



Livestock, Dairy, and Poultry Outlook

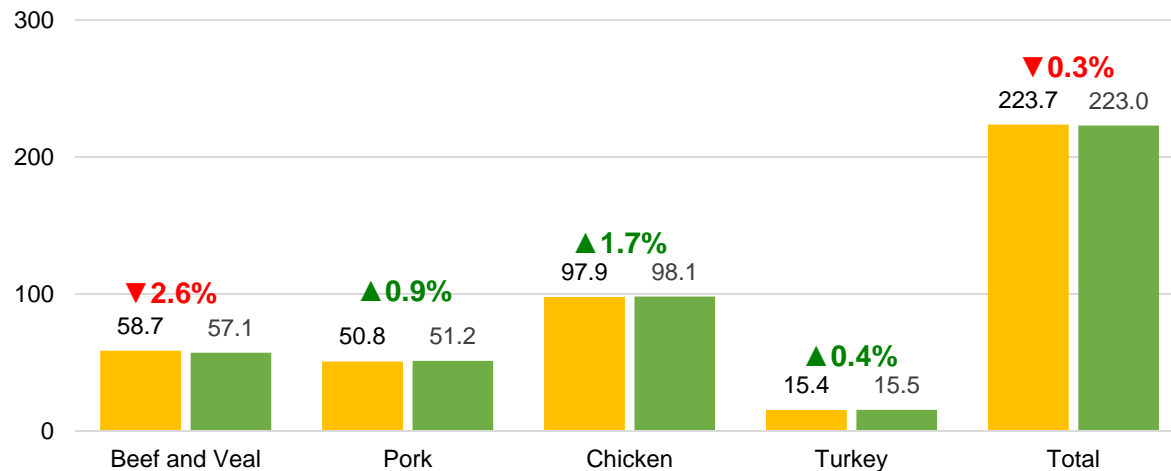
2022 Per Capita Red Meat and Poultry Disappearance Expected To Decrease

USDA red meat and poultry disappearance represents the amount of meat used in the domestic markets. It is a residual measure of the total supply (sum of production, beginning stocks, and imports) after subtracting its measured uses (ending stocks and exports). Per capita disappearance is determined by dividing disappearance into the total U.S. population. Historically, poultry (broilers, other chicken, and turkey) accounts for more than 50 percent of the disappearance, with most of the difference being split between beef (26 percent) and pork (23 percent), with lamb and veal accounting for a very small fraction.

In 2022, per capita disappearance on a retail basis is expected to be the equivalent of 223 pounds per person. This is 0.3-percent lower than the 2021 forecast. The main factor underlying this year-over-year change is a reduction in beef production (-2.0 percent) as pasture and range conditions are affected by drought and the industry faces the prospect of high feed costs. In 2022, increases are expected in the production of pork (+1.3 percent), broilers (+0.9 percent), and turkey (+0.6 percent) due to strong consumer demand, despite higher feed costs. However, these increases are not large enough to offset the decreases in beef production.

2021-2022 Per capita disappearance of red meats, chicken, and turkey (pounds per person, retail basis) and year-over-year percent change

Pounds per person



Note: Chicken includes broilers and other chicken.

Source: USDA, *World Agricultural Supply and Demand Estimates*.

Beef/Cattle: While a cyberattack disrupted cattle slaughter for 2 days in June, the Memorial Day week finished above 2020 levels, though well below 2019. Cow slaughter was raised in the second- and third-quarter of 2021, but fed cattle slaughter was lowered in the second quarter. The 2021 beef production forecast was raised 5 million pounds from last month to 27.905 billion pounds, but next year's forecast was unchanged. The second- and third-quarter 2021 forecasts for fed steer prices were raised on current price data and strong wholesale beef prices. The forecast for the feeder steer price was unchanged from a month earlier. Beef exports to China, the third-largest market for U.S. beef in 2021, lifted April to record levels. The beef export forecast is raised for 2021 and 2022 on expected firm demand from Asian markets. Imports for both years are raised on expected strength in demand for processing beef.

Dairy: The milk production forecasts for 2021 and 2022 have been raised due to higher expected milk cow numbers. Exports were relatively strong in April; cheese exports reached a record high, and butter exports were higher than in any month since June 2014. Export forecasts have been raised for 2021 on both the milk-fat and skim-solids milk-equivalent bases. For 2022, the export forecast has been raised on the skim-solids basis but is unchanged on the milk-fat basis. The all-milk price forecast for 2021 is \$18.85 per hundredweight (cwt), \$0.10 lower than last month's forecast. For 2022, the all-milk price forecast is \$18.75 per cwt, \$0.25 higher than the previous forecast.

Pork/Hogs: Strong U.S. consumer demand supported hog prices and processor margins through May 2021. Prices for quarters 2 to 4 of live equivalent 51-52% lean hogs were increased to reflect assumptions of continuing strong processor demand for hogs as the U.S. economy recovers from the effects of the pandemic. The second-quarter 2021 pork export was increased on April data showing strong shipments to North America—Mexico and Canada—as well as to Central and South American countries. Total 2021 exports are forecast at almost 7.6 billion pounds, about 4 percent above year-earlier levels.

Poultry/Eggs: Broiler production in second-quarter 2021 was revised up to 11.3 billion pounds. The 2021 broiler export forecast was also raised on recent data and increased production expectations. The second-quarter broiler price forecast was adjusted down by 1 cent, while forecasts for all outlying quarters remain unchanged. The 2021 table egg production was revised up to 8,091 million dozen following expectations of a more productive layer flock in the second part of the year. Second-quarter 2021 wholesale table egg prices (New York, Grade A Large) have been revised down 1 cent to 94 cents per dozen due to current retail market conditions. Turkey production was adjusted up in the second and third quarters on heavier birds and increased placements. Turkey exports in 2021 were adjusted up on higher production expectations. The turkey price forecast was also adjusted up to 116 cents per pound for both 2021 and 2022.

Beef/Cattle

Russell Knight and Christopher Davis

Beef Production Was Disrupted Temporarily Due to a Cyberattack

On Sunday, May 30, JBS Foods, the world's largest meatpacker, was the victim of a cyberattack that resulted in the closure of nine of its plants in the United States on Tuesday, June 1. Typically, very little cattle slaughter takes place on Memorial Day. However, the impact was fortunately short-lived as the facilities were fully operational by Thursday, June 3. As this year's Memorial Day holiday fell a week later than last year, it is important to put the week into perspective via previous Memorial Day weeks. Based on USDA, Agricultural Marketing Service (AMS) data, actual and estimated daily cattle slaughter were compared across previous Memorial Day weeks in the table below. As is the case in a holiday week, Saturday slaughter is typically elevated above normal to make up some of the lost slaughter on the holiday.

Cattle slaughter the week of Memorial Day, 2018-21

	2018	2019	2020	2021
Thousand head				
Monday	4.1	4.2	6.3	2.0
Tuesday	118.0	121.6	106.7	94.0
Wednesday	118.0	121.5	110.1	105.0
Thursday	119.4	121.4	108.9	120.0
Friday	119.8	123.7	109.7	119.0
Saturday	105.3	95.7	85.4	98.0
Totals	584.7	588.1	527.1	538.0

Source: USDA, Agricultural Marketing Service data.

2021 Beef Production Raised Slightly on Strong Cow Slaughter in the Second and Third Quarters

While there have been improvements in drought conditions in some regions since last month, pasture and range conditions in areas like the Northwest and North Dakota remain very poor compared to last year (see table below). Based on USDA, AMS data for actual and estimated federally-inspected cattle slaughter and the number weekdays in May, the pace of cattle slaughtered has exceeded levels a year ago when the sector was facing Covid-19-related closures and slowdowns but remains behind 2019, principally on fed cattle slaughter. The pace of fed cattle slaughter was up 23 percent above May 2020, but down about 1 percent from May 2019. The pace of cow slaughter for May is estimated 6 percent higher than a year ago and 7 percent above May 2019. Given high weekly beef cow slaughter numbers and the persistent drought conditions, second- and third-quarter cow slaughter was raised, but the higher expected cow slaughter is largely offset by lower steer and heifer slaughter expected in the second quarter and a reduction in fourth-quarter cow slaughter. These changes in slaughter raised the annual beef production forecast by 5 million pounds from last month to 27.905 billion pounds.

U.S. weekly pasture and range conditions

State	Very poor to poor	Very poor to poor
	May 30, 2021	May 31, 2020
	Percent	Percent
1. Arizona	88	18
2. California	50	40
3. Montana	56	4
4. New Mexico	61	38
5. North Dakota	67	6
6. Oregon	58	30
7. Utah	69	18
8. Washington	73	15

Source: USDA, National Agricultural Statistics Service, Crop Progress Reports.

Fed Steer Price Estimates Rise in Second and Third Quarters; Feeder Prices Remain Steady

In May 2021, the average price for all grades of live steers sold in the 5-area marketing region was \$119.37 per hundredweight (cwt), up 7 percent from 2020. According to the National Weekly Boxed Beef Cutout and Boxed Beef Cuts report, beef prices were higher relative to last year. Choice and Select boxed beef prices for the week ending June 4, 2021, were up \$40 and \$32 from a year ago at \$338.56 and \$310.80 per cwt, respectively. Thus, the second- and third-quarter forecasts for fed steer were increased \$2 and \$1, respectively, from last month to \$120.00 and \$115.00 per cwt. The 2021 annual forecast for fed steer was raised \$0.70 to \$117.00 per cwt from last month. The 2022 price is unchanged from last month.

Feeder steers weighing 750-800 pounds that were sold in the Oklahoma City National Stockyards had an estimated average price of \$137.16 per cwt for May, up almost \$10 per cwt from May 2020. The feeder price for June 7, 2021, averaged \$140.79 per cwt, over \$10 above the price recorded the same week a year ago. Given recent price data, the 2021 price was unchanged from a month earlier at \$139.30 per cwt. The 2022 price is unchanged from last month.

Record Exports in April Bolstered by China

For the second month in a row, the United States exported record volumes of beef to a recovering global economy. In April, U.S. beef exports were 287 million pounds, 22 percent above a year earlier and 18 percent above 2019 levels. Larger year-over-year shipments to China, South Korea, and Mexico more than offset reduced exports to Japan, Canada, and Hong Kong. As the table below shows, cumulative exports for January to April reached 1.084 million pounds, up 8 percent from a year ago.

U.S. beef exports to South Korea set a record for the month of April, whose global beef imports year-to-date are at their highest recorded levels. Although U.S. exports to Mexico in April are up 81 percent from a year ago, they are down 31 percent from 2019, suggesting that a sluggish economy and relatively high beef prices have likely constrained purchases. The largest year-over-year and year-to-date increase is from China, which surpassed Mexico to become the third-largest U.S. beef export destination.

Exports to China reached over 49 million pounds in April, with shipments above 40 million pounds for the second month in a row. Total exports to China in January through April 2021 totaled 140 million

pounds, about 14 times greater than the same period last year. This continues to be largely a function of several factors, including changes to U.S. market access that were implemented in March 2020. In addition, demand for meat protein to offset low domestic supplies of pork is expected to keep supporting China's beef imports.

Lower U.S. exports to Japan in April were likely a temporary result of reduced shipments to avoid the higher tariffs due to the safeguard that began March 18 and ended April 16. On April 17, 2021, the import tariff on U.S. beef dropped to 25 percent as prescribed in the tariff reduction schedule of Year 3 of the U.S.-Japan Trade Agreement.

Based principally on expected strong shipments to Asia, the forecast for beef exports in 2021 was raised in each outlying quarter by a combined 115 million pounds from last month for a total of 3.342 billion pounds, 13 percent over last year and 10 percent above 2019 levels. The 2022 beef export forecast was raised by 75 million pounds to 3.300 billion pounds, maintaining a slight decline into next year.

U.S. beef exports: Volume, January-April 2020 and 2021

Country	Exports			Export share	
	2020	2021	Change	2020	2021
Volume					
	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>	<i>Percent</i>
Top five largest foreign markets (year-to-date, 2021 export volumes)					
Japan	316	266	-50	30.2	27.4
South Korea	223	260	38	21.3	26.8
China	10	140	130	0.9	14.4
Mexico	115	113	-2	11.0	11.6
Canada	102	88	-14	9.8	9.1
World	1,004	1,084	79	100	100
Additional foreign markets of note					
Taiwan	65	56	-9	6.2	5.7
Hong Kong	55	47	-8	5.2	4.8
Philippines	14	14	1	1.3	1.5

Note: Largest markets are based on 2021 export volumes.

Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census.

Strong Buying From Canada and Brazil Lifts Import Forecast

In April, U.S. beef imports rose 2 percent year over year to 275 million pounds, principally on higher imports from Canada and Brazil that more than offset declines, primarily from Australia and New Zealand. The table below shows cumulative imports for early 2021 are down 74 million pounds, or 7 percent from the same period last year. Because the increase in April was greater than expected, the import forecasts for second- and third-quarter 2021 were raised. Specifically, the second quarter was raised 30 million pounds to 820 million pounds and the third quarter was revised up by 30 million pounds to 810 million pounds. In total, the 2021 annual import forecast was raised by 60 million pounds to 3.021 billion pounds. The 2022 import forecast was raised 40 million pounds to 2.990 billion pounds.

U.S. beef imports: Volume, January-April 2020 and 2021

Country	Imports			Import share	
	2020	2021	Change	2020	2021
Volume					
	<i>Million pounds</i>	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>	<i>Percent</i>
Top five largest foreign suppliers (year-to-date, 2021 import volumes)					
Canada	237	277	40	22.7	28.5
Mexico	210	197	-13	20.1	20.3
New Zealand	192	173	-19	18.4	17.8
Australia	224	116	-108	21.5	12.0
Brazil	39	82	43	3.7	8.5
World	1,044	971	-74	100	100
Additional foreign suppliers of note					
Nicaragua	71	56	-15	6.8	5.7
Uruguay	37	41	4	3.6	4.2
Argentina	9	12	3	0.9	1.3

Note: Largest markets are based on 2021 import volumes.

Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census.

Dairy

Jerry Cessna and Angel Teran

Recent Wholesale Dairy Product Prices

From the week ending May 8 to the week ending June 5, the directions of price changes reported in the USDA *National Dairy Products Sales Report* (NDPSR) were mixed. The price of 40-pound blocks of Cheddar cheese decreased 11.6 cents to \$1.7089 per pound, and the price of 500-pound barrels (adjusted to 38-percent moisture) decreased 14.9 cents to \$1.6780 per pound. The butter price fell 1.1 cents to \$1.7926 per pound. Prices for nonfat dry milk (NDM) and dry whey rose to \$1.2680 (+5.0 cents) and \$0.6530 (+0.9 cents) per pound, respectively.

Dairy wholesale product prices from USDA *National Dairy Products Sales Report* (dollars per pound)

	For the week ending		Change
	May 8	June 5	
Butter	1.8031	1.7926	-0.0105
Cheddar cheese			
40-pound blocks	1.8248	1.7089	-0.1159
500-pound barrels *	1.8267	1.6780	-0.1487
Nonfat dry milk	1.2178	1.2680	0.0502
Dry whey	0.6436	0.6530	0.0094

* Adjusted to 38-percent moisture.

Source: USDA, Agricultural Marketing Service, *National Dairy Products Sales Report*, June 9, 2021.

For the trading week ending June 11, spot prices for most dairy products traded on the Chicago Mercantile Exchange (CME) were lower than the most recent NDPSR prices. CME prices for Cheddar cheese blocks and barrels averaged \$1.4805 and \$1.6080 per pound, respectively. CME spot prices for butter and dry whey averaged \$1.7830 and \$0.6135 per pound, respectively. The CME average spot price for NDM traded higher than the most recent NDPSR price, averaging \$1.2970 per pound.

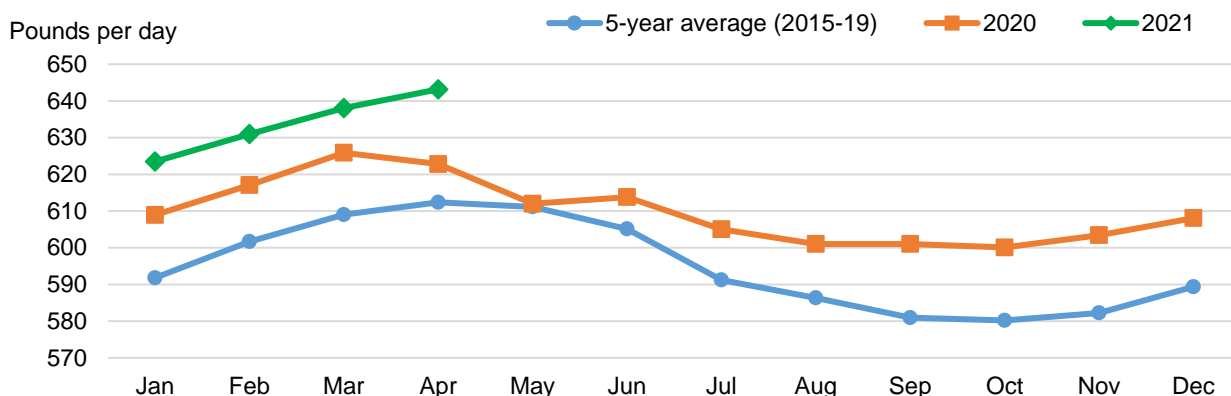
Most U.S. wholesale prices of major dairy products have continued to be very competitive compared to international export prices in recent weeks.¹ For the 2 weeks ending June 11, Oceania and Western Europe export prices for butter were \$2.14 and \$2.36 per pound, respectively. Skim milk powder (SMP) export prices for Oceania and Western Europe were \$1.59 and \$1.47 per pound, respectively. The Oceania export price for cheese was \$1.98 per pound. The United States faces considerable price competition in whey markets; the Western Europe dry whey export price averaged \$0.61 per pound for the same 2 weeks.

¹ The source for Oceania and Western Europe prices is USDA *Dairy Market News*. International prices are in U.S. dollars, free on board (F.O.B.) port. Prices listed in this report are at the midpoints of the ranges.

Recent Dairy Supply and Use Data

The number of milk cows continued to climb in April. According to USDA, National Agricultural Statistics Service (NASS), milk cows averaged 9.490 million head, 16,000 higher than March. From the week ending March 20 to the week ending May 22, federally-inspected dairy cow slaughter was generally below the corresponding week of the previous year. During the spring flush, yield per cow typically increases from March to April. This year was not an exception, with daily milk per cow averaging 67.8 pounds per day in April, an increase of 0.4 pounds from March. Daily milk production averaged 643 million pounds in April, an increase of 5 million pounds from March and 20 million (3.3 percent) from April 2020. The counter-seasonal drop in daily milk production from March to April 2020 explains much of the large year-over-year increase in daily milk production for April 2021. In the previous year, substantial quantities of milk from various parts of the country were not processed due to low demand and logistical problems resulting from the COVID-19 pandemic. Actions by some cooperatives and other milk handlers to manage the oversupply of milk contributed to a tightening of the milk supply. In some cases, pricing terms were formulated to discourage dairy farmers from increasing milk production growth. The reduction in the milk supply was more pronounced in May than April 2020.

Daily U.S. milk production



Source: USDA, National Agricultural Statistics Service.

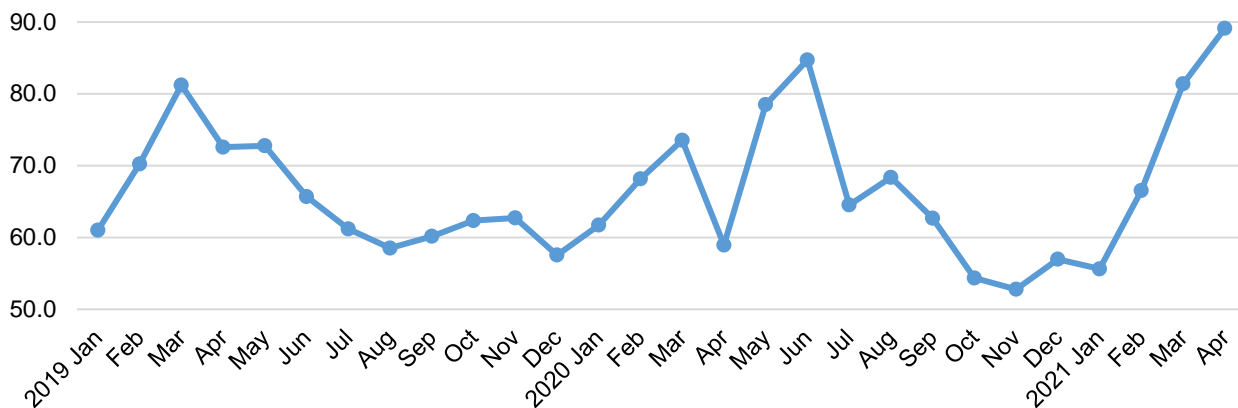
April dairy exports on a milk-fat milk-equivalent basis totaled 1.131 billion pounds, 117 million pounds above March and 435 million pounds higher than April 2020. On a skim-solids milk-equivalent basis, April dairy exports totaled 4.704 billion pounds, 107 million below the previous month but 839 million pounds higher than April 2020. Cheese exports climbed in April, reaching a record high of 89.1 million pounds. April exports of butter totaled 10.9 million pounds, higher than any month since June 2014. Exports of dry skim milk products² totaled 173.1 million pounds in April, 17.7 million lower than March but 23.3 million higher than April 2020. April exports of whey products³ remained strong at 119.9 million pounds, 6.2 million less than March but 25.9 million higher than April 2020. Exports of lactose totaled 85.5 million pounds in April, 5.8 million higher than March and 13.0 million higher than April 2020.

² Dry skim milk products include nonfat dry milk, skim milk powder, and dry skim milk for animal use.

³ Whey products include dry whey, whey protein concentrate, modified whey, and milk albumin.

U.S. cheese exports

Million pounds



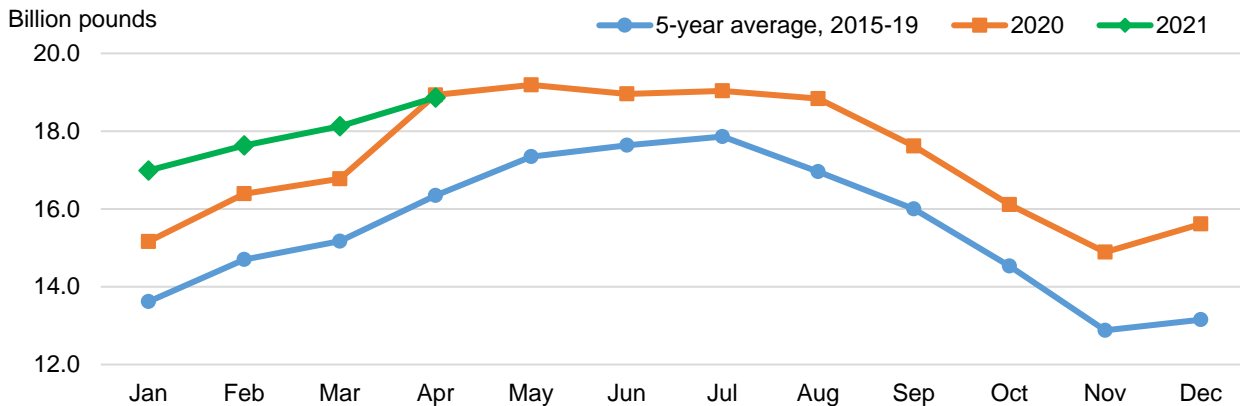
Sources: USDA, Foreign Agricultural Service; U.S. Department of Commerce, Bureau of the Census.

In April, imports on a milk-fat basis were 543 million pounds, 47 million lower than March but 11 million higher than April 2020. On a skim-solids basis, April imports totaled 462 million pounds, 98 million below March and 7 million lower than April 2020. Notably, imports of anhydrous milkfat and butteroil totaled only 1.2 million pounds in April, about half of what they were in March and 2.8 million pounds lower than April 2020.

In recent months, foodservice orders have increased due to the easing of COVID-19 related restrictions and an improving economy. For the 3 months from February through April, domestic use on a milk-fat basis totaled 53.080 billion pounds, 5.0 percent above the same 3 months in 2020 (adjusted for leap year). February through April domestic use on a skim-solids basis totaled 44.358 billion pounds, 1.5 percent higher than the same 3 months of 2020 (adjusted for leap year). Note that in April 2020, demand for dairy products was low due to the pandemic; the low demand of that month can be attributed to financial hardships among some U.S. residents and the shift away from consumption at food establishments to at-home eating.

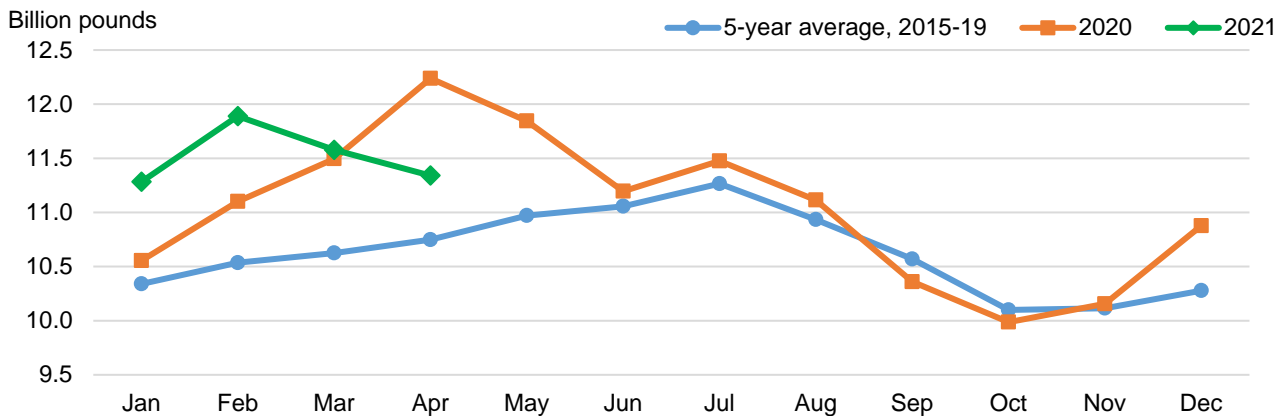
Strong domestic use and exports contributed to tightening stock levels at the end of April. Ending stocks usually increase from March to April. On a milk-fat basis, April ending stocks totaled 18.865 billion pounds, 739 million higher than March. This was the smallest March-to-April increase since 2014. On a skim-solids basis, April ending stocks were 11.340 billion pounds, a decline of 237 million pounds from March. Major dairy products with March-to-April 2021 declines in ending stocks included cheese, nonfat dry milk, dry whey, whey protein concentrate, and lactose.

U.S. dairy product ending stocks, milk-fat milk-equivalent basis



Sources: USDA, National Agricultural Statistics Service; USDA, Economic Research Service calculations.

U.S. dairy product ending stocks, skim-solids milk-equivalent basis



Sources: USDA, National Agricultural Statistics Service; USDA, Economic Research Service calculations.

Outlook for Feed Prices

The 2021/22 corn price projection is \$5.70 per bushel, unchanged from last month's forecast. The 2021/22 price projection for soybean meal is \$400 per short ton, also unchanged from last month's forecast.⁴ For more information, see *Feed Outlook*, published by USDA, Economic Research Service. The alfalfa hay price in April was \$187 per short ton, \$6 higher than March and \$7 higher than April 2020. The 5-State weighted-average price for premium alfalfa hay in March was \$211 per short ton, \$1 higher than March and \$2 higher than April 2020. The milk-feed ratio in April remained relatively low at 1.75, unchanged from March.

⁴ The marketing year begins September 1 for corn and October 1 for soybean meal.

Dairy Forecasts for 2021

Milk cows are projected to average 9.495 million head in 2021, 25,000 higher than last month's forecast. Based on the recent upward trend in milk cow numbers and relatively low dairy cow slaughter, milk cows are expected to continue increasing into the third quarter of 2021 (2021-Q3). With relatively high feed prices and slightly lower milk prices than expected last month, cow numbers are anticipated to level off in the second half of the year. Due to expected high summer temperatures and dry conditions affecting cow comfort and grain crops, the forecast yield per cow is lowered slightly for 2021-Q3 but unchanged for the rest of the year. Consequently, the annual milk per cow forecast for 2021 is 24,065 pounds, 5 pounds less than last month's forecast. The milk production forecast for 2021 is 228.5 billion pounds, an increase of 0.6 billion pounds from the previous month's forecast.

The forecast for 2021 exports on a milk-fat basis is 11.1 billion pounds, 0.3 billion higher than last month's projection. On a skim-solids basis, exports are forecast at 50.2 billion pounds, 0.7 billion higher than forecast last month. Expectations for cheese exports are higher due to the recent upward climb in exports and lower expected cheese wholesale prices. Expectations for butter, whey products, and lactose exports are also higher.

For 2021, the projection for imports on a milk-fat basis is 6.1 billion pounds, 0.1 billion lower than last month's forecast due to lower expected imports of butterfat products. The projection for 2021 imports on a skim-solids basis is 5.5 billion pounds, unchanged from last month. Retaliatory tariffs on some dairy imports from the European Union and the United Kingdom, which are currently suspended for a 4-month period, are assumed to resume in July.

The forecast for domestic use in 2021 on a milk-fat basis is 222.9 billion pounds, 0.1 billion higher than last month's forecast. On a skim-solids basis, the forecast for domestic use is 183.0 billion pounds, 0.2 billion lower than last month's forecast. Although ending stock forecasts for 2021-Q2 have been lowered substantially based on recent data, higher expected milk production contributes to higher stock levels at the end of the year than previously projected. The forecast for 2021 ending stocks on a milk-fat basis is 15.1 billion pounds, 0.1 billion higher than last month's forecast. On a skim-solids basis, the 2021 forecast for ending stocks is 10.6 billion pounds, 0.1 billion higher than the previous projection.

Based on the recent downward trend of wholesale cheese prices, the cheese price forecast for 2021 has been lowered to \$1.705 per pound, 3.5 cents lower than last month's forecast. Based on stronger expected domestic and international demand, price forecasts for butter, NDM, and dry whey have been raised to \$1.715 (+0.5 cents), \$1.250 (+1.0 cent), and \$0.590 (+1.5 cents) per pound, respectively.

With the lower expected cheese price more than offsetting the higher expected dry whey price, the Class III price forecast for 2021 has been adjusted to \$17.45 per hundredweight (cwt), 25 cents lower than last month's forecast. Higher anticipated butter and NDM prices translate to a Class IV price of \$15.85 per cwt, 10 cents higher than last month's projection. The all-milk price forecast for 2021 is \$18.85 per cwt, 10 cents lower than the May forecast.

Dairy Forecasts for 2022

The number of cows is forecast to average 9.495 million head in 2022, 30,000 higher than last month's forecast. Year over year, the annual forecast for milk cow numbers is the same as for 2021. Milk production usually responds to changes in input costs with a lag of several months. Due to relatively high input costs and weaker expected milk prices in mid-2021, milk cow numbers in 2022 are expected

to decline from the second half of 2021. The forecast for milk per cow is 24,335 pounds, unchanged from last month's forecast. The forecast for 2022 milk production has been raised to 231.1 billion pounds, 0.8 billion higher than last month's forecast.

On a milk-fat basis, the export forecast for 2022 is 10.3 billion pounds, unchanged from last month's forecast. Due to strong anticipated international demand for U.S. lactose and whey products, exports are projected to total 50.7 billion pounds on a skim-solids basis, 0.7 billion higher than the forecast of the previous month.

In 2022, dairy imports on a milk-fat basis and skim-solids basis are projected to total 5.9 billion pounds and 5.4 billion pounds, respectively, both unchanged from last month's forecast. Retaliatory tariffs on some dairy imports from the European Union and the United Kingdom are assumed to remain in place.

With a stronger expected economy, domestic use forecasts for 2022 have been raised. In 2022, the domestic use forecast on a milk-fat basis is 225.7 billion pounds, an increase of 0.9 billion from the previous forecast. On a skim-solids basis, the projection is 185.1 billion pounds, 0.4 billion higher than last month. On a milk-fat basis, the ending-stock forecast for 2022 is 15.1 billion pounds, 0.1 billion higher than last month's forecast. The ending-stock projection on a skim-solids basis is 10.3 billion pounds, 0.1 billion lower than last month's forecast.

In 2022, the Cheddar cheese price is projected to be \$1.715 per pound, unchanged from last month's forecast. Price forecasts for butter, NDM, and dry whey have been raised to \$1.795 (+0.5 cents), \$1.220 (+2.5 cents), and \$0.510 (+3.5 cents) per pound, respectively.

The Class III milk price forecast for 2022 is \$17.15 per cwt, \$0.30 higher than the previous month's forecast, due to higher expected whey prices. With higher butter and NDM prices, the Class IV milk price projection for 2022 is \$15.95 per cwt, \$0.25 higher than last month's forecast. The all-milk price forecast for 2022 is \$18.75 per cwt, an increase of \$0.25 from last month's forecast.

Pork/Hogs

Mildred Haley

Domestic Pork Demand Supports Hog Producers and Pork Processors in the Second Quarter

Demand for pork continues to drive wholesale prices higher, and at the same time to support processor margins and hog prices two-thirds of the way through the second quarter of 2021. Estimated federally inspected hog slaughter in May was just short of 9.6 million head, 2.5 percent higher than in May 2019 after adjusting for slaughter day differences.⁵ Pork processors paid higher prices for this larger quantity of animals, meaning that their demand for hogs increased in May. Prices for live equivalent 51-52 percent lean hogs in May averaged \$81.01 per hundredweight (cwt), 36 percent higher than in May 2019. Higher revenues from hog sales in May likely offset most hog producers' recent production cost increases, contributing to strong producer returns.

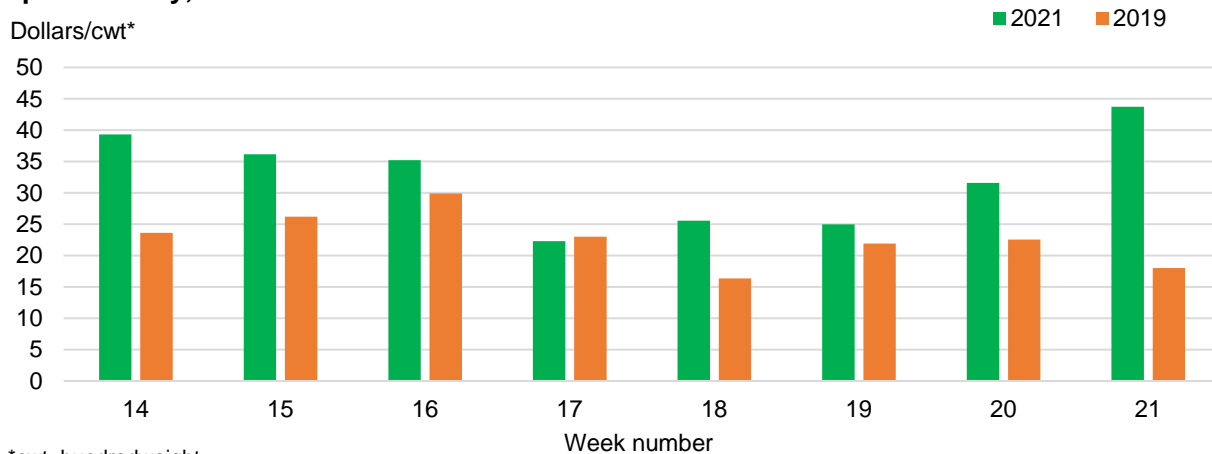
Pork Processors' Second-Quarter Gross Margins Holding Up Despite High Hog Prices

Pork processors' April-May 2021 gross margins were considerably stronger compared to the same period in 2019. High wholesale pork prices from strong demand and gains in the hog drop credit were important factors determining processor margins this spring. Other contributing factors included processors' limiting of April-May Saturday slaughter numbers and higher numbers of U.S.-imported Canadian hogs for immediate slaughter. Limiting Saturday slaughter numbers decreased the demand for hogs, while increased hog imports increased U.S. slaughter hog supplies. These factors together supported higher processing margins by slowing hog price increases.

USDA price and quantity data indicate that calculations of pork processor gross margins averaged more than \$32 per hog, almost 43 percent higher in April and May (weeks 14-21) of this year compared with the same period in 2019.

⁵ 2021 quantity and price comparisons are made to 2019 due to extreme market distortions brought about by spring 2020 COVID-19 infections in the U.S. pork processing industry.

Estimated per hog gross processing margin, by product drop value included, weekly April and May, 2019 and 2021

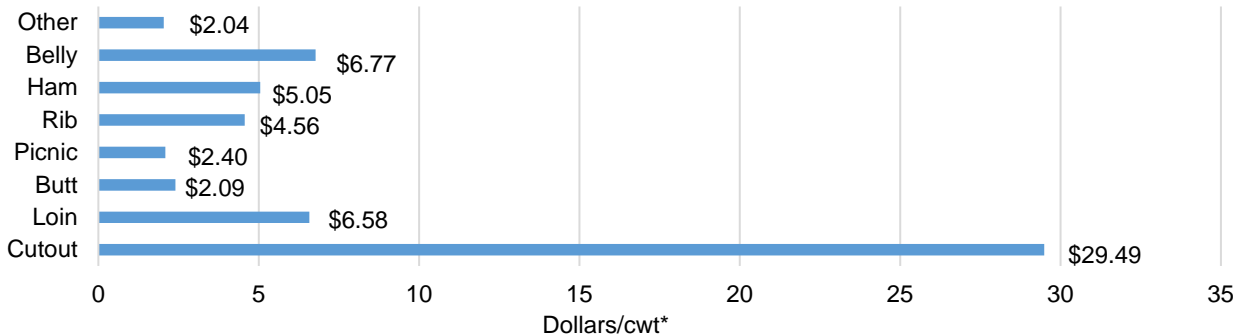


*cwt=hundredweight.

Source: USDA, Economic Research Service calculations with USDA, Agricultural Marketing Service, and USDA, National Agricultural Statistical Service data.

The factor contributing most to processors' margins in 2021 has been U.S. consumer retail demand for pork cuts. In April-May 2021, the wholesale value of the pork carcass cutout averaged \$114.31 per cwt, almost 35 percent higher than the same period in 2019. A disaggregation of the difference between the average April-May cutout in 2019 and 2021 shows that the value differences in pork cuts sold through retail channels—loins and ribs in particular, but also bellies to some degree—account for more than 60 percent of the \$29.29 difference in average cutout values.

Year-over-year price difference, wholesale pork carcass cutout and primals: April-May averages for 2019 and 2020

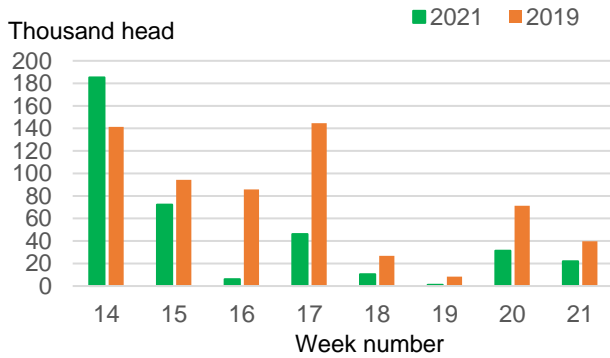


*cwt=hundredweight.

Source: USDA, Agricultural Marketing Service.

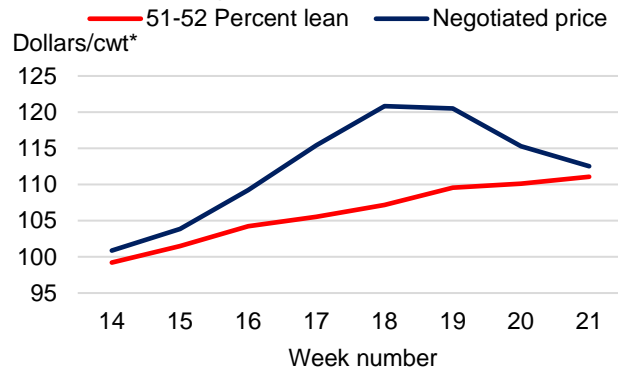
Limiting Saturday hog slaughter numbers in the April-May period (weeks-14-21) was likely a means by which the pork processing industry maintained its margins as hog prices increased, most notably as spot hog prices traded at a premium to base-cost hogs. The figures below show Saturday slaughter numbers for April-May 2019 and 2021, and 2021 weekly prices of negotiated hogs and 51-52 percent lean hogs. It is notable that the number of Saturday-slaughter hogs this year totaled 310,000 head between weeks 14-17 and 65,000 head, from week 18-21. As the quantity of Saturday-slaughter hogs demanded declines beginning in week 18, the negotiated hog price premium appeared to peak. The price then begins to decline in the weeks thereafter as the Saturday slaughter hog demand continued to decline relative to quantities demanded earlier in the quarter.

Saturday hog slaughter



Source: USDA, National Agricultural Statistics Service.

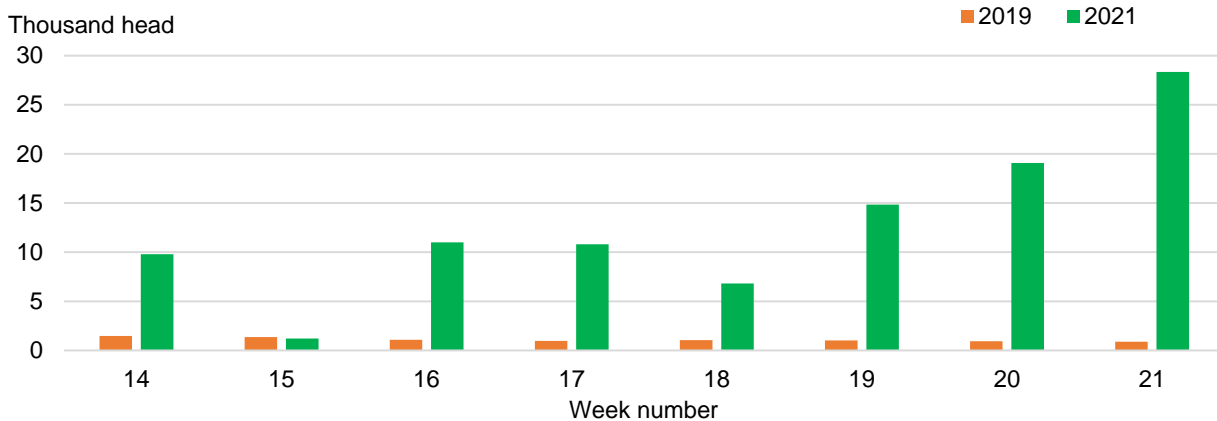
2021 Weekly hog prices, April 9-May 28



*cwt=hundredweight.

An unanticipated surge of Canadian exports of hogs for immediate slaughter at the beginning of May is an additional factor that may have slowed increasing second-quarter hog prices, and at the same time it may have slowed the deterioration of processor margins. USDA data shows that U.S. imports of hogs for immediate slaughter increased sharply at week 19 due to a strike at a Québec processing plant. The Canadian hog imports added to U.S. hog supplies, likely contributing to lower spot hog prices.

U.S. imports of hogs for immediate slaughter, weekly, April-May 2019 and 2021



Source: USDA, Agricultural Marketing Service.

Larger U.S. hog imports and smaller Saturday hog slaughter, taken together, likely slowed hog price increases. Consumer demand for retail cuts in April and May accelerated, with Memorial Day demand in sight. Wholesale cutout values allowed processors to pay high hog prices while generating gross margins higher than in the same period of 2019.

2021 Hog Prices Adjusted Up Consistent With Seasonal Dynamics

The second-quarter price forecast for live equivalent 51-52 percent lean hogs was adjusted upward to \$81 per cwt, based on May and early-June price data. Third-quarter and fourth-quarter forecasts were also adjusted upward, based on historical seasonal trends, to \$78 and \$66 per cwt, respectively. For 2021, hog prices are expected to average around \$70. Expectations for pork production this year are about unchanged at 28.2 billion pounds. Next year, hog prices of around \$56 per cwt are anticipated, with first-quarter prices expected to average about \$60 per cwt, almost 8 percent higher than prices in

the same period of 2021. Pork production in 2022 is forecast at 28.5 billion pounds, about 1 percent above this year's estimated production.

On June 24, USDA will release the *Quarterly Hogs and Pigs* report, providing June 1 information on hog, pig, and breeding inventories; March-May farrowings; the March-May pig crop and litter rate; and producers' (second) summer farrowing intentions and (first) fall farrowing intentions.

Pork Exports Make Modest Gains in April

U.S. pork exports were 655 million pounds in April, 2.1 percent above year-earlier shipments. A large share of the lower shipments to China/Hong Kong were offset by larger exports to Mexico. Anecdotal evidence of disease problems in the Mexican hog production industry last fall and winter corresponds with increases in spring demand for U.S. pork.

The second-quarter U.S. pork export forecast was raised to 1.9 billion pounds, based on the April data and on expectations of continued strong shipments to important American markets—North, Central, and South—in particular. Forecasts for the third and fourth quarters of 2021 were also raised 25 and 50 million pounds, respectively, bringing the total 2021 pork export forecast to almost 7.6 billion pounds, nearly 4 percent above year-earlier exports. It is notable that current U.S. export forecasts imply that just under of 27 percent of commercial pork production is expected to be exported in 2021.

April exports and export shares of the 10 largest foreign destinations are listed below. These countries together accounted for 93 percent of U.S. pork exports in April 2021.

U.S. pork exports: Volumes and export shares of the 10 largest foreign destinations in April 2020 and 2021

Country	Exports April 2020 (Million pounds)	Exports April 2021 (Million pounds)	Percent change (2021/2020)	Export share April 2020 Percent	Export share April 2021 Percent
World	641	655	2.1		
Mexico	99	154	55	15	23
China/Hong Kong	237	153	-35	37	23
Japan	122	105	-14	19	16
South Korea	46	51	11	7	8
Canada	36	46	27	6	7
Philippines	6	39	570	1	6
Colombia	15	20	35	2	3
Australia	20	18	-9	3	3
Dominican Republic	10	13	34	2	2
Honduras	8	10	35	1	2

Source: U.S. Department of Agriculture, Economic Research Service.

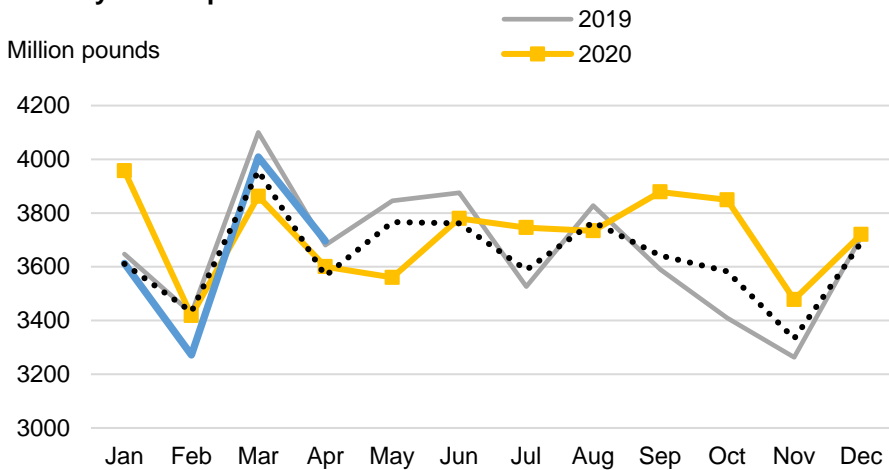
Poultry

Grace Grossen and Adriana Valcu-Lisman

Broiler Production Revised Up in Second-Quarter 2021

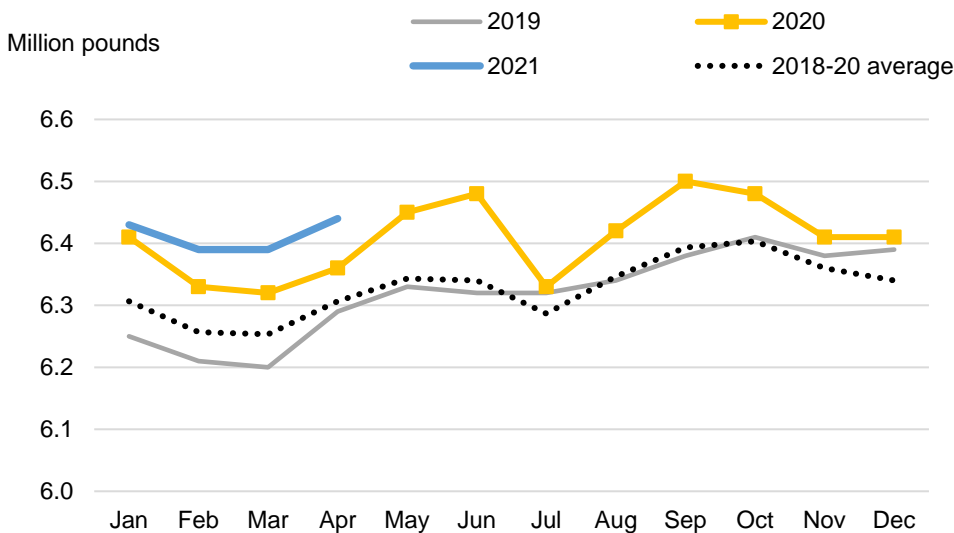
In April, broiler production totaled 3.696 billion pounds, above 2020 levels for the second month and slightly above April 2019. This was accounted for by year-over-year increases of 1.3 percent in both head slaughtered and average weight. Second-quarter production was revised up to 11.3 billion pounds on recent slaughter data. This brings the 2021 total production forecast to 44.9 billion pounds, a 1-percent increase over the 2020 total. The 2022 broiler production forecast remains unchanged at 45.3 billion pounds.

Monthly broiler production



Source: USDA, National Agricultural Statistics Service.

Monthly average live weight

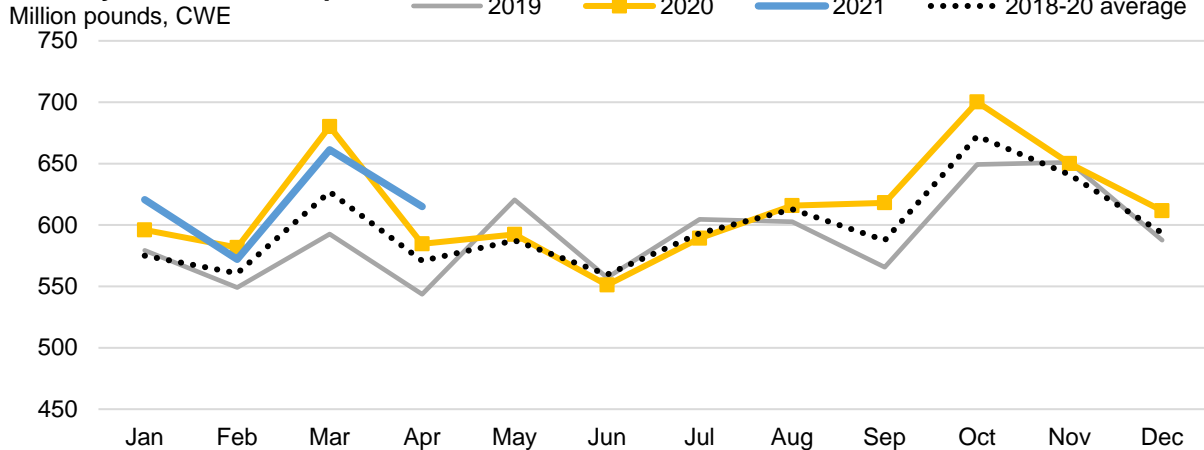


Source: USDA, National Agricultural Statistics Service.

Broiler Export Forecast Increased

April broiler exports totaled 615 million pounds, an increase of 5 percent over April of last year. Markets with large year-over-year increases included Mexico (+28.5 million pounds), Cuba (+29.7 million pounds), and the Philippines (+44.4 million pounds). The market with the largest year-over-year decrease was China (-45.7 million pounds), whose export share decreased from 13 percent to 5 percent. Based on strong export data and increased production expectations, the 2021 broiler export forecast was revised up by 45 million pounds to 7.4 billion pounds. This would be an increase of less than one-half percent over 2020. The 2022 export forecast remains unchanged at 7.45 billion pounds.

Monthly broiler meat exports



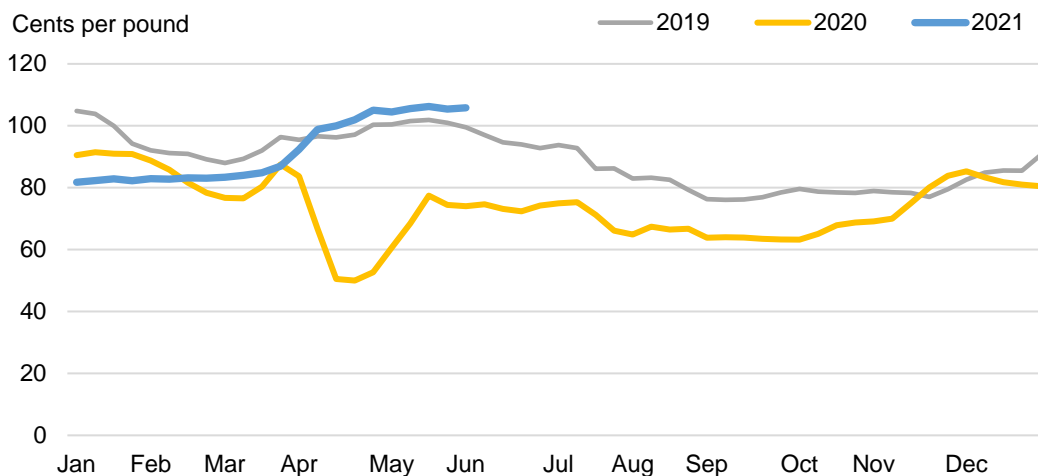
Note: CWE = Carcass Weight Equivalent

Source: USDA, Economic Research Service, Livestock and Meat International Trade Data.

Second-Quarter Broiler Price Adjusted Down

In May, national composite wholesale broiler prices averaged 105.41 cents per pound. Weekly prices reached a peak of 106.23 cents per pound in the week ending May 21 and averaged 105.83 in the first week of June. Wholesale prices for boneless/skinless breasts and chicken wings continued climbing in May; for the month, breast prices averaged 212.97 cents per pound and wing prices averaged 325 cents. The forecast broiler price for the second quarter was adjusted down to 104 cents per pound on recent price data. Forecasts for the outlying quarters are unchanged.

Weekly National Composite weighted average whole broiler price



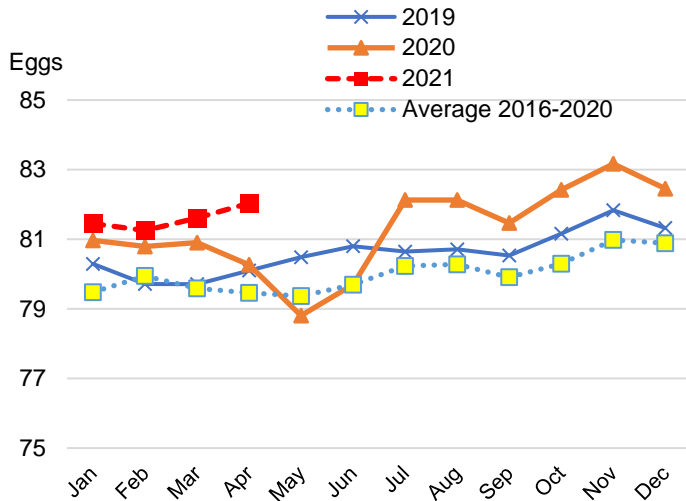
Source: USDA, Agricultural Marketing Service.

Third- and Fourth-Quarter Table Egg Production Revised Up

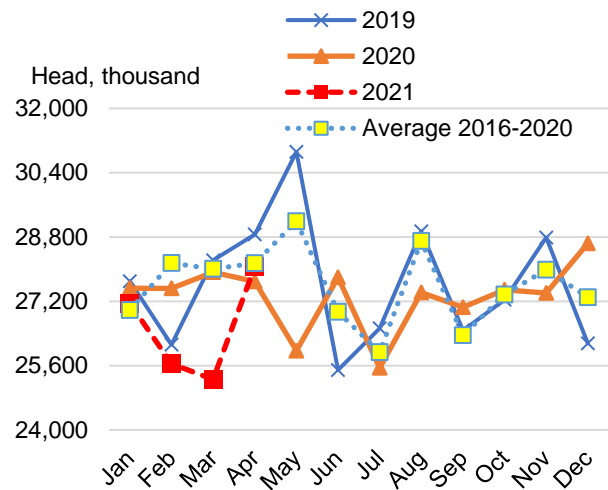
April table egg production was 660.6 million dozen, fractionally above 2020 but about 3.5 percent below April 2019. The two factors directly affecting the production--the size of the layer flock and the lay rate--had opposite year-over-year movements. The table egg layer flock averaged 322.5 million layers in April, a 1.8-percent year-over-year decrease from 2020. The April lay rate was 82 eggs per 100 layers per day, a 2-percent increase from last year. The increase in lay rate was not sufficient to compensate for the reduction in the size of the layer flock.

Since the beginning of the year, the lay rate per 100 layers per day has been on an upward trajectory and above the 5-year average. This suggests a younger, more productive layer flock. In addition, April data for pullet chicks (chicks less than 3 days old that will achieve peak productivity 5 months later) added to the flock showed a higher-than-expected uptick (see charts). Given the expectations of a more productive layer flock, the 2021 third- and fourth- quarter table egg production forecasts were increased to 2,025 and 2,075 million dozen, respectively. This brings the 2021 total table egg production to 8,091 million dozen eggs, less than half of 1 percent higher than 2020 table egg production.

Rate of lay, eggs per 100 layers per day



Pullets added during the month

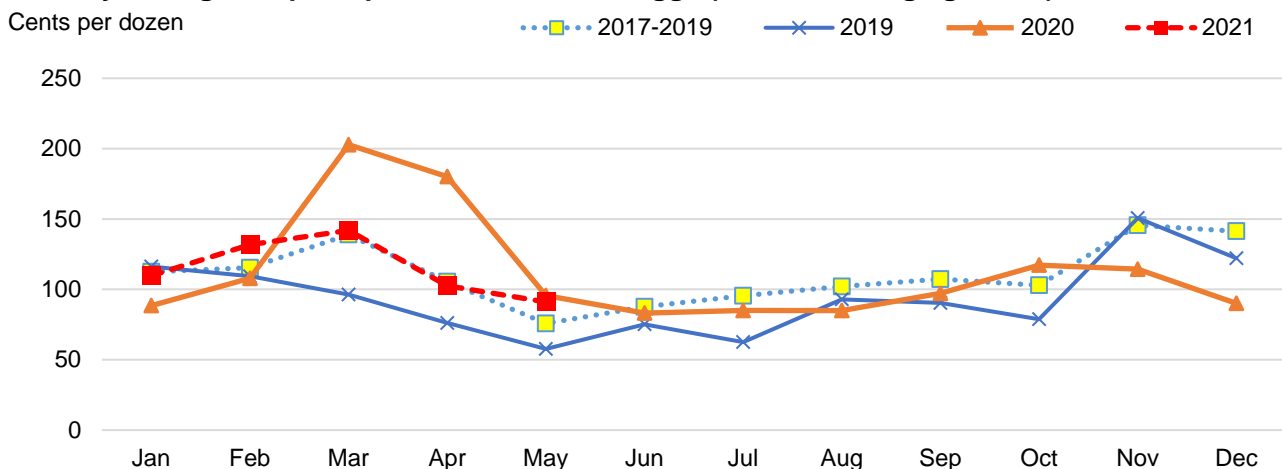


Source: USDA, National Agricultural Statistics Service.

Second-Quarter Wholesale Table Egg Prices Revised Down

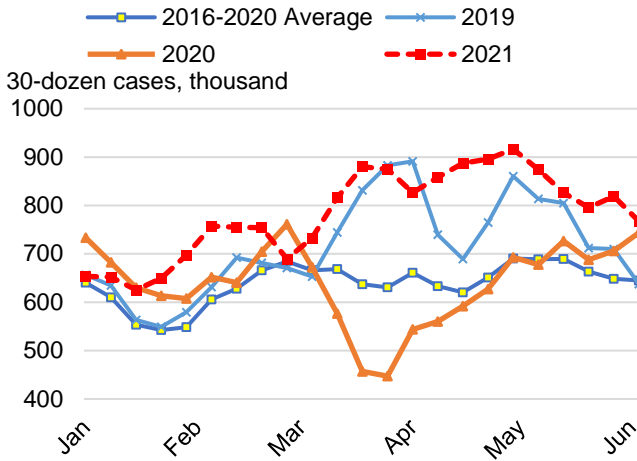
May wholesale table egg prices (New York, Grade A Large) were unchanged for most of the month and averaged 91.05 cents per dozen, a 4.9-percent year-over-year decrease. Most recent retail market indicators such as shell-egg inventories (supply side) and national egg purchases (demand side) indicate that the industry is building up inventories, while the retail demand lags in matching the supply. In the first week of June, weekly shell-egg inventories for large eggs were 17-percent larger than at the beginning of the year, while national retail egg-purchases were 8-percent lower. Given the current market prospects, second-quarter egg prices were revised down 1 cent to 94 cents per dozen. Going forward, prices are expected to follow the normal seasonal trends, with higher prices expected for the second part of the year. The current forecast for the rest of the year remains unchanged.

Monthly average midpoint prices for New York eggs (wholesale, large grade A)

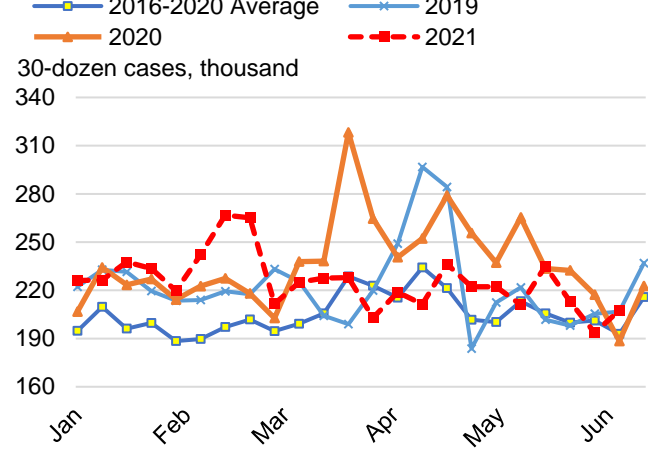


Source: USDA, Economic Research Service using data from USDA, Agricultural Marketing Service.

Weekly shell egg inventory



Weekly national retail egg purchases

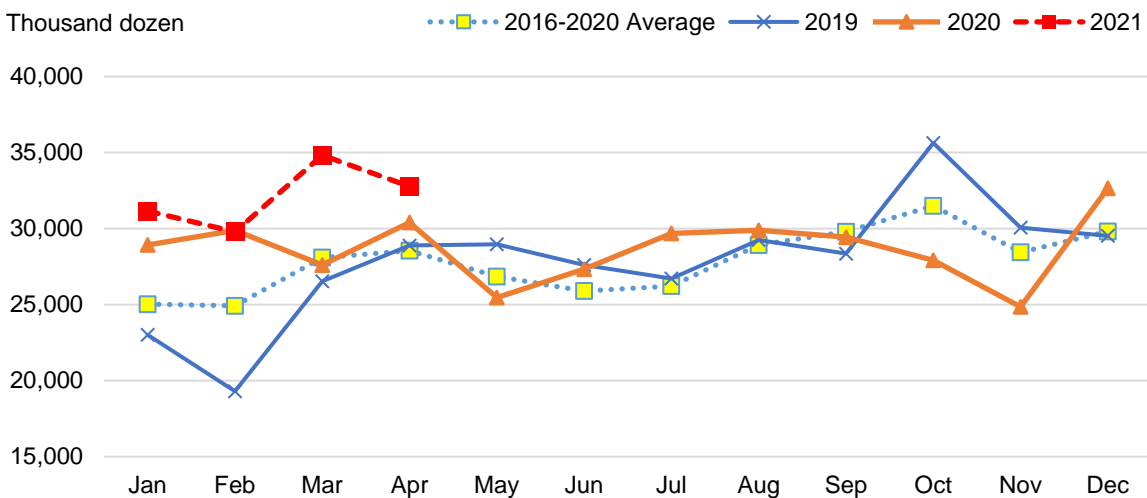


Source: USDA, Economic Research Service using data from USDA, Agricultural Marketing Service.

Egg and Egg-Products Export Forecast Unchanged

April shell eggs and shell egg-equivalent-product exports equaled 32.8 million dozen (11.4 million shell eggs and 21.4 million shell-egg-equivalent egg products), a 7.8-percent year-over-year increase and the highest level for April exports since 2015. Year-over-year April changes in egg exports were dominated by significant increases in shipments to Canada (+1,066 thousand dozen), South Korea (+3,643 thousand dozen), and Japan (+647 thousand dozen). These increases more than compensated for decreases in shipments to Mexico (-2,780 thousand dozen), Germany (-508 thousand dozen), and Denmark (-435 thousand dozen). Year-to-date eggs and egg-product exports have been at the highest levels since 2015. Current factors affecting global supply and demand for eggs and egg products will likely support this trend throughout the year. There are no changes to the current forecast.

Monthly U.S. eggs and egg products export volumes (shell-egg equivalent)



Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Census Bureau.

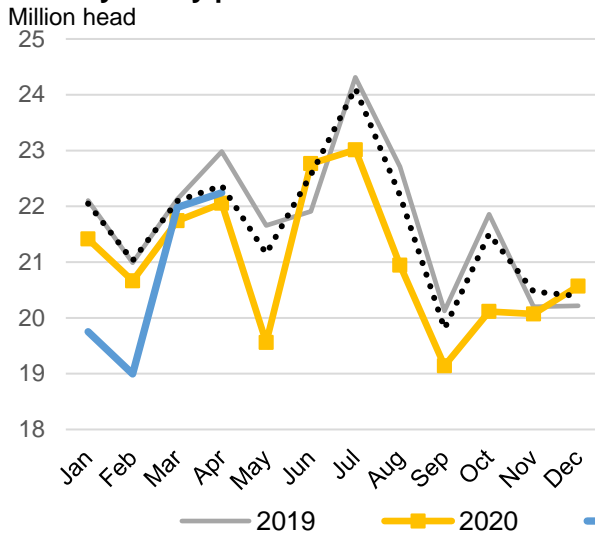
Turkey Production Forecast Increased

In the May *Turkey Hatchery* report published by USDA, National Agricultural Statistics Service (NASS), the March placement figure was revised to just under 22 million head, a year-over-year increase from last March. April placements also came in above 2020 levels at 22.4 million head. Both months were still below 2019 levels, but they indicate intentions to increase production.

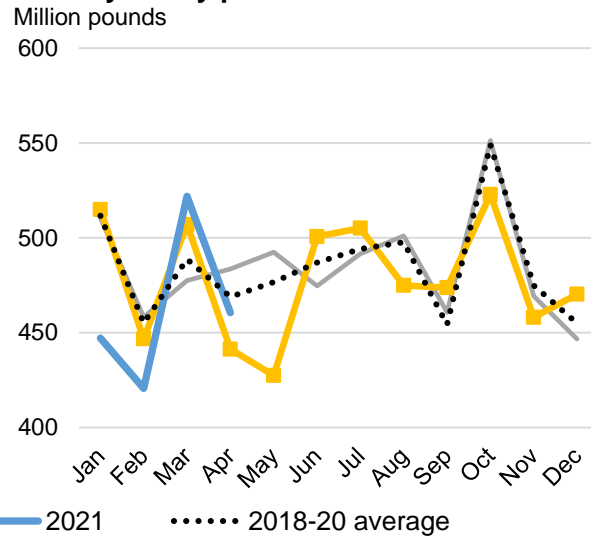
Turkey production in April totaled 460.6 million pounds, about 4 percent above last April but below April of 2019. Turkey slaughter in both March and April was similar to levels last year, but heavier birds compared to last year have pushed production up. Live turkey weights have hovered around 33.5 pounds for the first 4 months of the year.

The second-quarter 2021 turkey production forecast was revised up by 20 million pounds to 1.400 billion pounds on bird weights. The third-quarter forecast was revised up by 15 million pounds to 1.425 billion pounds on recent placement data. This brings the 2021 total forecast to 5.665 billion pounds, a 1-percent decrease from 2020. The total production forecast for 2022 was increased by 10 million pounds to 5.700 billion pounds, which would represent 1-percent growth from the 2021 forecast.

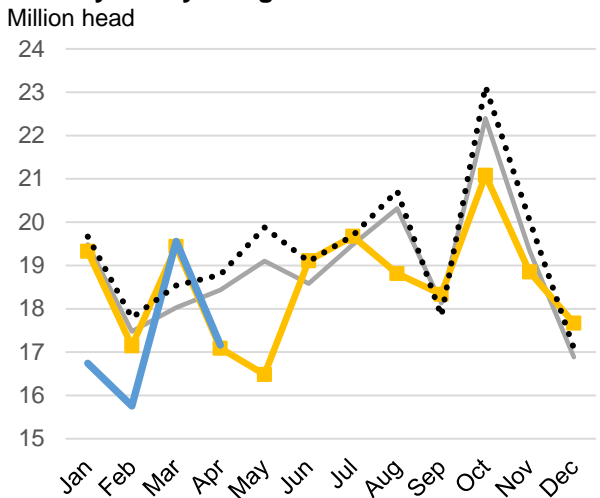
Monthly turkey placements



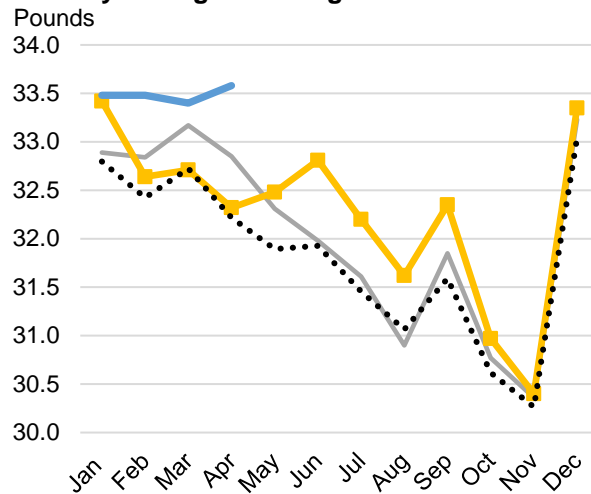
Monthly turkey production



Monthly turkey slaughter



Monthly average live weight



Source: USDA, National Agricultural Statistics Service.

Turkey Exports Adjusted Up

Turkey exports in April totaled 45.3 million pounds, 9 percent below April of 2020. Mexico remains the top destination for U.S. turkey with a 64.6 percent market share, despite importing 571,000 pounds less than last April. Much of the year-over-year decrease in total exports is accounted for by reductions in shipments to China. China's export share shrank from 9.1 percent in April 2020 to 1 percent in April 2021. South Korea also had a large year-over-year decrease in shipments.

The 2021 annual turkey export forecast was raised by 15 million pounds to 575 million pounds on increased production expectations. This is an increase of 3 million pounds and about one-half percent above the 2020 total. The 2022 export forecast is unchanged at 580 million pounds.

U.S. turkey exports: Volumes and export shares of largest markets, April 2020 and 2021

Country	Volume (1,000 pounds, CWE)			Export share (percent)	
	April 2020	April 2021	Change in volume	April 2020	April 2021
Top 10 largest foreign markets (2021 year-to-date export volumes)					
Mexico	29,835	29,265	-571	59.9	64.6
Canada	1,129	1,468	339	2.3	3.2
Benin	934	1,494	560	1.9	3.3
Peru	450	1,276	826	0.9	2.8
South Africa	1,152	1,558	407	2.3	3.4
Haiti	118	583	465	0.2	1.3
Dominican Republic	974	834	-140	2.0	1.8
China	4,533	454	-4,079	9.1	1.0
Jamaica	898	1,101	203	1.8	2.4
Guatemala	756	674	-82	1.5	1.5
World	49,825	45,315	-4,510	100	100
Additional market of note					
South Korea	2,599	39	-2,560	5.2	0.1

Note: CWE = Carcass Weight Equivalent.

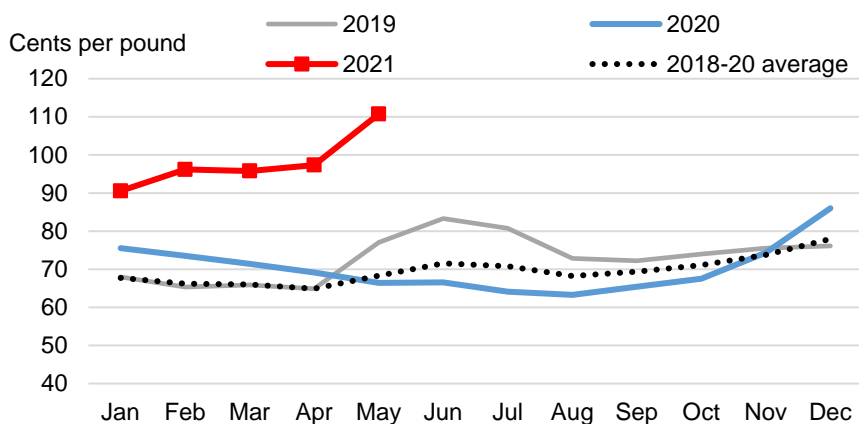
Source: USDA, Economic Research Service, Livestock and Meat International Trade Data.

Turkey Prices Adjusted Up

Wholesale prices for frozen whole turkey hens averaged 118.15 cents per pound in May, 14 cents above May last year. Weekly prices hit a peak of 122.7 cents per pound in the week ending May 21st and averaged 120 cents per pound in the week ending June 4th. Reflecting these climbing prices, the forecasts for the remaining quarters of 2021 were revised up to 118 cents in the second and third quarters and 116 cents per pound in the fourth quarter. The first-quarter price forecast in 2022 was also revised up to 114 cents per pound. The 2021 and 2022 annual price forecasts are now both 116 cents per pound, a 9.5-cent increase over 2020.

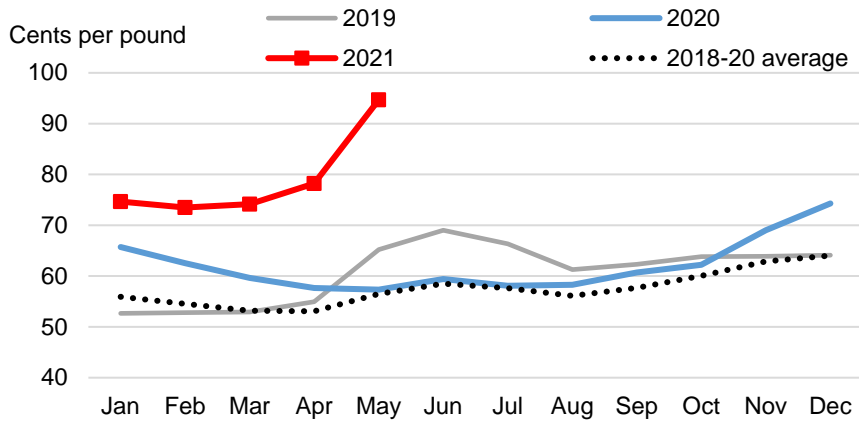
Wholesale prices for turkey parts--cuts from larger tom turkeys rather than smaller hens--have seen an increase since the beginning of the year. As the figure below shows, drumsticks and full-cut turkey wings both had their biggest leap in monthly average prices from April to May.

Wholesale prices for frozen tom turkey drumsticks



Source: USDA, Agricultural Marketing Service.

Wholesale prices for frozen tom turkey full-cut wings



Source: USDA, Agricultural Marketing Service.

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U.S. red meat and poultry forecasts

	2017				2018				2019				2020				2021				2022							
	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	III	IV	Annual	Annual							
Production, million pounds																												
Beef	6,303	6,407	6,796	6,742	26,187	6,466	6,726	6,819	6,862	26,872	6,414	6,817	6,923	7,001	27,155	6,931	6,959	7,115	7,089	27,174	6,895	6,960	7,050	7,000	27,905	6,820	27,335	
Pork	6,410	6,137	6,240	6,796	25,584	6,645	6,325	6,315	7,031	26,315	6,838	6,615	6,706	7,478	27,639	7,426	6,313	7,048	7,515	28,303	7,291	6,665	6,930	7,305	28,191	7,295	28,545	
Lamb and mutton	37	36	35	37	145	39	39	38	38	153	37	36	36	36	149	35	37	34	33	138	35	37	34	33	138	34	134	
Broilers	10,233	10,407	10,551	10,472	41,682	10,385	10,687	10,940	10,988	42,601	10,384	10,945	11,402	11,175	43,935	11,238	10,940	11,258	11,047	44,583	10,833	11,300	11,445	11,255	44,833	11,025	45,300	
Turkeys	1,488	1,462	1,479	1,533	5,961	1,452	1,477	1,451	1,518	5,878	1,446	1,451	1,453	1,467	5,818	1,469	1,459	1,454	1,451	5,743	1,380	1,400	1,425	1,450	5,661	1,405	5,700	
Total red meat and poultry	24,817	24,821	25,187	25,734	100,169	25,130	25,410	25,704	26,191	102,435	25,284	26,019	26,675	27,386	105,286	27,251	24,870	27,172	27,283	106,556	26,645	26,511	27,041	27,191	107,388	26,726	107,629	
Tdable eggs, million dozen	1,328	1,394	1,363	1,397	7,811	1,362	1,387	1,387	1,398	8,043	1,362	1,387	1,387	1,398	8,043	1,362	1,387	1,387	1,398	8,043	1,362	1,387	1,387	1,398	8,043	1,362	8,185	
Per capita disappearance, retail pounds /1/																												
Beef	14.1	14.2	14.4	14.3	57.0	14.0	14.5	14.4	14.4	57.3	14.0	14.8	14.5	14.8	58.1	14.7	13.6	15.6	14.5	58.4	14.6	14.7	14.7	14.5	58.5	14.3	57.0	
Pork	12.4	11.8	12.4	13.5	50.2	12.6	12.2	12.4	13.8	51.0	13.1	12.5	12.9	13.9	52.4	13.2	11.6	13.3	14.0	52.0	13.1	11.9	12.7	13.1	50.8	13.1	51.2	
Lamb and mutton	0.3	0.3	0.2	0.3	1.1	0.3	0.3	0.3	0.3	1.1	0.3	0.3	0.2	0.3	1.1	0.4	0.3	0.3	0.3	1.2	0.3	0.3	0.3	0.3	1.1	0.3	1.1	
Broilers	22.4	22.9	23.2	22.5	91.1	22.7	23.4	23.6	22.8	92.6	22.5	24.0	24.7	23.8	95.1	24.4	23.9	24.5	23.4	96.2	23.6	24.4	24.6	23.9	96.4	23.5	96.7	
Turkeys	3.7	3.7	4.0	5.0	16.9	3.5	3.8	3.9	4.9	16.2	3.5	3.7	4.0	4.9	16.0	3.6	3.3	3.9	4.7	15.8	3.4	3.8	3.9	4.5	15.8	3.4	15.3	
Total red meat and poultry	53.3	53.3	54.7	56.0	217.3	53.4	54.5	55.1	56.8	219.8	53.7	55.7	56.8	58.1	224.4	56.6	53.2	58.0	57.4	225.2	55.3	55.2	56.6	56.6	223.7	55	223.0	
Eggs, number	69.4	69.6	70.3	71.0	280.3	69.6	70.9	72.7	74.3	287.5	73.1	73.0	72.8	74.4	293.4	72.5	69.4	71.2	73.4	296.5	70.5	70.3	71.5	73.2	288.5	71.3	287.6	
Market prices																												
Steers 5-year Direct, Total all grades, dollars/cwt	122.96	132.76	112.46	117.88	121.52	125.60	116.72	110.83	115.32	117.12	125.27	118.79	108.16	114.88	116.78	118.32	105.79	101.74	108.18	108.51	112.98	120.00	115.00	120.00	117.00	125.00	121.50	
Feeders steers, Medium Frame No. 1, OK City, cwt	129.56	147.75	148.12	154.88	145.08	146.29	143.05	150.46	147.50	146.93	140.76	140.51	140.19	147.44	142.23	136.42	126.37	141.42	137.57	135.45	134.30	138.00	141.00	143.00	139.33	138.00	144.25	
Cows, Live equivalent, Culler 90% lean, 500 lb cwt	62.63	69.55	69.78	59.89	65.16	61.80	61.32	57.74	49.07	57.43	53.34	58.30	60.42	53.66	56.43	59.38	63.14	64.97	54.93	60.61	59.63	67.00	68.00	57.00	62.91	62.00	65.25	
Choice Prime slaughter lambs, National dollar	142.34	167.94	172.40	136.82	154.90	136.83	154.86	147.95	134.30	142.49	136.23	156.16	154.93	149.98	149.98	159.12	N/A	N/A	164.31	161.72	165.42	190.00	180.00	175.00	177.61	174.00	172.75	
Broilers and girls, National live cost, 51-52% live weight, 140 lb, \$/cwt	88.5	51.70	52.69	46.89	50.45	48.12	41.31	43.90	36.37	46.73	46.67	57.95	58.03	48.90	47.85	52.86	62.30	50.75	50.75	43.75	53.10	60.00	78.00	68.00	68.00	60.00	62.25	
Turkeys, National 8-16 lb hens, National cents	100.4	98.1	96.9	88.0	96.1	79.4	79.6	80.4	81.4	80.2	82.8	85.5	90.8	87.8	89.2	87.4	103.7	111.3	113.6	106.5	110.1	118.0	118.0	116.0	115.5	114.0	115.8	
Eggs, Grade A large, New York, volume bought	80.0	74.7	102.1	147.0	100.9	179.6	124.4	120.8	125.6	137.6	107.3	89.7	81.9	117.2	94.0	133.1	119.6	89.0	107.2	112.2	127.8	94.0	103.0	124.0	112.2	114.8	114.8	
U.S. trade, million pounds, carcass-weight equivalent																												
Beef and veal exports	653	680	746	781	2,859	731	801	828	799	3,160	700	790	788	749	3,026	769	607	758	821	2,956	797	820	860	825	3,342	800	3,300	
Beef and veal imports	700	700	812	814	668	2,993	721	805	807	664	2,998	739	836	771	712	3,058	774	848	1,028	693	3,343	820	820	810	695	3,021	700	2,990
Lamb and mutton imports	80	58	57	57	232	80	66	70	66	273	80	66	66	66	272	102	67	62	70	302	69	60	59	66	66	80	272	
Pork exports	1,432	1,220	1,230	1,544	5,532	1,516	1,521	1,288	1,542	5,875	1,445	1,535	1,515	1,626	6,321	2,023	1,774	1,627	1,858	7,282	1,827	1,900	1,725	2,000	7,552	1,900	7,550	
Pork imports	1,204	1,281	1,653	1,728	6,248	1,219	1,700	1,745	1,682	7,066	1,289	1,727	1,521	1,688	7,103	1,727	1,886	1,728	1,852	7,371	1,854	1,850	1,820	1,915	7,286	1,825	7,450	
Turkey exports	133	148	168	173	622	153	147	141	170	611	147	166	159	167	639	139	128	143	184	572	130	135	145	165	575	130	580	
Live swine imports (thousand head)	1,448	1,458	1,296	1,394	5,597	1,357	1,349	1,258	1,286	5,250	1,338	1,254	1,200	1,305	5,096	1,331	1,202	1,274	1,489	5,296	1,607	1,575	1,375	1,470	6,027	1,450	5,525	

Note: Forecasts are in bold, continuation weight.
 1/ Per capita meat and egg disappearance data are calculated using the Resident Population plus Armed Forces Overseas series from U.S. Department of Commerce, Bureau of the Census.
 Source: World Agricultural Supply and Demand Estimates and Supporting Materials.
 For further information, contact: Mildred M. Haley, Economic Research Service, USDA.
 Updated 6/10/2021

Dairy forecasts

	2020				2021					2022	
	II	III	IV	Annual	I	II	III	IV	Annual	I	Annual
Milk cows (thousands)	9,364	9,380	9,429	9,388	9,460	9,500	9,505	9,505	9,495	9,500	9,495
Milk per cow (pounds)	5,988	5,908	5,892	23,778	6,002	6,145	5,975	5,945	24,065	6,060	24,335
Milk production (billion pounds)	56.1	55.4	55.6	223.2	56.8	58.4	56.8	56.5	228.5	57.6	231.1
Farm use	0.3	0.3	0.3	1.1	0.3	0.3	0.3	0.3	1.1	0.3	1.1
Milk marketings	55.8	55.1	55.3	222.1	56.5	58.1	56.5	56.2	227.4	57.1	230.0
Milk-fat (billion pounds milk equiv.)											
Milk marketings	55.8	55.1	55.3	222.1	56.5	58.1	56.5	56.2	227.4	57.3	230.0
Beginning commercial stocks	16.8	19.0	17.7	13.6	15.6	18.1	19.4	17.6	15.6	15.1	15.1
Imports	1.9	1.8	1.6	6.8	1.3	1.6	1.6	1.6	6.1	1.1	5.9
Total supply	74.5	75.9	74.5	242.5	73.4	77.9	77.5	75.5	249.1	73.6	251.1
Commercial exports	2.6	2.4	2.1	9.3	2.6	3.2	2.8	2.5	11.1	2.4	10.3
Ending commercial stocks	19.0	17.7	15.6	15.6	18.1	19.4	17.6	15.1	15.1	17.5	15.1
Commodity Credit Corporation donations ¹	0.1	0.1	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic commercial use ²	52.9	55.8	56.8	217.4	52.7	55.3	57.0	57.8	222.9	53.6	225.7
Skim solids (billion pounds milk equiv.)											
Milk marketings	55.8	55.1	55.3	222.1	56.5	58.1	56.5	56.2	227.4	57.3	230.0
Beginning commercial stocks	11.5	11.2	10.4	10.2	10.9	11.6	11.0	10.0	10.9	10.6	10.6
Imports	1.5	1.4	1.3	5.6	1.4	1.4	1.4	1.4	5.5	1.3	5.4
Total supply	68.8	67.7	66.9	237.9	68.8	71.1	68.9	67.6	243.8	69.2	246.0
Commercial exports	12.5	11.9	11.6	47.2	12.4	13.8	12.5	11.7	50.2	12.4	50.7
Ending commercial stocks	11.2	10.4	10.9	10.9	11.6	11.0	10.0	10.6	10.6	11.4	10.3
Commodity Credit Corporation donations	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic commercial use ²	45.0	45.4	44.5	179.7	44.8	46.3	46.4	45.3	183.0	45.4	185.1
Milk prices (dollars/hundredweight) ³											
All milk	15.43	18.97	19.80	18.24	17.33	18.95	19.00	20.05	18.85	19.20	18.75
Class III	15.42	20.25	20.22	18.16	15.98	18.00	17.65	18.10	17.45	17.45	17.15
Class IV	11.66	13.01	13.38	13.49	13.71	16.05	16.90	16.75	15.85	16.00	15.95
Product prices (dollars/pound) ⁴											
Cheddar cheese	1.6389	2.1571	2.1296	1.9236	1.6146	1.725	1.700	1.770	1.705	1.730	1.715
Dry whey	0.3729	0.3325	0.3827	0.3621	0.5064	0.640	0.630	0.590	0.590	0.550	0.510
Butter	1.4257	1.5970	1.4746	1.5808	1.4677	1.795	1.800	1.800	1.715	1.750	1.795
Nonfat dry milk	0.9050	0.9783	1.0812	1.0417	1.1226	1.230	1.330	1.310	1.250	1.250	1.220

Totals may not add due to rounding.

¹ Commodity Credit Corporation donations include purchases made through the USDA Trade Mitigation program. They do not include products purchased under other programs.

² Domestic use for 2020 includes additional milk marketed but not processed.

³ Simple averages of monthly prices. May not match reported annual averages.

⁴ Simple averages of monthly prices calculated by the USDA, Agricultural Marketing Service, for use in class price formulas. Based on weekly USDA *National Dairy Products Sales Report*.

Sources: USDA, National Agricultural Statistics Service; USDA, Agricultural Marketing Service; USDA, Foreign Agricultural Service; and USDA, World Agricultural Outlook Board.

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