wild harvests and strong imports, the domestic farmed salmon industry, centered in Maine and Washington, has continued to grow. Most farmed production is Atlantic salmon, but some coho and chinook salmon are also produced.

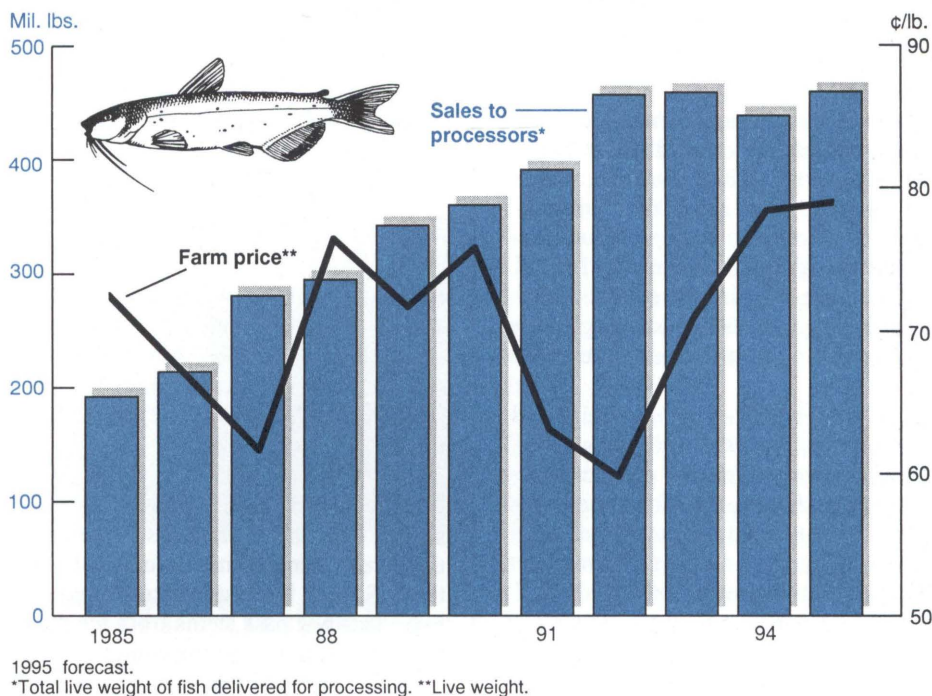
Over the first 6 months of 1995, U.S. Atlantic salmon imports reached 51.4 million pounds with a value of \$128 million, 32 percent above 1994's volume and value. Imports of Atlantic salmon have almost doubled in the last 4 years as farm-raised product continues to displace fresh, wild-harvest Pacific salmon. The availability of fresh Atlantic salmon year-round has also probably expanded the market. While Canada and Chile are the dominant suppliers of U.S. salmon imports, Norway, the world's largest producer, is only a minor exporter to the U.S. because of countervailing duties on imports of Norwegian fresh Atlantic salmon.

Prices for Atlantic salmon in first-half 1995 were about even with a year earlier, even with higher farmed supplies and a strong U.S. wild harvest. With innovations in production, real salmon prices are expected to continue declining gradually in the future.

### Revenue Record for U.S. Catfish Farmers in 1995

The largest sector of U.S. aquaculture—in both value and volume—is the catfish industry. Catfish is grown commercially in a number of states, but Mississippi is the primary producer, accounting for about 70 percent of output. Other major producing states are Alabama, Arkansas, and Louisiana. Virtually 100 percent of the catfish sold commercially in the U.S. is farm-raised.

### Farm Prices for Catfish Reach Record for 2nd Straight Year



1995 forecast.

\*Total live weight of fish delivered for processing. \*\*Live weight.

Currently, farm-level catfish sales are expected to reach 455-465 million pounds in 1995, up 4-6 percent from the previous year. Farm prices in 1995 are expected to average near 79 cents a pound. This would be the second consecutive year of record farm prices.

The combination of record farm prices, and a 4- to 6-percent increase in sales volume to processors, is likely to produce record gross farm revenues. Revenues are expected to range from \$360 to \$370 million, up 4-7 percent from 1994. Farm prices are forecast to remain close to current levels for fourth-quarter 1995 and probably first-quarter 1996, providing growers an incentive to expand production.

Higher stocks of broodfish, up 11 percent in July from the previous year, are a possible indication that growers intend to increase production over the next year or two. Growers in Mississippi continue to build their broodfish inventories at a rapid rate, 19 percent above a year earlier (broodfish are males and females kept for egg production). The lag time between increasing broodfish stocks and higher commercial production is fairly long, as most fish are bred only in the spring. Broodfish increases in the third

quarter are not likely to impact fingerling production until first-half 1996.

By fourth-quarter 1995, the large-stocker inventories held by growers as of July 1, 1995 will have reached market size, and along with some of the small stockers will be the chief source of market-size fish going into 1996. The 12-percent increase in small-stocker inventories suggests that there could be some price softening after the 1996 Lenten season.

### Trout Sales Rise, Value Higher

Trout production is the second-largest sector in the domestic industry, in both value and volume. As with catfish, almost 100 percent of commercial trout sales are farm-raised. Idaho is the dominant trout producer in the U.S., accounting for 72 percent of all food-size trout production in 1995.

Recently released data from USDA's trout survey showed 1995 total sales (September 1, 1994 to August 31, 1995) rose 13 percent to a record \$73.8 million. Most of the increase was concentrated in higher sales of food-size fish, which rose 15 percent to \$60.8 million.



## Commodity Spotlight

The increase stemmed from a 6-percent jump in poundage sold and a 9-percent increase in the average price.

Although Idaho is the dominant producer, the majority of the revenue increase came from sales in other states. Chief among them was North Carolina, which saw food-size sales rise 50 percent to a record \$5.7 million. As the U.S. economy has strengthened, the market for food-size trout has improved and prices have risen; since 1991, the average price for food-size trout has risen 22 percent.

Based on higher sales of fingerlings and eggs in 1995, the 1996 forecast is for a moderate increase in trout production. The market was stronger for these products in 1995 as both the number and price of fingerlings and eggs increased. Sales of trout, like many other fish species, are sensitive to changes in the general economy, especially as the changes affect restaurant sales, the major outlet for trout sales.

The third-largest sector in the U.S. aquaculture industry is crawfish production. Concentrated mostly in Louisiana, the industry produces around 50 to 60 million pounds a year. Output has held steady over the last 4 years. The size of the wild harvest of crawfish can vary widely depending on weather conditions, usually ranging from 25 to 50 million pounds.

Exports of crawfish, a seasonal item going almost exclusively to Sweden, were down 47 percent in quantity and value in first-half 1995. The drop can be attributed to a number of factors, including: 1) Louisiana's shortage of the largest size crawfish, those used in the Swedish market, 2) concern that a European Union tariff of 16 percent would be applied to U.S. imports, causing processors to sell on the local market rather than store crawfish for later sale to the Swedish market, and 3) growing competition from the Chinese crawfish industry. Exports generally account for 5 percent of U.S. crawfish sales.

U.S. imports of crawfish meat from China have risen over the last several years, reaching 1.6 million pounds in 1994. During this time, falling prices for Chinese crawfish meat have pressured the Louisiana crawfish industry.

### *Farmed Species' Variety Expanding*

Increasing harvesting pressure on many aquatic species is spurring interest in expanding the number of farm-raised species. Two species that have garnered publicity are hybrid striped bass and tilapia.

Hybrid striped bass is a cross between a striped bass and a white bass. Presently, they are cultured almost exclusively in the U.S. The interest in farm-raised hybrid striped bass stems from the many restrictions placed on the commercial wild harvest of striped bass.

Tilapia is native to Africa and the Middle East, but its production is expanding quickly throughout the world. Tilapia is a warm-water fish whose rapid growth rate and disease resistance make it a good candidate for aquaculture. U.S. production in 1994 was around 15 million pounds, up 25 percent from 1993. U.S. imports of tilapia are also growing rapidly and totaled just over 31 million pounds in 1994.

Some other species with only limited commercial production at this time are redbfish, sturgeon, and arctic char. Redfish production facilities are located mostly along the Gulf Coast, while sturgeon production occurs mainly in the Northwest. Arctic char, a freshwater fish similar to trout and salmon, is grown primarily in Iceland and Canada, but is being evaluated for possible culture in the U.S.

A number of other species have attracted the interest of the aquaculture industry, but production at this time is mostly in the experimental stage. With stocks of Atlantic cod and halibut severely depleted, there is interest in farming these species, and growers in Norway will likely have limited amounts of farm-raised halibut available this year. Other

species that may eventually become aquaculture industries are mahimahi and bluefin tuna. In the future, the species most likely to be investigated for aquaculture potential are those whose wild stocks have been depleted and/or those with a high market value.

### *What's Ahead For Aquaculture?*

U.S. aquaculture producers have a number of competitive advantages. First, the U.S. is one of the world's largest seafood markets, and the domestic live market is one that pays premium prices. Second, although most aquaculture firms are in rural areas, they still are close to good transportation facilities. Third, U.S. producers have access to a growing network of researchers and companies working on aquaculture. Fourth, the U.S. is a major producer of grains and has large supplies of livestock byproducts for use in fish feeds, which can account for up to 50 percent of variable costs. Fifth, the U.S. has a wide variety of climates and long coastlines for marine aquaculture, in addition to large freshwater resources.

On the other hand, U.S. growers also have a number of disadvantages. First, many of the biggest farm-raised species are tropical and, with the exception of Hawaii, the U.S. does not have any tropical areas. Second, land costs are generally higher in the U.S. than in less developed countries, especially the coastal properties needed for marine aquaculture. Third, in most cases labor costs are considerably higher in the U.S. than in competing countries. Fourth, many countries have fewer regulations controlling aquaculture production and processing practices.

As more restrictive regulations are placed on the harvesting of wild stocks, the total available harvest should stabilize or decline. Thus, any increases in seafood production would need to come from aquaculture. Over the next 30 years, the world's population is forecast to grow from 5 to 8.5 billion. Even with no increase in per capita seafood consumption, total seafood demand would expand greatly.



## Commodity Spotlight

Aiding the rise in aquaculture output are the improved efficiencies of aquaculture operations that stem from increased knowledge of production technologies. Two major areas in which continued advances are expected to lead to more efficient production are nutrition and genetics.

With feed costs high, research on developing nutritionally complete and lower cost feed is a priority. Genetic selection is expected to boost production efficiency through faster growth rates and improved disease resistance. In addition to efficiency gains, the sector is likely to realize an increasing variety of products and increased output.

[Dave Harvey (202) 219-0839] **AO**

### Upcoming Reports—USDA's Economic Research Service

The following reports will be issued on dates and at times (ET) indicated.

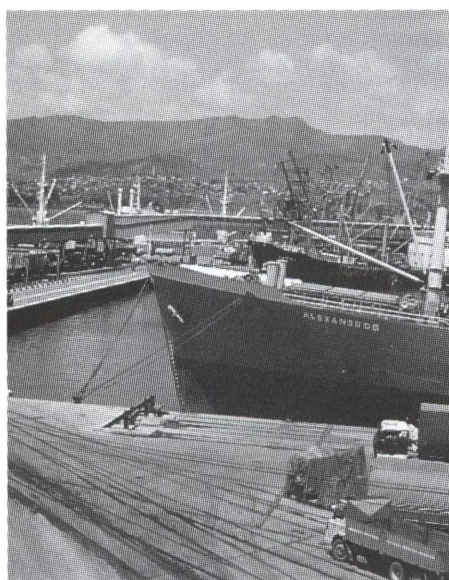
#### November

- 13 *Feed Outlook (4 pm) \*\**  
*Oil Crops Outlook (4 pm) \*\**  
*Rice Outlook (4 pm) \*\**  
*Wheat Outlook (4 pm) \*\**  
*Cattle & Sheep Outlook (9 am)*
- 14 *Poultry Outlook (9 am)*  
*Fruit & Tree Nuts\**
- 16 *Vegetables & Specialties\**
- 17 *Cotton & Wool Yearbook\**  
*Food Aid Needs Assessment\**
- 20 *Agricultural Outlook\**
- 21 *Rice Yearbook\**
- 27 *Livestock, Dairy, & Poultry (9 am)*  
*U.S. Agricultural Trade Update (3 pm)*
- 30 *Agricultural Exports\**

\*Release of summary, 3 pm.

\*\*Available electronically only.

## World Agriculture &amp; Trade



Michael Kurtzig

the late 1980's because of increased demand sparked by rising oil export earnings and the end of the 1980-88 Iran-Iraq War.

Imports have declined slightly from their peak of \$27.8 billion in 1989. Several developments, including increased agricultural output in the region, severe financial constraints in Iran, and the United Nations trade embargo against Iraq following the end of the Gulf War in 1991, accounted for the dip in regional farm imports in the early to mid-1990's.

Grains, including wheat, rice, and feed grains, remain the region's most important agricultural imports. Other major imports include vegetable oils and meals, red meats and poultry, dairy products, fruits and vegetables, and coffee and tea.

Arid Saudi Arabia is the largest importer of agricultural products in the region—taking an average \$4.3 billion in recent years—followed by Egypt, Iran, Algeria, Turkey, and the UAE. The top customers for U.S. farm products in the region are Egypt, Algeria, Kuwait, Saudi Arabia, Turkey, and Israel.

Many countries in the region export agricultural commodities. The total value of the region's agricultural exports is about \$10 billion—less than 40 percent of total farm imports. Turkey is the only net exporter of farm products in the region. Other countries, including Israel, Jordan, Morocco, Syria, and Iran, export mainly horticultural products.

The region is now a mature market for most agricultural products—per capita consumption is already relatively high. One indication is that while total imports from 1984 to 1993 rose by 31 percent (to \$190 billion), agricultural imports grew by only 1.2 percent. Moreover, the share of agricultural imports in total trade has fallen, from 18.6 percent in 1984 to 14.3 percent in 1993. Nevertheless, consumption continues to exceed farm output, and high population growth will continue to drive demand.

A shift in consumer tastes and preferences has led to more varied diets, stimulating demand for processed products

## North Africa & Middle East Markets Diversify

The region of North Africa and the Middle East, comprising 20 countries, is a major importer of agricultural products. Agricultural imports in 1993 were estimated at \$27.3 billion, about 14 percent of global farm imports. Competition for this market is particularly keen between the European Union (EU) and the U.S.

The region covers a diverse set of countries: Algeria, Egypt, Libya, Morocco, and Tunisia in North Africa, and Cyprus, Iran, Iraq, Israel, Jordan, Lebanon, Syria, Turkey, Yemen, Bahrain, Kuwait, Saudi Arabia, Oman, Qatar, and the United Arab Emirates (UAE) in the Middle East.

The region's agricultural imports increased dramatically in the 1970's, coinciding with higher petroleum export earnings, but slowed in the 1980's as oil prices declined and income gains weakened. Agricultural imports recovered in



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such as pasta, cakes, and pastries. Demand for these products is being met both by expanded domestic production and by increased imports.

### EU Dominates Farm Exports To the Region

For two decades, the EU has been the major supplier of the region's agricultural imports. EU agricultural products claimed roughly one-fourth of the market in 1991-93. EU agricultural exports to the region averaged \$7 billion annually during 1991-93, double U.S. exports.

A variety of factors account for the EU's overall dominance in North African and Middle East agricultural markets. First, relative proximity to the market and lower shipping costs give EU goods a price advantage. Second, EU export restitution payments on a wide range of commodities have enabled EU producers to capture market share in both the bulk and the high-value product (HVP) categories by reducing import prices. HVP's include mainly animal products and fresh and processed fruits and vegetables. In contrast, U.S. export programs have concentrated more heavily on bulk items, especially wheat, corn, rice, and barley.

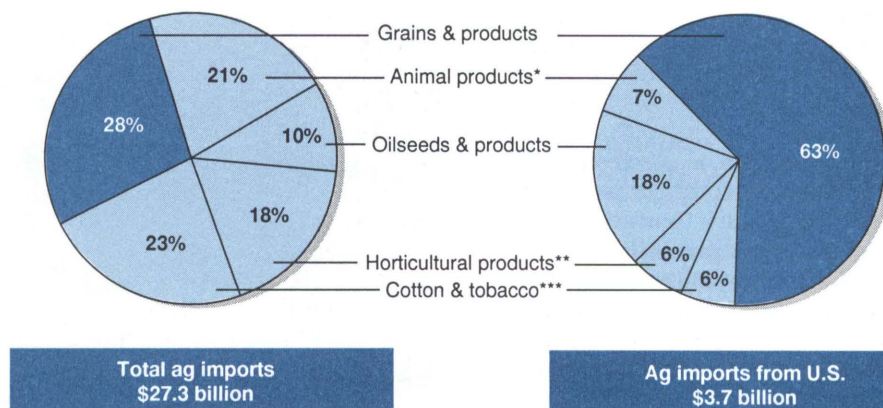
Third, the EU is a large importer of agricultural commodities from North Africa and the Middle East—imports were close to \$3 billion in 1993. This has helped to cement trade ties with the region. By comparison, U.S. agricultural imports from the region were \$410 million in 1993.

Historic and economic ties between the EU and North Africa and the Middle East are additional factors. Many guest workers from the region, as well as permanent immigrants, reside in Europe. EU farm exports to the region have also undoubtedly benefited from almost a decade of U.S. restrictions on trade with several major markets in the region, including Libya, Syria, Iraq, and Iran, because of political differences.

Finally, EU firms have established many joint ventures in food processing and marketing in the region, which has

### Grains, a Major Ag Import of North Africa and the Middle East . . .

. . . Account for Over 60 Percent of U.S. Ag Sales to the Region



1993 trade data.

\*Includes dairy products and eggs. \*\*Includes coffee, tea, and sugar. \*\*\*Includes other nonfood agricultural products.

Sources: International data, Food and Agriculture Organization of the United Nations; U.S. trade data, Economic Research Service, USDA.

helped them deal with nontariff trade barriers such as Arabic labeling and shelf-life requirements.

The U.S. ranks second to the EU in market share, with its share averaging 12.5 percent during 1991-93. U.S. agricultural exports to North Africa and the Middle East ranged from \$2.5 to \$4.1 billion annually during 1985-94.

While the U.S. exports a wide variety of agricultural products to the region, grains (wheat, corn, rice, and barley) and grain products predominate, normally accounting for more than half of the U.S. total. Shipments of vegetable oils and meals, cotton, tobacco, and livestock products are also relatively large.

U.S. farm exports to the region in 1995 are estimated to climb to near \$4.3 billion, based on a 46-percent rise in sales during the first 7 months of the year, compared with the same period a year earlier. Sales were especially robust for grains and feeds, tobacco, and cotton to Egypt; rice, corn, cotton, and tobacco to Turkey; grains and feeds to Jordan and Kuwait; and protein meal to Saudi Arabia.

U.S. agricultural exports to North Africa and the Middle East—especially grains—have relied heavily on U.S. export programs, including the Export Enhancement Program (EEP), the GSM-102 and GSM-103 (government-backed export credit guarantees), and P.L. 480. Commodity-specific export programs include the Dairy Export Incentive Program, Sunflowerseed Oil Assistance Program, and the Cottonseed Oil Assistance Program. These programs were designed to help U.S. farm products compete in foreign markets through price-lowering subsidies to exporters, and short- and intermediate-term credit guarantees and long-term concessional loans for purchasers.

EEP, in operation since 1985, has targeted most countries in the region for selected commodities, including wheat, barley, wheat flour, frozen poultry, eggs, and vegetable oils. Since 1985 Algeria, Egypt, Yemen, and Morocco have received the lion's share of EEP-subsidized wheat and wheat flour in the region.

U.S. export programs have been successful in improving the U.S. market share in the region for selected commodities. For example, U.S. grains have made



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large gains in market share, rising from 31 percent of the region's total grain imports in 1983 to 47 percent in 1993. The market share for U.S. wheat increased from 40 percent to 57 percent, and for rice, from 15 percent to 23 percent. U.S. barley market share increased 10 percentage points (from 8 percent to 18 percent), while corn advanced 19 percentage points (from 61 percent to nearly 80 percent).

For the U.S., political considerations have often had a significant impact on market share of the region's agricultural imports. The U.S. share ranged between 10 and 14 percent from 1984 to 1993, peaking in 1988. The Iranian revolution in 1979 and the subsequent rise to power of a revolutionary government, and the 1991 Gulf War with Iraq, all disrupted U.S. trade (including farm products) with the region.

United Nations sanctions imposed on Iraq following the Iraqi invasion of Kuwait in 1990 resulted in a precipitous decline in Iraq's food imports. In 1988, nearly 30 percent of Iraq's \$2.7 billion worth of agricultural imports came from the U.S., compared with almost zero today.

Policies by North African and Middle Eastern countries to diversify trading partners, and improved competitiveness of other exporting countries, may also have contributed to the slip in U.S. market share in the region since 1988.

### Food Consumption Outpaces Production

Growth in total food consumption (domestic output plus imports) in North Africa and the Middle East has outstripped expansion in domestic output, which is limited by the scarcity of water and arable land. Except for Turkey, Morocco, and Iran, all the countries in the region import over half their total food supply.

The region's total food consumption increased about 5 percent per year in the 1980's, with average daily intake per person rising to over 3,100 calories by the end of the decade. Factors that have

spurred consumption include rising incomes, consumer subsidies, improvements in marketing, and increasingly, urbanization.

At the same time, for certain commodities—notably some grains and poultry meat—output has expanded and import dependency has declined. Most countries in the region have promoted growth in output of wheat because it is a food staple, and self-reliance in wheat is an indicator of food security.

In the early 1990's, the ratio of domestic wheat output to total supply among the major wheat importers in the region ranged from 31 percent in Algeria to 106 percent in Turkey, which became a wheat exporter in the late 1980's. Saudi Arabia also became a major wheat exporter in recent years, but no exports are expected in 1995/96 and thereafter. Saudi Arabia's wheat exports have been

curtailed because of policy changes stemming from the high costs involved in the government's wheat program.

Saudi Arabia's substantial gain in grain production capacity is unlikely to be duplicated by other countries in the region, however. This is because of limited water supplies, the high costs of expanding irrigated areas, particularly in the Gulf region, and strong competition with higher valued crops that are in keen demand, such as fruits and vegetables.

The share of meat imports in the region's total meat supply has declined dramatically since the early 1980's, despite growth in demand, because of government efforts to develop domestic livestock and poultry industries. Red meat (mainly beef, veal, lamb, mutton, and goat) and poultry production in the region grew 28 percent between 1984 and 1993.

### Algeria, Egypt, and Saudi Arabia Are Top Markets for U.S. Farm Exports to the Region

Country	Population <sup>1</sup>	Per capita GDP <sup>2</sup>	Total ag imports <sup>3</sup>	Ag imports from U.S. <sup>4</sup>
	Million	US\$	\$ million	\$ million
<b>North Africa</b>				
Algeria	26.7	1,780	2,368	516
Egypt	56.4	660	2,449	661
Libya	5.1	8,048	1,234	0
Morocco	25.9	1,040	1,078	322
Tunisia	8.7	1,720	537	121
<b>Middle East</b>				
Bahrain	0.6	6,200	291	23
Cyprus	7.0	10,458	327	45
Iran	64.2	1,672	2,444	115
Iraq	18.0	NA	1,007	3
Israel	5.2	13,920	1,300	349
Jordan	4.1	1,190	726	177
Kuwait	1.8	19,360	766	43
Lebanon	2.9	2,644	1,012	84
Oman	2.0	4,850	688	10
Qatar	0.5	15,860	291	6
Saudi Arabia	17.4	6,984	4,284	457
Syria	13.4	983	699	23
Turkey	59.6	2,970	1,875	382
United Arab Emirates	1.8	21,430	1,786	94
Yemen	13.2	660	843	164
<b>Total</b>	<b>334.5</b>		<b>26,004</b>	<b>3,595</b>

NA = not available.

<sup>1</sup> Mid-1993. <sup>2</sup> 1993 data except Bahrain (1991) and Qatar (1990). <sup>3</sup> 1991-93 average. <sup>4</sup> Calendar 1993.

Sources: *World Development Report*, World Bank, United Nations trade data; *Foreign Agricultural Trade of the U.S.*, Economic Research Service, USDA.



## World Agriculture & Trade

The region's poultry production surged 44 percent between 1984 and 1993, to 2.6 million tons, with Iran, Saudi Arabia, Algeria, and Turkey leading the way. Milk and cheese output expanded 20 percent over the period, and butter output, 15 percent. Egg production climbed 44 percent, to 1.8 million tons.

Growth in demand for feed has corresponded to expansion in livestock output, and is one factor behind increased imports of protein meal (mainly soybean meal). Over the decade ending in 1993, the region's protein meal imports nearly doubled, to 2.4 million tons.

Among the countries in the region, Turkey has the greatest potential to expand agricultural production. The availability of water and land for agriculture, as well as improved cultivation practices, could raise output substantially.

In addition, a development project involving several sectors of the economy in the southeastern part of Turkey promises to provide 1.7 million hectares of irrigated land by 2005, some of which has already been planted to cotton. The government is currently refocusing its agricultural policy toward the still underdeveloped livestock sector, generating great interest in importing U.S. dairy cattle. Turkey recently purchased over 8,200 dairy animals from the U.S.

Morocco, Iraq, Iran, and Algeria also have potential to expand agricultural output. Agricultural policy reforms, market liberalization, and optimum use of scarce resources such as water, will be key to success in these countries. In Iraq, Iran, and Algeria, political factors have created disincentives for private investment, and have made farm reform difficult to implement and to sustain.

### ***Food Import Mix Likely To Change***

Key variables driving demand for food imports in North Africa and the Middle East for the remainder of the 1990's

include population and income growth, urbanization, diet diversification, changing tastes and preferences, and domestic and trade policies. The region's population totaled 335 million as of 1993, and is expanding at a relatively rapid pace of 2-3 percent per year.

The regional average gross domestic product (GDP) is forecast to expand at about 3.5-4.5 percent annually over the next decade, with global energy prices an important factor. Because the region is a mature food market, this rate of GDP growth may not result in large import gains. But it could spur a significant change in the mix of imports, most likely toward more meat, dairy, and consumer-ready and other high-value products.

While not all countries in the region are oil exporters, many countries—for example, Jordan and Turkey—have strong economic links to oil-exporting nations due to trade, flows of remittances (from laborers in these countries), or financial assistance. As a result, changes in oil prices affect the economic health of the entire region, with implications for agricultural trade. During the 1970's, sharp oil price hikes led to a major increase in the region's total and agricultural imports.

The improvement and diversification of diets—particularly in oil-rich Saudi Arabia, Kuwait, and the UAE—have led to a change in the composition of food imports. In the UAE, the per capita level of food consumption is approaching that of Western countries, with daily intake rising from 1,776 calories in 1960 to 3,023 calories in 1990. Animal products have become more important in the country's diet, and now provide more than a third of total protein intake.

Animal products are highly favored in the traditional diets of the region. However, meat (including poultry) consumption, while growing, remains low relative to high-income countries such as the U.S. In addition, the level of meat consumption varies significantly among the countries in the region: oil exporting

countries with small populations have the highest levels of per capita consumption (averaging 50 kilograms annually during 1991-93), while oil exporting countries with large populations have the lowest levels, at 15 kilograms.

Poultry meat is now the preferred protein source in most North Africa and Middle East countries, accounting for about half of total meat consumption during 1991-93. In Israel and Saudi Arabia, annual per capita poultry meat intake now exceeds that of Western Europe, and is two-thirds the 1993 U.S. level of 46 kilograms.

In Turkey, meat consumption preferences are shifting from lamb, mutton, and goat to beef, veal, and poultry. Increased migration from rural to urban areas, particularly from the main sheep-raising areas in eastern Turkey to the large urban centers in the west, has fueled this demand shift.

Income growth and government policies aimed at expanding red meat and poultry consumption have led to significantly higher consumption of feed grains and protein meals, primarily soymeal, to support domestic livestock production. Import demand for protein meals is expected to continue strong for the remainder of the 1990's.

Significant growth potential also exists for vegetable oil imports. Butter and animal fats have traditionally comprised the major portion of the region's fat consumption. However, since the 1970's, rising prices for animal-based fats, wider availability of relatively cheaper vegetable oils, and more recently, health-related concerns about fat and cholesterol, have encouraged vegetable oil use.

Imports of vegetable oil currently provide over 70 percent of its consumption in the region. Without any significant investment in expanding oil-crushing capacity, increased demand will result in ever larger imports.

Rising incomes and increased access to a well-established retail market will continue to shift consumer preferences



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## Resources &amp; Environment

toward HVP's, including meat and dairy products. Modern, Western-style urban supermarkets that offer a wide assortment of foods, domestic and imported, are facilitating greater purchases of these products. The markets for frozen, prepared, and fast foods have also expanded in recent years, and growth potential is largely untapped.

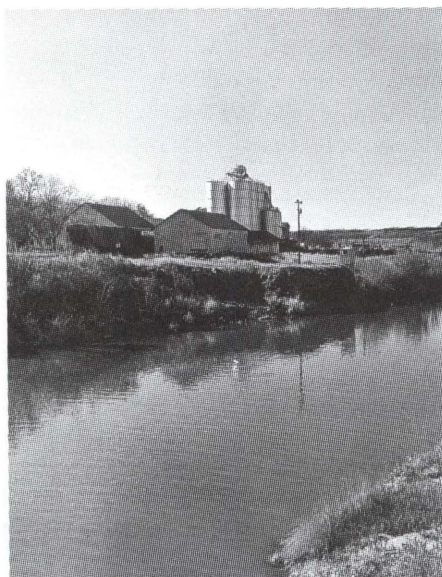
[Michael E. Kurtzig (202) 219-0636 and Shahla Shapouri (202) 219-0644] **AO**

## November Releases—USDA's Agricultural Statistics Board

The following reports are issued at 3 p.m.(ET) unless otherwise indicated.

## November

- 1 Broiler Hatchery
- 3 Dairy Products  
Egg Products  
Poultry Slaughter
- 6 Crop Progress  
(after 4 pm)
- 8 Broiler Hatchery  
Cotton Ginnings  
Crop Production,  
Cotton/Citrus
- 9 Crop Production  
(8:30 am)
- 13 Crop Progress  
(after 4 pm)  
Farm Labor
- 14 Broiler Hatchery  
Turkey Hatchery
- 16 Milk Production
- 17 Cattle on Feed  
Sheep
- 20 Crop Progress  
(after 4 pm)
- 21 Catfish Processing  
Chickens & Eggs
- 22 Broiler Hatchery  
Cold Storage  
Cotton Ginnings  
Livestock Slaughter
- 27 Crop Progress  
(after 4 pm)
- 29 Broiler Hatchery  
Peanut Stocks &  
Processing
- 30 Agricultural Prices



Soil Conservation Service

## Strategies for Curbing Water Pollution

Legislation such as the Federal Water Pollution Control Act Amendments of 1972, more commonly called the Clean Water Act, has been effective in curbing water pollution from factories, sewage treatment plants, and other fixed, identifiable sources ("point sources"). For agricultural production and other "nonpoint" sources of pollution, regulation has not been used because of the difficulty in monitoring pollutants.

Agriculture's adverse impacts on water quality result from runoff of fertilizers, animal waste, and pesticides into rivers and streams; leaching of nutrients and pesticides into ground water; and soil erosion. The difficulty in monitoring stems from the nature of nonpoint water pollution sources:

- Pollutants enter bodies of water over a dispersed area rather than at specific points.

- The precise relationship between farm-level input usage and water quality is not known.
- Climate conditions (wind, rainfall, and temperature) as well as geographic characteristics (soil type, water table depth, and land slope) affect the level of pollution.

As an alternative to direct regulations, or the politically unpopular measure of taxing inputs, several Federal programs encourage environmentally benign farm management practices on a voluntary basis, through educational programs and financial incentives for farmers. USDA recently conducted surveys to assess the effectiveness of several activities taking place under USDA's Water Quality Program: Demonstration Projects and the Water Quality Incentives Projects (WQIP).

Reduction in nonpoint-source water pollution is an important aspect of current environmental and conservation legislation. An examination of the successes, weaknesses, and costs of strategies to promote environmentally friendly farm management practices could provide guidelines for allocating limited resources to improve water quality.

## Limitations of Mandatory Programs

Although mandatory policies could be used to reduce agricultural pollution, voluntary programs have been used instead. Mandatory policies impose direct regulations or increase input costs (generally through taxing input use). Direct regulations would require farmers to reduce or eliminate the use of certain inputs or to adopt specific pollution-reduction practices. Direct regulation is the most common approach to reduce point-source pollution.

Because nonpoint-source pollution is not directly measurable, regulations would have to rely on design standards governing farmers' land management and cropping practices. The administrative cost of enforcing these standards would typically be high. In addition, because biological and climate factors vary across regions, the efficiency and



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### Commonly Used BMP's

To curb adverse environmental consequences of farming, USDA's Water Quality Program encourages farmers to use "best management practices" (BMP's). The following eight practices are the most commonly used BMP's and were included in the surveys conducted by USDA.

**Conservation tillage**—Leaves at least 30 percent of the soil surface covered by plant residue after planting.

**Deep-soil nitrate testing**—The amount of residual nitrogen in the soil profile is measured to determine the level of commercial fertilizer applications to use.

**Integrated pest management (IPM)**—Economic use of pesticides—an application is made only when pests reach economically damaging levels—is combined with biological, cultural, and other nonchemical control methods. The objective of pest control under IPM is to limit the growth of pest populations to below economically damaging levels.

**Irrigation scheduling**—A variety of practices and techniques are used to minimize the amount of irrigation water applied while avoiding stress to crops from too little moisture.

**Legume crediting**—Commercial fertilizer applications are made after considering the amount of nutrients provided by legume crops themselves.

**Manure crediting**—Commercial fertilizer applications are made after considering the amount of nutrients provided by manure applications.

**Soil moisture testing**—The amount of water available from topsoil and subsoil is measured to determine moisture needs.

**Split application**—Approximately half of the required amount of nitrogen for corn production is applied at or before planting. The remainder is applied after the corn emerges.

cost-effectiveness of abatement practices will also vary across the country. Thus, the required farm management practices would have to be tailored to specific geographic regions.

The other mandatory approach, taxing the use of a polluting input such as chemical pesticides, induces farmers to reduce their use of that input. The extent of reduction in use of the targeted input depends on the sensitivity of its use to price changes.

For fertilizers, price sensitivities tend to be highly variable across producing regions, limiting the effectiveness of input taxes. For example, a 1993 study by USDA's Economic Research Service

(ERS) found a 65-percent input tax would be required to achieve a 10-percent reduction in fertilizer application in Illinois, whereas a 13-percent tax would achieve the same reduction in Indiana. The study found similar regional variations in price sensitivity for pesticides. Thus, an effective input tax policy would target different tax rates to various regions of the country.

Due to the limitations of mandatory approaches, voluntary approaches are used in targeting nonpoint-source water pollution. Voluntary programs rely on providing farmers incentives to adopt less polluting management practices. These approaches commonly use cost-sharing and incentive payments, and/or educational and technical assistance.

Traditionally, cost sharing has been used to promote pollution control practices requiring substantial initial capital investments. The payments cover some or all of the startup and/or installation costs of implementing more environmentally friendly management practices.

Incentive payments are designed to reduce the financial uncertainty associated with adopting new management practices. Instead of providing a one-time lump-sum payment, typical for cost sharing, incentive payments are specified on a per-acre rate for a particular period of time to encourage farmers to adopt improved management practices. These payments help offset per-acre costs associated with adopting and using a new management practice. It is hoped that farmers will continue these practices after the incentive payments end.

The main drawback to both cost sharing and incentive payments is their high cost. A 1993 study by ERS estimated the cost of promoting the use of environmentally-friendly management practices through cost sharing programs on 176 million acres of cropland—which was experiencing water quality problems associated with agricultural activity—to be \$3.6 billion annually.

Education and technical assistance are also used to encourage less polluting farm practices. The assumption is that farmers may adopt environmentally beneficial practices once they learn of their existence and are aware of the benefits. Educational and technical assistance programs combined with financial assistance can lower the initial costs of adoption by helping farmers develop and install the new practices.

### *Profitability, Familiarity Key to Adoption*

Under USDA's Water Quality Program, educational, technical, and financial assistance is provided to encourage farmers to adopt alternative production practices that protect water quality.

The WQP builds upon past experimental efforts to reduce nonpoint-source pollution from agricultural chemicals and



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waste products. The objective of the WQP is to determine the precise relationship between agricultural activities and water quality, and to develop and encourage the adoption of technically and economically feasible farm management practices to protect surface and ground water quality. The WQP works with states to identify where and how agricultural production reduces water quality, and encourages farmers and ranchers in those areas to adopt practices that are environmentally and economically sound.

The Water Quality Program identifies and disseminates information about profitable and agronomically sound best management practices (BMP's) that protect or enhance water quality. A major part of the program focuses on Water Quality Demonstration Project Areas (DPA's) which encourage voluntary adoption of BMP's through education.

Each DPA contains demonstration farms practicing one or more of the best management practices. Other local producers are encouraged to visit these demonstration farms and learn about the practices.

A 1992 survey by USDA sampled adoption rates of BMP's for 975 farms both in demonstration project areas and in similar "comparison areas" that had no demonstration farms. Five of the most commonly used BMP's were selected for analysis: manure crediting, legume

crediting, split application, irrigation scheduling, and deep soil nitrate testing. The adoption of each of these practices was strictly voluntary, and no cost-sharing assistance was provided.

The results showed little difference in adoption rates between DPA's and comparison areas, but found large variations among the adoption rates of the practices themselves. Practices requiring minor, inexpensive changes in existing farm operations—manure crediting, legume crediting, and irrigation scheduling—were adopted more frequently than those involving more expensive changes in the existing operation—soil nitrate testing and split application of nitrogen.

For each of the five management practices considered, belief that the practice increased profits was found to be the compelling reason for adoption. Familiarity with the improved management practice was found to be the second-most-popular incentive for adoption, followed by belief that the practice improved water quality. This third incentive was found to be especially important in areas where agriculture is responsible for the impairment of ground water used for drinking.

The survey results indicate that in the absence of financial assistance, voluntary adoption programs are most successful when targeted to practices that involve minor operating changes and are clearly beneficial to the producer. This

implies that practices perceived as less beneficial could be promoted by using more costly options such as financial assistance.

### *Incentive Payment Size Affects Adoption Levels*

The 1990 Food, Agriculture, Conservation, and Trade Act authorized USDA to create the WQIP to encourage adoption of less polluting practices via direct incentive payments to farmers. Projects are targeted to small watersheds generally of less than 100,000 acres. Since 1993, 242 WQIP projects have been initiated, spread among 60 watersheds.

The success of the WQIP, which offers monetary payments to increase voluntary adoption, is uncertain. This is because actual WQIP payments are not necessarily based on market transactions or costs of production.

A 1994 study by ERS examined actual adoption rates for six BMP's (manure crediting, legume crediting, split application, integrated pest management, soil moisture testing, and conservation tillage) among farmers who were ineligible for WQIP payments. The survey, which used 1992 data, covered four areas—the Albemarle-Pamlico drainage area in Virginia and North Carolina, the Georgia-Florida coastal plain, the Eastern Iowa and Illinois basin, and the Upper Snake River basin. The results showed that the average BMP adoption rates in the absence of incentive payments ranged from 73 percent for conservation tillage to 7.3 percent for manure crediting.

Farmers ineligible for WQIP, and not currently using a specific practice, were asked if they would adopt the practice given various hypothetical incentive payment rates. Analysis of the survey results revealed that the size of incentive payments required to reach a desired participation rate varied widely among the six BMP's.

For some practices, the incentive payments required to achieve a 50-percent adoption rate in a particular region were much greater than actual WQIP pay-

**Conservation Tillage Had High Adoption Rate Without Incentive Payments**

Management practice	No payments	Per-acre incentive payment				
		\$10	\$20	\$30	\$40	\$50
		Percent adoption				
	Actual	Predicted*				
Conservation tillage	73	83	89	93	96	98
Split application	41	55	69	81	89	95
Integrated pest management	30	44	58	71	81	89
Legume crediting	27	37	45	54	63	71
Manure crediting	7	18	31	48	65	79
Soil moisture testing	9	19	39	62	81	93

\*Predicted adoption rates in four watershed areas, given various payment levels. Estimated from 1992 survey data. Surveyed farmers were ineligible for WQIP payments and were not currently using a specific practice.



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ments, which cannot exceed \$10-\$12 per acre. At the \$10-per-acre incentive payment level, the predicted adoption rates exceeded 50 percent of respondents only for conservation tillage and split application of nitrogen.

Integrated pest management required an incentive payment of around \$15 to achieve a 50-percent adoption rate, while the remaining practices (legume crediting, manure crediting, and soil moisture testing) required incentive payments of \$25-\$30 per acre to achieve 50-percent adoption rates among respondents.

Such results can help policy makers design programs using cost-benefit analysis to improve the efficiency of incentive programs. Determining which practice, or set of practices, would be adopted for specific expenditure levels would provide guidance in allocating monetary resources to achieve a desired target reduction in pollution.

Combining educational and financial incentive programs is likely to require fewer resources than conducting the two programs separately. A financial incentive program, for example, could be combined with an educational program

to target different practices, by requiring producers to enroll in the educational program in order to receive incentive payments. In this way, limited resources can be allocated more efficiently to safeguard water quality.

[Peter Feather (202) 501-8357 and Joe Cooper (202) 501-6970] **AO**

### For more information . . .

*Voluntary Incentives for Reducing Agricultural Nonpoint Source Water Pollution*

An Economic Research Service publication

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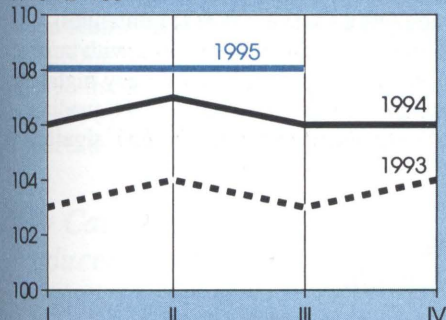
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## Prime Indicators

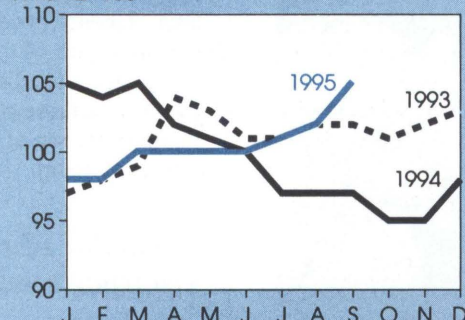
### Index of prices paid by farmers

1990-92=100



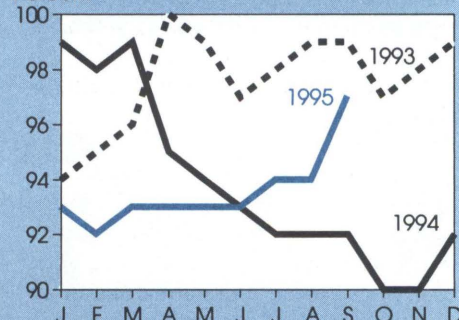
### Index of prices received by farmers <sup>1</sup>

1990-92=100



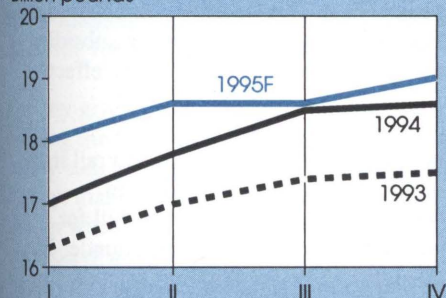
### Ratio of prices received/prices paid

Percent



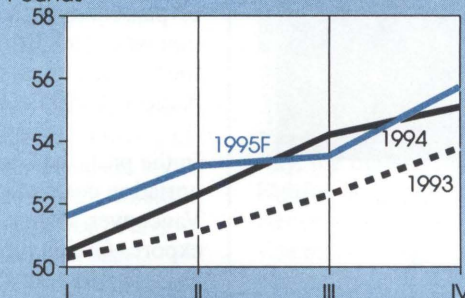
### Total red meat & poultry production <sup>2</sup>

Billion pounds



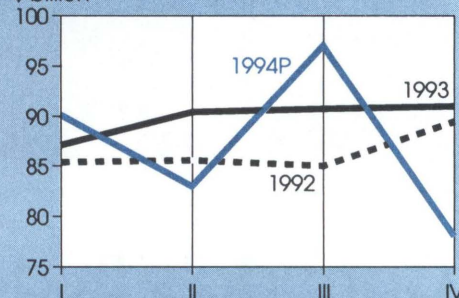
### Red meat & poultry consumption, per capita <sup>2,3</sup>

Pounds



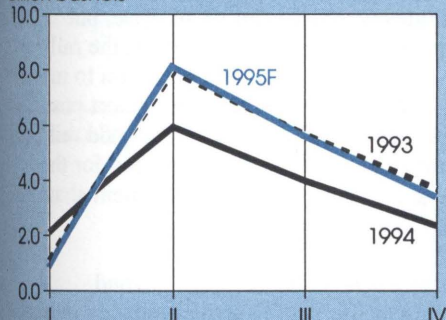
### Cash receipts from livestock & products <sup>4</sup>

\$ billion



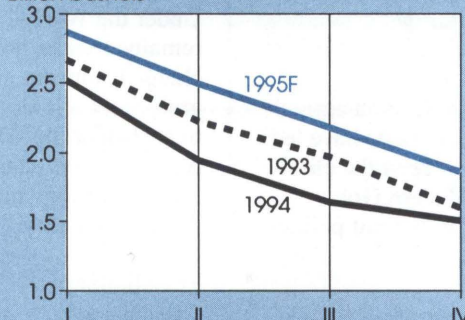
### Corn beginning stocks <sup>5</sup>

Billion bushels



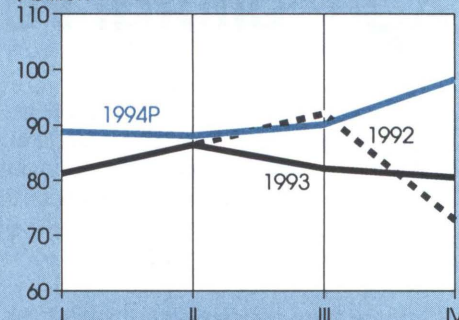
### Corn disappearance <sup>5</sup>

Billion bushels



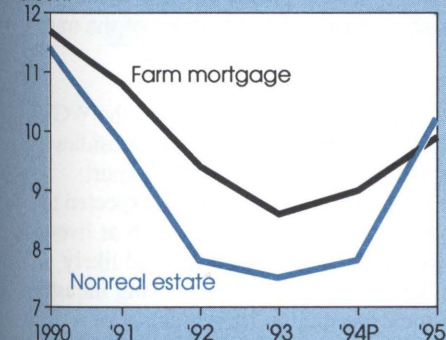
### Cash receipts from crops <sup>4</sup>

\$ billion



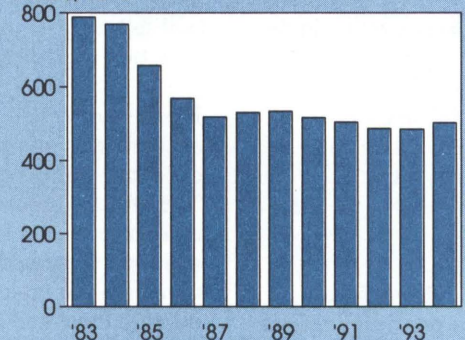
### Farm loan interest rates <sup>6</sup>

Percent



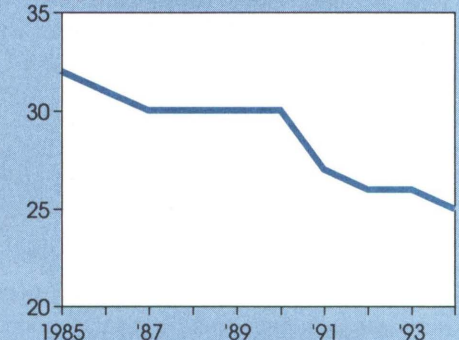
### Average real value of farm real estate

1982 \$/acre



### Farm value/retail food costs

Percent



<sup>1</sup>For all farm products. <sup>2</sup>Calendar quarters. <sup>3</sup>Retail weight.

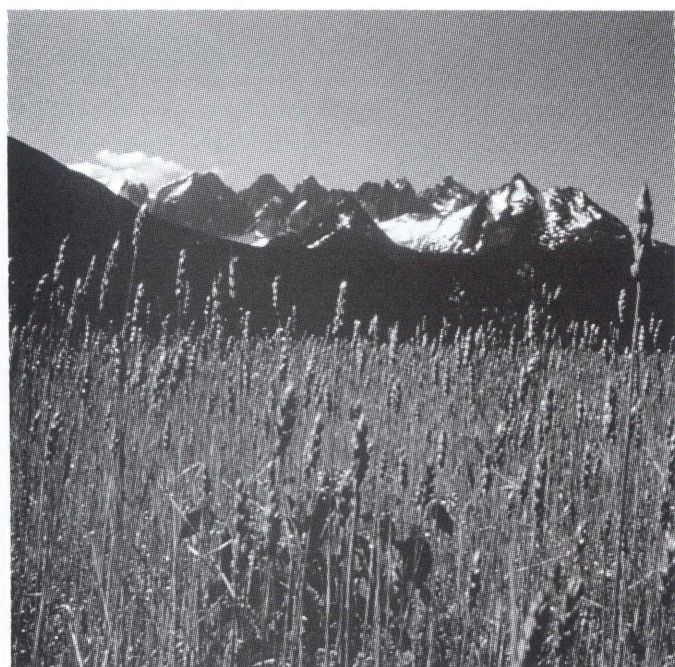
<sup>4</sup>Seasonally adjusted annual rate. <sup>5</sup>I=Sept.-Nov.; II=Dec.-Feb.; III=Mar.-May.; IV=June-Aug. Marketing years ending with year indicated.

<sup>6</sup>1994 farm mortgage rate is for the 1st 3 quarters of 1994; nonreal estate rate for 1994 is for all 4 quarters.

P=Preliminary, F=Forecast.



## Special Article



The Province of British Columbia

## Canada's Budget Dictates Changes in Agricultural Policy

**T**he year 1995 marks a turning point for Canadian agricultural policies. Mounting federal budget deficits have led to significant changes. Most notable has been the elimination of transportation subsidies under the Western Grain Transportation Act (WGTA), one of the most important policies affecting Canadian agriculture.

While the farm policy changes will affect all commodities and producers, elimination of the grain transportation subsidies will mainly affect grain, oilseed, and specialty crop producers in the Prairie provinces of Manitoba, Saskatchewan, and Alberta. With less government support and lower farm prices, production of wheat and barley in the Prairies will likely decline in the short run.

Another transportation-related policy change is the Canadian Wheat Board's (CWB) wheat and barley price-pooling calculation for transport costs from Thunder Bay to the lower St. Lawrence Seaway, a change that effectively raises freight costs for shipments to eastern seaports.

Despite the decline in overall support for agriculture, funding increases in income stabilization programs for producers reflect the government's continued commitment to these programs. In addition, the current supply management programs for dairy,

poultry, and eggs continue to protect domestic producers of these commodities, but 1995 has seen some changes in this area. Under World Trade Organization (WTO) guidelines, import quotas of these commodities were replaced with tariff-rate quotas (TRQ's). Because Canada maintains very high tariff rates on these commodities—over 200 percent—Canadian implementation of the WTO agreement will not have significant effects on them.

### *Impact of Eliminating Transportation Subsidies*

Canada's 1995 budget proposes a reduction in the federal deficit to Can\$25 billion, or 3 percent of GDP by 1997 (the exchange rate in 1994 averaged US\$1=Can\$1.3656). Total agricultural expenditures are projected to decline approximately 19 percent over the 3-year period. The most significant reduction was Can\$561 million from the WGTA's freight subsidies for Prairie grains, oilseeds, and other specialty crops, effective August 1, 1995.

In the past, the Canadian government had subsidized rail transportation costs of moving grains out of the Prairies to Vancouver, Prince Rupert, Thunder Bay, and Churchill for export. Grains for domestic use shipped through Thunder Bay also qualified for the subsidies. The government regulated rail freight rates, which changed little over 90 years. The rates were fixed from 1900 to 1983, and then changed in 1984 under the WGTA.

Under the WGTA, the rates were allowed to increase, but remained under government control. For example, the railway charged shippers an average of Can\$12 per metric ton to move grain from a midpoint of Prairie provinces to an export position. Under the WGTA, the Canadian government paid railroads an additional Can\$20 to Can\$30 per metric ton for the full cost of moving the grain. Shifting the government share to shippers' costs will reduce producer returns.

The elimination of these freight subsidies goes beyond Canada's commitment under the WTO's export subsidy reductions. For wheat and barley, average transportation costs would rise about \$18 per metric ton; these higher costs will be deducted from producer payments when they first deliver their crops to the CWB. As a result, farm gate prices of these commodities will fall, at least in the short term, by the amount of the transportation subsidies.

It is generally believed that freight subsidies under the WGTA encouraged grain production in the Prairies. The subsidies encouraged moving grains out of the Prairies for export. Therefore, elimination of the freight subsidies is expected to reallocate resources to other farming activities such as livestock and high value-added products. More grains would likely remain in the Prairies, however, if related processing industries develop there and livestock production increases.



In order to compensate for the foregone WGTA subsidies, the government has offered: 1) a lump-sum payout of Can\$1.6 billion to Prairie farmland owners beginning in 1996; 2) a Can\$300-million adjustment assistance fund to begin in the 1995/96 fiscal year for Prairie farmers over a 6-year period; and 3) Can\$1 billion in new export credit guarantees for agricultural products to compete in world markets.

### ***New Calculations for Producer Payments***

On August 1, 1995, the CWB changed the price-pooling mechanism for calculating producer payments. The new policy is intended to provide a more equitable distribution of income between producers in the western and eastern Prairie provinces. The CWB is a quasi-government agency with sole responsibility for marketing wheat and barley grown in the Prairies for domestic food consumption and export.

For any given crop year (August-July), the CWB uses a price-pooling mechanism to allocate money received from wheat and barley sold by the Prairie producers. Sales from domestic and foreign markets are pooled into four separate accounts: wheat, durum wheat, barley, and designated or malting barley. Farmers receive an advance payment or an initial payment less freight and primary elevator costs when they deliver wheat and barley to the CWB at primary elevators. Producers at a given location marketing a given grade of grain receive the same prices regardless of what point during the crop year the grain is delivered.

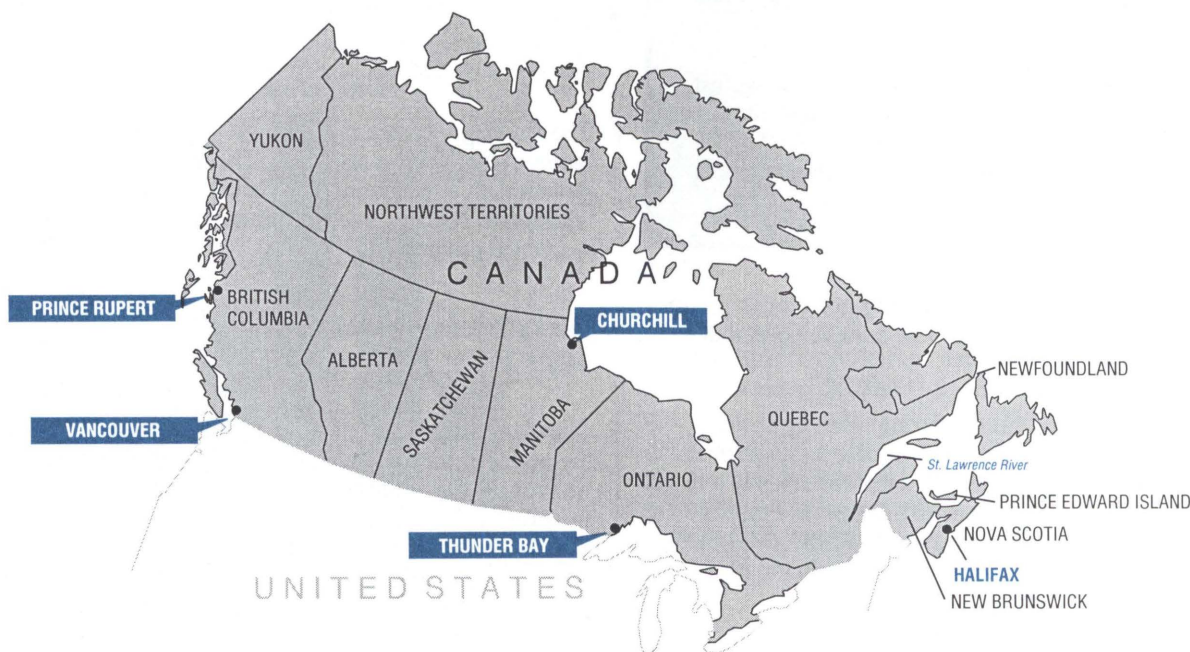
The initial payment is guaranteed by the Canadian government. That is, if revenues from each pool account received during the crop year are less than the initial payment price plus administrative and other costs, the Canadian government pays the deficits. In most years, however, pool revenues exceed payments and a final payment is provided to producers after the end of the crop year.

Producers would benefit from directly marketing their own grain if the market price exceeded the price at which they would have to buy back grain from the CWB. Therefore, if a producer's grain quality is above average, it might pay to market grains directly, particularly to the U.S. market. In the past, only a small portion of grains has been bought back by Prairie producers.

Until July 31, 1995, revenues from the CWB's grain sales based on Thunder Bay and Vancouver ports were combined into a single fund. The lesser of freight costs from the producer's location to Vancouver or Thunder Bay, as well as elevator charges, were deducted from the initial payment to arrive at the payment to producers. Seaway freight costs from Thunder Bay, the eastern pooling point, to St. Lawrence River ports or Halifax were paid by all producers through the fund account. Hence, producers in the western portion of the Prairie Provinces, who sent all their shipments to Vancouver because of the closer proximity, were subsidizing the seaway costs to producers in the eastern part of the Prairies.

Effective August 1, 1995, the eastern pooling point was shifted from Thunder Bay to the St. Lawrence River. As a result, a producer delivering to the CWB now has deducted from the initial payment the lesser of transportation charges to the St.

### **Prairie-to-Port Freight Subsidies Eliminated for Grain Exports**



The Canadian government has eliminated the subsidy for rail transportation costs of grain from the Prairies destined for export through Vancouver, Prince Rupert, Thunder Bay, and Churchill.



## Special Article

### Mechanisms of Farm Income Stabilization

**NISA (National Income Stabilization Account).** Under this program, farmers can contribute 3 percent of their eligible net sales to individual accounts they established with the government. Federal and provincial governments will also contribute to a separate account—2 and 1 percent of farmers' eligible net sales. To provide additional incentives, the government will provide an interest rate 3 percent higher than the market rate on farmers' contributions.

Farmers can contribute up to 20 percent of nonmatching eligible net sales, with a maximum threshold of eligible net sales set at Can\$250,000. Eligible sales are those from grains, oilseeds, and other eligible crops, excluding supply-management commodities—dairy, poultry, and eggs. Eligible sales include government payments.

Farmers can withdraw funds from the account if their current year's income falls below the previous 5-year average, or if their taxable income falls below Can\$10,000. Only government contributions would be taxed upon withdrawal.

**GRIP (Gross Revenue Insurance Program).** This program offers revenue protection for grains, oilseeds, and specialty crops against weather and market risks. Provinces have flexibility in administering and delivering the program.

Payments are calculated as the difference between a target and market revenue for the crop, less crop insurance payments. Target revenue is calculated using a historical moving average of regional prices over a 15-year period, adjusted by changes in production costs. GRIP is in the process of elimination. Saskatchewan has terminated the program and Alberta intends to terminate it.

**Crop insurance.** The program provides protection against yield risks related to weather hazards. Premiums are based on long-term historical losses. Producers share half of the total premiums, while provincial and federal governments contribute 25 percent each.

Lawrence or Vancouver. Under this pooling point shift, producers in the eastern part of the Prairies now assume costs that were previously pooled.

For example, those who ship grains through the lower St. Lawrence Seaway to eastern seaports will bear an additional Can\$20 per metric ton for the cost of transportation. As a result of pooling changes, producer returns in the eastern Prairies would fall more than those in the western Prairies. Overall pool returns would decline by Can\$5-7 per metric ton as a result of the pooling point shift.

The combined effects of Canada's freight subsidy removal and the changes in the pooling point could make the U.S. market more attractive, with shorter distances and lower transportation costs. In the short run, the expected flow of grains from Canada would be small, due to expected lower grain stocks and supplies in Canada. In the long run, however, U.S. grain imports from Canada could increase. The effects of imports on the U.S. grain market will depend upon U.S. supply, demand, and price conditions.

### Income Stabilization Remains a Priority

Stabilizing prices and incomes is a unique feature of Canadian farm policy, a response in part to climate and weather risks facing Canadian agriculture. It is also due to the export-dependent nature of Canadian agriculture.

Of the total farm cash receipts of Can\$25.6 billion in 1994, program payments were Can\$1.7 billion, or 7 percent of the total; this represents a near-40-percent decline in payments from the previous 5-year average of Can\$2.8 billion.

While total agricultural expenditures decline, Canada's Net Income Stabilization Account (NISA) is receiving greater support. NISA, a major farm policy designed as a risk management tool for producers, is a voluntary program that helps producers save money in good times to augment their incomes when farm revenues drop.

When the program began in 1991, producers contributed up to a maximum of 2 percent of their eligible net sales. The federal and provincial governments each contributed 1 percent. In 1995, the federal government and producers have raised their contributions by a percentage point. As a result, total contributions can now reach 6 percent of eligible net sales—2 percent for the federal government, 1 percent for the provincial government, and up to 3 percent for the producers.

The funding increase is a strategy to strengthen the whole-farm income stabilization program. The increase boosted federal government contributions by Can\$150 million by 1995. In addition to NISA, Canadian farmers can participate in a crop insurance program.

### Maintaining Price Stability For Dairy, Poultry, Eggs

Canada's obligations under WTO rules are inducing change in the highly protected dairy, poultry, and egg sectors. But domestic programs still provide substantial protection to these commodities.

Dairy, poultry, and eggs are covered under the national supply management programs, with production quotas established for each province and each producer. Producer prices are set by quasi-governmental committees. These three commodities



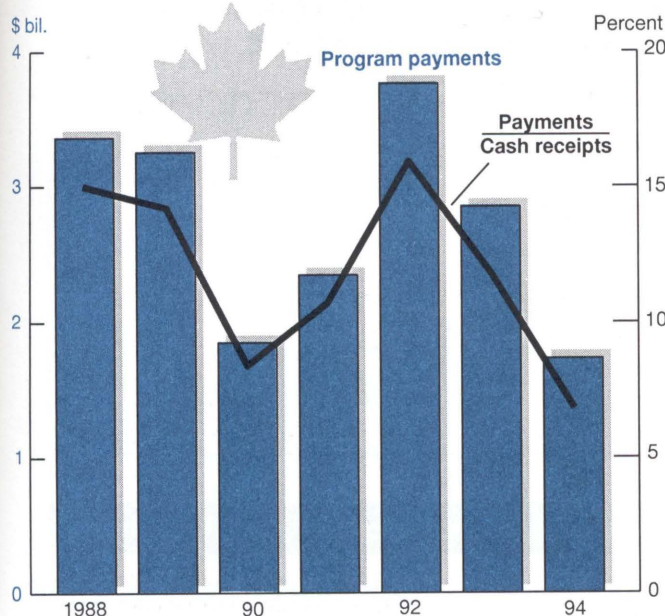
accounted for Can\$4 billion or 16 percent of total farm cash receipts in 1994. Production is concentrated in central Canada in the provinces of Ontario and Quebec.

In the past, import quotas were imposed to protect domestic producers. To meet its WTO obligations, on January 1, 1995, Canada replaced its import quota on dairy, poultry, and eggs with tariff-rate quotas. Under Canada's TRQ's, within-quota quantities are subject to low tariff rates, while imports exceeding the TRQ amount face significantly higher import duties (second-tier tariffs).

The second-tier tariffs are scheduled to decrease marginally over a 6-year period. For example, in 1995, tariffs are 351 percent for butter, 289 for cheese, and 283 for milk. By 2001, the end of the 6-year period, tariffs for the three commodities would fall to 299, 246, and 241 percent. To meet its WTO commitments, Canada is allowing minimum market access quantities to increase to 5 percent of domestic consumption by 2001. For dairy, poultry, and eggs, this requirement is not expected to result in a significant increase in imports from current levels.

The federal and provincial governments are involved in marketing these commodities, and policy changes must meet federal-provincial agreement. For example, the federal Canadian Dairy Commission (CDC), under the Canadian Dairy Commission Act, operates in cooperation with the provinces in managing supplies of industrial milk by setting milk price support and production quotas. The CDC also administers the national dairy policy, directs government support payments, and provides advice to the Minister of Agriculture on the industrial milk sector. Provinces operate their own supply-management scheme for fluid milk.

**Program Payments Recede As Share of Total Farm Cash Receipts**



Source: Agriculture Canada.

Canada achieves price stability for these commodities at high costs to consumers. Farm prices are set either by provincial marketing boards or by federal agencies, based on cost-of-production surveys. Canadian milk prices in 1994, for example, were about 30 percent higher than U.S. milk prices at the farm level. Retail prices for 2-percent milk in Canada were US\$3.3 per gallon in 1994 compared with roughly \$2.25 in the U.S.

In July, all industrial milk producing provinces agreed to the revenue pooling under which a special class system was created to replace the Dairy Export Assistance Program, the Further Processors Rebate Program, and the Butterfat Utilization Program. As of August 1, 1995, the nine provinces in the National Milk Marketing Plan share equally the costs of lower priced milk for special classes of dairy products. These include products for further processing and products exported to the U.S. and the U.K. Previously, eastern industrial milk producers faced competition from lower priced milk from the U.S.

Under the old system, industrial milk producers were paid at set prices. For industrial milk used in exported products or in products facing export competition, producers financed the difference between the international and the domestic prices with a producers' levy which was subject to reduction under WTO rules. Because the producer levy financed export activities, it was considered an export subsidy, which is prohibited under the North American Free Trade Agreement.

The new revenue pooling policy allows processors and exporters to continue their activities without a producer-funded rebate from the CDC. In addition, five eastern provinces and Manitoba agreed to all milk pooling. Revenue sharing for the six provinces will begin in 1996. Full details have yet to be worked out. The effects of the new dairy price pooling on production are expected to be insignificant and will have little effect on producers' revenue.

## U.S.-Canada Trade Issues

U.S. TRQ's on wheat imports from Canada ended on September 11, 1995 with the expiration of the year-old U.S.-Canada Memorandum of Understanding (MOU) on grains. Imports of Canadian wheat during the MOU period were under the TRQ amount.

Canada's application of the high, over-quota tariff rates for dairy, poultry, eggs, barley, and barley products has been challenged by the U.S. The U.S. views the application of these tariffs to U.S. products as inconsistent with Canada's NAFTA obligations and as an impediment to U.S. exports. Canada maintains it does not have to reduce its new tariffs beyond the minimum 15 percent required under the Uruguay Round. A dispute settlement panel has been formed to review this situation.

Changes in Canada's agricultural policies will affect grain production in the Prairie provinces, where Canadian agriculture is concentrated. The Prairies account for over 80 percent of



## Special Article

Canadian farmland where grains, oilseeds, and specialty crops contributed 27 percent of Canada's farm cash receipts in 1994. Wheat dominates Canadian grain production. While the changes will affect grain, oilseed, and specialty crop output, more impacts could be felt on wheat and barley. While canola and other small grain production will decline in the short run, they could benefit from the changes in the long run.

The likely implications for U.S.-Canada trade are uncertain. More Canadian grains could eventually move south because of the lower transportation costs. On the other hand, if the new Canadian policies encourage crop diversification in the Prairies, and livestock production increases, U.S. grain exports to Canada may rise.

*[Suchada Langley (202) 219-0006; the author acknowledges comments from Mark Simone, Jim Stout, Leanne Hogie, and other reviewers.]* **AO**

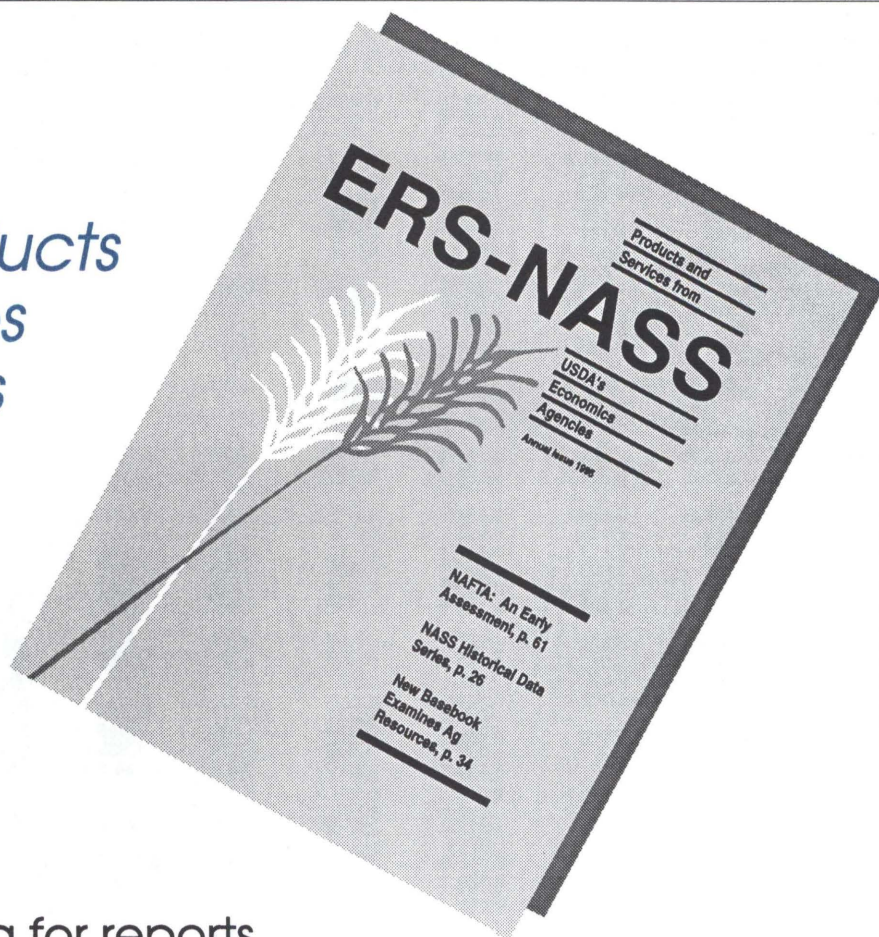
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# Statistical Indicators

## Summary Data

Table 1—Key Statistical Indicators of the Food &amp; Fiber Sector

	1994	1995					1996		
	Annual	I	II	III	IV F	Annual F	I F	II F	Annual F
Prices received by farmers (1990-92=100)	100	99	100	103	--	--	--	--	--
Livestock & products	95	93	89	92	--	--	--	--	--
Crops	105	105	114	114	--	--	--	--	--
Prices paid by farmers, (1990-92=100)									
Production items	106	106	107	107	--	--	--	--	--
Commodities & services, interest, taxes, & wages	106	108	108	108	--	--	--	--	--
Cash receipts (\$ bil.) 1/	180	187	--	--	--	--	--	--	--
Livestock (\$ bil.)	88	87	--	--	--	--	--	--	--
Crops (\$ bil.)	92	100	--	--	--	--	--	--	--
Market basket (1982-84=100)									
Retail cost	145	148	149	--	--	--	--	--	--
Farm value	102	101	102	--	--	--	--	--	--
Spread	169	174	175	--	--	--	--	--	--
Farm value/retail cost (%)	25	24	24	--	--	--	--	--	--
Retail prices (1982-84=100)									
All food	144	148	149	149	150	149	--	--	--
At home	144	148	149	149	150	149	--	--	--
Away from home	146	148	149	149	150	149	--	--	--
Agricultural exports (\$ bil.) 2/	43.5	14.3	12.7	11.9	--	53.0	--	--	54.5
Agricultural imports (\$ bil.) 2/	26.4	7.8	7.5	6.6	--	29.0	--	--	29.0
Commercial production									
Red meat (mil. lb.)	42,523	10,521	10,853	10,993	11,075	43,442	10,672	11,016	44,653
Poultry (mil. lb.)	29,346	7,470	7,786	7,645	7,900	30,801	7,850	8,160	32,735
Eggs (mil. doz.)	6,177	1,545	1,535	1,530	1,590	6,200	1,555	1,565	6,320
Milk (bil. lb.)	153.6	39.0	40.5	38.6	38.8	156.8	40.2	41.7	160.7
Consumption, per capita									
Red meat and poultry (lb.)	212.2	51.6	53.2	53.5	55.7	214.0	52.5	53.9	219.9
Corn beginning stocks (mil. bu.) 3/	2,113.0	850.1	8,080.5	5,591.7	3,414.9	850.1	--	--	1,558.3
Corn use (mil. bu.) 3/	7,620.1	2,874.8	2,492.5	2,179.8	1,857.8	9,404.9	--	--	8,425.0
Prices 4/									
Choice steers--Neb. Direct (\$/cwt)	68.84	71.51	64.7	62.7	64-66	65.98	65-69	63-69	62-68
Barrows & gilts--IA, So. MN (\$/cwt)	40.03	38.56	38.91	48.75	41-43	42.06	41-43	36-40	37-41
Broilers--12-city (cts./lb.)	55.7	51.7	53.5	60.7	54-56	55.2	50-54	51-55	50-54
Eggs--NY gr. A large (cts./doz.)	67.3	65.2	63.6	75.2	73-75	69.5	67-71	60-66	63-69
Milk--all at plant (\$/cwt)	12.97	12.63	12.30	21.40	13.35-13.75	12.65-12.75	12.70-13.40	11.55-12.55	12.25-13.15
Wheat--KC HRW ordinary (\$/bu.)	3.86	3.97	4.27	--	--	--	--	--	--
Corn--Chicago (\$/bu.)	2.52	2.38	2.60	--	--	--	--	--	--
Soybeans--Chicago (\$/bu.)	6.18	5.53	5.48	--	--	--	--	--	--
Cotton--Avg. spot 41-34 (cts./lb.)	66.12	94.73	105.76	89.73	--	--	--	--	--
	1987	1988	1989	1990	1991	1992	1993	1994	1995
Farm real estate values 5/									
Nominal (\$ per acre)	599	632	661	668	681	684	699	744	--
Real (1982 \$)	518	530	533	517	505	487	485	503	--

1/ Quarterly data seasonally adjusted at annual rates. 2/ Annual data based on Oct.-Sept. fiscal years ending with year indicated. 3/ Sept.-Nov. first quarter; Dec.-Feb. second quarter; Mar.-May third quarter; Jun.-Aug. fourth quarter; Sept.-Aug. annual. Use includes exports & domestic disappearance. 4/ Simple averages, Jan.-Dec. 5/ 1990-94 values as of January 1. 1986-89 values as of February 1. F = forecast, -- = not available.



## U.S. &amp; Foreign Economic Data

Table 2—U.S. Gross Domestic Product &amp; Related Data

	Annual			1994			1995	
	1992	1993	1994	II	III	IV	I	II R
\$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	6,020.2	6,343.3	6,738.4	6,689.9	6,791.7	6,897.2	6,977.4	7,030.0
Gross national product	6,025.8	6,347.8	6,726.9	6,682.5	6,779.6	6,871.3	6,959.5	7,008.6
Personal consumption expenditures	4,136.9	4,378.2	4,628.4	4,586.4	4,657.5	4,734.8	4,782.1	4,851.0
Durable goods	492.7	538.0	591.5	580.3	591.5	617.7	615.2	620.3
Nondurable goods	1,295.5	1,339.2	1,394.3	1,381.4	1,406.1	1,420.7	1,432.2	1,446.6
Food & beverages	626.8	649.7	679.6	675.5	683.7	691.2	697.4	701.8
Clothing & shoes	227.7	235.4	246.5	243.9	247.8	252.6	252.5	254.0
Services	2,348.7	2,501.0	2,642.7	2,624.7	2,659.9	2,696.4	2,734.8	2,784.5
Gross private domestic investment	788.3	882.0	1,032.9	1,034.4	1,055.1	1,075.6	1,107.8	1,094.1
Fixed investment	785.2	866.7	980.7	967.0	992.5	1,020.8	1,053.3	1,056.9
Change in business inventories	3.0	15.4	52.2	67.4	62.6	54.8	54.5	37.2
Net exports of goods & services	-30.3	-65.3	-98.2	-97.6	-109.6	-98.9	-111.1	-124.7
Government purchases of goods & services	1,125.3	1,148.4	1,175.3	1,166.7	1,188.8	1,185.8	1,198.7	1,209.6
1987 \$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	4,979.3	5,134.5	5,344.0	5,314.1	5,367.0	5,433.8	5,470.1	5,487.8
Gross national product	4,985.7	5,140.3	5,337.3	5,310.5	5,359.9	5,416.0	5,458.3	5,473.4
Personal consumption expenditures	3,349.5	3,458.7	3,579.6	3,557.8	3,584.7	3,629.6	3,643.9	3,674.3
Durable goods	452.6	489.9	532.1	522.2	529.6	554.8	550.0	554.8
Nondurable goods	1,057.7	1,078.5	1,109.5	1,104.3	1,113.4	1,121.9	1,128.2	1,133.5
Food & beverages	514.7	524.0	535.6	536.1	535.7	538.5	541.1	540.8
Clothing & shoes	193.2	197.8	208.8	204.9	210.2	216.4	216.6	219.3
Services	1,839.1	1,890.3	1,938.1	1,931.4	1,941.8	1,952.9	1,965.7	1,986.0
Gross private domestic investment	725.3	819.9	951.5	950.9	967.3	989.1	1,024.1	1,019.2
Fixed investment	722.9	804.6	903.8	891.7	910.2	939.7	973.0	984.9
Change in business inventories	2.5	15.3	47.8	59.2	57.1	49.4	51.1	34.3
Net exports of goods & services	-32.3	-73.9	-110.0	-111.8	-117.0	-107.1	-118.5	-126.7
Government purchases of goods & services	936.9	929.8	922.8	917.1	932.0	922.2	920.5	921.0
GDP implicit price deflator (% change)	2.8	2.2	2.1	2.9	1.9	1.3	2.2	1.6
Disposable personal income (\$ bil.)	4,505.8	4,688.7	4,959.6	4,913.5	4,990.3	5,101.9	5,184.4	5,201.0
Disposable per. income (1987 \$ bil.)	3,648.1	3,704.1	3,835.7	3,811.5	3,840.9	3,911.0	3,950.5	3,939.4
Per capita disposable per. income (\$)	17,636	18,153	19,003	18,853	19,095	19,473	19,748	19,769
Per capita dis. per. income (1987 \$)	14,279	14,341	14,696	14,625	14,697	14,927	15,048	14,973
U.S. population, total, incl. military abroad (mil.) 1/	255.4	258.1	260.7	260.3	261.0	261.7	262.2	262.9
Civilian population (mil.) 1/	253.4	256.3	258.9	258.6	259.3	260.0	260.5	261.2
	Annual			1994		1995		
	1992	1993	1994	Aug	May R	June R	July R	Aug P
Monthly data seasonally adjusted								
Total industrial production (1987=100)	108.0	112.9	119.7	120.9	123.2	123.1	123.1	124.3
Leading economic indicators (1987=100)	98.2	98.8	101.7	102.3	101.0	101.2	101.0	101.2
Civilian employment (mil. persons) 2/	117.6	119.3	123.1	123.2	124.3	124.5	125.0	124.8
Civilian unemployment rate (%) 2/	7.4	6.8	6.1	6.0	5.7	5.6	5.7	5.6
Personal income (\$ bil. annual rate)	5,154.3	5,375.1	5,701.7	5,730.6	5,993.8	6,025.3	6,062.6	6,064.9
Money stock-M2 (daily avg.) (\$ bil.) 3/	3,515.3	3,583.6	3,615.1	3,614.9	3,659.9	3,695.7	3,714.3	3,739.4
Three-month Treasury bill rate (%)	3.45	3.02	4.29	4.50	5.70	5.50	5.47	5.41
AAA corporate bond yield (Moody's) (%)	8.14	7.22	7.97	8.07	7.65	7.30	7.41	7.57
Total housing starts (1,000) 4/	1,200	1,288	1,457	1,463	1,282	1,298	1,390	1,398
Business inventory/sales ratio	1.50	1.45	1.39	1.38	1.41	1.41	1.43	—
Sales of all retail stores (\$ bil.) 5/	1,959.1	2,081.6	2,241.3	1,879.5	195.1	196.7	196.1	197.0
Nondurable goods stores (\$ bil.)	1,251.8	1,297.0	1,353.4	1,139.8	117.6	118.1	117.6	117.2
Food stores (\$ bil.)	382.4	392.4	405.6	332.6	34.0	33.8	34.0	34.0
Apparel & accessory stores (\$ bil.)	104.1	106.1	107.8	91.6	9.2	9.3	9.1	9.0
Eating & drinking places (\$ bil.)	200.6	211.0	224.8	191.4	20.1	20.2	20.2	20.0

1/ Population estimates based on 1990 census. 2/ Data for 1994 are not directly comparable with data for 1993 and earlier years. 3/ Annual data as of December of the year listed. 4/ Private, including farm. 5/ Annual total. P = preliminary. R = revised. — = not available.

Information contact: David Johnson (202) 219-0663.



Table 3—World Economic Growth

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994 E	1995 F	1996 F	Average 1985-94
Real GDP, annual percent change													
World	3.3	3.0	3.5	4.4	3.3	2.1	0.7	1.3	1.7	2.8	2.8	2.8	2.6
World, less U.S.	3.4	3.1	3.7	4.6	3.5	2.4	1.2	0.9	1.2	2.3	2.7	3.0	2.6
Developed	3.4	2.8	3.5	4.5	3.4	2.3	0.9	1.5	1.5	2.8	2.5	2.3	2.7
Developed, less U.S.	3.7	2.9	3.4	4.8	3.7	3.3	9.3	1.0	-0.1	2.1	2.2	2.4	3.4
United States	3.1	2.8	3.1	3.9	2.7	1.2	-0.6	2.3	3.1	4.1	3.0	2.2	2.6
Canada	4.7	3.3	4.1	4.7	2.5	0.4	-1.7	0.6	2.2	4.3	2.2	2.6	2.5
Japan	5.0	2.5	4.2	6.3	4.8	4.9	4.3	1.1	0.1	0.5	0.7	1.8	3.4
Western Europe	2.5	2.7	2.6	3.7	3.2	2.8	13.0	0.9	-0.5	2.6	2.8	2.6	3.4
European Union	2.4	2.7	2.7	4.1	3.4	3.1	3.7	1.0	-0.3	2.6	2.8	2.6	2.5
Germany	2.0	2.3	1.5	3.7	3.6	5.7	13.2	2.2	-1.1	2.4	2.7	2.5	3.6
Central Europe	2.6	2.9	0.7	3.0	-0.9	-7.0	-10.8	-5.3	0.1	3.3	4.6	5.2	-1.1
Former Soviet Union	2.2	4.6	2.2	4.3	2.1	-3.2	-4.9	-11.3	-7.0	-12.9	-2.4	2.0	-2.4
Russia	2.5	5.7	1.6	4.3	1.5	-3.4	-5.0	-14.5	-8.7	-15.0	-1.6	3.3	-3.1
Developing	3.3	3.7	4.5	4.4	3.5	3.2	4.9	5.0	5.0	5.5	4.9	4.9	4.3
Asia	5.9	7.2	8.6	9.1	5.5	5.7	7.2	7.6	7.3	7.9	7.6	6.8	7.2
Pacific-Asia	5.9	7.9	9.7	9.4	6.3	6.7	7.3	8.7	8.9	8.9	8.3	7.4	8.0
China	12.9	8.4	11.1	11.3	4.2	3.9	8.4	14.3	14.0	11.8	9.9	8.8	10.0
South Asia	5.5	4.9	4.8	9.2	6.1	5.2	1.5	4.9	2.9	4.8	5.1	4.8	5.0
India	5.4	4.8	4.7	10.0	6.6	5.2	0.7	4.6	2.8	5.1	5.5	5.1	5.0
Latin America	2.9	4.9	3.3	0.7	1.0	0.0	3.5	2.7	3.8	4.1	1.6	2.7	2.7
Mexico	2.7	-3.9	2.3	1.0	3.4	4.2	3.6	3.0	0.4	3.5	-4.6	2.1	2.0
Caribbean/Central	0.9	4.0	3.4	1.5	3.7	2.0	2.7	3.4	3.3	2.4	2.6	2.8	2.7
South America	3.2	7.5	3.5	0.4	-0.1	-1.4	3.5	2.5	4.8	4.5	3.1	2.9	2.8
Brazil	7.9	8.4	3.3	-0.3	3.3	-4.6	0.4	-1.2	5.3	4.9	3.8	3.3	2.7
Middle East	-2.2	-6.9	-1.4	-1.5	2.1	2.9	3.8	4.6	3.8	1.1	2.1	2.5	0.6
Africa	2.3	1.3	0.9	3.1	3.4	1.4	1.3	0.9	0.1	1.7	2.4	2.6	1.6
North Africa	3.2	-0.3	0.1	1.7	3.5	2.3	2.0	1.4	-0.2	1.9	2.6	3.2	1.6
Sub-Saharan	1.7	2.3	1.3	3.9	3.4	0.9	0.9	0.6	0.3	1.6	2.2	2.3	1.7
Middle East & N. Africa	-0.5	-4.7	-0.9	-0.4	2.6	2.7	3.2	3.5	2.5	1.4	2.3	2.7	0.9

E = estimate. F = forecast.

Information contact: Alberto Jerardo, (202) 219-0645.

## Farm Prices

Table 4—Indexes of Prices Received &amp; Paid by Farmers, U.S. Average

	Annual			1994		1995				
	1992	1993	1994	Sept	Apr	May	June	July	Aug R	Sept P
1990-92=100										
Prices received										
All farm products	98	101	100	97	100	100	100	101	102	105
All crops	101	102	105	102	114	115	112	113	113	116
Food grains	113	105	118	118	112	119	128	136	140	145
Feed grains & hay	98	98	106	97	105	108	110	113	114	117
Cotton	88	89	109	109	139	136	142	143	124	135
Tobacco	101	101	101	102	88	—	—	101	101	105
Oil-bearing crops	100	108	110	99	99	99	102	105	104	104
Fruit & nuts, all	99	92	89	102	81	98	99	105	113	111
Commercial vegetables	111	116	107	103	176	148	117	93	98	133
Potatoes & dry beans	88	106	111	93	100	111	123	148	118	102
Livestock & products	97	100	95	91	90	88	90	91	92	93
Meat animals	96	100	90	84	85	82	85	85	85	85
Dairy products	100	98	100	98	95	95	92	93	95	97
Poultry & eggs	97	105	106	107	100	99	100	105	112	115
Prices paid										
Commodities & services, interest, taxes, & wage rates	101	103	106	106	108	108	108	108	108	108
Production items	101	103	106	105	107	107	107	107	107	107
Feed	99	99	105	—	100	—	—	99	—	—
Livestock & poultry	96	104	95	—	82	—	—	81	—	—
Seeds	99	105	109	—	110	—	—	110	—	—
Fertilizer	100	97	106	—	122	—	—	123	—	—
Agricultural chemicals	103	107	112	—	115	—	—	116	—	—
Fuels	96	92	84	—	92	—	—	92	—	—
Farm supplies & repairs	104	107	110	—	110	—	—	112	—	—
Autos & trucks	102	109	115	—	121	—	—	121	—	—
Farm machinery	104	106	110	—	119	—	—	119	—	—
Building materials	101	105	109	—	114	—	—	114	—	—
Farm services	104	109	112	—	115	—	—	118	—	—
Cash rent	104	100	108	—	108	—	—	108	—	—
Int. payable per acre on farm real estate debt	93	88	92	—	101	—	—	101	—	—
Taxes payable per acre on farm real estate	104	107	112	—	115	—	—	115	—	—
Wage rates (seasonally adjusted)	105	108	111	—	112	—	—	112	—	—
Production items, interest, taxes, & wage rates	101	103	106	—	107	—	—	107	—	—
Ratio, prices received to prices paid (%) 1/	98	98	94	92	93	93	93	94	94	97
Prices received (1910-14=100)	626	642	634	615	634	633	633	642	645	666
Prices paid, etc. (parity index) (1910-14=100)	1,329	1,355	1,394	—	1,407	—	—	1,410	—	—
Parity ratio (1910-14=100) (%) 1/	47	47	46	—	45	—	—	46	—	—

1/ Ratio of index of prices received for all farm products to index of prices paid for commodities & services, interest, taxes, & wages rates. Ratio uses the most recent prices paid index. Prices paid data are quarterly & will be published in January, April, July, & October. R = revised. P = preliminary.  
 — = not available.

Information contact: David Johnson (202) 219-0663.



Table 5—Prices Received by Farmers, U.S. Average

	Annual 1/			1994		1995				
	1992	1993	1994	Sept	Apr	May	June	July	Aug R	Sept P
<b>CROPS</b>										
All wheat (\$/bu.)	3.24	3.26	3.50	3.57	3.48	3.66	3.85	4.09	4.25	4.42
Rice, rough (\$/cwt)	5.89	7.98	6.25	6.89	6.70	6.75	7.03	7.17	7.64	7.70
Corn (\$/bu.)	2.07	2.50	2.20	2.19	2.36	2.41	2.51	2.63	2.63	2.73
Sorghum (\$/cwt)	3.38	4.13	3.65	3.56	3.84	4.06	4.72	4.78	4.65	4.87
All hay, baled (\$/ton)	74.30	84.70	86.50	82.00	90.30	90.40	83.90	80.60	81.10	80.30
Soybeans (\$/bu.)	5.56	6.40	5.35	5.47	5.55	5.56	5.68	5.90	5.83	5.92
Cotton, upland (cts./lb.)	53.7	58.1	67.4	65.9	84.5	82.6	86.3	86.6	75.2	82.1
Potatoes (\$/cwt)	5.52	6.22	5.36	5.04	5.55	6.28	7.19	8.98	7.00	6.01
Lettuce (\$/cwt) 2/	12.40	16.00	15.55	17.00	49.20	48.50	15.60	12.50	16.50	36.10
Tomatoes fresh (\$/cwt) 2/	35.80	31.60	27.52	23.20	20.50	14.40	33.30	20.50	14.90	20.30
Onions (\$/cwt)	13.00	15.80	14.46	9.14	23.70	15.50	10.10	12.80	10.40	10.20
Beans, dry edible (\$/cwt)	19.90	24.60	21.70	21.30	23.40	24.60	23.40	23.70	19.70	18.50
Apples for fresh use (cts./lb.)	19.5	18.2	17.4	20.8	16.9	15.4	15.6	16.8	23.7	27.0
Pears for fresh use (\$/ton)	378	280	261	278	399	419	557	353	303	373
Oranges, all uses (\$/box) 3/	5.50	3.11	3.96	2.53	4.48	4.92	5.21	5.58	7.64	7.21
Grapefruit, all uses (\$/box) 3/	6.23	2.60	2.92	4.39	1.68	1.37	4.54	6.72	7.85	10.05
<b>LIVESTOCK</b>										
Beef cattle (\$/cwt)	71.33	73.38	66.55	63.50	63.80	60.80	60.90	59.50	59.40	58.90
Calves (\$/cwt)	89.38	95.92	87.16	80.00	81.80	77.00	77.10	72.30	70.80	69.40
Hogs (\$/cwt)	41.82	45.40	39.48	35.40	35.70	37.20	42.30	46.20	48.60	48.20
Lambs (\$/cwt)	60.78	64.60	64.86	71.20	74.40	80.40	85.70	85.70	85.70	84.40
All milk, sold to plants (\$/cwt)	13.15	12.86	13.04	12.80	12.40	12.40	12.10	12.10	12.40	12.70
Milk, manuf. grade (\$/cwt)	11.91	11.80	11.88	11.90	11.20	11.00	11.10	11.00	11.30	11.70
Broilers (cts./lb.)	30.8	34.2	35.0	35.1	32.1	32.4	32.8	34.5	37.0	38.1
Eggs (cts./doz.) 4/	56.2	62.7	60.9	60.8	62.0	56.3	57.8	60.9	63.6	66.6
Turkeys (cts./lb.)	37.6	39.0	40.7	43.1	38.3	38.2	39.3	39.8	41.8	43.7

1/ Season average price by crop year for crops. Calendar year average of monthly prices for livestock. 2/ Excludes Hawaii. 3/ Equivalent on-tree returns. 4/ Average of all eggs sold by producers including hatching eggs & eggs sold at retail. P = preliminary. R = revised. — = not available.

Information contact: David Johnson (202) 219-0663.

## Producer & Consumer Prices

Table 6—Consumer Price Indexes for All Urban Consumers, U.S. Average (not seasonally adjusted)

	Annual	1994	1995							
	1994	Sept	Feb	Mar	Apr	May	June	July	Aug	Sept
			1982-84=100							
Consumer Price Index, all items	148.2	149.4	150.9	151.4	151.9	152.2	152.5	152.5	152.9	153.2
Consumer Price Index, less food	149.0	150.2	151.5	152.1	152.5	152.9	153.3	153.4	153.7	154.0
All food	144.3	145.0	147.4	147.4	148.4	148.3	147.9	148.1	148.4	148.9
Food away from home	145.7	146.2	147.6	148.1	148.3	148.6	148.8	149.1	149.4	149.6
Food at home	144.1	145.0	147.9	147.6	149.2	148.7	148.1	148.2	148.4	149.2
Meats 1/	135.4	135.0	134.9	135.5	134.9	134.7	134.0	134.2	135.1	135.5
Beef & veal	136.0	135.1	136.6	136.9	136.2	134.9	133.9	133.5	133.0	133.3
Pork	133.9	134.8	131.8	132.9	131.1	131.8	132.2	133.7	136.0	137.8
Poultry	141.5	143.3	141.4	143.3	142.3	141.6	142.9	142.5	142.8	145.9
Fish & seafood	163.7	164.9	170.4	171.2	171.6	171.9	172.1	170.4	170.9	173.5
Eggs	114.3	113.9	113.9	115.3	112.0	110.0	109.6	114.5	125.8	122.7
Dairy products 2/	131.7	131.3	132.1	132.2	132.1	132.8	132.2	132.9	132.8	132.3
Fats & oils 3/	133.5	134.2	136.8	136.8	137.2	137.1	136.4	138.0	137.5	137.4
Fresh fruits	201.2	203.9	213.3	207.0	210.3	219.6	216.3	218.4	221.8	230.9
Processed fruits	133.1	132.4	135.3	136.5	136.8	136.7	137.2	138.0	139.2	138.1
Fresh vegetables	172.3	163.5	198.6	193.8	220.4	203.5	194.9	188.7	175.4	181.7
Potatoes	174.3	168.8	157.2	161.8	164.6	165.3	183.1	200.8	195.5	182.8
Processed vegetables	136.6	137.7	137.7	136.9	138.1	139.0	138.9	140.2	139.9	138.4
Cereals & bakery products	163.0	164.8	165.8	165.3	166.9	166.6	167.5	168.2	168.8	168.4
Sugar & sweets	135.2	135.4	135.8	136.4	136.7	137.3	137.3	138.1	138.7	138.4
Nonalcoholic beverages	123.2	132.1	133.7	132.9	132.9	131.7	131.5	130.8	131.3	131.7
Apparel										
Apparel, commodities less footwear	131.2	132.3	128.3	132.3	132.5	130.8	127.6	125.0	127.3	130.0
Footwear	126.0	125.1	124.8	125.9	127.2	126.6	124.6	123.3	123.6	126.8
Tobacco & smoking products	220.0	220.8	222.7	222.5	223.0	225.3	226.4	226.2	227.4	228.2
Alcoholic beverages	151.5	151.4	152.4	153.1	153.6	153.9	154.0	153.8	154.5	154.5

1/ Beef, veal, lamb, pork, & processed meat. 2/ Includes butter. 3/ Excludes butter.

Information contact: David Johnson (202) 219-0663.



Table 7—Producer Price Indexes, U.S. Average (not seasonally adjusted)

	Annual			1994	1995					
	1992	1993	1994	Aug	Mar	Apr R	May	June	July	Aug
1982 = 100										
All commodities	117.2	118.9	120.4	121.2	123.9	124.6	125.0	125.3	125.3	125.0
Finished goods 1/	123.2	124.7	125.5	126.5	127.1	127.6	128.0	128.2	128.3	128.1
All foods 2/	120.9	123.7	125.2	124.5	126.0	126.0	125.1	124.4	126.1	126.3
Consumer foods	123.3	125.7	126.8	126.6	128.7	128.7	127.9	127.4	128.5	128.6
Fresh fruits & melons	84.0	84.5	82.6	80.8	75.5	75.3	96.6	83.6	86.8	92.3
Fresh & dry vegetables	115.0	135.2	129.1	111.4	156.9	184.9	158.8	132.5	129.6	113.2
Dried fruits	114.6	117.9	121.1	122.3	119.4	119.4	121.3	122.0	124.1	121.1
Canned fruits & juices	134.5	126.2	126.0	125.6	127.4	126.9	126.8	127.1	127.9	131.1
Frozen fruits, juices & ades	125.9	110.7	111.9	110.0	115.9	116.7	117.2	116.6	117.3	114.5
Fresh veg. excl. potatoes	116.4	126.6	117.8	95.7	159.2	199.1	167.2	127.2	107.3	94.8
Canned vegetables & juices	109.5	110.5	116.3	118.1	114.9	113.1	115.6	117.5	118.6	117.6
Frozen vegetables	116.4	120.9	126.0	126.4	124.9	124.9	124.3	123.6	123.1	123.1
Potatoes	118.4	144.9	142.3	154.0	114.6	110.1	106.8	176.9	205.5	160.0
Eggs for fresh use (1991=100)	78.6	86.6	80.9	81.6	80.7	83.1	72.3	75.0	80.6	81.3
Bakery products	152.5	156.6	160.0	160.2	162.5	162.6	163.2	163.4	163.7	165.3
Meats	106.7	110.6	104.6	105.0	105.0	100.9	100.1	100.9	103.9	103.0
Beef & veal	109.5	112.9	103.6	103.3	107.3	100.5	99.4	99.7	100.7	97.7
Pork	98.9	105.7	101.3	103.2	97.7	95.5	94.8	97.7	105.2	107.4
Processed poultry	109.0	111.7	114.8	114.6	110.1	110.1	109.3	110.9	113.8	117.2
Unprocessed & packaged fish	156.1	156.5	161.5	160.5	174.6	179.8	167.1	164.0	168.7	170.9
Dairy products	117.9	118.1	119.5	118.2	118.3	118.1	117.5	117.1	118.1	119.1
Processed fruits & vegetables	120.8	118.2	121.2	121.6	121.3	120.7	121.5	122.0	122.6	122.8
Shortening & cooking oil	115.1	122.9	138.6	131.2	145.0	142.5	139.0	136.6	143.5	141.8
Soft drinks	125.6	126.2	126.9	126.1	133.8	133.4	133.0	132.9	133.3	133.6
Finished consumer goods less foods	120.8	121.7	121.6	123.4	122.9	123.6	124.7	125.2	124.8	124.4
Alcoholic beverages	126.1	126.0	124.8	123.8	127.5	128.9	128.6	128.7	128.8	128.9
Apparel	122.2	123.2	123.5	123.5	124.3	124.0	124.2	124.0	124.3	124.3
Footwear	132.0	134.4	135.5	135.3	138.7	138.8	138.8	138.8	138.9	139.1
Tobacco products	275.3	260.3	224.7	224.1	228.1	228.5	233.7	233.7	233.4	233.8
Intermediate materials 3/	114.7	116.2	118.5	119.5	124.0	124.7	125.3	125.9	126.0	126.0
Materials for food manufacturing	113.9	115.6	118.5	117.8	119.0	117.2	116.5	117.2	119.3	120.1
Flour	109.5	108.9	110.3	103.1	109.9	111.8	115.3	120.5	127.3	129.5
Refined sugar 4/	119.8	118.2	118.3	118.5	120.6	118.5	118.8	118.7	118.6	118.7
Crude vegetable oils	97.1	110.5	135.0	122.8	139.8	130.8	126.0	127.8	125.1	129.4
Crude materials 5/	100.4	102.4	101.7	101.9	102.3	103.6	103.5	103.4	101.9	100.2
Foodstuffs & feedstuffs	105.1	108.4	106.5	101.8	103.2	101.8	99.5	102.2	104.7	104.6
Fruits & vegetables & nuts 6/	96.9	106.9	104.6	95.3	107.7	118.9	116.7	101.0	101.1	96.6
Grains	97.3	94.5	102.7	90.2	98.2	101.1	104.2	110.5	116.2	114.0
Livestock	104.7	107.0	96.4	96.8	96.9	92.3	87.4	90.7	90.7	90.8
Poultry, live	112.6	122.0	124.4	119.9	113.1	109.1	111.0	121.1	130.0	139.7
Plant & animal fibers	89.8	91.3	120.7	118.7	180.2	175.2	165.7	178.9	163.5	139.2
Fluid milk	96.1	94.1	95.8	92.1	92.8	90.7	90.2	90.5	90.1	90.7
Oilseeds	107.5	115.9	117.4	107.7	107.5	110.4	105.9	108.7	113.8	108.9
Leaf tobacco	101.0	100.3	101.2	91.1	100.2	90.0	—	—	—	—
Raw cane sugar	112.1	113.2	115.2	115.0	117.3	118.4	118.8	120.2	125.1	123.1

1/ Commodities ready for sale to ultimate consumer. 2/ Includes all raw, intermediate, & processed foods (excludes soft drinks, alcoholic beverages, & manufactured animal feeds). 3/ Commodities requiring further processing to become finished goods. 4/ All types & sizes of refined sugar. 5/ Products entering market for the first time that have not been manufactured at that point. 6/ Fresh & dried. R = revised.

Information contact: David Johnson (202) 219-0663.



## Farm-Retail Price Spreads

Table 8—Farm-Retail Price Spreads

	Annual			1994	1995					
	1992	1993	1994	Aug	Mar	Apr	May	June	July	Aug
<b>Market basket 1/</b>										
Retail cost (1982-84=100)	138.4	141.9	145.4	145.2	148.0	149.8	149.4	148.6	148.8	149.1
Farm value (1982-84=100)	103.2	104.9	101.6	99.6	101.2	104.5	100.6	100.1	100.9	101.9
Farm-retail spread (1982-84=100)	157.4	161.9	168.9	169.8	173.2	174.2	175.7	174.7	174.6	174.5
Farm value-retail cost (%)	26.1	25.9	24.5	24.0	24.0	24.4	23.6	23.6	23.8	23.9
<b>Meat products</b>										
Retail cost (1982-84=100)	130.7	134.6	135.4	135.1	135.5	134.9	134.7	134.0	134.2	135.0
Farm value (1982-84=100)	104.5	107.2	96.1	96.6	97.3	92.7	89.3	90.9	94.7	94.2
Farm-retail spread (1982-84=100)	157.5	162.8	175.7	174.6	174.7	178.3	181.3	178.2	178.0	176.9
Farm value-retail cost (%)	40.5	40.3	35.9	36.2	36.4	34.8	33.6	34.4	34.5	35.3
<b>Dairy products</b>										
Retail cost (1982-84=100)	128.5	129.4	131.7	131.8	132.2	132.1	132.8	132.2	132.9	132.8
Farm value (1982-84=100)	95.8	93.0	94.5	89.8	90.6	91.9	91.8	88.7	89.1	89.9
Farm-retail spread (1982-84=100)	158.7	162.9	166.1	170.6	170.5	169.1	170.6	172.3	173.3	172.3
Farm value-retail cost (%)	35.8	34.5	34.4	32.7	32.9	33.4	33.2	32.2	32.2	32.5
<b>Poultry</b>										
Retail cost (1982-84=100)	131.4	136.9	141.5	141.7	143.3	142.3	141.6	142.9	142.5	142.8
Farm value (1982-84=100)	104.0	111.5	114.6	115.3	107.4	105.5	106.3	107.9	112.8	120.5
Farm-retail spread (1982-84=100)	163.0	166.2	172.6	172.1	184.6	184.6	182.3	183.2	176.7	168.4
Farm value-retail cost (%)	42.4	43.6	43.3	43.6	40.1	39.7	40.2	40.4	42.4	45.2
<b>Eggs</b>										
Retail cost (1982-84=100)	108.3	117.1	114.3	115.5	115.3	112.0	110.0	109.6	114.5	125.8
Farm value (1982-84=100)	77.8	88.9	83.5	80.6	85.4	86.3	74.4	76.6	82.5	88.7
Farm-retail spread (1982-84=100)	163.2	167.8	169.4	178.2	169.0	158.2	173.9	168.8	172.0	192.5
Farm value-retail cost (%)	46.1	48.8	47.0	44.8	47.6	49.5	43.5	44.9	46.3	45.3
<b>Cereal &amp; bakery products</b>										
Retail cost (1982-84=100)	151.5	156.6	164.2	164.7	165.3	166.9	166.6	167.5	168.2	168.8
Farm value (1982-84=100)	94.2	91.8	102.6	93.9	99.6	99.7	102.1	106.5	111.0	110.7
Farm-retail spread (1982-84=100)	159.5	165.6	171.5	174.6	174.5	176.3	175.6	176.0	176.2	176.9
Farm value-retail cost (%)	7.6	7.2	7.7	7.0	7.4	7.3	7.5	7.8	8.1	8.0
<b>Fresh fruits</b>										
Retail cost (1982-84=100)	189.6	195.8	208.8	208.6	212.8	218.0	228.9	222.9	223.4	230.4
Farm value (1982-84=100)	122.4	134.8	119.4	119.6	126.2	126.0	132.3	132.2	117.4	133.2
Farm-retail spread (1982-84=100)	220.6	224.0	250.1	249.7	252.8	260.5	273.5	264.8	272.3	275.3
Farm value-retail cost (%)	20.4	21.7	18.1	18.1	18.7	18.3	18.3	18.7	16.6	18.3
<b>Fresh vegetables</b>										
Retail costs (1982-84=100)	157.9	168.4	172.3	163.7	193.8	220.4	203.5	194.9	188.7	175.4
Farm value (1982-84=100)	120.6	127.1	121.1	113.0	121.6	210.8	157.2	130.6	113.8	104.5
Farm-retail spread (1982-84=100)	177.1	189.7	198.6	189.8	230.9	225.3	227.4	228.0	227.2	211.8
Farm value-retail cost (%)	25.9	25.6	23.9	23.4	21.3	32.5	26.2	22.8	20.5	20.2
<b>Processed fruits &amp; vegetables</b>										
Retail cost (1982-84=100)	133.7	131.5	134.5	134.7	136.5	137.2	137.6	137.8	138.8	139.3
Farm value (1982-84=100)	128.6	107.0	112.5	113.6	115.5	116.1	116.7	118.8	117.4	118.4
Farm-retail spread (1982-84=100)	135.3	139.2	141.3	141.3	143.1	143.8	144.1	143.7	145.5	145.8
Farm value-retail costs (%)	22.9	19.3	19.9	20.1	20.1	20.1	20.2	20.5	20.1	20.2
<b>Fats &amp; oils</b>										
Retail cost (1982-84=100)	129.8	130.0	133.5	134.1	136.8	137.2	137.1	136.4	138.0	137.5
Farm value (1982-84=100)	93.1	107.5	125.5	112.5	127.2	119.9	117.6	120.9	126.2	120.1
Farm-retail spread (1982-84=100)	143.4	138.2	136.5	142.1	140.3	143.6	144.3	142.1	142.3	143.9
Farm value-retail cost (%)	19.3	22.3	25.3	22.6	25.0	23.5	23.1	23.8	24.6	23.5

	Annual			1994	1995					
	1992	1993	1994	Sept	Apr	May	June	July	Aug	Sept
<b>Beef, Choice</b>										
Retail price 2/ (cts./lb.)	284.6	293.4	282.9	280.0	283.7	282.2	283.4	287.4	284.4	283.5
Wholesale value 3/ (cts.)	179.6	182.5	166.7	162.0	158.5	160.4	165.6	158.5	157.8	162.6
Net farm value 4/ (cts.)	161.8	164.1	145.5	136.8	139.4	132.9	134.1	129.1	129.6	133.4
Farm-retail spread (cts.)	122.8	129.3	137.4	143.2	144.3	149.3	149.3	158.3	154.8	150.1
Wholesale-retail 5/ (cts.)	105.0	110.9	116.2	118.0	125.2	121.8	117.8	128.9	126.6	120.9
Farm-wholesale 6/ (cts.)	17.8	18.4	21.2	25.2	19.1	27.5	31.5	29.4	28.2	29.2
Farm value-retail price (%)	57	56	51	49	49	47	47	45	46	47
<b>Pork</b>										
Retail price 2/ (cts./lb.)	198.0	197.6	198.0	197.3	190.6	191.0	189.0	191.4	197.3	198.0
Wholesale value 3/ (cts.)	98.9	102.8	98.9	95.5	90.0	92.9	99.2	101.6	106.1	106.8
Net farm value 4/ (cts.)	67.8	72.5	62.9	55.9	56.6	59.4	68.8	74.7	78.3	76.7
Farm-retail spread (cts.)	130.2	125.1	135.1	141.4	134.0	131.6	120.2	116.7	119.0	121.3
Wholesale-retail 5/ (cts.)	99.1	94.8	99.1	101.8	100.6	98.1	89.8	89.8	91.2	91.2
Farm-wholesale 6/ (cts.)	31.1	30.3	36.0	39.6	33.4	33.5	30.4	26.9	27.8	30.1
Farm value-retail price (%)	34	37	32	28	30	31	36	39	40	39

1/ Retail costs are based on CPI-U of retail prices for domestically produced farm foods, published monthly by BLS. The farm value is the payment for the quantity of farm equivalent to the retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale & may include marketing charges such as grading & packing for some commodities. The farm-retail spread, the difference between the retail price & the farm value, represents charges for assembling, processing, transporting, distributing. 2/ Weighted average price of retail cuts from pork & choice yield grade 3 beef. Prices from BLS. 3/ Value of wholesale (boxed beef) & wholesale cuts (pork) equivalent to 1 lb. of retail cuts adjusted for transportation costs & byproduct values. 4/ Market value to producer for live animal equivalent to 1 lb. of retail cuts, minus value of byproducts. 5/ Charges for retailing & other marketing services such as wholesaling, & in-city transportation. 6/ Charges for livestock marketing, processing, & transportation.

Information contacts: Veronica Jones (202) 219-0501, Larry Duewer (202) 501-8522.



Table 9—Price Indexes of Food Marketing Costs

	Annual			1994			1995		
	1992	1993	1994	II	III	IV	I	II	III P
	1967=100*								
Labor—hourly earnings & benefits	418.4	432.1	443.6	442.8	442.8	448.0	452.2	453.8	454.3
Processing	435.7	448.2	460.6	460.0	460.0	465.6	468.8	471.7	472.3
Wholesaling	458.5	476.5	488.7	487.6	488.7	493.6	498.7	503.0	503.4
Retailing	383.4	396.4	406.7	405.9	405.4	410.2	414.3	414.2	414.8
Packaging & containers	370.1	371.1	385.3	378.8	385.5	399.7	414.1	418.0	417.2
Paperboard boxes & containers	324.8	322.9	338.0	328.2	339.6	359.8	382.5	391.2	396.3
Metal cans	478.1	487.7	519.0	518.6	518.6	518.6	516.2	510.9	500.4
Paper bags & related products	387.8	387.3	397.0	385.8	395.9	426.5	456.0	463.6	462.2
Plastic films & bottles	309.9	307.9	311.9	306.0	310.2	323.0	331.2	332.2	331.8
Glass containers	444.4	446.8	452.8	452.3	454.5	455.6	458.5	464.4	465.0
Metal foil	241.0	238.8	238.3	235.1	240.5	241.4	267.9	269.0	260.9
Transportation services	426.1	425.9	434.9	434.4	437.8	437.3	436.4	437.2	436.7
Advertising	468.4	487.4	507.7	506.6	508.2	510.0	532.2	535.7	540.1
Fuel & power	654.6	671.7	660.7	654.6	671.0	660.0	645.9	639.1	627.5
Electric	514.0	522.3	519.6	515.0	540.5	516.4	516.6	516.1	520.5
Petroleum	639.9	638.9	596.5	581.1	608.6	611.0	570.4	567.6	538.1
Natural gas	1,061.1	1,132.9	1,152.0	1,157.8	1,131.9	1,132.6	1,125.3	1,094.3	1070.4
Communications, water & sewage	266.8	270.0	276.9	276.6	277.9	278.2	280.3	280.4	287.5
Rent	278.3	273.1	273.6	273.9	275.0	272.9	271.8	268.9	268.9
Maintenance & repair	454.8	465.2	472.5	472.0	474.3	476.5	481.2	484.6	487.4
Business services	441.9	459.9	475.2	474.1	478.0	479.6	485.7	490.1	491.4
Supplies	318.1	321.3	326.0	322.9	326.8	334.5	341.0	344.0	345.1
Property taxes & insurance	496.7	512.9	529.5	526.7	532.0	536.6	539.9	543.7	549.1
Interest, short-term	74.4	64.7	96.5	92.5	102.0	119.5	126.0	117.7	111.5
Total marketing cost index	414.6	424.1	435.0	432.9	435.8	440.5	446.0	447.7	447.8

\* Indexes measure changes in employee earnings & benefits & in prices of supplies & services used in processing, wholesaling, & retailing U.S. farm foods purchased for at-home consumption. P = preliminary.

Information contact: Veronica Jones (202) 219-0501.



## Livestock & Products

Table 10—U.S. Meat Supply & Use

	Beg. stocks	Produc- tion 1/	Imports	Total supply	Exports	Ending stocks	Consumption		Primary market price 3/
							Total	Per capita 2/	
				Million pounds 4/				Pounds	
Beef									
1993	360	23,049	2,401	25,810	1,275	529	24,006	65.0	76.36
1994	529	24,386	2,371	27,286	1,611	548	25,127	67.5	68.84
1995 F	548	25,122	2,129	27,799	1,745	475	25,579	68.0	65-66
1996 F	475	25,858	2,125	28,458	1,805	475	26,178	69.0	62-68
Pork									
1993	385	17,088	740	18,213	435	359	17,419	52.3	46.10
1994	359	17,696	743	18,798	531	438	17,829	53.1	40.03
1995 F	438	17,875	685	18,998	726	400	17,872	52.7	41-42
1996 F	400	18,363	680	19,443	740	400	18,303	53.5	37-41
Veal 5/									
1993	5	285	0	290	0	4	286	0.8	95.92
1994	4	293	0	297	0	6	291	0.9	87.14
1995 F	6	319	0	325	0	5	320	1.0	76-77
1996 F	5	326	0	331	0	5	326	1.0	74-80
Lamb & mutton									
1993	8	337	54	399	8	8	381	1.2	65.85
1994	8	308	49	365	9	11	345	1.2	66.77
1995 F	11	286	58	355	7	11	337	1.2	76-77
1996 F	11	266	53	330	8	11	311	1.2	73-76
Total red meat									
1993	758	40,759	3,195	44,712	1,718	900	42,092	119.7	—
1994	900	42,683	3,163	46,746	2,151	1,003	43,592	122.6	—
1995 F	1,003	43,602	2,872	47,477	2,478	891	44,108	122.9	—
1996 F	891	44,813	2,858	48,562	2,553	891	45,118	124.5	—
Broilers									
1993	368	22,016	0	22,384	1,965	358	20,059	68.4	55.2
1994	358	23,666	0	24,024	2,875	458	20,690	69.8	55.7
1995 F	458	24,938	0	25,396	3,644	475	21,278	71.2	55-56
1996 F	475	26,622	0	27,097	4,015	530	22,552	74.8	50-54
Mature chicken									
1993	10	515	0	525	57	8	462	1.8	—
1994	8	508	0	516	90	14	413	1.6	—
1995 F	14	501	0	515	99	10	407	1.4	—
1996 F	10	510	0	520	103	10	407	1.6	—
Turkeys									
1993	272	4,798	0	5,070	213	249	4,608	17.9	62.6
1994	249	4,937	0	5,186	245	254	4,686	18.0	65.7
1995 F	254	5,117	0	5,371	248	300	4,823	18.3	65-66
1996 F	300	5,341	0	5,641	258	300	5,083	19.2	60-65
Total poultry									
1993	650	27,329	0	27,979	2,234	615	25,129	88.0	—
1994	615	29,113	0	29,728	3,212	727	25,790	89.5	—
1995 F	727	30,556	0	31,283	3,990	785	26,507	91.1	—
1996 F	785	32,473	0	33,258	4,376	840	28,042	95.4	—
Red meat & poultry									
1993	1,408	68,088	3,195	72,691	3,953	1,515	67,221	207.7	—
1994	1,515	71,796	3,163	76,474	5,363	1,730	69,382	212.1	—
1995 F	1,730	74,158	2,872	78,760	6,468	1,676	70,615	214.0	—
1996 F	1,676	77,286	2,858	81,820	6,929	1,731	73,160	219.9	—

1/ Total including farm production for red meats & federally inspected plus nonfederally inspected for poultry. 2/ Retail weight basis. (The beef carcass-to-retail conversion factor was 70.5). 3/ Dollars per cwt for red meat; cents per pound for poultry. Beef: Medium # 1, Nebraska Direct 1,100-1,300 lb.; pork: barrows & gilts, Iowa, Southern Minnesota; veal: farm price of calves; lamb & mutton: Choice slaughter lambs, San Angelo; broilers: wholesale 12-city average; turkeys: wholesale NY 8-16 lb. young hens. 4/ Carcass weight for red meats & certified ready-to-cook for poultry. 5/ Beginning in 1989, veal trade is no longer reported separately. F = forecast. — = not available.

Information contacts: LaVerne Williams (202) 219-0841.



Table 11—U.S. Egg Supply &amp; Use

	Beg. stocks	Production	Imports	Total supply	Exports	Hatching use	Ending stocks	Consumption		
								Total	Per capita	Wholesale price*
									No.	
Million dozen										
1989	15.2	5,620.9	25.2	5,661.3	91.6	641.8	10.7	4,917.2	238.6	81.9
1990	10.7	5,687.0	9.1	5,706.8	100.8	678.5	11.6	4,915.8	236.0	82.2
1991	11.6	5,800.6	2.3	5,814.5	154.5	708.6	13.0	4,938.5	234.6	77.5
1992	13.0	5,905.0	4.3	5,922.3	157.0	732.0	13.5	5,019.8	235.9	65.4
1993	13.5	6,003.1	4.7	6,021.2	158.9	769.6	10.7	5,082.0	236.3	72.5
1994	10.7	6,176.6	3.7	6,191.0	187.6	803.0	14.9	5,185.5	238.7	67.3
1995 P	14.9	6,199.7	4.3	6,218.9	195.6	834.6	12.0	5,176.7	236.0	69.5
1996 F	12.0	6,320.0	4.0	6,336.0	193.0	870.0	12.0	5,261.0	237.6	63-69

\* Cartoned grade A large eggs, New York. F = forecast. P = preliminary.

Information contact: LaVerne Williams (202) 219-0841.

Table 12—U.S. Milk Supply & Use<sup>1</sup>

	Production	Farm use	Commercial			Total commercial supply	CCC net removals	Commercial		All milk price 1/	CCC net removals	
			Farm market-ings	Beg. stocks	Imports			Ending stocks	Disap-pear-ance		Skim solids basis	Total solids basis 2/
Billion pounds (milkfat basis)										\$/cwt	Billion pounds	
1987	142.7	2.3	140.5	4.1	2.5	147.1	6.8	4.6	135.7	12.54	9.3	8.3
1988	145.0	2.2	142.8	4.6	2.4	149.8	9.1	4.3	136.4	12.26	5.5	6.9
1989	143.9	2.1	141.8	4.3	2.5	148.6	9.4	4.1	135.0	13.56	0.4	4.0
1990	147.7	2.0	145.7	4.1	2.7	152.5	9.0	5.1	138.3	13.68	1.6	4.6
1991	147.7	2.0	145.7	5.1	2.6	153.4	10.4	4.5	138.6	12.24	3.9	6.5
1992	150.9	1.9	149.0	4.5	2.5	155.9	9.9	4.7	141.3	13.09	2.0	5.2
1993	150.6	1.8	148.8	4.7	2.8	156.3	6.7	4.6	145.1	12.86	3.9	5.0
1994	153.6	1.8	151.9	4.6	2.9	159.3	4.8	4.3	150.3	13.05	3.8	4.2
1995 F	156.8	1.7	155.1	4.3	2.9	162.3	2.1	4.5	155.6	12.70	5.8	4.3

1/ Delivered to plants & dealers; does not reflect deductions. 2/ Arbitrarily weighted average of milkfat basis (40 percent) & skim solids basis (60 percent). F = forecast.

Information contact: Jim Miller (202) 219-0834.

Table 13—Poultry &amp; Eggs

	Annual			1994		1995					
	1992	1993	1994	Aug	Mar	Apr	May	June	July	Aug	
<b>Broilers</b>											
Federally inspected slaughter, certified (mil. lb.)	21,052.4	22,178.1	23,846.2	2,206.2	2,196.7	1,912.6	2,212.9	2,230.1	1,933.1	2,169.9	
Wholesale price, 12-city (cts./lb.)	52.6	55.2	55.8	54.7	52.3	51.5	52.9	55.9	58.8	61.7	
Price of grower feed (\$/ton) 1/	125	130.1	135.2	12.3	124	126	127	131	138	132	
Broiler-feed price ratio 2/	5.1	5.3	5.2	5.7	5.3	5.1	5.1	5.0	5.0	5.4	
Stocks beginning of period (mil. lb.)	300.4	367.9	357.9	405.3	458.2	486.7	514.2	519.3	527.7	503.4	
Broiler-type chicks hatched (mil.) 3/	6,892.8	7,220.8	7,549.8	653.7	677.3	662.4	689.6	669.4	672.8	672.6	
<b>Turkeys</b>											
Federally inspected slaughter, certified (mil. lb.)	4,828.9	4,847.7	4,992.2	483.6	435.8	371.9	443.4	482.1	413.1	451.1	
Wholesale price, Eastern U.S., 8-16 lb. young hens (cts./lb.)	60.2	62.6	65.7	66.4	60	60.1	60.6	62.8	64.8	68.5	
Price of turkey grower feed (\$/ton) 1/	117.3	118.8	125.5	113	118	120	121	125	133	129	
Turkey-feed price ratio 2/	6.4	6.6	6.6	7.4	6.5	6.4	6.3	6.3	6.0	6.3	
Stocks beginning of period (mil. lb.)	264.1	271.7	249.1	588.1	367.5	444.4	480.4	553.4	618.6	673.0	
Poults placed in U.S. (mil.)	307.8	308.9	317.5	26.3	28.5	26.9	29.5	29.9	29.1	26.6	
<b>Eggs</b>											
Farm production (mil.)	70,860	72,037	74,119	6,272	6,448	6,173	6,244	5,997	6,132	6,130	
Average number of layers (mil.)	279	285	292	290	295	294	291	288	285	286	
Rate of lay (eggs per layer on farms)	253.9	253.0	254.1	21.6	21.8	21.0	21.5	20.8	21.5	21.5	
Cartoned price, New York, grade A large (cts./doz.) 4/	65.4	72.5	67.2	68.0	66.2	66.6	59.4	64.8	75.6	72.8	
Price of laying feed (\$/ton) 1/	135.5	134.2	144.4	133	133	135	144	148	152	145	
Egg-feed price ratio 2/	8.5	9.4	8.5	9.0	9.2	9.2	7.8	7.8	8.0	8.7	
<b>Stocks, first of month</b>											
Shell (mil. doz.)	0.63	0.45	0.3	0.42	0.42	0.21	0.24	0.15	0.18	0.24	
Frozen (mil. doz.)	12.3	13.0	10.4	14.4	13.9	14.0	13.2	13.8	17.4	15.6	
Replacement chicks hatched (mil.)	391	406	379	31.3	34.8	34.1	36.3	33.4	28.7	30.4	

1/ Calculated from price ratios that were revised February 1995. 2/ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. (Revised February 1995). 3/ Placement of broiler chicks is currently reported for 15 States only; henceforth, hatch of broiler-type chicks will be used as a substitute. 4/ Price of cartoned eggs to volume buyers for delivery to retailers.

Information contact: LaVerne Williams (202) 219-0841.



Table 14—Dairy

	Annual			1994	1995					
	1992	1993	1994	Aug	Mar	Apr	May	June	July	Aug
Milk prices, Minnesota-Wisconsin, 3.5% fat (\$/cwt) 1/	11.88	11.80	12.00	11.73	11.89	11.16	11.12	11.42	11.23	11.55
Wholesale prices										
Butter, grade A Chi. (cts./lb.)	82.5	74.4	67.4	71.5	66.5	66.5	66.5	69.9	74.5	79.5
Am. cheese, Wis. assembly pt. (cts./lb.)	131.9	131.5	131.5	132.2	131.1	122.8	122.1	126.9	126.7	132.2
Nonfat dry milk (cts./lb.) 2/	107.1	112.0	107.9	106.5	107.8	107.6	106.8	106.7	106.7	106.7
USDA net removals 3/										
Total milk equiv. (mil. lb.) 4/	9,932.3	6,649.8	4,804.2	-318.0	330.4	296.8	294.1	160.3	104.7	77.6
Butter (mil. lb.)	439.5	288.8	204.3	-16.0	12.7	11.6	11.7	6.2	3.7	2.5
Am. cheese (mil. lb.)	14.4	8.3	6.9	0.2	0.6	0.6	0.4	0.4	0.4	0.6
Nonfat dry milk (mil. lb.)	136.7	304.3	291.3	25.8	49.7	48.4	47.9	26.0	26.0	28.0
Milk										
Milk prod. 22 States (mil. lb.)	127,439	126,956	132,240	11,102	11,698	11,477	11,936	11,461	11,412	11,128
Milk per cow (lb.)	15,714	15,836	16,334	1,369	1,444	1,417	1,475	1,414	1,408	1,372
Number of milk cows (1,000)	8,110	8,017	8,096	8,108	8,103	8,097	8,093	8,104	8,106	8,109
U.S. milk production (mil. lb.)	150,885	150,582	153,626	6/ 12,837	6/ 13,634	6/ 13,325	6/ 13,857	6/ 13,306	6/ 13,196	6/ 12,867
Stock, beginning										
Total (mil. lb.)	15,841	14,215	9,570	10,317	6,209	6,024	6,151	6,218	6,151	6,078
Commercial (mil. lb.)	4,461	4,688	4,550	5,205	4,804	4,858	5,032	5,275	5,350	5,550
Government (mil. lb.)	11,379	9,526	5,020	5,113	1,405	1,166	1,119	942	800	528
Imports, total (mil. lb.)	2,524	2,807	2,880	226	231	190	232	214	258	—
Commercial disappearance (mil. lb.)	141,355	145,041	150,226	13,552	13,337	12,904	13,408	13,143	13,006	—
Butter										
Production (mil. lb.)	1,365.2	1,315.2	1,295.9	88.2	125.7	119.3	116.5	99.5	82.9	78.6
Stocks, beginning (mil. lb.)	539.4	447.7	234.7	245.9	88.3	74.8	79.1	81.3	79.2	68.3
Commercial disappearance (mil. lb.)	944.2	1,040.6	1,097.3	104.6	115.7	101.9	96.3	89.9	77.7	—
American cheese										
Production (mil. lb.)	2,936.6	2,957.3	2,977.0	242.6	263.2	258.9	273.3	264.4	259.4	246.5
Stocks, beginning (mil. lb.)	318.7	346.7	358.7	347.4	330.0	331.4	335.3	344.4	339.9	353.3
Commercial disappearance (mil. lb.)	2,902.7	2,945.5	3,034.1	263.3	262.5	255.3	267.2	269.5	241.1	—
Other cheese										
Production (mil. lb.)	3,551.7	3,570.9	3,753.1	319.8	330.7	305.0	324.2	323.1	301.4	312.7
Stocks, beginning (mil. lb.)	97.5	120.9	107.0	159.1	127.0	135.3	131.0	121.6	126.0	121.0
Commercial disappearance (mil. lb.)	3,795.4	3,884.3	4,047.9	357.4	347.3	331.2	357.7	344.5	332.4	—
Nonfat dry milk										
Production (mil. lb.)	872.1	954.5	1,215.6	86.8	110.4	116.5	130.0	122.3	102.1	83.6
Stocks, beginning (mil. lb.)	214.8	81.2	89.6	159.8	121.9	125.4	154.5	154.8	164.2	161.7
Commercial disappearance (mil. lb.)	720.5	648.7	901.7	86.5	57.4	38.6	80.3	83.4	77.7	—
Frozen dessert										
Production (mil. gal.) 5/	1,195.8	1,198.3	1,244.8	122.8	109.1	105.2	112.7	125.5	122.4	123.6

	Annual			1994				1995		
	1992	1993	1994	I	II	III	IV	I	II	III
Milk production (mil. lb.)	150,885	150,582	153,626	37,560	39,916	38,217	37,933	38,950	40,484	38,485
Milk per cow (lb.)	15,574	15,704	16,129	3,951	4,188	4,007	3,983	4,093	4,254	4,043
No. of milk cows (1,000)	9,688	9,589	9,525	9,506	9,530	9,539	9,524	9,517	9,516	9,520
Milk-feed price ratio	1.69	1.64	1.62	1.65	1.58	1.57	1.67	1.66	1.61	1.59
Returns over concentrate costs (\$/cwt milk)	9.95	9.54	9.65	10.10	9.60	9.15	9.75	9.40	9.15	9.10

1/ Manufacturing grade milk. 2/ Prices paid f.o.b. Central States production area. 3/ Includes products exported through the Dairy Export Incentive Program (DEIP). 4/ Milk equivalent, fat basis. 5/ Hard ice cream, ice milk, & hard sherbet. 6/ Estimated. — = not available.

Information contact: LaVerne Williams (202) 219-0841.

Table 15—Wool

	Annual			1994				1995		
	1992	1993	1994	I	II	III	IV	I	II	III
U.S. wool price, (cts./lb.) 1/	204	137	212	153	219	238	238	254	289	249
Imported wool price, (cts./lb.) 2/	210	142	216	171	192	200	222	259	275	252
U.S. mill consumption, scoured										
Apparel wool (1,000 lb.)	136,143	141,380	138,694	36,277	35,575	32,742	33,969	37,082	36,187	NA
Carpet wool (1,000 lb.)	14,695	15,431	14,400	4,450	3,484	3,640	3,165	3,050	3,748	NA

1/ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2-3/4" & up. 2/ Wool price, Charleston, SC warehouse, clean basis, Australian 60/62's, type 64A (24 micron). Duty since 1982 has been 10.0 cents. NA = not available.

Information contact: John Lawler (202) 501-7162.



Table 16—Meat Animals

	Annual			1994	1994			1995	1995	
	1992	1993	1994	Aug	Mar	Apr	May	Jun	Jul	Aug
Cattle on feed (7 States)										
Number on feed (1,000 head) 1/	8,397	9,163	9,370	7,463	8,926	8,992	8,790	8,630	8,113	7,699
Placed on feed (1,000 head)	20,508	20,474	19,997	1,846	1,776	1,435	1,738	1,413	1,428	1,723
Marketings (1,000 head)	18,548	19,048	19,602	1,767	1,629	1,557	1,827	1,868	1,787	1,919
Other disappearance (1,000 head)	1,194	1,219	895	56	81	80	71	62	55	50
Market prices (\$/cwt)										
Slaughter Cattle										
Choice steers, 1,100–1,300 lb.										
Texas	75.71	77.02	73.78	68.04	70.64	67.54	64.27	63.08	61.81	61.95
Neb. Direct	75.35	76.36	68.84	66.42	70.00	66.63	63.72	63.74	62.54	62.18
Boning utility cows, Sioux Falls	44.84	47.52	42.51	43.74	39.32	38.47	36.94	36.13	34.27	36.39
Feeder steers										
Medium no. 1, Oklahoma City										
600–650 lb.	—	91.72	83.24	82.95	76.31	76.69	72.13	68.94	68.78	68.84
750–800 lb.	—	86.45	77.72	77.45	68.84	65.41	64.83	67.06	66.20	66.28
Slaughter hogs										
Barrows & gilts, 230–250 lb.										
Iowa, S. Minn.	43.03	46.10	40.03	42.72	38.13	36.04	37.42	43.28	47.69	49.68
6 markets	42.31	45.38	39.57	42.33	37.86	35.77	37.16	42.79	47.10	49.43
Feeder pigs										
S. Mo. 40–50 lb. (per head)	31.71	40.66	31.47	29.38	39.60	36.96	31.66	30.16	28.87	30.00
Slaughter sheep & lambs										
Lambs, Choice, San Angelo	61.00	65.85	66.77	79.50	73.75	68.58	77.20	81.63	83.70	87.00
Ewes, Good, San Angelo	35.24	37.46	40.47	39.00	31.25	35.31	32.65	35.06	34.40	33.29
Feeder lambs										
Choice, San Angelo	62.21	69.32	69.70	70.08	80.06	78.81	84.95	82.63	79.80	81.67
Wholesale meat prices, Midwest										
Boxed beef cut-out value										
Choice, 700–800 lb.	116.02	117.71	106.73	106.04	107.35	103.25	104.59	108.16	103.24	101.78
Select, 700–800 lb.	111.66	113.53	102.08	99.63	105.40	99.76	95.04	99.20	95.79	92.98
Canner & cutter cow beef	93.85	95.43	84.39	82.31	74.94	72.91	70.86	74.05	69.18	68.23
Pork cutout, No. 2	58.37	62.19	57.29	59.33	54.55	51.64	54.14	60.98	63.66	67.91
Pork loins, 14–18 lb.	101.41	107.47	101.50	112.86	95.30	93.33	103.50	118.81	124.65	127.98
Pork bellies, 12–14 lb.	30.39	41.62	40.00	39.60	36.30	33.83	31.70	37.94	43.10	52.42
Hams, skinned, 20–26 lb.	66.67	66.90	55.60	54.92	51.60	44.00	41.82	48.40	59.64	64.27
All fresh beef retail price	266.41	271.45	265.02	261.70	265.29	260.13	261.47	257.45	258.14	258.76
Commercial slaughter (1,000 head) 2/										
Cattle	32,874	33,324	34,196	3,061	2,950	2,650	3,123	3,243	2,930	3,220
Steers	17,138	17,222	18,027	1,686	1,498	1,401	1,703	1,779	1,595	1,730
Heifers	9,236	9,358	9,589	821	865	765	887	923	869	936
Cows	5,846	6,086	5,941	490	528	434	474	479	414	492
Bulls & stags	653	659	641	64	59	50	59	62	52	62
Calves	1,371	1,195	1,268	108	121	98	117	118	114	124
Sheep & lambs	5,496	5,182	4,938	400	468	440	371	360	310	372
Hogs	94,889	93,068	95,697	8,191	8,808	7,547	8,193	7,906	7,075	8,265
Barrows & gilts	89,964	88,387	90,758	7,745	8,391	7,208	7,807	7,484	6,684	7,829
Commercial production (mil. lb.)										
Beef	22,968	22,942	24,278	2,215	2,060	1,849	2,184	2,279	2,082	2,308
Veal	299	267	283	24	27	22	26	26	24	26
Lamb & mutton	343	329	304	24	30	28	23	22	19	23
Pork	17,184	17,030	17,658	1,493	1,634	1,405	1,525	1,464	1,299	1,503

	Annual			1994	1994			1995		
	1992	1993	1994	II	III	IV	I	II	III	IV
Cattle on feed (13 States)										
Number on feed (1,000 head) 1/	10,135	10,974	11,196	10,734	9,124	9,252	10,606	10,688	9,558	9,403
Placed on feed (1,000 head)	24,251	24,102	23,449	4,675	6,315	7,087	5,914	5,249	6,233	—
Marketings (1,000 head)	21,981	22,376	22,979	5,951	5,996	5,473	5,545	6,107	6,196	—
Other disappearance (1,000 head)	1,431	1,504	1,060	334	191	260	287	272	192	—
Hogs & pigs (U.S.) 3/										
Inventory (1,000 head) 1/	57,649	58,202	57,904	57,350	60,715	62,320	59,992	58,465	60,160	61,060
Breeding (1,000 head) 1/	7,229	7,109	7,130	7,210	7,565	7,415	7,061	6,998	7,245	7,068
Market (1,000 head) 1/	50,420	51,093	50,739	50,140	53,150	54,905	52,932	51,467	52,915	53,992
Farrowings (1,000 head)	12,272	11,982	12,376	3,389	3,107	2,995	2,886	3,260	3,006	2,999
Pig crop (1,000 head)	99,142	97,050	101,400	27,976	25,547	24,509	23,860	27,120	25,000	—

1/ Beginning of period. 2/ Classes estimated. 3/ Quarters are Dec. of preceding year–Feb. (I), Mar.–May (II), June–Aug. (III), &amp; Sept.–Nov. (IV).

— = not available.

\*Intentions.

Information contact: Leland Southard (202) 501-8553.

Wheat  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Rice  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Corn  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Sorghum  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Barley  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Oats  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Soybeans  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Soybean o  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*Soybean m  
1990/91  
1991/92  
1992/93  
1993/94  
1994/95\*  
1995/96\*

See footno



## Crops &amp; Products

Table 17—Supply & Utilization<sup>1,2</sup>

	Area			Yield	Production	Total supply 4/	Feed & residual	Other domestic use	Exports	Total use	Ending stocks	Farm price 5/
	Set aside 3/	Planted	Harvested									
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
Wheat												
1990/91	7.5	77.0	69.1	39.5	2,730	3,303	482	883	1,069	2,435	868	2.61
1991/92	15.9	69.9	57.8	34.3	1,980	2,889	244	887	1,282	2,414	475	3.00
1992/93	7.3	72.2	62.8	39.3	2,467	3,012	194	934	1,354	2,481	531	3.24
1993/94	5.7	72.2	62.7	38.2	2,396	3,036	272	968	1,228	2,467	568	3.26
1994/95*	5.2	70.3	61.8	37.6	2,321	2,981	345	942	1,188	2,475	507	3.45
1995/96*	4.3	69.1	60.9	35.9	2,183	2,790	225	970	1,200	2,395	395	4.10-4.40
Rice												
	Mil. acres			Lb./acre				Mil. cwt (rough equiv.)				\$/cwt
1990/91	1.0	2.9	2.8	5,529.0	156.1	187.2	—	6/ 91.6	71.0	162.6	24.6	6.7
1991/92	0.9	2.9	2.8	5,731.0	159.4	189.2	—	6/ 95.4	66.4	161.8	27.4	7.6
1992/93	0.4	3.2	3.1	5,736.0	179.7	213.2	—	6/ 96.7	77.0	173.7	39.4	5.9
1993/94	0.7	2.9	2.8	5,510.0	156.1	202.5	—	6/ 101.5	75.2	176.7	25.8	8.0
1994/95*	0.3	3.4	3.3	5,964.0	197.8	230.9	—	6/ 98.6	100.9	199.5	31.4	6.7
1995/96*	0.5	3.2	3.1	5,710.0	177.6	217.3	—	6/ 104.2	88.0	192.2	25.1	7.00-8.00
Corn												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1990/91	10.7	74.2	67.0	118.5	7,934	9,282	4,663	1,373	1,725	7,761	1,521	2.28
1991/92	7.4	76.0	68.8	108.6	7,475	9,016	4,877	1,454	1,584	7,915	1,100	2.37
1992/93	5.3	79.3	72.1	131.5	9,477	10,584	5,296	1,511	1,663	8,471	2,113	2.07
1993/94	10.9	73.2	62.9	100.7	6,336	8,470	4,704	1,588	1,328	7,620	850	2.50
1994/95*	2.4	79.2	72.9	138.6	10,103	10,963	5,512	1,693	2,200	9,405	1,558	2.26
1995/96*	6.4	71.3	64.7	116.6	7,541	9,110	4,700	1,725	2,000	8,425	685	2.75-3.15
Sorghum												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1990/91	3.3	10.5	9.1	63.1	573	793	410	9	232	651	143	2.12
1991/92	2.5	11.1	9.9	59.3	585	727	374	8	292	674	53	2.25
1992/93	2.0	13.2	12.1	72.6	875	928	469	8	277	753	175	1.89
1993/94	2.3	9.9	8.9	59.9	534	709	453	8	202	662	48	2.31
1994/95*	1.6	9.8	9.0	73.0	655	703	404	7	220	631	71	2.13
1995/96*	1.4	9.1	8.3	59.2	492	563	335	7	180	522	41	2.60-3.00
Barley												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1990/91	2.9	8.2	7.5	56.1	422	596	205	176	81	461	135	2.14
1991/92	2.2	8.9	8.4	55.2	464	624	225	176	94	496	129	2.10
1992/93	2.3	7.8	7.3	62.5	455	595	192	171	80	444	151	2.04
1993/94	2.5	7.8	6.8	58.9	398	621	241	175	66	482	139	1.99
1994/95*	2.7	7.2	6.7	56.2	375	580	226	175	66	467	113	2.03
1995/96*	2.3	6.7	6.3	57.6	361	534	215	175	50	440	94	2.40-2.70
Oats												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1990/91	0.2	10.4	5.9	60.1	358	578	286	120	1	407	171	1.14
1991/92	0.6	8.7	4.8	50.6	244	490	235	125	2	362	128	1.21
1992/93	0.7	7.9	4.5	65.4	294	477	233	125	6	364	113	1.32
1993/94	0.8	7.9	3.8	54.4	207	427	193	125	3	321	106	1.36
1994/95*	0.6	6.6	4.0	57.1	229	428	201	125	1	327	101	1.22
1995/96*	0.6	6.3	3.0	55.2	163	369	155	125	1	281	88	1.45-1.65
Soybeans												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1990/91	0.0	57.8	56.5	34.1	1,926	2,168	7/ 95	1,187	557	1,839	329	5.74
1991/92	0.0	59.2	58.0	34.2	1,987	2,319	7/ 103	1,254	684	2,041	278	5.58
1992/93	0.0	59.2	58.2	37.6	2,190	2,471	7/ 130	1,279	770	2,179	292	5.56
1993/94	0.0	60.1	57.3	32.6	1,871	2,170	7/ 96	1,276	589	1,961	209	6.40
1994/95*	0.0	61.7	60.9	41.4	2,517	2,731	7/ 146	1,405	845	2,396	335	5.45
1995/96*	0.0	62.6	61.7	35.5	2,191	2,531	7/ 116	1,395	800	2,311	220	6.25-7.25
Soybean oil												
								Mil. lbs.				Cts./lb.
1990/91	—	—	—	—	13,408	14,730	—	12,164	780	12,944	1,786	21.00
1991/92	—	—	—	—	14,345	16,132	—	12,245	1,648	13,893	2,239	19.10
1992/93	—	—	—	—	13,778	16,028	—	13,054	1,419	14,473	1,555	21.40
1993/94	—	—	—	—	13,951	15,574	—	12,941	1,529	14,471	1,103	27.10
1994/95*	—	—	—	—	15,632	16,750	—	13,025	2,750	15,775	975	27.58
1995/96*	—	—	—	—	15,695	16,680	—	13,100	1,950	15,050	1,630	24.0-28.5
Soybean meal												
								1,000 tons				9/ \$/ton
1990/91	—	—	—	—	28,325	28,688	—	22,934	5,469	28,403	285	181.40
1991/92	—	—	—	—	29,831	30,183	—	23,008	6,945	29,953	230	189.20
1992/93	—	—	—	—	30,364	30,687	—	24,251	6,232	30,483	204	193.75
1993/94	—	—	—	—	30,514	30,788	—	25,283	5,356	30,639	150	192.86
1994/95*	—	—	—	—	33,335	33,550	—	26,700	6,600	33,300	250	162.55
1995/96*	—	—	—	—	33,040	33,350	—	27,000	6,100	33,100	250	195-220

See footnotes at end of table.



Table 17—Supply &amp; Utilization (continued)

	Area			Yield	Production	Total supply 4/	Feed & residual	Other domestic use	Exports	Total use	Ending Stocks	Farm price 5/
	Set aside 3/	Planted	Harvested									
	Mil. acres			Lb./acre		Mil. bales			Cts./lb.			
Cotton 10/												
1990/91	2.0	12.3	11.7	634	15.5	18.5	—	8.7	7.8	16.5	2.3	67.10
1991/92	1.2	14.1	13.0	652	17.6	20.0	—	9.6	6.7	16.3	3.7	58.10
1992/93	1.7	13.2	11.1	700	16.2	19.9	—	10.3	5.2	15.5	4.7	54.90
1993/94	1.4	13.4	12.8	606	16.1	20.8	—	10.4	6.9	17.3	3.5	58.40
1994/95*	1.7	13.7	13.3	708	19.7	23.2	—	11.2	9.4	20.6	2.7	73.00
1995/96*	0.3	16.7	15.9	579	19.1	21.8	—	11.2	7.5	18.7	3.2	11/

\*October 11, 1995 Supply & Demand Estimates. 1/ Marketing year beginning June 1 for wheat, barley, & oats, August 1 for cotton & rice, September 1 for soybeans, corn, & sorghum, October 1 for soybean meal & soyoil. 2/ Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 45.9296 bushels of barley, 68.8944 bushels of oats, 22.046 cwt of rice, & 4.59 480-pound bales of cotton. 3/ Includes diversion, acreage reduction, 50-92, & 0-92 programs. 0/92 & 50/92 set-aside includes idled acreage & acreage planted to minor oilseeds, sesame, and crambe. 4/ Includes imports. 5/ Marketing-year weighted average price received by farmers. Does not include an allowance for loans outstanding & Government purchases. 6/ Residual included in domestic use. 7/ Includes seed. 8/ Simple average of crude soybean oil, Decatur. 9/ Simple average of 48 percent, Decatur. 10/ Upland & extra long staple. Stocks estimates based on Census Bureau data, resulting in an unaccounted difference between supply & use estimates & changes in ending stocks. 11/ USDA is prohibited from publishing cotton price projections. — = not available or not applicable.

Information contacts: Wheat, rice & feed grains, Jenny Gonzales (202) 219-0704; soybeans, soybean products & cotton, Mae Dean Johnson (202) 219-0506.

Table 18—Cash Prices, Selected U.S. Commodities

	Marketing year 1/				1994	1995				
	1990/91	1991/92	1992/93	1993/94	Aug	Apr	May	June	July	Aug
Wheat, No. 1 HRW, Kansas City (\$/bu.) 2/	2.94	3.77	3.67	3.60	3.70	3.86	4.22	4.72	4.98	4.76
Wheat, DNS, Minneapolis (\$/bu.) 3/	3.06	3.82	3.91	5.02	4.00	4.30	4.61	4.89	5.52	5.06
Rice, S.W. La. (\$/cwt) 4/	15.25	16.50	13.30	20.25	14.30	13.90	15.05	17.05	17.30	17.25
Corn, no. 2 yellow, 30 day, Chicago (\$/bu.)	2.41	2.52	2.22	2.68	2.24	2.50	2.58	2.73	2.87	2.80
Sorghum, no. 2 yellow, Kansas City (\$/cwt)	4.08	4.36	3.74	4.37	3.73	4.08	4.27	4.50	4.93	4.85
Barley, feed, Duluth (\$/bu.)	2.13	2.17	2.11	2.05	1.99	1.97	2.11	2.22	2.25	2.09
Barley, malting, Minneapolis (\$/bu.)	2.42	2.38	2.37	2.48	2.46	—	—	3.15	3.69	3.22
U.S. cotton price, SLM, 1-1/16 in. (cts./lb.) 5/	74.8	56.7	54.1	66.1	70.3	104.9	105.4	106.9	93.3	85.9
Northern Europe prices cotton index (cts./lb.) 6/	82.9	62.9	56.9	70.7	76.7	114.6	115.1	—	—	85.4
U.S. M 1-3/32 in. (cts./lb.) 7/	88.2	66.3	62.5	73.1	77.3	120.2	121.7	129.0	—	86.9
Soybeans, no. 1 yellow, 30 day, Chicago (\$/bu.)	5.76	5.75	5.96	5.61	5.75	5.68	5.74	5.85	6.17	5.93
Soybean oil, crude, Decatur (cts./lb.)	21.00	19.10	21.40	25.18	24.50	26.16	25.75	26.66	27.51	26.28
Soybean meal, 48% protein, Decatur (\$/ton) 8/	181.40	189.20	193.75	161.10	178.60	161.90	159.10	160.40	170.45	166.70

1/ Beginning June 1 for wheat & barley; Aug. 1 for rice & cotton; Sept. 1 for corn, sorghum & soybeans; Oct. 1 for soybean meal & oil. 2/ Ordinary protein. 3/ 14% protein. 4/ Long grain, milled basis. 5/ Average spot market. 6/ Liverpool Cotton "A" Index; average of five lowest prices of 13 selected growths. 7/ Cotton: Memphis territory growths. 8/ Note change to 48% protein. — = not available.

Information contacts: Wheat, rice, & feed grains, Jenny Gonzales (202) 219-0704; Soybeans, soybean products, & cotton, Mae Dean Johnson (202) 219-0506.



Table 19—Farm Programs, Price Supports, Participation, &amp; Payment Rates

Payment rates										
	Target price	Basic loan rate	Findley or announced loan rate 1/		Total deficiency	Paid land diversion		Effective base acres 2/	Program 3/	Participation rate 4/
						Mandatory	Optional			
					\$/bu.			Mil. acres	Percent of base	Percent of base
Wheat										
1990/91 5/	4.00	2.44	1.95		1.28	---	---	80.5	6/ 5/0/0	83
1991/92	4.00	2.52	2.04		*1.35	---	---	79.2	15/0/0	85
1992/93	4.00	2.58	2.21		0.81	---	---	78.9	5/0/0	83
1993/94	4.00	2.86	2.45		1.03	---	---	78.5	0/0/0	88
1994/95	4.00	2.72	2.58		**0.95	---	---	78.1	0/0/0	87
1995/96	4.00	---	---		***0.70	---	---	---	0/0/0	---
					\$/cwt					
Rice										
1990/91 5/	10.71	6.50	7/ 5.40		4.16	---	---	4.2	20/0/0	95
1991/92	10.71	6.50	7/ 5.85		3.07	---	---	4.2	5/0/0	95
1992/93	10.71	6.50	7/ 4.86		4.21	---	---	4.1	0/0/0	96
1993/94	10.71	6.50	7/ 5.64		3.98	---	---	4.1	5/0/0	97
1994/95	10.71	6.50	7/ ---		**3.89	---	---	4.2	0/0/0	95
1995/96	10.71	6.50	7/ ---		***4.21	---	---	---	5/0/0	---
					\$/bu.					
Corn										
1990/91 5/	2.75	1.96	1.57		0.51	---	---	82.6	10/0/0	78
1991/92	2.75	1.89	1.62		0.41	---	---	82.7	7.5/0/0	77
1992/93	2.75	2.01	1.72		0.73	---	---	82.1	5/0/0	76
1993/94	2.75	1.99	1.72		0.28	---	---	81.8	10/0/0	81
1994/95	2.75	1.99	1.89		**0.57	---	---	81.5	0/0/0	82
1995/96	2.75	---	---		***0.40	---	---	---	7.5/0/0	---
					\$/bu.					
Sorghum										
1990/91 5/	2.61	1.86	1.49		0.56	---	---	15.4	10/0/0	70
1991/92	2.61	1.80	1.54		0.37	---	---	13.5	7.5/0/0	77
1992/93	2.61	1.91	1.63		0.72	---	---	13.6	5/0/0	79
1993/94	2.61	1.89	1.63		0.25	---	---	13.5	5/0/0	82
1994/95	2.61	1.89	1.80		**0.59	---	---	13.5	0/0/0	81
1995/96	2.61	---	---		***0.39	---	---	---	0/0/0	---
					\$/bu.					
Barley										
1990/91 5/	2.36	1.60	1.28		0.20	---	---	11.9	10/0/0	68
1991/92	2.36	1.54	1.32		0.62	---	---	11.5	7.5/0/0	76
1992/93	2.36	1.64	1.40		0.56	---	---	11.1	5/0/0	75
1993/94	2.36	1.62	1.40		0.67	---	---	10.8	0/0/0	83
1994/95	2.36	1.62	1.54		**0.52	---	---	10.7	0/0/0	84
1995/96	2.36	---	---		***0.40	---	---	---	0/0/0	---
					\$/bu.					
Aug										
Oats										
1990/91 5/	1.45	1.01	0.81		0.32	---	---	7.5	5/0/0	09
1991/92	1.45	0.97	0.83		0.35	---	---	7.3	0/0/0	38
1992/93	1.45	1.03	0.88		0.17	---	---	7.2	0/0/0	40
1993/94	1.45	1.02	0.88		0.11	---	---	7.1	0/0/0	46
1994/95	1.45	1.02	0.97		**0.20	---	---	6.8	0/0/0	40
1995/96	1.45	---	---		***0.05	---	---	---	0/0/0	---
					\$/bu.					
Soybeans 8/										
1990/91 5/	---	---	4.50		---	---	---	---	---	---
1991/92	---	---	5.02		---	---	---	---	---	---
1992/93	---	---	5.02		---	---	---	---	---	---
1993/94	---	---	5.02		---	---	---	---	---	---
1994/95	---	---	4.92		---	---	---	---	---	---
1995/96	---	---	4.92		---	---	---	---	---	---
					Cts./lb.					
Upland cotton										
1990/91 5/	72.9	50.27	9/ 50.27		7.3	---	---	14.4	12.5/0/0	86
1991/92 10/	72.9	50.77	9/ 47.23		10.1	---	---	14.6	5/0/0	84
1992/93	72.9	52.35	9/ 43.81		20.3	---	---	14.9	10/0/0	89
1993/94	72.9	52.35	9/ 47.50		18.6	---	---	15.1	7.5/0/0	91
1994/95	72.9	50.00	9/ ---		**4.6	---	---	15.3	11/0/0	89
1995/96	72.9	51.92	9/ ---		***3.7	---	---	---	0/0/0	---

1/ There are no Findley loan rates for rice or cotton. See footnotes 7/ & 11/. 2/ National effective crop acreage base as determined by CFSA. Net of CRP. 3/ Program requirements for participating producers (mandatory acreage reduction program/mandatory paid land diversion/optional paid land diversion). Acres idled must be devoted to a conserving use to receive program benefits. 4/ Percentage of effective base acres enrolled in acreage reduction programs. 5/ Payments & loans were reduced by 1.4 percent in 1990/91 due to Gramm-Rudman-Hollings. Budget Reconciliation Act reductions to deficiency payments rates were also in effect in that year. Data do not include these reductions. 6/ Under 1990 modified contracts, participating producers plant up to 105 percent of their wheat base acres. For every acre planted above 95 percent of base, the acreage used to compute deficiency payments was cut by 1 acre. 7/ A marketing loan has been in effect for rice since 1985/86. Loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly). However, loans cannot be repaid at less than a specified fraction of the loan rate. Data refer to market-year average loan repayment rates. 8/ There are no target prices, base acres, acreage reduction programs, or deficiency payment rates for soybeans. 9/ A marketing loan has been in effect for cotton since 1986/87. In 1987/88 & after, loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly; Plan B). Starting in 1991/92, loans cannot be repaid at less than 70 percent of the loan rate. Data refer to annual average loan repayment rates. 10/ A marketing certificate program was implemented on Aug. 1, 1991. --- = not available.

\* For wheat, the 1991/92 rate is the total deficiency payment rate for the "regular" program. For the winter wheat option, the rate is \$1.25.

\*\* For wheat, corn, sorghum, barley and oats, regular deficiency payment rate based on the 5-month price. For rice and upland cotton, total deficiency payment rate.

\*\*\* Estimated total deficiency payment rate based on Fiscal Year 1996 President's Budget.

Note: 1994 effective base acres and participation rates are from the December 30 Preliminary Compliance Report for 1994.

Information Contact: Jim Langley, Consolidated Farm Service Agency (202) 690-0640.



Table 20—Fruit

	1987	1988	1989	1990	1991	1992	1993	1994	1995 P
Citrus 1/									
Production (1,000 ton)	11,994	12,761	13,186	10,860	11,285	12,452	15,274	14,561	15,990
Per capita consumpt. (lbs.) 2/	23.9	25.4	23.6	21.4	19.1	24.4	26.0	25.3	26.0
Noncitrus 3/									
Production (1,000 tons)	16,274	15,989	16,438	15,741	15,879	17,178	16,591	17,268	16,655
Per capita consumpt. (lbs.) 2/	73.5	71.8	73.1	70.6	70.7	73.8	73.9	75.7	—
	1994	1995							
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Grower prices									
Apples (cents/pound) 4/	19.5	18.3	18.2	16.6	15.5	15.6	16.8	23.7	27.1
Pears (cents/pound) 4/	11.1	14.4	17.3	18.7	17.7	27.9	17.7	15.2	18.7
Oranges (\$/box) 5/	3.05	3.29	3.77	4.48	4.92	5.21	5.58	7.64	7.21
Grapefruit (\$/box) 5/	2.19	2.24	2.28	1.68	1.37	4.54	6.72	7.85	10.05
Stocks, ending									
Fresh apples (mil. lbs.)	3,722.2	2,986.0	2,212.1	1,618.9	947.6	596.2	271.9	68.4	—
Fresh pears (mil. lbs.)	214.3	149.8	99.1	57.6	21.0	3.0	34.5	174.3	—
Frozen fruits (mil. lbs.)	1,119.6	1,042.0	925.9	861.5	794.7	881.7	1,014.1	1,049.1	—
Frozen conc. orange juice (mil. single-strength gallons)	695.4	687.7	715.0	761.0	748.4	629.0	548.6	515.5	—

1/ Year shown is when harvest concluded. 2/ Fresh per capita consumption. 3/ Calendar year. 4/ Fresh use. 5/ U.S. equivalent on-tree returns. P = preliminary. — = not available.

Information contact: Susan Pollack (202) 219-0505, or Agnes Perez (202) 501-6779.

Table 21—Vegetables

	Calendar year									
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Production										
Total vegetables (1,000 cwt)	453,030	448,629	478,379	467,914	543,435	562,938	565,754	677,975	674,940	746,324
Fresh (1,000 cwt) 1/ 3/	203,549	203,165	220,537	228,191	240,289	240,519	230,689	378,503	373,604	378,350
Processed (tons) 2/ 3/	12,474,040	12,273,200	12,892,100	11,986,160	15,157,290	16,120,960	16,753,270	14,973,630	15,066,800	18,398,680
Mushrooms (1,000 lbs) 4/	587,956	614,393	631,819	667,759	714,992	749,151	746,832	776,357	750,799	780,978
Potatoes (1,000 cwt)	406,609	361,743	389,320	356,438	370,444	402,110	417,622	425,367	428,693	467,924
Sweetpotatoes (1,000 cwt)	14,573	12,368	11,611	10,945	11,358	12,594	11,203	12,005	11,053	13,395
Dry edible beans (1,000 cwt)	22,298	22,960	26,031	19,253	23,729	32,379	33,765	22,615	21,913	29,187
	1994	1995								
	Aug	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Shipments (1,000 cwt)										
Fresh	17,349	17,424	17,505	17,802	21,121	19,141	28,912	25,829	19,020	18,448
Iceberg lettuce	3,765	3,669	3,835	3,575	2,992	3,086	4,044	3,276	3,221	4,142
Tomatoes, all	2,614	2,252	2,320	3,238	3,691	2,907	3,378	3,165	3,212	2,853
Dry-bulb onions	3,375	3,660	3,510	2,759	3,386	3,043	4,005	2,909	2,806	3,531
Other 5/	7,595	7,843	7,840	8,230	11,052	10,105	17,485	16,479	9,781	7,922
Potatoes, all	10,565	13,364	13,418	12,815	17,818	17,872	20,620	10,905	9,016	10,633
Sweetpotatoes	104	673	214	237	291	317	159	166	144	161

1/ Includes fresh production of asparagus, broccoli, carrots, cauliflower, celery, sweet corn, lettuce, honeydews, onions, & tomatoes through 1991. 2/ Includes processing production of snap beans, sweet corn, green peas, tomatoes, cucumbers (for pickles), asparagus, broccoli, carrots, & cauliflower. 3/ Data after 1991 not comparable to previous years because commodity estimates reinstated in 1992 are included. 4/ Fresh & processing agaricus mushrooms only. Excludes specialty varieties. Crop year July 1 - June 30. 5/ Includes snap beans, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, bell peppers, squash, cantaloupes, honeydews, & watermelons.

Information contacts: Gary Lucier (202) 219-0117 or John Love (202) 219-0388.

Table 22—Other Commodities

	Annual					1994			1995	
	1990	1991	1992	1993	1994	Apr-June	July-Sept	Oct-Dec	Jan-Mar	Apr-June
Sugar										
Production 1/	6,334	7,145	7,569	7,841	7,681	639	870	3,926	2,433	875
Deliveries 1/	8,661	8,704	8,936	9,064	9,322	2,307	2,579	2,292	2,121	2,334
Stocks, ending 1/	2,729	3,039	3,225	3,512	3,145	2,685	1,338	3,145	3,903	2,550
Coffee										
Composite green price N.Y. (cts./lb.)	76.93	70.09	55.30	64.31	138.62	110.27	197.50	170.63	159.78	155.68
Imports, green bean equiv. (mil. lbs.) 2/	2,716	2,555	2,943	2,445	2,048	447	550	491	618	504
	Annual					1994				
	1992	1993	1994	May	Dec	Jan	Feb	Mar	Apr	May
Tobacco										
Avg. price to grower 3/										
Flue-cured (\$/lb.)	172.6	168.1	169.8	---	---	---	---	---	---	---
Burley (\$/lb.)	181.5	181.5	181.4	---	184.0	183.5	182.5	---	---	---
Domestic consumption 4/										
Cigarettes (bil.)	509.5	462.9	488.6	37.8	39.4	38.5	34.5	42.7	36.2	42.5
Large cigars (mil.)	2,217.1	2,236.8	2,290.8	198.9	159.2	159.3	136.4	227.4	194.5	233.6

1/ 1,000 short tons, raw value. Quarterly data shown at end of each quarter. 2/ Net imports of green & processed coffee. 3/ Crop year July-June for flue-cured, Oct.-Sept. for burley. 4/ Taxable removals. --- = not available.

Information contacts: Sugar, Peter Buzzanell (202) 219-0888, Tobacco, Verner Grise (202) 219-0890.



# World Agriculture

## Table 23—World Supply & Utilization of Major Crops, Livestock & Products

	1989/90	1990/91	1991/92	1992/93	1993/94 E	1994/95 F	1995/96 P
	Million units						
Wheat							
Area (hectares)	225.8	231.4	222.5	223.1	221.1	214.7	216.8
Production (metric tons)	533.2	588.0	542.1	561.8	559.3	522.4	529.8
Exports (metric tons) 1/	103.6	101.0	110.8	112.7	100.1	97.2	95.4
Consumption (metric tons) 2/	532.7	561.5	554.7	549.8	563.5	549.4	546.2
Ending stocks (metric tons) 3/	118.9	145.4	132.8	144.9	140.7	113.7	97.4
Coarse grains							
Area (hectares)	321.1	314.4	318.2	318.8	311.7	315.6	303.8
Production (metric tons)	791.3	821.5	805.0	865.3	790.1	865.5	796.6
Exports (metric tons) 1/	104.5	89.5	96.1	91.5	85.6	94.8	87.2
Consumption (metric tons) 2/	815.6	809.3	804.9	836.9	830.6	854.5	837.4
Ending stocks (metric tons) 3/	122.3	134.5	134.6	162.9	122.4	133.5	92.6
Rice, milled							
Area (hectares)	146.6	146.7	146.0	145.7	144.6	145.5	146.2
Production (metric tons)	343.1	350.5	349.5	352.4	352.6	360.5	357.1
Exports (metric tons) 4/	11.7	12.1	14.1	14.9	16.0	19.4	16.1
Consumption (metric tons) 2/	338.1	345.8	351.6	354.8	357.0	361.6	363.0
Ending stocks (metric tons) 3/	54.1	58.8	56.7	54.3	49.9	48.7	42.8
Total grains							
Area (hectares)	693.5	692.5	686.7	687.6	677.4	675.8	666.8
Production (metric tons)	1,667.6	1,760.0	1,696.6	1,779.5	1,702.0	1,748.4	1,683.5
Exports (metric tons) 1/	219.8	202.6	221.0	219.1	201.7	211.4	198.7
Consumption (metric tons) 2/	1,686.4	1,716.6	1,711.2	1,741.5	1,751.1	1,765.5	1,746.6
Ending stocks (metric tons) 3/	295.3	338.7	324.1	362.1	313.0	295.9	232.8
Oilseeds							
Crush (metric tons)	171.7	176.7	185.1	183.7	188.4	205.3	211.0
Production (metric tons)	212.4	215.7	224.4	227.5	227.5	259.5	252.8
Exports (metric tons)	35.6	33.4	37.6	37.9	37.8	43.8	43.9
Ending stocks (metric tons)	23.7	23.4	21.8	23.3	19.5	25.8	20.9
Meals							
Production (metric tons)	116.8	119.3	125.2	124.5	129.9	140.6	144.0
Exports (metric tons)	39.8	40.7	42.0	41.0	44.5	47.1	47.9
Oils							
Production (metric tons)	57.1	58.1	60.6	60.9	62.3	67.9	70.4
Exports (metric tons)	20.4	20.5	21.3	21.1	23.6	26.6	25.9
Cotton							
Area (hectares)	31.6	33.2	34.8	32.6	30.6	31.9	34.6
Production (bales)	79.7	87.0	96.0	82.8	77.0	85.6	88.2
Exports (bales)	31.3	29.7	28.2	25.6	27.3	29.0	28.1
Consumption (bales)	86.9	85.6	86.0	85.7	85.2	84.3	86.4
Ending stocks (bales)	31.3	29.7	28.2	25.6	27.3	29.0	28.1
Red meat							
Production (metric tons)	112.3	113.3	114.9	115.8	116.6	118.9	120.5
Consumption (metric tons)	110.9	111.4	113.2	113.4	114.5	117.5	119.9
Exports (metric tons) 1/	8.2	7.9	8.1	7.6	7.7	8.0	7.3
Poultry 5/							
Production (metric tons)	33.1	33.8	35.7	37.6	39.8	42.1	44.4
Consumption (metric tons)	32.6	32.6	34.5	36.6	38.0	40.0	41.7
Exports (metric tons) 1/	1.7	2.7	3.0	3.3	3.9	4.6	5.0
Dairy							
Milk production (metric tons) 6/	387.4	395.0	384.9	379.3	378.9	378.6	379.7

1/ Excludes intra-EU trade but includes intra-FSU trade. 2/ Where stocks data are not available, consumption includes stock changes. 3/ Stocks data are based on differing marketing years & do not represent levels at a given date. Data not available for all countries. 4/ Calendar year data. 1990 data correspond with 1989/90, etc. 5/ Data prior to 1989 no longer comparable. P = projected. F = forecast. E = estimated. — = not available.

Information contacts: Crops, Carol Whitton (202) 219-0825; red meat & poultry, Shayle Shagam (202) 219-0833; dairy, LaVerne Williams (202) 219-0841.



## U.S. Agricultural Trade

Table 24—Prices of Principal U.S. Agricultural Trade Products

	Annual			1994	1995					
	1992	1993	1994	Aug	Mar	Apr	May	June	July	Aug
Export commodities										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	4.13	3.83	4.09	4.03	4.09	4.05	4.33	4.63	5.18	5.03
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	2.66	2.62	2.74	2.44	2.78	2.79	2.84	3.03	3.22	3.21
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.63	2.56	2.69	2.44	2.73	2.73	2.85	2.99	3.16	3.15
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	6.01	6.53	6.52	5.96	6.10	6.09	6.04	6.20	6.58	6.46
Soybean oil, Decatur (cts./lb.)	19.16	22.83	27.78	24.49	28.18	26.17	25.76	26.67	27.57	26.28
Soybean meal, Decatur (\$/ton)	177.79	199.18	182.63	178.95	156.21	160.16	159.39	160.40	170.45	166.82
Cotton, 7-market avg. spot (cts./lb.)	53.90	55.36	73.24	70.32	104.20	104.94	105.38	106.96	93.01	85.90
Tobacco, avg. price at auction (cts./lb.)	172.58	172.16	176.93	160.08	170.55	152.49	—	—	175.95	175.95
Rice, f.o.b. mill, Houston (\$/cwt)	16.80	16.12	19.14	15.80	13.75	13.75	14.33	16.70	17.90	17.75
Inedible tallow, Chicago (cts./lb.)	14.37	14.89	17.56	19.00	18.16	17.75	17.50	17.77	19.44	19.25
Import commodities										
Coffee, N.Y. spot (\$/lb.)	0.50	0.59	1.38	1.89	1.68	1.63	1.61	1.51	1.49	1.53
Rubber, N.Y. spot (cts./lb.)	46.25	45.00	59.71	66.35	94.14	93.43	89.50	80.60	71.88	68.54
Cocoa beans, N.Y. (\$/lb.)	0.47	0.47	0.59	0.65	0.62	0.62	0.61	0.60	0.58	0.60

— = not available.

Information contact: Mary Teymourian (202) 501-8516.

Table 25—Indexes of Real Trade-Weighted Dollar Exchange Rates<sup>1</sup>

	1994			1995								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul P	Aug P	Sep P
				1990 = 1 1990 = 100								
Total U.S. trade	98	99.2	101.4	99.9	98.8	94.9	92.7	93.7	93.2	92.7	95.7	95.2
Agricultural trade												
U.S. markets	93.8	94.2	96.7	99.0	98.5	96.7	92.2	91.6	91.7	91.6	94.2	93.5
U.S. competitors	98.4	99.1	100.5	98.7	97.7	95.3	93.4	94.0	93.4	92.3	93.9	93.3
Wheat												
U.S. markets	103.8	102.9	103.3	100.3	100.1	98.3	95.8	95.1	94.6	94.5	96.0	95.4
U.S. competitors	103.1	103.8	104.8	104.3	103.9	102.2	100.2	101.1	101.2	100.0	100.9	100.4
Soybeans												
U.S. markets	89.9	90.6	93.2	95.1	94.4	91.5	87.3	87.4	87.2	87.2	90.5	90.0
U.S. competitors	67.3	66.5	66.3	64.1	63.2	63.8	63.4	62.4	61.8	61.2	60.9	60.5
Corn												
U.S. markets	88.4	88.4	90.3	91.8	91.7	88.9	84.1	84.1	84.1	85.0	88.7	88.3
U.S. competitors	96.3	97.2	98.2	92.3	91.3	88.7	87.1	87.8	86.8	85.6	86.6	85.8
Cotton												
U.S. markets	96.7	96.7	97.7	96.2	95.7	93.8	90.8	90.2	89.9	89.8	91.5	90.9
U.S. competitors	121.2	120.4	120.4	114.9	114.5	113.6	112.0	111.7	110.7	109.3	109.3	108.5

Real indexes adjust nominal exchange rates to avoid the distortion caused by different levels of inflation among countries. A higher value means the dollar has appreciated. "Total U.S. trade" Index uses the Federal Reserve Board Index of trade-weighted value of the U.S. dollar against 10 major currencies. Weights are based on relative importance of major U.S. customers & competitors in world markets. Indexes are subject to revision for up to 1 year due to delayed reporting by some countries.

Information contact: Tim Baxter (202) 219-0635 or Andy Jerardo (202) 219-0635.

Table 26—Trade Balance

	Fiscal year 1/							July
	1988	1989	1990	1991	1992	1993	1994	1995 F
	\$ million							1995
Exports								
Agricultural	35,316	39,590	40,220	37,609	42,430	42,589	43,511	53,000
Nonagricultural	258,656	301,269	326,059	356,682	383,517	390,784	425,506	—
Total 2/	293,972	340,859	366,279	394,291	425,947	433,373	469,017	—
Imports								
Agricultural	21,014	21,476	22,560	22,588	24,323	24,454	26,365	29,000
Nonagricultural	409,138	441,075	458,101	463,720	488,556	537,584	605,332	—
Total 3/	430,152	462,551	480,661	486,308	512,879	562,038	631,697	—
Trade balance								
Agricultural	14,302	18,114	17,660	15,021	18,107	18,135	17,146	24,000
Nonagricultural	-150,482	-139,806	-132,042	-107,038	-105,039	-146,800	-179,826	—
Total	-136,180	-121,692	-114,382	-92,017	-86,932	-128,665	-162,680	—

1/ Fiscal years begin October 1 & end September 30. Fiscal year 1994 began Oct. 1, 1993 & ended Sept. 30, 1994. 2/ Domestic exports including Department of Defense shipments (F.A.S. value). 3/ Imports for consumption (customs value). F = forecast. — = not available.

Information contact: Joel Greene (202) 219-0816.



Table 27—U.S. Agricultural Exports &amp; Imports

	Fiscal year*			July	Fiscal year*			July
	1993	1994	2/ 1995 F	1995	1993	1994	2/ 1995 F	1995
	1,000 units				\$ million			
EXPORTS								
Animals, live (no.) 1/	1,107	1,162	—	35	358	469	—	19
Meats & preps., excl. poultry (mt)	1,160	1,316	3/ 1,200	133	3,349	3,503	—	379
Dairy products (mt) 1/	211	188	—	7	762	709	800	56
Poultry meats (mt)	986	1,377	1,800	191	1,031	1,420	—	177
Fats, oils, & greases (mt)	1,362	1,341	1,700	140	519	515	—	66
Hides & skins incl. furskins	—	—	—	—	1,288	1,439	—	153
Cattle hides, whole (no.) 1/	19,786	20,065	—	2,237	1,062	1,128	—	135
Mink pelts (no.) 1/	3,119	3,197	—	158	56	79	—	5
Grains & feeds (mt)	103,701	88,090	—	9,220	14,103	13,130	4/ 16,900	1,386
Wheat (mt)	36,039	31,145	31,000	2,412	4,737	4,026	5/ 5,000	381
Wheat flour (mt)	1,075	1,024	1,200	99	217	201	—	21
Rice (mt)	2,710	2,433	3,600	267	766	889	1,000	73
Feed grains, incl. products (mt)	50,701	40,441	61,800	5,344	5,260	4,744	7,000	650
Feeds & fodders (mt)	11,500	11,380	6/ 13,300	999	2,147	2,231	—	187
Other grain products (mt)	1,676	1,667	—	99	976	1,039	—	74
Fruits, nuts, & preps. (mt)	3,398	3,597	—	298	3,409	3,827	4,500	335
Fruit juices incl.	—	—	—	—	—	—	—	—
froz. (1,000 hectoliters) 1/	7,845	7,018	—	920	423	467	—	51
Vegetables & preps. (mt)	2,790	2,920	—	260	3,220	3,489	—	296
Tobacco, unmanufactured (mt)	231	196	—	9	1,443	1,260	1,300	65
Cotton, excl. linters (mt)	1,125	1,566	2,100	65	1,526	2,287	3,700	132
Seeds (mt)	529	490	—	49	648	601	700	36
Sugar, cane or beet (mt) 1/	337	392	—	63	106	130	—	24
Oilseeds & products (mt)	29,190	24,051	—	1,850	7,211	6,856	8,700	505
Oilseeds (mt)	21,044	16,958	—	1,168	4,981	4,559	—	297
Soybeans (mt)	20,400	16,364	22,500	1,123	4,606	4,161	5,000	261
Protein meal (mt)	6,545	5,406	—	519	1,262	1,085	—	88
Vegetable oils (mt)	1,601	1,687	—	163	968	1,213	—	120
Essential oils (mt)	13	15	—	1	185	206	—	21
Other	92	132	—	10	3,008	3,203	—	264
Total	145,125	125,671	163,100	12,296	42,589	43,511	53,000	3,966
IMPORTS								
Animals, live (no.) 1/	3,461	3,141	—	318	1,569	1,360	1,600	108
Meats & preps., excl. poultry (mt)	1,128	1,159	—	93	2,726	2,721	—	193
Beef & veal (mt)	793	776	700	67	1,919	1,822	1,500	127
Pork (mt)	276	318	300	20	663	744	600	53
Dairy products (mt) 1/	231	260	—	27	860	955	1,000	106
Poultry & products 1/	—	—	—	—	137	133	—	18
Fats, oils, & greases (mt)	44	40	—	5	30	26	—	3
Hides & skins, incl. furskins 1/	—	—	—	—	181	195	—	12
Wool, unmanufactured (mt)	59	56	—	4	173	152	—	17
Grains & feeds (mt)	4,942	10,009	7,600	650	1,639	2,328	2,300	198
Fruits, nuts, & preps., excl. juices (mt)	6,089	6,259	6,600	479	2,988	2,996	—	252
Bananas & plantains (mt)	3,737	3,836	4,000	324	1,083	1,057	1,100	97
Fruit juices (1,000 hectoliters) 1/	27,053	32,001	25,600	1,529	640	686	—	50
Vegetables & preps. (mt)	2,733	2,866	—	178	2,440	2,642	3,000	203
Tobacco, unmanufactured (mt)	386	319	200	36	1,101	912	400	120
Cotton, unmanufactured (mt)	12	16	—	3	11	17	—	3
Seeds (mt)	189	309	300	7	214	255	300	15
Nursery stock & cut flowers 1/	—	—	—	—	629	685	—	42
Sugar, cane or beet (mt)	1,569	1,619	1,600	169	591	616	—	74
Oilseeds & products (mt)	2,484	3,219	3,100	253	1,204	1,479	1,600	156
Oilseeds (mt)	373	895	—	57	130	273	—	21
Protein meal (mt)	618	760	—	65	89	108	—	9
Vegetable oils (mt)	1,492	1,564	—	131	985	1,098	—	126
Beverages excl. fruit juices (1,000 hectoliters) 1/	14,014	15,710	—	1,481	1,975	2,122	—	190
Coffee, tea, cocoa, spices (mt)	2,244	2,013	2,000	137	3,018	3,622	5,200	357
Coffee, incl. products (mt)	1,185	969	1,000	70	1,502	2,019	4,000	237
Cocoa beans & products (mt)	770	748	700	48	1,028	1,077	1,100	82
Rubber & allied gums (mt)	981	1,001	1,000	80	839	885	1,600	141
Other	—	—	—	—	1,489	1,578	—	150
Total	—	—	—	—	24,454	26,365	29,000	2,411

\*Fiscal years begin October 1 & end September 30. 1/ Not included in total volume. 2/ Forecasts for footnoted items 3-6 are based on slightly different groups of commodities than listed in the table. For comparison, the figures in the following footnotes are fiscal year 1994 totals for the forecast group of commodities. 3/ 1.025 million. 4/ \$13,413 million. 5/ \$4,228 million, includes flour. 6/ \$11,797 million. F = forecast. — = not available.

Information contact: Joel Greene (202) 219-0816.



Table 28—U.S. Agricultural Exports by Region

Region & country	Fiscal year*			July	Change from year* earlier			July
	1993	1994	1995 F	1995	1993	1994	1995 F	1995
	\$ million				Percent			
WESTERN EUROPE	7,499	6,802	8,500	493	-3	-6	25	31
European Union 1/	7,241	6,557	8,100	463	-2	-7	24	36
Belgium-Luxembourg	482	504	---	27	5	5	---	-16
France	613	466	---	23	-1	-24	---	-20
Germany	1,146	1,028	---	60	5	-10	---	18
Italy	568	564	---	26	-17	-1	---	5
Netherlands	1,801	1,609	---	113	-1	-11	---	56
United Kingdom	916	931	---	75	4	2	---	19
Portugal	223	224	---	23	-7	0	---	102
Spain, incl. Canary Islands	829	780	---	50	-13	-6	---	88
Other Western Europe	258	274	400	30	-13	9	46	-15
Switzerland	152	154	---	17	-19	1	---	76
EASTERN EUROPE	468	312	300	19	111	-33	-4	11
Poland	230	111	---	7	368	-52	---	-44
Former Yugoslavia	47	98	---	4	-6	107	---	215
Romania	107	50	---	6	42	-53	---	235
Former Soviet Union	1,561	1,486	1,100	84	-42	-5	-26	28
ASIA	17,832	19,390	2/ 23,500	2,090	0	9	---	42
West Asia (Mideast)	1,922	1,698	2,300	212	9	-12	35	64
Turkey	369	240	---	48	7	-35	---	324
Iraq	1	3	---	0	150	116	---	0
Israel, incl. Gaza & W. Bank	382	361	500	51	10	-6	39	37
Saudi Arabia	463	500	500	46	-16	8	0	88
South Asia	641	556	---	36	20	-13	---	35
Bangladesh	52	120	---	7	-58	131	---	126
India	226	130	---	16	93	-43	---	30
Pakistan	236	212	500	6	4	-10	136	524
China	322	877	2,500	154	-53	172	185	21
Japan	8,461	9,208	9,900	892	1	9	8	38
Southeast Asia	1,551	1,789	---	177	6	15	---	26
Indonesia	327	408	---	39	-7	25	---	6
Philippines	512	554	700	56	16	8	26	43
Other East Asia	4,935	5,262	7,400	620	0	7	41	54
Taiwan	1,999	2,103	2,400	195	4	5	14	51
Korea, Rep.	2,041	2,055	3,500	306	-7	1	70	74
Hong Kong	880	1,103	1,500	119	8	25	36	22
AFRICA	2,671	2,237	2,900	205	16	-16	30	39
North Africa	1,659	1,470	2,100	141	18	-11	43	37
Morocco	310	167	---	6	98	-46	---	-40
Algeria	458	608	500	26	-4	33	-18	-30
Egypt	756	613	1,400	104	7	-19	128	163
Sub-Saharan	1,012	766	800	64	13	-24	4	44
Nigeria	158	111	---	6	413	-30	---	-17
Rep. S. Africa	383	113	---	26	17	-70	---	222
LATIN AMERICA & CARIBBEAN	6,883	7,252	7,800	582	7	5	8	-2
Brazil	231	228	700	17	61	-1	207	36
Caribbean Islands	1,015	952	---	95	5	-6	---	37
Central America	675	729	---	69	15	8	---	44
Colombia	234	258	---	40	65	10	---	80
Mexico	3,660	4,133	3,500	262	0	13	-15	-29
Peru	172	205	---	17	-4	19	---	-23
Venezuela	502	410	500	42	27	-18	22	159
CANADA	5,220	5,261	5,900	461	8	1	12	5
OCEANIA	456	497	700	33	7	9	41	-12
TOTAL	42,589	43,511	53,000	3,966	0	2	22	26
Developed countries	22,337	22,453	25,500	1,949	2	1	14	27
Developing countries	18,357	18,683	23,600	1,778	8	2	26	26
Other countries	1,896	2,375	3,900	239	-56	25	64	23

\*Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1994 began Oct. 1, 1993 & ended Sept. 30, 1994. F = forecast. --- = not available.

1/ Austria, Finland, and Sweden are included in the European Union.

2/ Asia forecast excludes West Asia (Mideast). Note: Adjusted for transshipments through Canada.

Information contact: Joel Greene (202) 219-0816.



## Farm Income

Table 29—Farm Income Statistics

	Calendar year										
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995 F
	\$ billion										
1. Farm receipts	150.1	141.0	148.2	159.1	169.4	177.7	176.0	179.5	186.2	188.9	185 to 197
Crops (incl. net CCC loans)	74.3	63.7	65.8	71.6	76.9	80.3	82.0	85.7	87.1	91.6	92 to 97
Livestock	69.8	71.6	76.0	79.6	83.9	89.2	85.7	85.6	90.0	88.1	85 to 89
Farm related 1/	6.0	5.7	6.4	7.9	8.6	8.2	8.3	8.2	9.1	9.2	8 to 10
2. Direct Government payments	7.7	11.8	16.7	14.5	10.9	9.3	8.2	9.2	13.4	7.9	5 to 7
Cash payments	7.6	8.1	6.6	7.1	9.1	8.4	8.2	9.2	13.4	7.9	5 to 7
Value of PIK commodities	0.1	3.7	10.1	7.4	1.7	0.9	0.0	0.0	0.0	0.0	0 to 1
3. Gross cash income (1+2) 2/	157.9	152.8	165.0	173.6	180.3	187.0	184.3	188.6	199.6	196.7	194 to 202
4. Nonmoney income 3/	5.6	5.5	5.6	7.8	7.8	8.0	7.7	7.8	7.9	8.1	7 to 9
5. Value of inventory change	-2.3	-2.2	-2.3	-4.1	3.8	3.5	-0.2	4.2	-4.5	8.7	-1 to 2
6. Total gross farm income (3+4+5)	161.2	156.1	168.3	177.3	191.9	198.5	191.8	200.5	203.0	213.5	202 to 210
7. Cash expenses 4/	110.7	105.0	112.3	121.0	127.6	134.1	133.9	133.2	141.5	146.9	144 to 152
8. Total expenses	132.4	125.1	130.2	139.8	146.9	153.7	153.4	152.6	160.9	166.7	164 to 172
9. Net cash income (3-7)	47.1	47.8	52.7	52.6	52.7	52.9	50.4	55.4	58.1	49.8	45 to 55
10. Net farm income (6-8)	28.8	31.0	38.0	37.5	45.0	44.8	38.4	48.0	42.1	46.7	34 to 44
Deflated (1987\$)	30.5	32.0	38.0	36.1	41.5	39.5	32.6	39.7	34.1	37.1	25 to 35

1/ Income from machine hire, custom work, sales of forest products, & other miscellaneous cash sources. 2/ Numbers in parentheses indicate the combination of items required to calculate a given item. 3/ Value of home consumption of self-produced food & imputed gross rental value of farm dwellings. 4/ Excludes capital consumption, perquisites to hired labor, & farm household expenses. Total may not add because of rounding. P = preliminary. F = forecast.

Note: 1988-92 accounts (primarily expenses) have been revised to reflect improved methods for estimating farm income. Call contact for information.

Information contact: John Jenkins (202) 219-0798.

Table 30—Average Income to Farm Operator Households

	Calendar year					
	1990	1991	1992	1993	1994	1995 F
	\$ per operator household					
Farm income to household 1/	5,742	5,810	7,180	4,815	5,200	4,200 to 7,400
Self-employment farm income	4,973	4,458	5,172	3,623	3,983	—
Other farm income to household	768	1,352	2,008	1,192	1,217	—
Plus: Total off-farm income	33,265	31,638	35,731	35,408	38,939	37,500 to 39,500
Income from wages, salaries, and non-farm businesses	24,778	23,551	27,022	25,215	29,355	—
Income from interest, dividends, transfer payments, etc.	8,487	8,087	8,709	10,194	9,584	—
Equals: Farm operator household income	39,007	37,447	42,911	40,223	44,140	41,700 to 46,900

1/ Farm income to the household equals self-employment income plus amounts that operators pay themselves & family members to work on the farm, income from renting out acreage (1990-92), & net income from a farm business other than the one being surveyed. In 1993-94, income from renting out acreage is included in income from interest, dividends, transfer payments, etc. Data for 1990 are based on a survey that did not fully account for small farms. Data after 1990 include an additional 350,000 farms, many with gross sales under \$10,000 & negative net farm incomes. F = forecast. — = not available.

Information contact: Susan Bentley (202) 219-0931



Table 31—Balance Sheet of the U.S. Farming Sector

	Calendar year 1/											
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994 F		1995F
	\$ billion											
Assets												
Real estate	586.2	542.3	578.9	595.5	615.7	628.2	623.2	633.1	656.3	692.0	704	to 714
Non-real estate	186.6	182.2	193.8	205.6	214.1	220.4	219.4	227.8	232.1	230.4	235	to 245
Livestock & poultry	46.3	47.8	58.0	62.2	66.2	70.9	68.1	71.0	72.8	68.3	73	to 77
Machinery & motor vehicles	82.9	81.5	80.0	81.2	85.1	85.4	85.8	85.6	85.2	85.7	86	to 90
Crops stored 2/	22.9	16.3	17.5	23.3	23.4	23.0	22.2	24.2	23.3	23.4	22	to 26
Purchased inputs	1.2	2.1	3.2	3.5	2.6	2.8	2.7	3.9	4.2	5.0	3	to 5
Financial assets	33.3	34.5	35.1	35.4	36.8	38.3	40.6	43.1	46.6	48.0	46	to 50
Total farm assets	772.8	724.5	772.7	801.1	829.8	848.6	842.6	860.9	888.4	922.0	944	to 954
Liabilities												
Real estate debt 3/	100.1	90.4	82.4	77.6	75.4	74.1	74.5	75.0	76.0	78.1	76	to 80
Non-real estate debt 4/	77.5	66.6	62.0	61.7	61.9	63.2	64.3	63.6	65.9	69.1	70	to 74
Total farm debt	177.6	157.0	144.4	139.4	137.2	137.4	138.8	138.6	141.9	147.2	148	to 152
Total farm equity	595.2	567.5	628.3	661.7	692.6	711.2	703.6	722.2	746.4	775.0	795	to 805
	Percent											
Selected ratios												
Debt-to-assets	23.0	21.7	18.7	17.4	16.5	16.2	16.5	16.1	16.0	16.0	15	to 17
Debt-to-equity	29.8	27.7	23.0	21.1	19.8	19.3	19.7	19.2	19.0	19.0	18	to 20
Debt-to-net cash income	377	328	259	256	251	249.4	261	242	243	289	285	to 305

1/ As of Dec. 31. 2/ Non-CCC crops held on farms plus value above loan rates for crops held under CCC. 3/ Excludes debt on operator dwellings, but includes CCC storage and drying facilities loans. 4/ Excludes debt for nonfarm purposes. P = preliminary. F = forecast.

Information contacts: Ken Erickson, (202) 219-0799, Jim Ryan (202) 219-0796.



Table 32—Cash Receipts from Farm Marketings, by State

Region & State	Livestock & products				Crops 1/				Total 1/			
	1993	1994	June 1995	July 1995	1993	1994	June 1995	July 1995	1993	1994	June 1995	July 1995
	\$ million 2/											
<b>NORTH ATLANTIC</b>												
Maine	269	276	22	22	185	207	4	11	453	483	27	33
New Hampshire	66	64	5	5	86	88	3	6	152	152	8	10
Vermont	402	390	32	31	87	91	3	15	489	481	35	46
Massachusetts	121	117	10	10	370	341	20	23	491	459	29	33
Rhode Island	14	12	1	1	67	68	3	5	80	81	4	6
Connecticut	260	251	20	21	214	222	10	14	475	473	31	34
New York	1,882	1,887	154	151	978	971	68	103	2,860	2,858	222	254
New Jersey	197	183	15	15	502	586	58	73	700	768	73	88
Pennsylvania	2,620	2,612	155	201	1,187	1,143	88	79	3,807	3,755	242	279
<b>NORTH CENTRAL</b>												
Ohio	1,656	1,577	130	132	2,835	2,898	161	277	4,491	4,475	290	409
Indiana	1,913	1,765	142	144	3,428	3,072	197	317	5,341	4,838	339	461
Illinois	2,234	2,065	164	150	5,916	6,158	477	537	8,151	8,223	640	686
Michigan	1,368	1,410	116	115	1,959	2,009	105	156	3,328	3,419	221	270
Wisconsin	4,101	3,945	334	317	1,294	1,439	79	123	5,395	5,384	413	440
Minnesota	3,755	3,447	279	274	2,580	3,075	212	210	6,334	6,522	491	485
Iowa	5,784	5,120	444	388	4,606	4,964	364	414	10,390	10,084	808	802
Missouri	2,276	2,452	184	164	1,836	2,072	131	188	4,112	4,524	315	352
North Dakota	600	627	37	30	2,348	2,307	169	121	2,949	2,935	206	152
South Dakota	1,964	1,644	133	89	1,236	1,699	74	73	3,200	3,343	207	162
Nebraska	5,846	5,403	428	432	3,025	3,158	177	316	8,871	8,561	605	748
Kansas	4,857	4,809	346	343	2,478	2,879	170	613	7,335	7,687	516	957
<b>SOUTHERN</b>												
Delaware	467	505	40	43	144	155	10	11	611	660	50	55
Maryland	821	793	61	71	525	551	37	69	1,345	1,345	98	140
Virginia	1,398	1,386	107	104	697	773	52	94	2,095	2,159	159	198
West Virginia	323	329	28	26	81	74	7	7	405	403	34	33
North Carolina	3,190	3,333	294	283	2,829	3,037	186	296	6,019	6,369	480	559
South Carolina	600	615	44	46	649	747	91	85	1,249	1,362	135	132
Georgia	2,549	2,669	192	190	1,684	2,047	168	124	4,232	4,716	360	314
Florida	1,211	1,192	90	84	4,858	4,786	301	230	6,069	5,978	391	315
Kentucky	1,725	1,645	86	280	1,690	1,585	58	64	3,414	3,230	144	344
Tennessee	962	982	73	71	1,064	1,170	70	48	2,026	2,152	143	119
Alabama	2,129	2,159	154	159	728	745	55	44	2,857	2,904	209	203
Mississippi	1,568	1,706	124	136	1,064	1,210	69	39	2,632	2,916	193	176
Arkansas	2,901	3,114	221	209	1,454	2,162	134	85	4,354	5,276	355	294
Louisiana	705	704	61	59	1,090	1,309	43	35	1,795	2,013	104	94
Oklahoma	2,808	2,700	196	193	1,141	1,165	193	173	3,949	3,864	389	366
Texas	8,170	8,228	550	578	4,492	4,324	276	355	12,662	12,552	826	933
<b>WESTERN</b>												
Montana	948	867	29	24	854	990	56	34	1,802	1,857	84	58
Idaho	1,167	1,199	90	95	1,723	1,756	96	120	2,890	2,955	186	215
Wyoming	660	621	20	13	181	157	4	8	841	778	24	21
Colorado	2,992	2,779	259	187	1,205	1,250	70	116	4,197	4,029	330	303
New Mexico	1,123	1,099	80	76	413	425	51	57	1,537	1,524	131	134
Arizona	918	824	61	62	1,028	1,045	80	53	1,946	1,869	141	115
Utah	614	598	46	51	218	221	14	20	831	819	60	71
Nevada	193	189	15	12	103	110	7	11	296	299	21	23
Washington	1,558	1,609	129	124	3,075	3,112	242	257	4,633	4,720	371	381
Oregon	748	726	58	49	1,809	1,926	160	195	2,557	2,652	218	245
California	5,311	5,398	419	397	14,643	14,841	1,169	1,123	19,954	20,238	1,588	1,519
Alaska	6	6	1	1	21	22	2	2	27	28	3	3
Hawaii	85	77	7	6	422	422	35	37	507	498	42	43
<b>UNITED STATES</b>	<b>90,036</b>	<b>88,107</b>	<b>6,685</b>	<b>6,645</b>	<b>87,102</b>	<b>91,562</b>	<b>6,309</b>	<b>7,465</b>	<b>177,137</b>	<b>179,669</b>	<b>12,994</b>	<b>14,111</b>

1/ Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. 2/ Estimates as of end of current month. Totals may not add because of rounding.

Information contact: Roger Strickland (202) 219-0806. To receive current monthly cash receipts via postal mail or e-mail contact Bob Dubman at (202) 219-0809 or BDUBMAN@ERS.BITNET.



Table 33—Cash Receipts from Farming

	Annual					1994	1995				
	1990	1991	1992	1993	1994	July	Mar	Apr	May	June	July
	\$ million										
Farm marketings & CCC loans*	169,449	167,751	171,258	177,137	179,669	12,756	14,062	12,434	13,292	12,994	14,111
Livestock & products	89,193	85,750	85,596	90,036	88,107	6,742	7,603	6,300	7,308	6,685	6,645
Meat animals	51,242	50,132	47,749	50,818	46,811	3,185	4,302	3,170	4,036	3,494	3,198
Dairy products	20,153	18,007	19,742	19,244	19,934	1,602	1,742	1,666	1,739	1,566	1,604
Poultry & eggs	15,262	15,129	15,503	17,300	18,443	1,540	1,344	1,267	1,327	1,406	1,428
Other	2,537	2,483	2,602	2,673	2,919	415	215	198	206	218	415
Crops	80,256	82,001	85,662	87,102	91,562	6,014	6,459	6,133	5,984	6,309	7,465
Food grains	7,480	7,325	8,467	8,180	9,469	1,368	469	319	316	1,024	1,708
Feed crops	18,669	19,327	20,060	20,161	20,574	1,185	1,598	1,206	1,089	1,494	1,804
Cotton (lint & seed)	5,488	5,236	5,192	5,249	5,730	33	478	236	218	162	120
Tobacco	2,733	2,881	2,962	2,949	2,646	55	27	4	0	0	210
Oil-bearing crops	12,258	12,700	13,286	13,219	15,216	452	826	681	744	804	674
Vegetables & melons	11,424	11,537	11,824	13,144	13,033	1,264	1,307	1,480	1,789	1,256	1,282
Fruits & tree nuts	9,418	9,928	10,175	10,260	10,146	842	491	591	605	780	852
Other	12,785	13,066	13,696	13,940	14,748	814	1,262	1,616	1,225	788	814
Government payments	9,298	8,214	9,169	13,402	7,881	75	2,085	841	571	164	64
Total	178,747	175,965	180,427	190,539	187,550	12,831	16,147	13,275	13,863	13,158	14,175

\* Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. — = not available.

Information contact: Roger Strickland (202) 219-0806. To receive current monthly cash receipts via mail contact Bob Dubman at (202) 219-0809 or BDUBMAN@ERS.BITNET.

Table 34—Farm Production Expenses

	Calendar year									
	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995 F
	\$ million									
Feed purchased	17,472	17,463	20,246	20,744	20,387	19,331	20,132	21,434	22,633	21,000 to 25,000
Livestock & poultry purchased	9,758	11,842	13,095	13,077	14,875	14,449	13,894	14,955	13,590	11,000 to 15,000
Seed purchased	3,188	3,259	4,060	4,397	4,518	5,113	4,912	5,162	5,373	4,000 to 6,000
Farm-origin inputs	30,418	32,564	37,401	38,218	39,780	38,892	38,939	41,551	41,604	39,000 to 43,000
Fertilizer & lime	6,820	6,453	7,679	8,176	8,208	8,667	8,333	8,398	9,179	8,000 to 12,000
Fuels & oils	5,310	4,957	4,800	4,772	5,790	5,608	5,298	5,350	5,323	4,000 to 7,000
Pesticides	4,324	4,512	4,148	5,012	5,362	6,319	6,469	6,719	7,219	6,000 to 8,000
Manufactured inputs	18,249	15,921	16,627	17,959	19,359	20,594	20,100	20,466	21,721	20,000 to 24,000
Short-term interest	7,367	6,767	6,712	6,740	6,656	6,124	5,395	5,335	5,953	5,000 to 8,000
Real estate interest 1/	9,131	8,205	7,581	7,190	6,740	5,963	5,772	5,504	5,743	5,000 to 7,000
Total interest charges	16,498	14,972	14,293	13,930	13,396	12,088	11,167	10,839	11,696	11,000 to 15,000
Repair & maintenance 1/	6,426	6,759	7,717	8,406	8,552	8,630	8,468	9,155	9,187	8,000 to 10,000
Contract & hired labor	9,484	9,976	10,911	12,033	14,119	13,903	14,009	15,006	15,313	13,000 to 17,000
Machine hire & custom work	2,099	2,502	3,112	3,380	3,565	3,520	3,806	4,411	4,783	4,000 to 6,000
Marketing, storage, & transportation	3,652	4,078	3,516	4,207	4,211	4,719	4,541	5,648	6,707	5,000 to 7,000
Misc. operating expenses 1/ 2/	9,759	12,939	15,221	15,804	16,463	17,157	16,474	18,133	19,613	18,000 to 22,000
Other operating expenses	31,420	36,253	40,476	43,832	46,910	47,929	47,298	52,353	55,603	52,000 to 58,000
Capital consumption 1/	17,788	17,091	17,607	18,168	18,259	18,234	18,289	18,366	18,470	17,000 to 21,000
Taxes 1/	4,612	4,853	4,954	5,213	5,687	5,785	6,042	6,285	6,587	6,000 to 8,000
Net rent to nonoperator landlords	6,099	8,184	8,479	9,582	10,321	9,907	10,740	11,048	11,060	10,000 to 12,000
Other overhead expenses	28,499	30,129	31,039	32,963	34,267	33,926	35,071	35,699	36,117	33,000 to 41,000
Total production expenses	125,084	130,226	139,836	146,902	153,712	153,428	152,574	160,908	166,741	164,000 to 172,000

1/ Includes operator dwellings. 2/ Beginning in 1982, miscellaneous operating expenses include other livestock purchases, dairy assessments & feeding fees paid by nonoperators. Totals may not add because of rounding. P = preliminary. F = forecast.

Information contacts: Chris McGath (202) 219-0808, John Jenkins (202) 219-0798.



Table 35—CCC Net Outlays by Commodity &amp; Function

COMMODITY/PROGRAM	Fiscal year									
	1987	1988	1989	1990	1991	1992	1993	1994	1995 E	1996 E
	\$ million									
<b>COMMODITY/PROGRAM</b>										
Feed grains										
Corn	12,346	8,227	2,863	2,435	2,387	2,105	5,143	625	2,079	887
Grain sorghum	1,203	764	467	349	243	190	410	130	156	97
Barley	394	57	45	-94	71	174	186	202	160	47
Oats	17	-2	1	-5	12	32	16	5	20	-1
Corn & oat products	7	7	8	8	9	9	10	10	1	0
Total feed grains	13,967	9,053	3,384	2,693	2,722	2,510	5,765	972	2,416	1,030
Wheat	2,836	678	53	796	2,805	1,719	2,185	1,729	955	889
Rice	906	128	631	667	867	715	887	836	826	662
Upland cotton	1,786	666	1,461	-79	382	1,443	2,239	1,539	86	70
Tobacco	-346	-453	-367	-307	-143	29	235	693	-510	-135
Dairy	1,166	1,295	679	505	839	232	253	158	20	121
Soybeans	-476	-1,676	-86	5	40	-29	109	-183	-17	11
Peanuts	8	7	13	1	48	41	-13	37	86	78
Sugar	-65	-246	-25	15	-20	-19	-35	-24	-37	-32
Honey	73	100	42	47	19	17	22	0	-9	14
Wool	152	1/ 5	93	104	172	191	179	211	107	52
Operating expense 3/	535	614	620	618	625	6	6	6	7	7
Interest expenditure	1,219	425	98	632	745	532	129	-17	-62	157
Export programs 4/	276	200	-102	-34	733	1,459	2,193	1,950	1,655	1,235
1989/94 Disaster/Tree/										
livestock assistance	0	0	3,919	2/ 161	121	1,054	944	2,566	705	20
Other	371	1,665	110	647	155	-162	949	-137	602	1,334
<b>Total</b>	<b>22,408</b>	<b>12,461</b>	<b>10,523</b>	<b>6,471</b>	<b>10,110</b>	<b>9,738</b>	<b>16,047</b>	<b>10,336</b>	<b>6,830</b>	<b>5,513</b>
<b>FUNCTION</b>										
Price-support loans (net)	12,199	4,579	-926	-399	418	584	2,065	527	-325	-56
Direct payments 5/										
Deficiency	4,833	3,971	5,798	4,178	6,224	5,491	8,607	4,391	3,926	2,559
Diversion	382	8	-1	0	0	0	0	0	0	0
Dairy termination	587	260	168	189	96	2	0	0	0	0
Loan Deficiency	60	0	42	3	21	214	387	495	37	39
Other	0	0	0	0	0	140	149	171	101	82
Disaster	0	6	4	0	0	0	0	0	0	0
Total direct payments	5,862	4,245	6,011	4,370	6,341	5,847	9,143	5,057	4,064	2,680
1988-94 crop disaster	0	0	3,386	2/ 5	6	960	872	2,461	625	0
Emergency livestock/tree/										
forage assistance	0	31	533	156	115	94	72	105	80	20
Purchases (net)	-479	-1,131	116	-48	646	321	525	293	15	363
Producer storage										
payments	832	658	174	185	1	14	9	12	20	0
Processing, storage,										
& transportation	1,659	1,113	659	278	240	185	136	112	82	78
Operating expense 3/	535	614	620	618	625	6	6	6	7	7
Interest expenditure	1,219	425	98	632	745	532	129	-17	-62	157
Export programs 4/	276	200	-102	-34	733	1,459	2,193	1,950	1,655	1,235
Other	305	1,727	-46	708	240	-264	897	-170	669	1,029
<b>Total</b>	<b>22,408</b>	<b>12,461</b>	<b>10,523</b>	<b>6,471</b>	<b>10,110</b>	<b>9,738</b>	<b>16,047</b>	<b>10,336</b>	<b>6,830</b>	<b>5,513</b>

1/ Fiscal 1988 wool & mohair program outlays were \$130,635,000 but include a one-time advance appropriation of \$126,108,000, which was recorded as a wool program receipt by Treasury. 2/ Approximately \$1.5 billion in benefits to farmers under the Disaster Assistance Act of 1989 were paid in generic certificates in FY 90 & were not recorded directly as disaster assistance outlays. 3/ Does not include CCC Transfers to General Sales Manager. 4/ Includes Export Guarantee Program, Direct Export Credit Program, CCC Transfers to the General Sales Manager. Market Promotion Program, starting in fiscal 1991 & starting in fiscal 1992 the Export Guarantee Program - Credit Reform, Export Enhancement Program, Dairy Export Incentive Program, and Technical Assistance to Emerging Democracies. 5/ Includes cash payments only. Excludes generic certificates in FY 86-94. E = Estimated in the FY 1996 Mid-Session Review Budget which was released July 31, 1995 based on June 1995 supply & demand estimates. Minus (-) indicates a net receipt (excess of repayments or other receipts over gross outlays of funds).

Information contact: Richard Pazdalski-CFSA Budget (202) 720-5148.



## Food Expenditures

Table 36—Food Expenditures

	Annual			1995			1995 year-to-date		
	1992 R	1993 R	1994 R	July	Aug P	Sept P	July	Aug	Sept P
\$ billion									
Sales 1/									
At home 2/	316.0	321.6	336.5	29.4	29.2	28.4	196.7	225.8	254.2
Away From home 3/	239.0	254.1	270.0	23.8	24.9	23.4	155.9	180.8	204.2
1994 \$ billion									
Sales 1/									
At home 2/	344.0	333.0	336.5	28.6	28.3	27.4	191.1	219.5	246.9
Away from home 3/	247.4	258.5	270.0	23.3	24.3	22.8	153.2	177.5	200.3
Percent change from year earlier (\$ bil.)									
Sales 1/									
At home 2/	0.4	1.8	4.6	2.5	2.8	2.5	4.0	3.8	3.7
Away from home 3/	3.5	6.3	6.3	9.2	9.2	8.3	7.8	8.0	8.0
Percent change from year earlier (1994 \$ bil.)									
Sales 1/									
At home 2/	-3.9	-3.2	1.1	-0.4	0.2	-0.4	-0.1	-0.1	-0.1
Away from home 3/	1.5	4.5	4.5	6.2	6.7	5.8	5.3	5.5	5.1

1/ Food only (excludes alcoholic beverages). Not seasonally adjusted. 2/ Excludes donations & home production. 3/ Excludes donations, child nutrition subsidies, & meals furnished to employees, patients, & inmates. R = revised. P = preliminary.

NOTE: This table differs from Personal Consumption Expenditures (PCE), table 2, for several reasons: (1) this series includes only food, excluding alcoholic beverages & pet food which are included in PCE; (2) this series is not seasonally adjusted, whereas PCE is seasonally adjusted at annual rates; (3) this series reports sales only, but PCE includes food produced & consumed on farms & food furnished to employees; (4) this series includes all sales of meals & snacks. PCE includes only purchases using personal funds, excluding business travel & entertainment. For a more complete discussion of the differences, see "Developing an Integrated Information System for the Food Sector," Agr. Econ. Rpt. No. 575, Aug. 1987.

Information contact: Alden Manchester (202) 219-0832.

## Transportation

Table 37—Rail Rates; Grain & Fruit-Vegetable Shipments

	Annual			1994	1995					
	1992	1993	1994	Aug	Mar	Apr	May	June	July	Aug
Rail freight rate index 1/ (Dec. 1984=100)										
All products	109.9	110.9	111.9	111.9	111.8	111.8	111.9	111.9 P	111.4 P	111.6 P
Farm products	111.1	113.7	114.5	113.2	116.4	116.4	116.4	116.4 P	112.2 P	114.0 P
Grain	111.4	114.7	115.5	114.3	117.7	117.7	117.7	117.7 P	112.6 P	114.9 P
Food products	108.7	109.0	111.1	111.9	111.6	111.6	111.6	111.6 P	111.6 P	111.4 P
Barge freight rate index 1/ (Dec. 1984=100)										
Grain	105.8	101.2	111.0	88.9	162.9	134.2	128.5	143.3 P	169.3 P	223.8 P
Grain shipments										
Rail carloadings (1,000 cars) 2/	27.4	27.4	25.6	24.7	30.3 P	27.8 P	26.0 P	28.4 P	28.8 P	30.7 P
Barge shipments (mil. ton) 3/	3.4	2.6	2.7	3.1	2.6	3.6	3.1	2.3	4.2	4.8
Fresh fruit & vegetable shipments 4/										
Piggy back (mil. cwt)	1.6	1.4	1.4	1.3	1.1 P	1.0 P	1.8 P	1.5 P	1.4 P	1.1
Rail (mil. cwt)	2.6	2.2	2.4	1.6	2.4 P	1.8 P	2.3 P	2.6 P	1.6 P	0.9
Truck (mil. cwt)	43.9	44.8	43.8	38.0	36.2 P	41.9	53.2 P	47.2 P	39.8 P	34.4
Cost of operating trucks hauling produce 4/										
Fleet operation (cts./mile)	124.1	127.2	128.0	128.0	128.7	129.9	130.3	130.3	130.2	130.5

1/ Department of Labor, Bureau of Labor Statistics. 2/ Weekly average; from Association of American Railroads. 3/ Shipments on Illinois & Mississippi waterways, U.S. Corps of Engineers. 4/ Agricultural Marketing Service, USDA. P = preliminary.

Information contact: T.Q. Hutchinson (202) 219-0353.



## Indicators of Farm Productivity

Table 38—Indexes of Farm Production, Input Use, & Productivity<sup>1</sup>

	1983	1984	1985	1986	1987	1988	1989	1990	1991 1/	1992 2/
	1982=100									
Farm output	84	101	105	102	104	97	108	112	112	---
All livestock products	102	100	103	103	106	108	110	112	114	---
Meat animals	102	100	99	99	100	102	102	102	105	---
Dairy products	103	99	105	106	105	107	106	109	109	---
Poultry & eggs	100	103	108	112	122	125	130	138	144	---
All crops	71	100	106	99	101	88	105	112	109	---
Feed crops	31	108	125	119	101	63	116	113	113	---
Food grains	84	93	87	77	77	70	77	99	76	---
Oil crops	75	87	96	88	88	71	87	87	92	---
Cotton and cotton seed	68	111	113	83	127	133	103	138	140	---
Tobacco	75	89	77	58	61	69	71	83	85	---
Vegetables and melons	97	103	109	110	117	111	114	123	122	---
Fruits and nuts	100	100	99	95	109	117	111	113	105	---
Other crops	101	110	111	120	132	137	141	141	148	---
Farm input	96	98	95	92	89	87	87	89	89	---
Farm Labor	95	97	89	87	84	86	82	87	88	---
Farm real estate	92	97	97	94	91	90	91	90	89	---
Durable equipment	95	91	86	80	74	70	67	65	63	---
Energy	97	100	90	84	93	93	91	90	89	---
Agricultural chemicals	93	106	101	111	100	90	93	90	94	---
Feed, seed, and livestock purchases	99	101	106	105	101	98	99	105	104	---
Other purchased inputs	107	108	99	89	92	90	96	97	100	---
Farm output per unit of input	88	103	111	111	117	112	124	127	126	---
Output per unit of labor										
Farm 3/	88	104	118	117	123	114	131	129	127	---
Nonfarm 4/	102	105	106	108	109	110	109	109	110	114

1/ New data and methods were used to calculate the 1991 indexes and to revise them back to 1948. 2/ Preliminary. 3/ Economic Research Service.  
4/ Bureau of Labor Statistics. --- = not available.

Information contact: Rachel Evans (202) 501-8362.



## Food Supply & Use

Table 39—Per Capita Consumption of Major Food Commodities<sup>1</sup>

Commodity	1986	1987	1988	1989	1990	1991	1992	1993	1994P
Pounds									
Red meats 2/3/4/	122.2	117.4	119.5	115.9	112.3	111.9	114.1	112.1	114.8
Beef	74.4	69.6	68.6	65.4	64.0	63.1	62.8	61.5	63.6
Veal	1.6	1.3	1.1	1.0	0.9	0.8	0.8	0.8	0.8
Lamb & mutton	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9
Pork	45.2	45.6	48.8	48.4	46.4	46.9	49.5	48.9	49.5
Poultry 2/3/4/	47.4	51.0	51.9	53.9	56.3	58.4	60.9	62.6	63.7
Chicken	37.2	39.4	39.6	40.9	42.5	44.2	46.7	48.5	49.5
Turkey	10.2	11.6	12.4	13.1	13.8	14.1	14.2	14.1	14.2
Fish & shellfish 3/	15.4	16.1	15.1	15.6	15.0	14.8	14.7	14.9	15.1
Eggs 4/	32.6	32.7	31.8	30.5	30.2	30.1	30.3	30.3	30.6
Dairy products									
Cheese (excluding cottage) 2/5/	23.1	24.1	23.7	23.8	24.6	25.0	26.0	26.3	26.8
American	12.1	12.4	11.5	11.0	11.1	11.1	11.3	11.4	11.6
Italian	7.0	7.6	8.1	8.5	9.0	9.4	10.0	9.8	10.3
Other cheese 6/	4.0	4.1	4.1	4.3	4.5	4.6	4.7	5.0	5.0
Cottage cheese	4.1	3.9	3.9	3.6	3.4	3.3	3.1	2.9	2.8
Beverage milks 2/	228.6	226.5	222.3	224.2	221.7	221.2	218.6	214.3	213.0
Fluid whole milk 7/	116.5	111.9	105.7	97.6	90.4	87.3	84.2	80.5	78.6
Fluid lowfat milk 8/	98.6	100.6	100.5	106.5	108.4	109.9	109.5	107.1	105.7
Fluid skim milk	13.5	14.0	16.1	20.2	22.9	23.9	25.0	26.7	28.8
Fluid cream products 9/	7.0	7.1	7.1	7.3	7.1	7.3	7.5	7.6	7.6
Yogurt (excluding frozen)	4.4	4.4	4.7	4.3	4.1	4.2	4.3	4.4	4.7
Ice cream	18.4	18.4	17.3	16.1	15.8	16.3	16.3	16.1	16.1
Ice milk	7.2	7.4	8.0	8.4	7.7	7.4	7.1	6.9	7.6
Frozen yogurt	—	—	—	2.0	2.8	3.5	3.1	3.5	3.5
All dairy products, milk equivalent, milkfat basis 10/	591.5	601.2	582.5	563.8	568.5	565.6	565.8	574.1	586.2
Fats & oils — Total fat content	64.4	62.9	63.0	60.4	62.2	63.9	65.7	68.4	66.9
Butter & margarine (product weight)	16.0	15.2	14.8	14.6	15.3	15.0	15.4	15.8	14.7
Shortening	22.1	21.4	21.5	21.5	22.2	22.4	22.4	25.1	24.1
Lard & edible tallow (direct use)	3.5	2.7	2.6	2.1	2.5	3.1	4.1	3.8	5.0
Salad & cooking oils	24.2	25.4	25.8	24.0	24.2	25.2	25.6	25.1	24.3
Fresh fruits 11/	117.3	121.6	120.9	123.1	116.5	113.2	123.6	124.9	126.7
Canned fruit 12/	18.2	18.4	18.2	18.5	18.4	17.1	19.8	18.0	18.3
Dried fruit	2.8	3.1	3.3	3.2	3.4	3.1	2.8	3.3	3.1
Frozen fruit	3.4	3.6	3.3	3.7	3.5	3.5	3.5	3.4	3.4
Selected fruit juices 13/	69.4	71.5	71.8	67.3	60.0	69.0	63.6	73.2	75.1
Vegetables 11/									
Fresh	101.1	108.1	111.7	116.1	113.9	110.9	116.1	116.2	113.9
Canning	95.8	95.5	91.2	98.7	107.0	109.6	107.3	108.3	104.5
Freezing	18.6	19.3	21.1	20.8	20.4	21.8	21.0	23.0	21.6
Potatoes, all 11/	126.1	126.0	122.5	127.2	127.7	130.4	132.4	135.7	141.0
Sweetpotatoes 11/	4.4	4.4	4.1	4.1	4.6	4.0	4.3	3.9	3.7
Peanuts (shelled)	6.4	6.4	6.9	7.0	6.0	6.5	6.2	6.0	5.8
Tree nuts (shelled)	2.2	2.2	2.3	2.2	2.4	2.2	2.2	2.2	2.3
Flour & cereal products 14/	162.0	170.7	175.4	175.2	183.3	185.6	187.0	189.2	—
Wheat flour	125.6	129.8	131.7	129.4	135.6	136.9	138.8	143.3	143.5
Rice (milled basis)	11.6	14.0	14.3	15.2	16.2	16.8	16.9	17.5	17.8
Caloric sweeteners 15/	127.0	131.6	132.7	133.2	137.0	137.9	141.2	144.4	147.6
Coffee (green bean equiv.)	10.5	10.2	9.8	10.1	10.3	10.3	10.0	9.1	8.2
Cocoa (chocolate liquor equiv.)	3.8	3.8	3.8	4.0	4.3	4.6	4.6	4.4	4.1

1/ In pounds, retail weight unless otherwise stated. Consumption normally represents total supply minus exports, nonfood use, & ending stocks. Calendar-year data except fresh citrus fruits, peanuts, tree nuts, & rice, which are on crop-year basis. 2/ Totals may not add due to rounding.

3/ Boneless, trimmed weight. Chicken series revised to exclude amount of ready-to-cook chicken going to pet food as well as some water leakage that occurs when chicken is cut up before packaging. 4/ Excludes shipments to the U.S. territories. 5/ Whole & part-skim milk cheese.

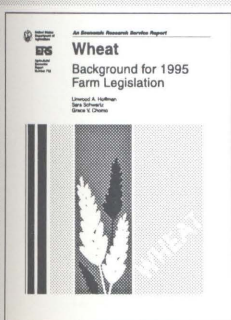
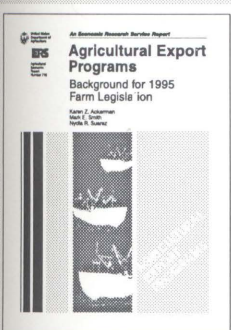
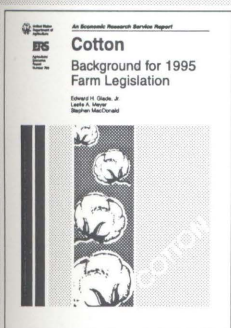
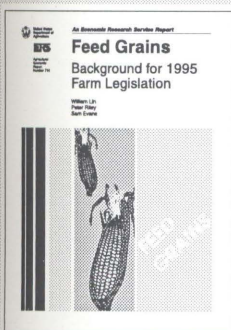
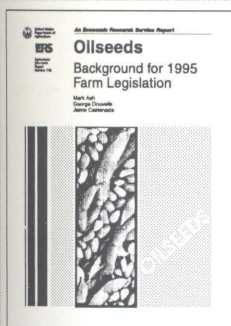
Natural equivalent of cheese & cheese products. 6/ Includes Swiss, Brick, Munster, cream, Neufchatel, Blue, Gorgonzola, Edam, & Gouda. 7/ Plain & flavored. 8/ Plain & flavored & buttermilk. 9/ Heavy cream, light cream, half & half, & sour cream & dip. 10/ Includes condensed & evaporated milk & dry milk products. 11/ Farm weight. 12/ Excludes pineapples & berries. 13/ Single strength equivalent. 14/ Includes rye, corn, oat, & barley products. Excludes quantities used in alcoholic beverages, corn sweeteners, & fuel. 15/ Dry weight equivalent. — = not available. P = preliminary.

Information contact: Jane E. Allshouse (202) 219-0901.

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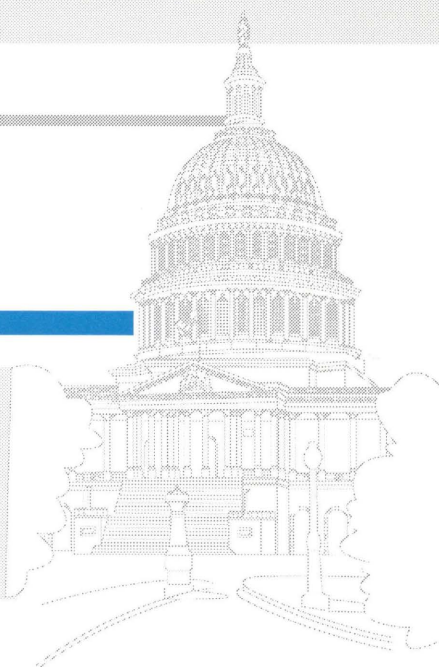
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