



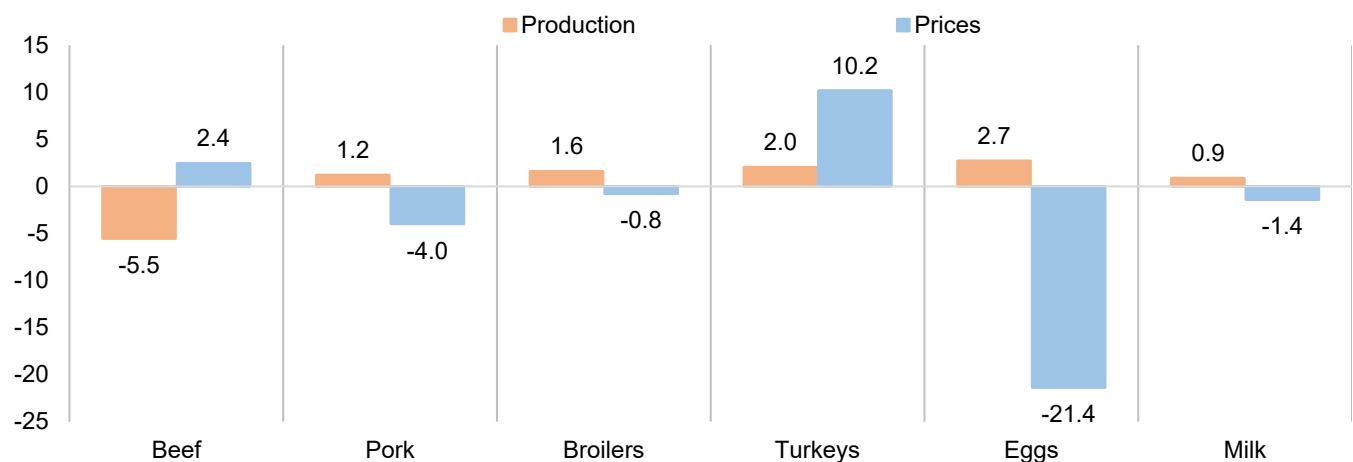
Livestock, Dairy, and Poultry Outlook: May 2024

Production Forecasts for 2025 Generally Higher Year-Over-Year, but Prices Mixed

The figure below shows the percentage changes in USDA production and price forecasts for 2025 compared with 2024. Among the main animal proteins, beef production is forecast to decrease (-5.5 percent), and cattle prices are expected to increase (+2.4 percent). These changes reflect tighter cattle and beef supplies as the cattle herd continues to contract. The production projections for the remainder of major animal proteins are expected to increase as follows: pork, +1.2 percent, broilers, +1.6 percent, turkeys, +2.0 percent, and table-eggs, +2.7 percent. The higher pork production forecast derives from growth in pigs per litter that will more than offset fewer expected farrowings. The modest expected increase in broiler production is based on firm demand and favorable feed prices. The changes in turkey and egg production forecasts reflect the expectation of recovery from Highly Pathogenic Avian Influenza (HPAI) outbreaks. The production forecast increases are expected, in turn, to drive the forecast prices lower except for turkeys (+10.2 percent). Prices are forecast to drop for hogs (-4.0 percent), broilers (-0.8 percent), and eggs (-21.4 percent). Milk production is forecast to increase (+0.9 percent) based on improved margins in 2024 that will likely support dairy herd growth into 2025. Concurrent with expectations for expanded supply in 2025, the all-milk price is forecast to decrease (-1.4 percent).

Percent changes for 2025 production and price forecasts compared with 2024^{1,2}

Percentage



Note: ¹The changes in following prices are shown as follows: cattle (5-area fed steer), hogs (national base live equivalent 51-52 percent lean), broilers (wholesale national composite weighted-average), turkeys (8-16 pounds turkey-hens, frozen), eggs (wholesale New York, Grade A, Large), and milk (farm-level price for all-milk).

² Changes in egg production represent changes in table-egg production.

Source: USDA, World Agricultural Outlook Board.

Summary

Beef/Cattle: Tightening supplies of cattle will continue to pull down U.S. beef production in 2025, supporting a 6-percent year-over-year decline to 25.120 billion pounds. As a result, aggregate domestic beef disappearance in 2025 is expected to decline more than 5 percent to the retail-equivalent basis of 55.6 pounds per capita, the lowest since 2015. In 2024, a temporal shift in expected marketings to second-half 2024 and heavier carcass weights lift the production forecast to 26.595 billion pounds. Cattle prices are projected to reach new highs in 2025; however, the 2024 forecast is lowered from last month. The 2025 import forecast is expected to set another record, while exports are forecast to decline by more than 11 percent.

Lamb/Sheep: Commercial lamb and mutton production forecasts for 2024 have been increased from last month's report. Annual production for 2024 has been raised from 130 million pounds to 135 million pounds. The annual commercial lamb and mutton production forecast for 2025 is 133 million pounds, 2 million pounds below the forecast for 2024. Annual lamb and mutton import forecasts for 2024 are unchanged from the last report at 320 million pounds. Annual 2025 imports are expected to be 335 million pounds.

Dairy: The 2024 forecasts for the average number of milk cows, milk per cow, and total milk production are raised to 9.345 million head, 24,330 pounds, and 227.3 billion pounds, respectively. The 2024 price forecasts for Cheddar cheese and butter are also raised, while the forecasts for nonfat dry milk and dry whey prices are lowered. Overall, the 2024 forecast for the all-milk price is raised by \$0.30 to \$21.20 per hundredweight (cwt). For 2025, milk production is projected year-over-year higher due to elevated projections for both the dairy herd and milk per cow. The wholesale prices for the main dairy products are projected year-over-year lower. The 2025 all-milk price is projected at \$20.90 cents per cwt.

Pork/Hogs: Commercial pork production is expected to grow moderately in 2025 to 28.4 billion pounds, about 1.2 percent above forecast production for 2024. Quarterly hog price forecasts should average to about \$60 per cwt for 2025, almost 4 percent lower than expected prices in 2024. Pork exports in 2025 are forecast at 7.6 billion pounds, an increase of almost 5 percent from exports forecast for 2024. Production and export forecasts together imply that in 2025 almost 27 percent of commercial pork production will be exported.

Poultry/Eggs: Total projected broiler production in 2024 is lowered due to lower-than-expected actual first-quarter production. Projected production in the outlying quarters is unchanged from last month. Broiler production in 2025 is expected to increase 1.6 percent year over year. Broiler exports for 2024 are projected to fall 5.2 percent from 2023, based on lower international demand and noncompetitive prices. For 2025, broiler exports are expected to recover partially, increasing 2 percent from the 2024 projection. Projected wholesale broiler prices for 2024 are adjusted down on recent data. The annual average broiler price for 2025 is projected 1 cent lower than for 2024. The annual table egg production projection for 2024 is raised slightly on first-quarter data; the outlying quarterly projections are unchanged from last month. For 2025, table egg production is projected to increase 2.9 percent. Projected 2024 egg prices are adjusted down on recent price data. For 2025, average egg prices are projected to fall 42 cents from the 2024 annual average. Egg and egg-product exports are adjusted up in 2024 on recent data. They are projected to increase in 2025 but still account for only 2.8 percent of production. Projected turkey production in 2024 was lowered, reflecting lower placements as well as minor losses due to Highly Pathogenic Avian Influenza (HPAI). Turkey production in 2025 is expected to increase only slightly from 2024. Projected 2024 turkey exports are adjusted down on recent data; projected 2025 turkey exports are only 5 million pounds over that of 2024. The average turkey price projection for 2024 is adjusted down 9 cents on recent data. For 2025, the projected average turkey price is 10 cents over the 2024 projection.

Beef/Cattle

Russell Knight and Hannah Taylor

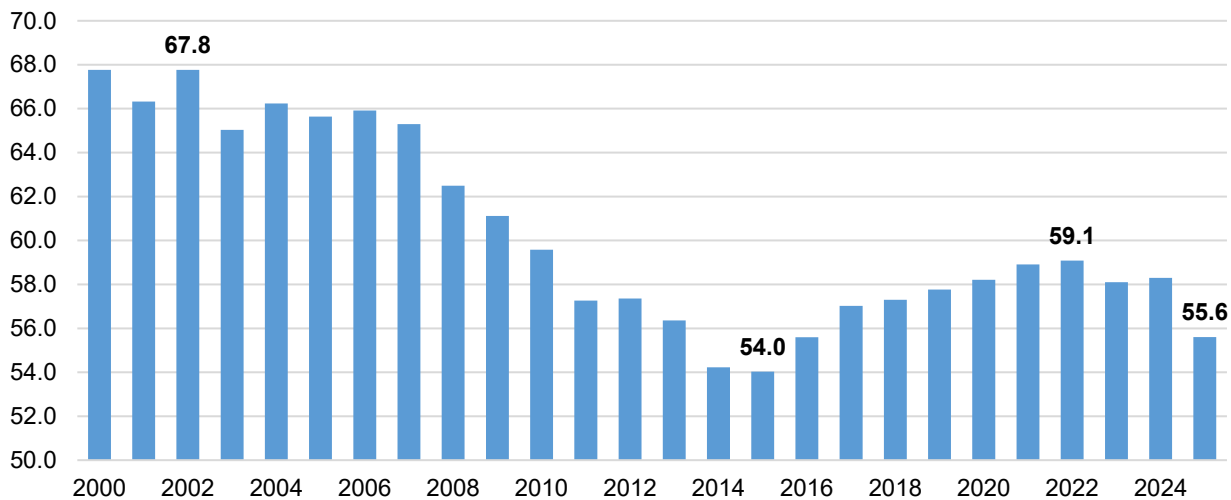
2025 Beef Production To Drop 6 percent from 2024

The 2025 outlook for beef production is forecast at 25.120 billion pounds, a 6-percent decline from 2024. Next year will mark the third consecutive year of lower production following the record large volume set in 2022 and will be lowest since 2015, when the sector began to rebuild following the 2009-13 drought. Cattle supplies are expected to remain tight next year as evidenced by the ratio of heifers and cows in the slaughter mix currently remains above a year ago and the 5-year average, and the number of heifers on feed on April 1st was nearly equal to last year. The relatively strong pace of beef cow slaughter, along with relatively large placements of heifers in feedlots in 2023 and into early 2024, will likely yield a smaller year-over-year calf crop in 2025, tightening future cattle supplies.

Total disappearance in 2025, measured on a per capita retail weight basis, is expected to decline 5 percent from last year to 55.6 pounds. As production declines next year on the largest decline in cattle slaughter since 2013–14, it will be partially offset by record beef imports, and 8-year-low exports.

Annual per capita disappearance of beef lowest since 2015

Pounds per person



Source:

USDA, ERS calculations using data from U.S. Department of Agriculture, National Agricultural Statistical Service.

2024 Beef Production Raised Mainly on Heavier Weights

The latest *Cattle on Feed* report, published by USDA, National Agricultural Statistics Service (NASS), showed the April 1 feedlot inventory at 11.821 million head, over 1 percent above 11.647 million head in the same month last year. Placements and marketings were down more than surveyed industry analysts expected. Feedlot net placements¹ in March were 13 percent lower year over year at 1.689 million head. Despite 2 extra slaughter days in the month compared to last year, marketings in March were 1.706 million head, down about 1 percent year over year. As a result, on April 1 the number of cattle on feed over 150 days rose 21 percent above year-ago levels. As a percent of total cattle on

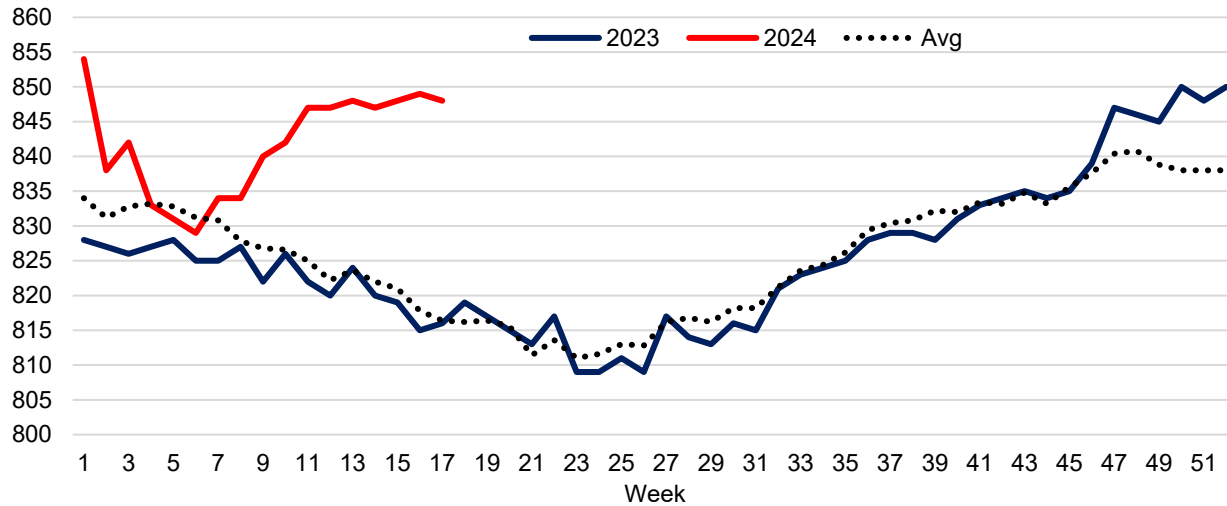
¹ Net placements are placements minus other disappearance.

feed, this grouping is the largest since 2007. As wholesale beef prices continue to be more sluggish than expected at this time of year, packers are likely less willing to offer higher prices for fed cattle and feedlots appear to be willing to add poundage to the cattle while awaiting higher bids.

Typically, there is a decline in carcass weights from the seasonal peak in November to about the end of May when weights typically hit bottom. However, given the pace of marketings, carcass weights have moved counter-seasonally higher from the first to the second quarter, and after declining slightly from their recent peaks are expected to remain flat into the third quarter before trending seasonally higher in the fourth quarter.

Weekly federally inspected average cattle carcass weights

Dollars per hundredweight



Source: USDA, ERS calculations using data from U.S. Department of Agriculture, National Agricultural Statistical Service.

These heavier-expected carcass weights are the primary catalysts for raising total production this year. The forecast for second-quarter beef production is up 70 million pounds from last month as heavier carcass weights and increased cow and bull slaughter are expected to more than offset fewer fed cattle marketings. The third-quarter production forecast is raised 40 million pounds on heavier expected average carcass weights. In the fourth quarter, the production outlook is higher than last month by 35 million pounds as fed cattle marketings are shifted from the first half to the second half of 2024. For the year, the outlook for 2024 beef production is raised by 140 million pounds to 26.595 billion pounds.

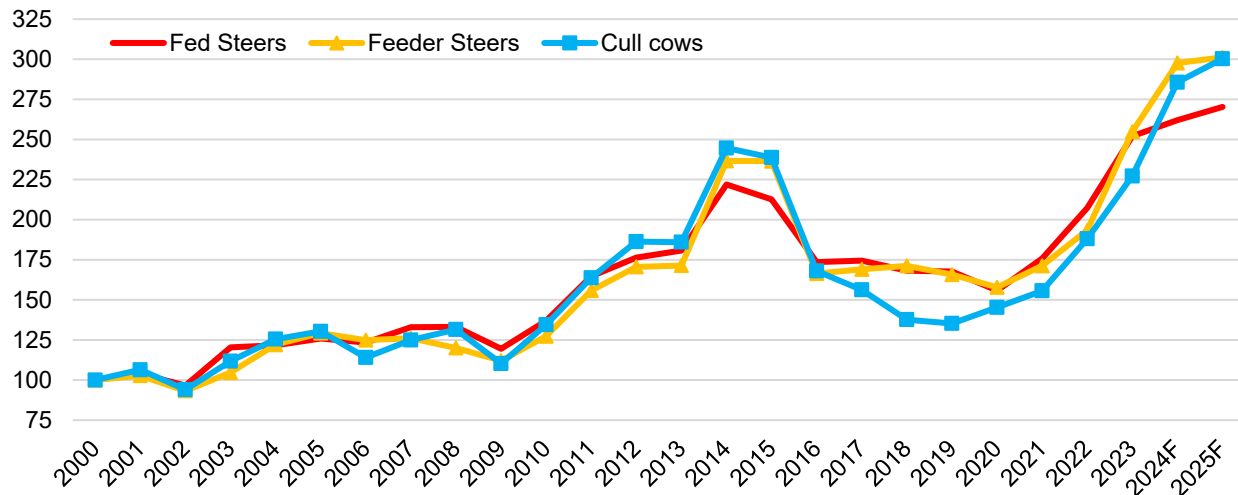
Cattle Prices To Edge Slightly Higher in 2025

In 2025, the outlook for cattle prices indicates a slight improvement compared to the massive gains that occurred over the past few years (see the chart below). The forecast for fed steer prices in the 5-area marketing region² is \$188.00 per hundredweight (cwt), a year-over-year increase of 3 percent. Further tightening of cattle supplies available for placement in feedlots in late 2024 and into 2025 is anticipated to support improved prices next year.

² The 5-area marketing region includes Colorado, Iowa, Kansas, Nebraska, New Mexico, Oklahoma, and Texas.

Actual and forecast annual cattle prices indexed to 2000

Index 2000=100



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

The 2025 forecast for feeder steers weighing 750–800 pounds at the Oklahoma City National Stockyards is \$259.00 per cwt, an increase of 1 percent from 2024. Last, cull cow³ prices in 2025 are forecast at \$125.00 per cwt, a year-over-year increase of 5 percent. The increase is based on the pace of cow slaughter this year and the assumption that relatively good returns for beef and dairy cattle producers are expected to spur retention of breeding animals.

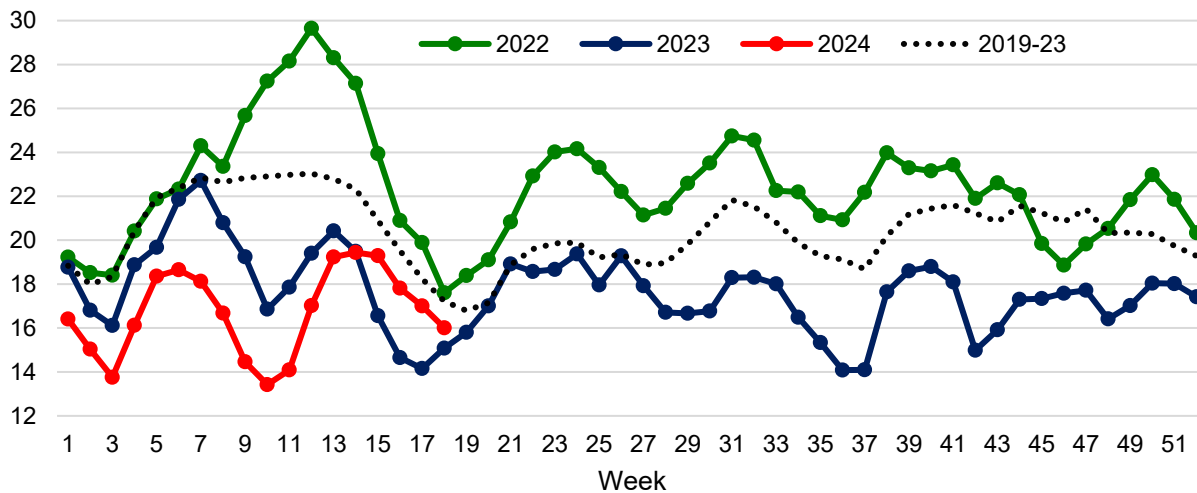
2024 Cattle Prices Lowered on Slower Marketing Pace and Demand Uncertainty

The chart below shows the 4-week moving average for comprehensive beef sales for delivery 22 weeks and out as a percent of total sales of beef. For all last year and early 2024, the percent of these sales has lagged previous year's levels. However, over the last 4 weeks, the percentage increased above last year. This may have been driven by the simultaneous declines in wholesale beef prices, which dropped below year-ago levels; if so, it may require relatively low wholesale prices going forward to sustain this momentum. However, this scenario does not bode well for the cattle price outlook.

³ Cull cow prices are estimated from USDA, Agricultural Marketing Service weekly prices for cutter cows (90-percent lean) on a dressed basis, 500 pounds and up. Prices are converted to a live basis by multiplying the reported price by 0.495.

Percent of forward comprehensive beef sales: 22+ day delivery window

4-week moving average of percentage

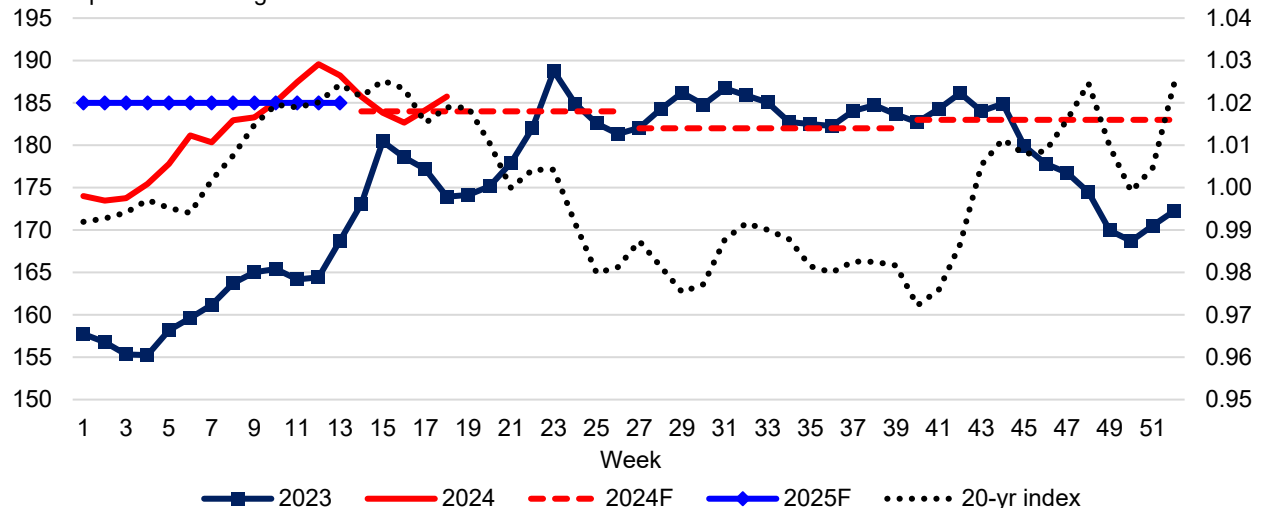


Source: USDA, Economic Research Service calculations using data from USDA, Agricultural Marketing Service.

Regarding fed steer prices in the 5-area marketing region, the combination of continued large supplies of market-ready cattle in feedlots and uncertainties about the strength of beef demand has pushed demand for slaughter-ready cattle slower than previously expected. Recently, weaker-than-expected wholesale beef prices put pressure on packers' margins, as well as on weekly prices for fed cattle, as shown in the chart below.

Weekly 5-area fed steer prices lower moving forward

Dollars per hundredweight



Note: Error bars equal one standard deviation from the 10-year average.

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

The April average price for fed steers in the 5-area marketing region was \$184.21 per hundredweight (cwt), roughly \$7 above last year. In the first week of May, prices averaged \$185.74 per cwt, almost \$12 above the same week last year. Based on recent price data and softer expected demand, the 2024 price forecast is adjusted \$1.50 lower from last month, with the annual price projected at \$153.51 per cwt, over 4 percent higher than 2023.

Demand for feeder calves has shown significant strength this spring. In April, the weighted-average price for feeder steers between 750–800 pounds at the Oklahoma City National Stockyards was recorded at \$254.15 per cwt, about \$56 above April 2023. The feeder steer price reported on May 6 reached \$254.98 per cwt, over \$50 above the same week last year. Based on recent price data, assumed adequate forage supplies, and declines in forecast corn season average prices, the second-quarter forecast is raised by \$5 to \$255 per cwt and the third quarter is raised by \$2 to \$263 per cwt. However, the fourth quarter was pulled down from last month to \$264 per cwt for an annual feeder steer price of \$255.46 per cwt, a 17-percent increase from 2023.

First-Quarter Beef Trade

March trade data was published in early May, rounding out the first quarter without any major surprises. Total exports in March were down about 10 percent year over year. Exports to all of the top seven markets were lower. The largest decrease was in exports to South Korea, down about 10 million pounds, or 14 percent year over year. Monthly exports to Taiwan were down about 6 million pounds, or 33 percent from a year ago.

Total first-quarter exports were 733 million pounds, a year-over-year decrease of about 6 percent. Of the major markets, only exports to Mexico and Hong Kong were higher year over year for the quarter, up 12 and 14 percent, respectively. By volume, the largest decrease was in exports to Japan, over 20 million pounds (11 percent) lower year over year, followed by exports to South Korea which were down 15 million pounds (9 percent) from the same time last year. Despite sales contraction, Japan and South Korea remained the top two markets for U.S. beef in the first quarter of 2024, followed by China. Exports to China during this period were down just over 7 percent from a year ago.

While the volume of exports fell, the total value of first-quarter exports increased about 6 percent year over year, due to a 12-percent increase in unit values. The total value of exports to Canada, Mexico, and South Korea showed year-over-year increases, while the value of exports to China, Japan, and Taiwan decreased. With limited production in the United States, beef prices have risen, driving up the value of exports. By contrast, the unit value of exports from Australia in the first quarter of this year has decreased about 8 percent. Australia's exports to Japan, China, and Taiwan during that period increased year over year by 25, 6 and 21 percent, respectively. U.S. beef exports will likely continue to face challenges with price competition on the global scale as tight supplies are expected to keep beef prices elevated.

On April 15, Colombia imposed a ban on imports of U.S. beef and beef products originating from States where dairy cattle have tested positive for Highly Pathogenic Avian Influenza (HPAI). No other countries have imposed trading restrictions on beef from the United States related to HPAI. In 2023, exports to Colombia accounted for 0.4 percent of total U.S. exports.

The beef export forecast for the second-half of 2024 is raised marginally by 20 million pounds, reflecting relative strength of several markets in the first quarter. The annual forecast is 2.818 billion pounds, a 7-percent decline from the previous year.

Country	March 2024 exports	Year-to-date exports				Share of YTD exports, percent	
		2023	2024	Year-over-year volume change	Year-over-year percent change	2023	2024
Japan	57.3	186.4	166.2	-20.1	-11	24	23
South Korea	60.2	175.4	160.0	-15.4	-9	23	22
China	42.6	124.5	115.3	-9.2	-7	16	16
Mexico	25.3	77.6	86.6	9.1	12	10	12
Canada	19.4	57.5	56.0	-1.5	-3	7	8
Taiwan	11.8	45.6	37.7	-7.9	-17	6	5
ROW	39.4	112.1	110.9	-1.2	-1	14	15
Total	256.1	779.1	732.8	-46.3	-6		

Note: Volumes are in million pounds, carcass-weight equivalent. The ranking of the top six countries shown here is based on 2024 year-to-date exports; YTD = year-to-date; ROW = rest of world.

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

On the import side, March data came in at 341 million pounds. This topped off a record first quarter at 1.196 billion pounds, 25 percent higher year over year and 44 percent higher than the 5-year average. The majority of the increase in imports for the quarter was due to imports from Australia more than doubling from last year. Also showing strong year-over-year increases were imports from Uruguay (+68 percent), New Zealand (+32 percent), Brazil (+25 percent), and Canada (+13 percent). Of the top five suppliers, only imports from Mexico decreased, down 18 percent from the same time last year. The increased exports to and decreased imports from Mexico are likely driven in part by the exchange rate, as the Mexican peso has strengthened against the U.S. dollar compared to last year.

Country	March 2024 imports	Year-to-date imports				Share of YTD imports, percent	
		2023	2024	Year-over-year volume change	Year-over-year percent change	2023	2024
Canada	99.8	245.6	277.1	31.5	13	26	23
Brazil	37.1	203.7	254.3	50.6	25	21	21
Australia	61.9	106.0	225.7	119.7	113	11	19
New Zealand	51.6	120.6	159.1	38.5	32	13	13
Mexico	48.0	171.1	139.9	-31.2	-18	18	12
ROW	42.5	109.4	139.4	30.1	27	11	12
Total	340.8	956.5	1195.5	239.1	25		

Note: Volumes are in million pounds, carcass-weight equivalent. The ranking of the top five countries shown here is based on 2024 year-to-date imports; YTD = year-to-date; ROW = rest of world.

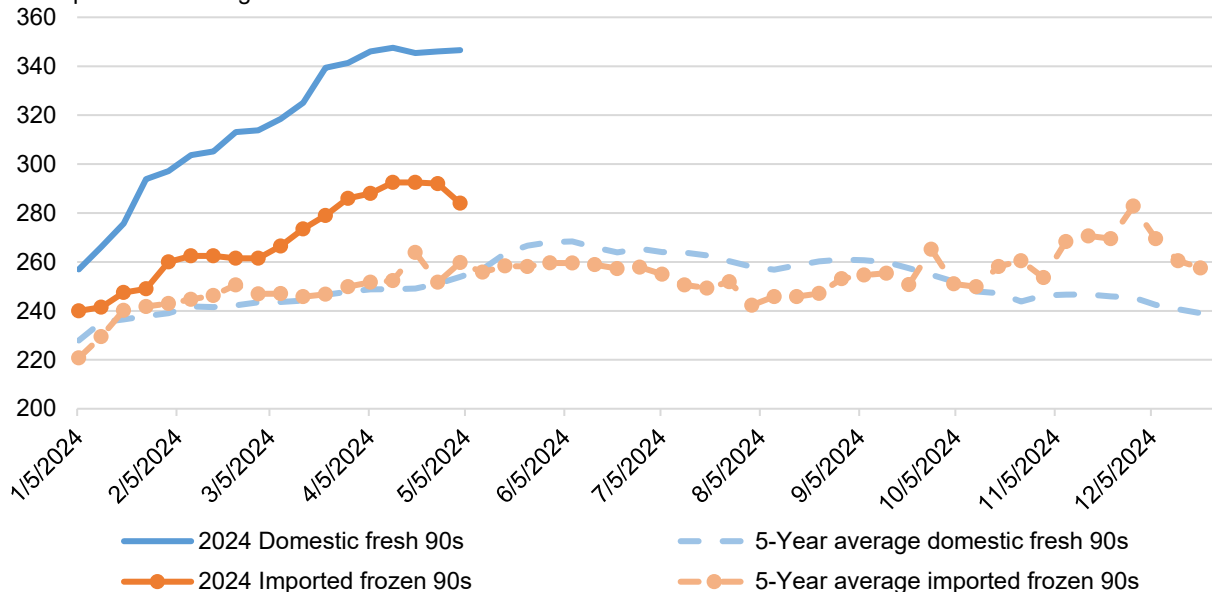
Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census.

Nearly 80 percent of the increase in total imports in the first quarter were frozen boneless trimmings. The U.S. demand for lean beef trimmings is evidenced by exceptionally strong prices for domestic and

imported 90 percent lean beef (“90s”). Large supplies of 50-percent lean trimmings increased demand for lean beef at the same time first-quarter cow slaughter (which results in mainly lean trimmings for grinding) was more than 13 percent lower year over year. As a result, the price for fresh 90s has increased by over \$90 per cwt from the start of the year (see chart below). The price of imported frozen 90s has risen about \$45 per cwt since the beginning of the year.

Weekly prices of fresh and frozen 90-percent lean beef

Dollars per hundredweight



Note: 90s = 90-Percent lean boneless beef.

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

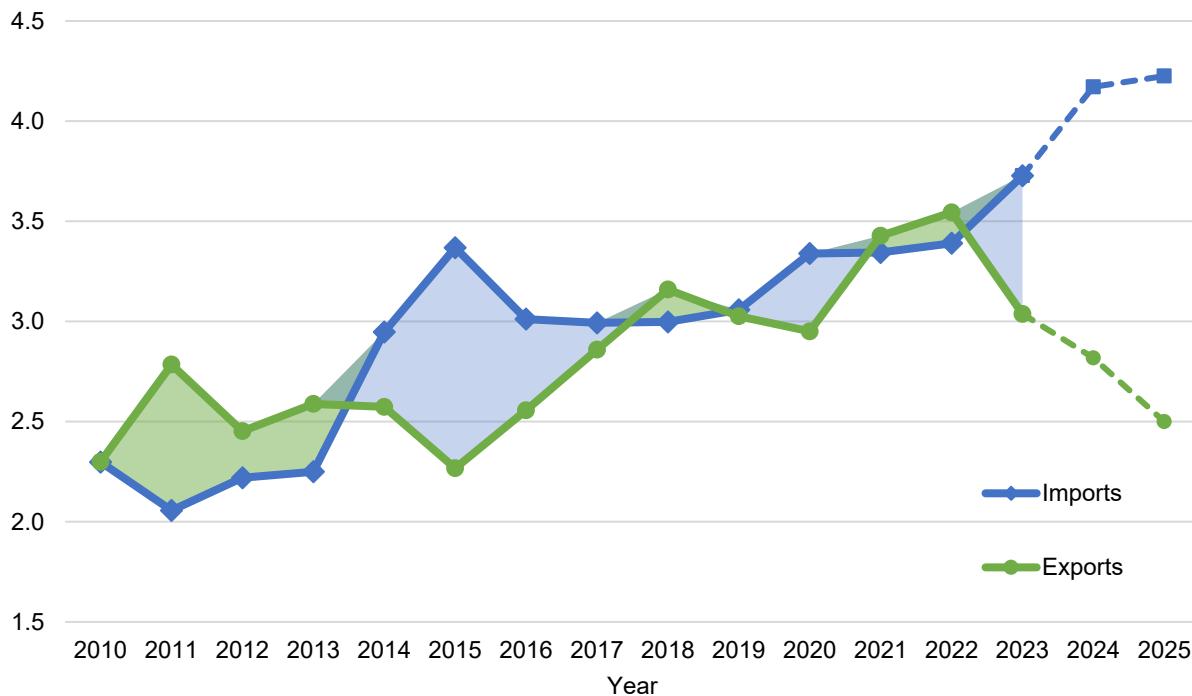
The import forecasts for the remaining quarters of 2024 are unchanged from last month. The 2024 annual forecast is 4.171 billion pounds. If realized, this would be a 12-percent increase year over year and the first time beef imports have exceeded 4 billion pounds.

Exports Lower, Imports Higher in 2025

The U.S. beef trade balance is expected to show a widening deficit (imports higher than exports) in 2024 and 2025. The chart below shows the beef trade balance from 2010 to 2025. With domestic beef production expected to fall about 6 percent in 2025, annual exports are forecast at 2.500 billion pounds, representing an 11-percent decrease year over year. As a percent of production, 2025 exports would represent about 10 percent. For 2024, exports as a percent of production are forecast at just under 11 percent, while the average from 2019–23 was around 12 percent. The combination of fewer supplies available to export, higher beef prices in the United States, and increased competition from Oceania will continue to create challenges for the expansion of U.S. beef exports.

U.S. beef trade, 2010–25

Billion pounds



Note: 2024 and 2025 are forecasts.

Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census and USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

The expected growth in beef imports into 2025 is more muted compared to the forecast increase in 2024. With much lower cow slaughter expected in 2025, the demand for imported lean trimmings will be high. However, for a number of major beef suppliers, tariff-rate quotas (TRQs) may constrain the ability for imports to grow year over year compared to large expected imports in 2024. Through the last week in April 2024, imports under the TRQs have already reached nearly 35 percent of the cumulative total for all quotas. Imports from Brazil and other countries without a specific quota or free trade agreement are limited by a quota that was filled in February of this year; imports from Brazil have dropped off since then. Imports from Australia are also subject to a TRQ that has not been filled since 2015. In 2024, the fill rate of the quota through the last week in April is only about 11 percent behind the same period in 2015, indicating a stronger fill rate relative to recent years. Further increases in imports in 2025 may be limited by these quotas. High prices for beef imports in the United States may partially offset the higher out-of-quota tariff; however, the TRQ is expected to largely limit over-quota imports from any countries that fill their quota before the end of the year and alternative destinations become more price competitive.

The seasonal pattern of imports over the last 3 years has been heavily front-loaded. The first quarter has accounted for an average of 28 percent of total annual imports as countries rush to fill the TRQ when it resets in January. This seasonal pattern is carried into 2025, with the first-quarter forecast at 1.200 billion pounds. The annual import forecast is 4.225 billion pounds, a year-over-year increase of just over 1 percent. The ratio of imports as a percent of total disappearance is expected to be around 16 percent. For 2024, the ratio of imports as a percent of disappearance is forecast at just under 15 percent, while the average from 2019–23 was around 12 percent.

U.S. Live Cattle Trade

The U.S. cattle import forecast for 2024 is 2.100 million head. Total live cattle imports in the first quarter were about 6 percent higher than the same period last year. Imports from Canada are up 10 percent; imports from Mexico are up about 4 percent year over year. The forecast for cattle imports in 2025 is 2.050 million head, a moderate year-over-year decrease driven by relatively tight supplies of cattle in Canada and Mexico rather than by a lack of U.S. demand for the cattle. Live cattle exports in 2024 are forecast at 250,000 head, while 2025 is forecast to fall to 150,000 head.

Lamb\Sheep

William Hahn

Lamb and Sheep Forecasts for 2025 and Updates for 2024

This issue includes updates and forecasts for 2024 and the first set of forecasts for 2025.

Commercial production, import, and export data for lamb and mutton are now available for the first quarter of 2024. The April 2024 forecast of commercial production was 32 million pounds. The actual commercial production is 33.8 million pounds. This month's forecasts for the second, third-, and fourth-quarter commercial production are each 1 million pounds higher than last month's forecasts. As a result, the current 2024 annual commercial production forecast is 135 million pounds; last month's 2024 annual forecast was 129 million pounds. The annual commercial production forecast for 2025 is 133 million pounds, 1.3 percent lower than the 2024 annual commercial production forecast.

Actual lamb and mutton imports for the first quarter of 2024 are 88 million pounds, 2 million pounds less than the last report's forecast. The second-quarter 2024 import forecast has been raised from 75 to 77 million pounds. The forecasts for the third and fourth quarters are unchanged. The 2025 annual import forecast is 335 million pounds, 4.7 percent higher than the 2024 forecast.

First-quarter 2024 lamb and mutton exports are 1.4 million pounds. Last month's forecast for the first quarter rounds up to 2 million pounds. The lamb and mutton export forecasts for the last three quarters of 2024 are 1 million pounds, unchanged from last month's report. The 2025 annual forecast of lamb and mutton exports is 5 million pounds, the same as the forecast for 2024.

Last month's issue had the actual first-quarter 2024 lamb price. There are no changes to the lamb price forecasts for last three quarters of this year. The 2025 annual lamb price forecast is 181.35 dollars per hundredweight (cwt), 3.8 percent below the 2024 annual forecast of 188.36 dollars per cwt.

Dairy

Angel Terán and Adriana Valcu-Lisman

Recent Developments in U.S. Dairy Markets

From the week ending April 6 to the week ending May 4, 2024, the direction of changes in wholesale dairy product prices reported in the USDA *National Dairy Products Sales Report* (NDPSR) was mixed. The price for 40-pound blocks of Cheddar cheese increased 17.17 cents per pound, while the price for 500-pound barrels (adjusted to 38-percent moisture) increased 22.36 cents. The price for butter was 10.83 cents per pound higher. On the other hand, prices for dry whey and nonfat dry milk (NDM) fell by 3.64 and 5.57 cents per pound, respectively.

Dairy products wholesale prices

Dollars per pound

	For the week ending		Change
	April 6	May 4	
Butter	2.8794	2.9877	0.1083
Cheddar cheese			
40-pound blocks	1.4844	1.6561	0.1717
500-pound barrels *	1.5011	1.7247	0.2236
Nonfat dry milk	1.1898	1.1341	-0.0557
Dry whey	0.4481	0.4117	-0.0364

* Adjusted to 38-percent moisture.

Source: USDA, Agricultural Marketing Service, *National Dairy Products Sales Report*, May 8, 2024.

For the trading week⁴ ending May 10 at the Chicago Mercantile Exchange (CME), average spot prices for Cheddar cheese 40-pound blocks and 500-pound barrels averaged \$1.8975 and \$1.9180 per pound, respectively. CME prices for NDM, butter, and dry whey averaged \$1.1315, \$3.0215, and \$0.3835 per pound, respectively.

Most Oceania and Europe average dairy product export prices reported by USDA *Dairy Market News* (DMN) declined from March to April 2024. However, Oceania prices for butter and cheese increased. DMN reports strong butter demand domestically in both Western Europe and Oceania. While Oceania's cheese demand remains steady domestically, export sales are improving.

⁴ While the end of each week for National Dairy Products Sales Report average prices falls on a Saturday, the trading week for the Chicago Mercantile Exchange usually ends on a Friday.

Dairy product export prices for Oceania and Europe

Dollars per pound

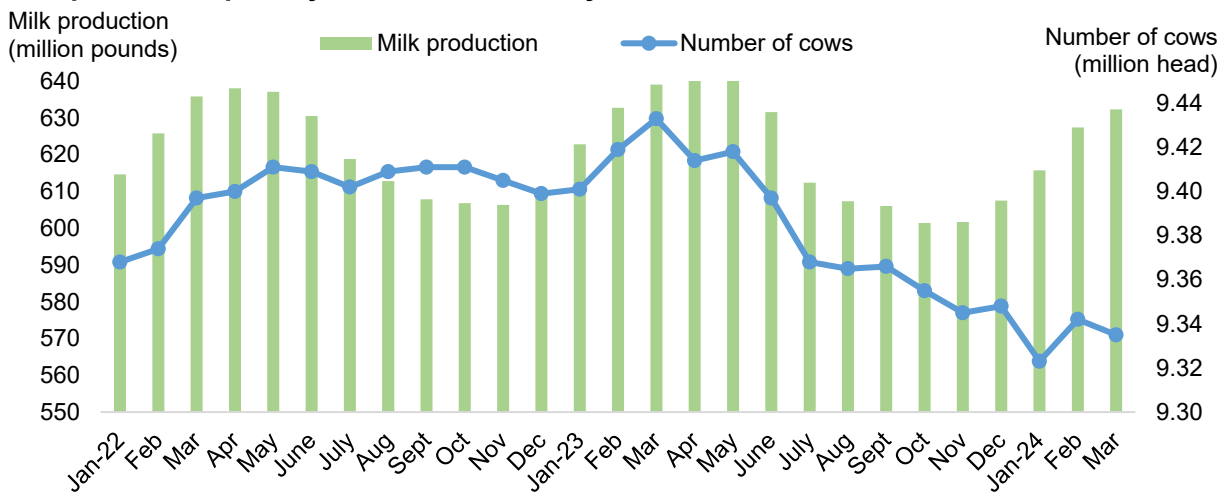
Product	Region	March 2024	April 2024	Change
Butter	Oceania	2.932	3.015	0.083
	Western Europe	2.859	2.847	-0.011
Cheddar cheese	Oceania	1.938	1.945	0.008
Skim milk powder	Oceania	1.178	1.162	-0.017
	Western Europe	1.202	1.156	-0.046
Dry whey	Western Europe	0.412	0.397	-0.015

Sources: USDA, Economic Research Service (ERS) calculations using information from USDA, Agricultural Marketing Service, Dairy Market News.

Recent Dairy Supply and Use Data

According to USDA National Agricultural Statistics Service (NASS), U.S. milk production in March totaled 19.603 billion pounds, 1.0 percent below March 2023. Milk cows numbered 9.335 million head, 98,000 head lower than March 2023. Milk per cow averaged 2,100 pounds per head in March, the same as March 2023. For the first quarter of the year (2024-Q1), U.S. milk production totaled 56.9 billion pounds, up 0.1 percent from 2023-Q1. The average number of milk cows during 2024-Q1 averaged 9.333 million head, 85,000 head lower than 2023-Q1.

Milk production per day and number of dairy cows

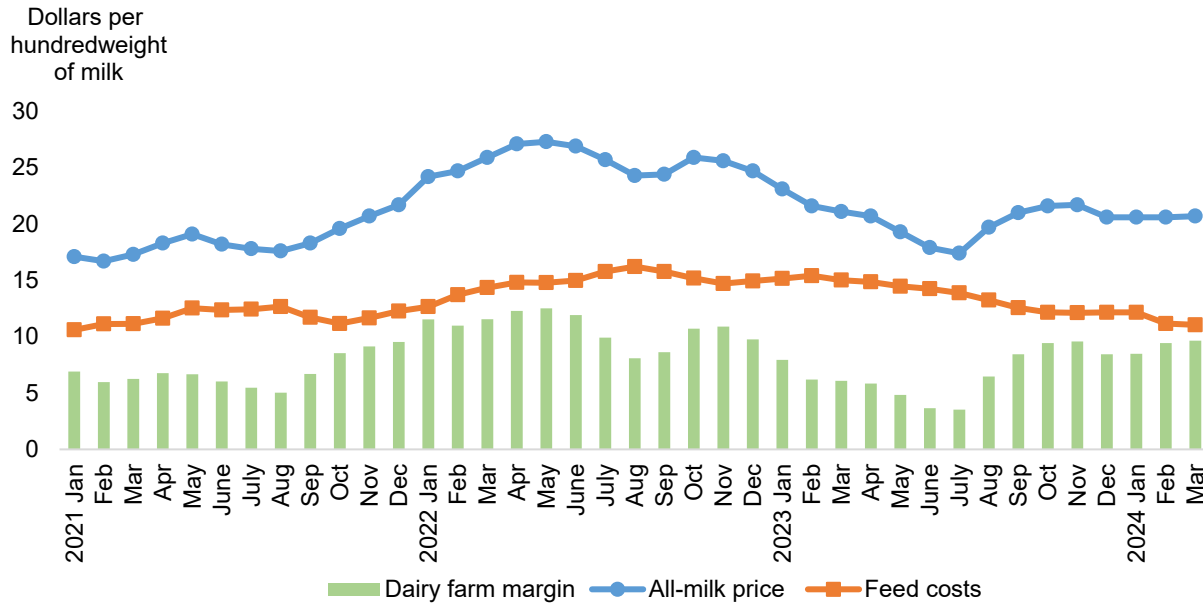


Source: USDA, Economic Research Service calculations using information from USDA, National Agricultural Statistics Service.

In March 2024, dairy farmers' milk-to-feed margins improved compared to March 2023 due to noticeably lower feed costs. As reported by USDA, NASS in the *Agricultural Prices* report, the all-milk price in March 2024 averaged \$20.70 per cwt, down \$0.30 from March 2023. The March 2024 corn price was \$4.36 per bushel, down \$2.31 from March 2023. The price for alfalfa hay was \$195 per short ton, down \$71 from March 2023. The 5-State weighted-average price for premium alfalfa hay was \$271 per short ton, \$43 lower than March 2023. The soybean meal price (reported by USDA, Agricultural Marketing Service) was \$361.8 per short ton in March, down \$122.7 from March 2023. The milk-feed price ratio reported by NASS was 2.17 in March, 0.62 points higher than March 2023. The farm milk

margin above feed costs reported by the Dairy Margin Coverage program was estimated at \$9.65 per hundredweight (cwt), which is above the \$9.50 per cwt maximum Tier 1 coverage level.

All-milk price versus feed costs



Source:USDA, Economic Research Service using information from USDA, Farm Service Agency, Dairy Margin Coverage Program.

In 2024-Q1, dairy exports on a milk-fat milk-equivalent basis totaled 2.8 billion pounds, 0.1 billion higher than 2023-Q1. Meanwhile, on a skim-solids milk-equivalent basis, dairy exports totaled 12.3 billion pounds, 0.3 billion lower than 2023-Q1. From 2023-Q1 to the same period in 2024, the direction in changes in export volumes of several dairy products was mixed. Cheese and whey protein concentrate had notable increases. However, exports of butter, dry skim milk products, dry whey, and lactose were lower than the same period last year.

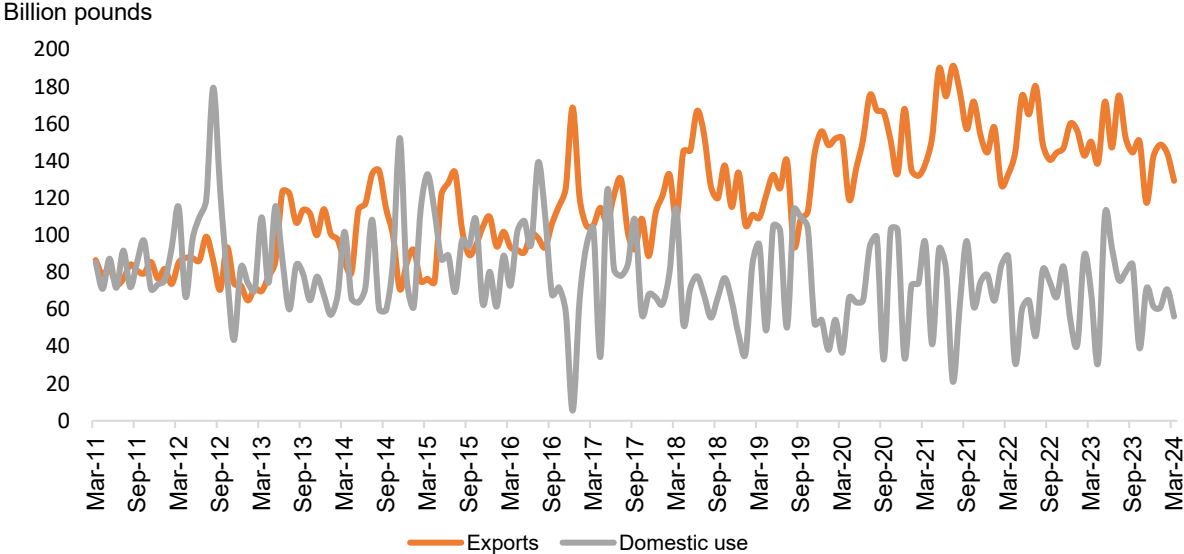
Exports of milk and major dairy products for the first quarter of 2023 and 2024

Product	Units	2023 first quarter	2024 first quarter	Change
Milk in all products				
Milk-fat basis	Billion pounds	2.7	2.8	0.1
Skim-solids basis		12.6	12.3	-0.3
Dairy products				
Cheese	Million pounds	239.0	290.3	51.3
Butter		23.8	15.1	-8.7
Dry skim milk products		461.3	418.5	-42.8
Dry whey		111.5	101.1	-10.4
Whey protein concentrate		76.2	85.9	9.7
Lactose		237.1	228.4	-8.7

Sources: USDA, Economic Research Service (ERS) calculation using information from USDA, National Agricultural Statistics Service; USDA, Foreign Agricultural Service; and U.S. Dept. of Commerce, Bureau of the Census. Numerous sources were used for conversion factors. For more information, see the ERS Dairy Data Documentation webpage.

Despite a substantial decline of 42.8 million pounds in the export volume of dry skim milk products during the first quarter of 2024 compared to the same period in 2023, the longer-term outlook for skim milk product exports remains positive. International markets, particularly Mexico, continue to import substantial quantities of these products. Conversely, domestic consumption of skim milk products has decreased over time, suggesting potential shifts in U.S. consumer preferences.

Skim milk products: Quarterly exports versus domestic use, 2011–24



Source: USDA, Economic Research Service (ERS) calculations using USDA, National Agricultural Statistics Service; USDA, Farm Service Agency; USDA, Foreign Agricultural Service; and U.S. Department of Commerce, Bureau of the Census.

Imports of dairy products, particularly cheese, butter, infant formula, and canned milk, were higher in the first quarter of 2024 compared to the same period last year, while casein and milk protein concentrate imports were lower. In milk equivalents, in 2024-Q1, imports on a milk-fat basis totaled 2.0 billion pounds, 207 million higher than 2023-Q1. On a skim-solids basis, 2024-Q1 imports were 1.7 billion pounds, 118 million below 2023-Q1.

During 2024-Q1, domestic use of milk on a milk-fat basis totaled 53.3 billion pounds, 0.1 billion pounds lower compared to 2023-Q1. Meanwhile, domestic use on a skim-solids basis totaled 45.3 billion pounds, 0.1 billion pounds above 2023-Q1. In 2024-Q1, consumption of other-than-American cheese, butter, dry whey, whey protein, and lactose was higher than 2023-Q1, but domestic use of American-type cheese and dry skim milk products declined.

Domestic use of milk and dairy products for the first quarter of 2023 and 2024

Product	Units	2023 first quarter	2024 first quarter	Change
Milk in all products				
Milk-fat basis	Billion pounds	53.5	53.3	-0.1
Skim-solids basis		45.2	45.3	0.1
Dairy products				
American-type cheese		1421.8	1372.5	-49.3
Other-than-American-type cheese		1956.9	1963.9	7.0
Butter	Million pounds	510.5	525.7	15.2
Dry skim milk products		211.6	138.3	-73.3
Dry whey		112.7	116.7	4.0
Whey protein concentrate		52.4	59.5	7.1
Lactose		40.9	45.2	4.3

Sources: USDA, National Agricultural Statistics Service; USDA, Farm Service Agency; USDA, Foreign Agricultural Service; U.S. Dept. of Commerce, Bureau of the Census; and USDA, Economic Research Service (ERS) calculations. Numerous sources were used for conversion factors. For more information, see the ERS Dairy Data Documentation webpage.

Dairy Forecasts for 2024

Based on recent data from the USDA, NASS *Milk Production* report and improvements in the farm margins throughout the first quarter, the 2024 forecast for the dairy herd is raised by 10,000 head to 9.345 million head. In response to better-than-expected average milk yields in the first quarter and overall lower expected feed costs, the 2024 milk-per-cow forecast is raised to 24,330 pounds, 85 pounds above the previous forecast. As a result, milk production for 2024 is projected at 227.3 billion pounds, about 1.0 billion pounds above last month's forecast.

The 2024 forecasts for dairy imports are revised upward from the last month's forecast. On a milk-fat basis, imports in 2024 are forecast at 8.2 (+0.2) billion pounds, while on a skim-solids basis, imports are forecast at 7.0 billion pounds, also 0.2 billion higher than last month's projection.

Following March export data, expectations of being less competitive in the near term, and a strong U.S. dollar, the 2024 forecasts for dairy product export volumes are revised downward from the last projections. On a milk-fat basis, dairy exports are forecast at 11.0 (-0.3) billion pounds, while on a skim-solids basis they are projected to 49.3 (-0.4) billion pounds. Among the main dairy products, export expectations for dry skim milk products, butterfat products, lactose, and dry whey have been lowered from the previous month.

Domestic use forecasts are raised from the April forecast. On a milk-fat basis, domestic use is forecast at 224.2 (+1.2) billion pounds, while on a skim-solids basis it is forecast at 184.2 (+1.3) billion pounds. Ending stock projections have been raised as higher expected milk production and imports—coupled with lower export projections—more than offset higher domestic use forecasts. On a milk-fat basis, ending stocks are forecast at 13.2(+0.4) billion pounds; on a skim-solids basis, they are forecast at 9.7(+0.3) billion pounds.

With recent strength in wholesale Cheddar cheese and butter prices and expectations of strong domestic demand as we enter the summer season, 2024 average prices forecast for Cheddar cheese and butter are raised from last month to \$1.695 (+7.5 cents), and \$2.935 (+1.0 cent) per pound, respectively. Conversely, with recent price movements for NDM and dry whey and weaker expected demand, the forecasts for these products are revised downward. The updated 2024 price forecast for

NDM is \$1.610 (-2.0 cents) per pound, while the 2024 dry whey price is forecast at \$0.400 (-2.5 cents) per pound.

The higher price forecast for Cheddar cheese more than offsets the lower forecast for dry whey, resulting in an upward revision for the Class III milk average price. Conversely, the Class IV milk price forecast is lowered from last month's projections, given that the increase in the price forecast for butter is not large enough to account for the lowered NDM forecast. The 2024 Class III milk price is projected to \$16.75 (+\$0.55) per hundredweight (cwt), while the Class IV milk price is projected to \$20.25 (-\$0.15) per cwt. The 2024 all-milk-price forecast is projected at \$21.20 per cwt, \$0.30 per cwt higher than the previous forecast.

Dairy Forecasts for 2025

The national dairy herd in 2025 is projected to increase by 20,000 head relative to 2024 to average 9.365 million head for the year. The 2025 forecast for average milk per cow is 24,485 pounds, 0.6 percent year-over-year higher. Consequently, the milk supply for 2025 is projected to total 229.3 billion pounds, about 0.9 percent higher than the forecast for 2024. The projected growth reflects expectations of improved farm margins through 2024 that will affect 2025 production levels.

Use is expected to grow relative to 2024 at a moderate pace both domestically and for exports. The 2025 forecasts for domestic use are 225.3 billion pounds on a milk-fat basis (0.5 percent above the 2024 forecast) and 185.2 billion pounds on a skim-solids basis (0.6 percent above 2024). The 2025 forecasts for exports are 11.2 billion pounds on a milk-fat basis (2.4 percent above 2024), and 50.2 billion pounds on a skim solids basis (1.8 percent above the 2024 forecast). The expectation of year-over-year higher dairy exports in 2025 is driven by higher expected exports for cheese, butter, NDM, and lactose, improved price competitiveness, and anticipated higher international demand.

Imports in 2025 are expected to be below 2024, with imports on a milk-fat basis projected at 8.1 billion pounds (1.2 percent lower than 2024 forecasts) and imports on a skim-solids basis projected at 6.9 percent, 1.4 percent lower than 2024.

The projected increase in milk supply is expected to more than offset the modest increases in domestic and export demand and is likely to result in year-over-year lower wholesale prices for all dairy products. In 2025, the average Cheddar cheese price is forecast at \$1.665 per pound (3.0 cents lower), the average butter price is projected at \$2.915 per pound (2.0 cents lower), the average NDM price is projected at \$1.140 per pound (2.0 cents lower), and the average price for dry whey is projected at \$0.375 per pound (2.5 cents lower).

Following lower year-over-year price projections across all the major dairy products, the Class III and IV milk prices in 2025 are also projected year-over-year lower. The 2025 Class III milk price is forecast at \$16.30 (\$0.45 lower) per cwt, while the Class IV milk price is forecast at \$19.95 (\$0.30 lower) per cwt. Consequently, the 2025 all-milk price is projected to average \$20.90 per cwt, \$0.30 lower than the 2024 forecast of \$21.20 per cwt.

Update on Highly Pathogenic Avian Influenza (HPAI) Detections in Dairy Herds

As of May 14, Highly Pathogenic Avian Influenza (HPAI) had been confirmed in 9 States and 46 dairy herds. Starting with April 24, mandatory testing for lactating dairy cattle is required prior to interstate movement. Additional guidelines were issued by USDA, Animal and Plant Health Inspection Service (APHIS) on May 8. USDA has found that the virus can spread in several ways: within the same dairy herd, when dairy cattle change location, and from dairy to poultry. In some cases, dairy cows tested positive without showing any symptoms. The affected cows recovered within several weeks.

Highly Pathogenic Avian Influenza detection in dairy cattle as of May 14, 2024

State	Number of dairy herds
Colorado	2
Idaho	4
Kansas	4
Michigan	12
New Mexico	8
North Carolina	1
Ohio	1
South Dakota	1
Texas	13
Total	46

Source: USDA, Animal and Plant Inspection Services (APHIS).

The pasteurization process has continually proven to inactivate bacteria and viruses and hence reduce the risks to human health. Moreover, the U.S. Food and Drug Administration continues to advise against the consumption of raw milk. For more information and updates, see the USDA, Animal and Plant Health Inspection Service (APHIS) web page entitled “Highly Pathogenic Avian Influenza (HPAI) Detections in Livestock” and the U.S. Food and Drug Administration website.

Pork/Hogs

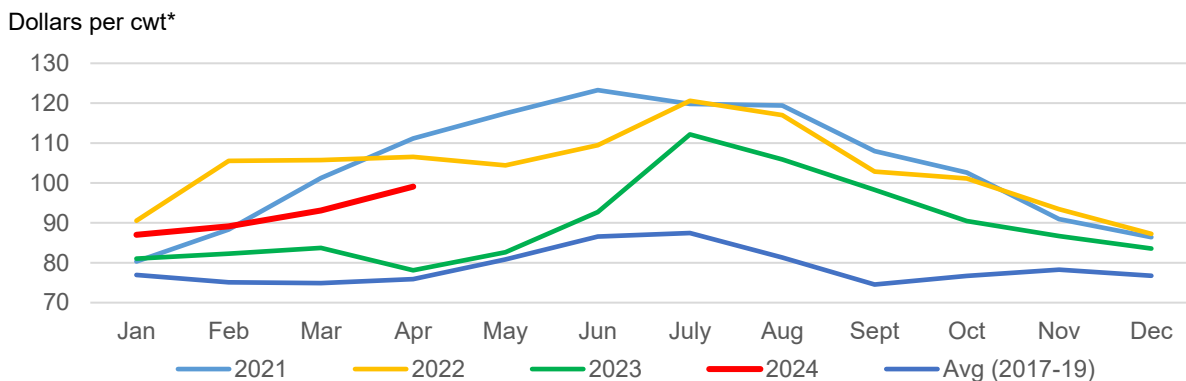
Mildred Haley

Taking Stock of the First Third of 2024: Pork Demand Bolstering Pork and Hog Prices

One-third of the way through 2024, and the U.S. pork sector seems to have stabilized compared to a year ago, via solid consumer pork demand. January–April hog prices are up 6.3 percent, year-over-year, and the value of the wholesale pork carcass is up more than 13 percent over the same period last year. Estimated federally inspected (FI) hog slaughter through April—about 43 million head—was about 0.5 percent above the same period a year ago, after equalizing for slaughter days. Estimated (FI) pork production this year was fractionally higher—0.1 percent—than the same period last year, again, after equalizing for slaughter day numbers. The small year-over-year production increase this year was due to the fractionally higher slaughter numbers that slightly offset the heavier January–April 2023 dressed weights.

It is notable, then, that with pork production almost 3 percent higher in the January–April period, live equivalent prices of 51-52 percent lean hogs averaged \$57.43 per cwt, 6.3 percent higher than prices over the same period last year. Strong demand for pork is driving demand for hogs and hog prices higher. Strong demand compared with last year is evident in the wholesale market in particular. In the first 4 months of 2024, the estimated pork carcass cutout averaged \$92.09 per cwt, more than 13 percent higher than prices in the same period last year. While it is true that the United States exported more than 25 percent of commercial pork production in the first quarter of this year, compared with almost 24 percent last year, as always, the majority of pork is consumed domestically.

Estimated wholesale pork carcass cutout



*cwt = hundredweight.

Source: USDA, Agricultural Marketing Service.

For the second quarter of 2024 commercial pork production is expected to be about 6.7 billion pounds, 1.5 percent higher than a year ago. This volume is slightly higher than last month's forecast, due to a slightly faster slaughter pace on the one hand, while USDA data suggest that weights of packer-owned and packer-sold hogs continue to lower averaged dressed weights. Remaining 2024 quarterly production forecasts are unchanged from last month. Total 2024 commercial pork production is expected to be about 28.1 billion pounds, 2.8 percent higher than production in 2023. The forecast for

prices of second-quarter live equivalent 51-52 percent lean hogs are expected to average \$68 per cwt, almost 21 percent higher than prices last year. In the remaining quarters of 2024, hog prices are reduced by \$1 per cwt, to \$71 in the third quarter and \$56 in the fourth quarter. Quarterly 2024 price forecasts should average to about \$63 per cwt, almost 7 percent higher than hog prices in 2023.

Moderate Production Increases in the U.S. Pork Sector in 2025

U.S. commercial pork production in 2025 should be about 28.4 billion pounds, an increase of just over 1 percent compared with the 2024 production forecast. Production forecasts are based on stated farrowing intentions in the March *Quarterly Hogs and Pigs* report and year-over-year farrowing increases next year of less than 1 percent. Litter rates are also expected to contribute to increased production, but at a year-over-year-rate of a little more than 1 percent compared with rates forecast for 2024. Estimated average dressed weights next year are anticipated to grow modestly, at rates less than 1 percent compared to year-over-year aggregate weight changes observed so far in 2024. First-quarter pork production is forecast at 7.2 billion pounds, about 1 percent above same-period production in 2024. First-quarter 2025 prices of live equivalent 51-52 percent lean hogs are expected to average \$59 cwt. For the year, quarterly hog prices should average to \$60 per cwt, 4 percent below quarterly prices averaged for 2024.

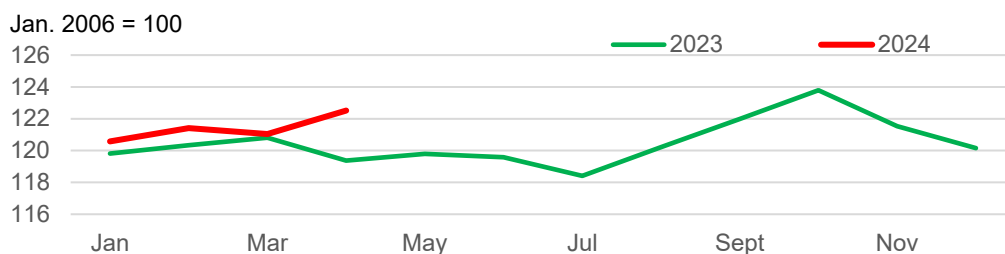
Both pork imports and exports are anticipated to increase next year. Imports are likely to increase about 2 percent compared to 2024 forecasts, to achieve a level of 1.23 billion pounds, about 4 percent of commercial production, roughly the same as this year. Pork exports in 2025 should reach 7.6 billion pounds, almost 5 percent above volumes forecast for 2024. Export forecasts for next year are based on positive Western Hemisphere nation growth prospects, combined with a favorable U.S. position compared with the receding presence of European pork—with its higher accompanying prices, rendering it uncompetitive. First-quarter 2025 exports are forecast at 1.9 billion pounds, 6 percent greater than volumes exported this year.

Taken together, forecasts for changes in production, trade, and stocks imply 2025 retail per capita disappearance of 50.4 pounds, 0.8 percent lower than per capita disappearance forecast for 2024.

March Pork Exports Increase Strongly Compared With Last Year

U.S. pork exports in March were 621 million pounds, about 2 percent higher than shipments a year ago. Exports to Western Hemisphere nations were 8 percent lower than in March 2023, with year-over-year shipments to Colombia, Honduras, and Guatemala helping to offset some of the lower exports to Mexico, Canada, and the Dominican Republic. Among the factors that may have contributed to lower March exports for some importing countries are year-over-year higher domestic U.S. pork prices and a higher-valued U.S. dollar as depicted by the Federal Reserve's calculated nominal broad dollar index.

Monthly nominal broad dollar index*



*Higher levels indicate U.S. dollar appreciation.

Source: Board of Governors of the Federal Reserve System.

As the table below of the 10 largest foreign destinations of U.S.-exported pork in March indicates, shipments to South Korea and Australia, in particular, did well in March, likely attributable to more competitive U.S. pork winning market share from European-sourced pork products.

U.S. pork exports: Volumes and export shares of the 10 largest foreign destination countries in March 2023 and 2024					
Country	Exports	Exports	Percent change (2024/2023)	Export share	Export share
	Mar. 2023 (Million lbs.)	Mar. 2024 (Million lbs.)		Mar. 2023 Percent	Mar. 2024 Percent
World	608	621	2.1		
Mexico	225	196	-12.6	37	32
Japan	103	102	-0.5	17	16
South Korea	58	85	47.1	10	14
Canada	53	50	-4.4	9	8
China	45	34	-23.1	7	6
Colombia	20	30	50.6	3	5
Dominican Republic	37	28	-22.8	6	5
Australia	14	24	70.0	2	4
Honduras	11	12	10.2	2	2
Guatemala	8	9	2.1	1	1
Western Hemisphere Nations	353	325	-8	58	52
Asian Nations	205	222	8	30	35
Oceania	14	24	70	6	5

Source: USDA, Economic Research Service transformation of U.S. Census Bureau data.

First-quarter pork exports totaled 1.8 billion pounds, somewhat lighter than expected due to continued weakness in Asian demand for U.S. pork and lower-than-expected shipments to some Western Hemisphere nations in March. Consequently, each succeeding quarter's forecast is trimmed by 10 million pounds. Revised forecasts for quarters 2-4 are as follows: second-quarter 2024: 1.83 billion pounds; third-quarter 2024: 1.69 billion pounds; fourth-

quarter 2024: 1.94 billion pounds. Total 2024 pork exports are expected to be about 7.3 billion pounds, 6.5 percent greater than shipments in 2023.

Accounting for revisions in 2024 production, trade, and stocks, retail weight disappearance per capita is expected to be about 50.8 pounds, more than 1 percent greater than in 2023.

Poultry

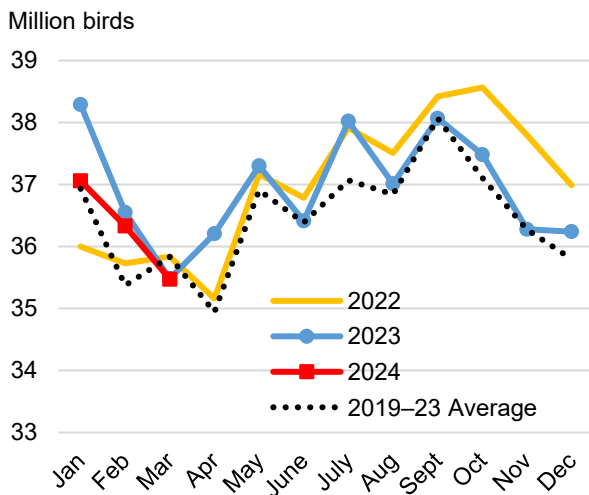
Grace Grossen

Broiler Production Projected To Grow by 1.6 Percent in 2025

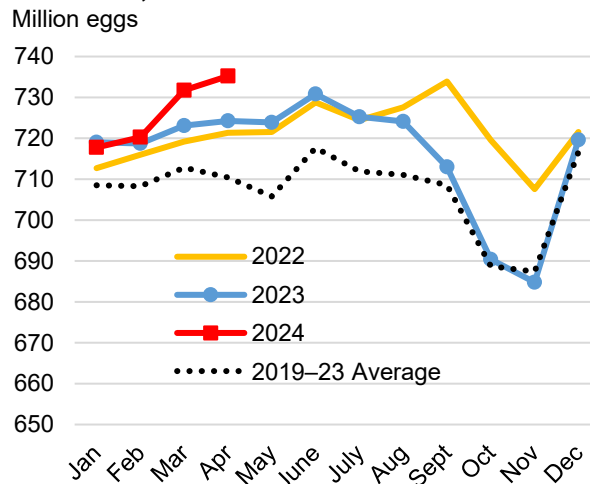
According to USDA, National Agricultural Statistics Service (NASS) data, March broiler production totaled 3,637 million pounds. This is down 8.9 percent year over year; however, March had 2 fewer slaughter days in 2024 than in 2023; on a per day basis, March slaughter was about even with that of last year. Average live weights in March were also down a fraction of a pound from a year ago at 6.47 pounds. First-quarter production totaled 11,430 million pounds. This is down 1 percent from the first-quarter total last year. The first quarter had the same number of total slaughter days in both years. Quarterly production projections for the remainder of 2024 are unchanged from last month: 11,725 million pounds in the second quarter, 11,850 million pounds in the third quarter, and 11,800 million pounds in the fourth quarter. This would result in a yearly total of 46,805 million pounds, an increase of 0.9 percent from 2023, supported by stronger weights in preliminary April slaughter data and hatchery data that points to increased chicks relative to a year ago. The number of broiler-type chicks hatched in March was 0.9 percent higher, and broiler-type eggs in incubators on the first of April totaled 735.2 million eggs, an increase of 1.5 percent from the same time in 2023.

In 2025, broiler production is projected to increase 1.6 percent year over year to 47,550 million pounds. A higher rate of growth next year is supported by favorable feed prices and expected broiler demand support, in part reflecting tighter supplies of beef.

Monthly slaughter per day, 2019–24



Broiler-type eggs in incubators on the first of the month, 2019–24



Source: USDA, National Agricultural Statistics Service.

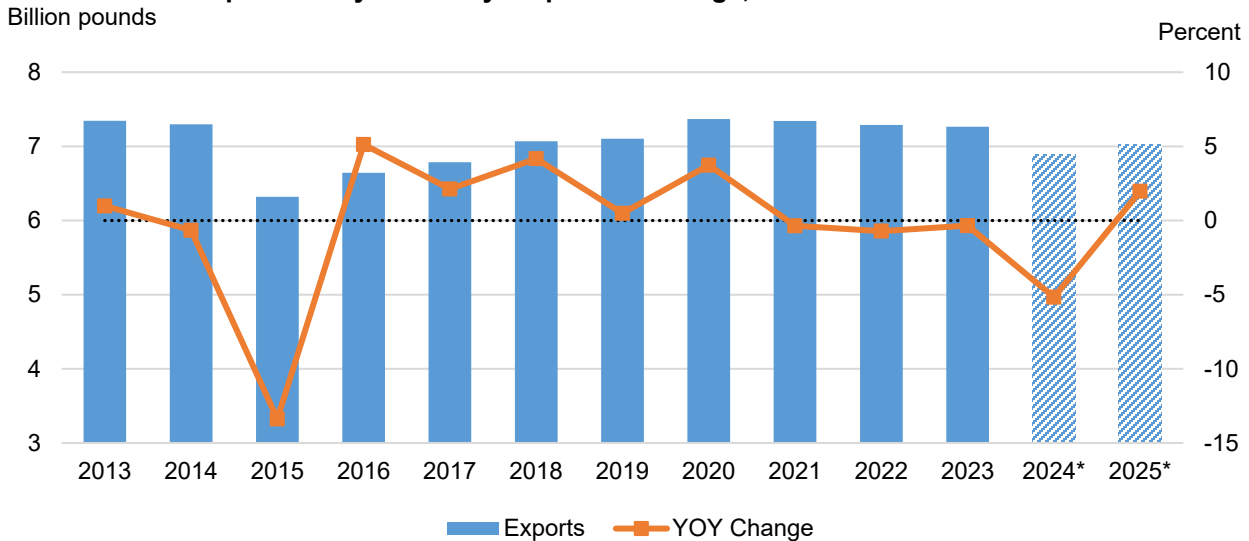
Broiler Exports Adjusted Down in 2024, Projected To Increase 2 Percent in 2025

Broiler exports totaled 558.5 million pounds in March. This makes the 2024 first-quarter total 1,714 million pounds, a decrease of 158.5 million pounds from the first quarter of 2023. Exports to Mexico accounted for 23.1 percent of U.S. exports in the quarter. Year-over-year increases in first-quarter

shipments to partners including the United Arab Emirates (+25.6 million pounds), Qatar (+20.8 million pounds), the Philippines (+18.1 million pounds), Georgia (+16.6 million pounds), and Peru (+10.2 million pounds) were not enough to offset decreases in first-quarter shipments to partners including Taiwan (-15.2 million pounds), Haiti (-18.9 million pounds), Colombia (-20.5 million pounds), South Africa (-26.5 million pounds), and China (-74.4 million pounds). Global demand for broiler meat from the United States is under pressure due to a strong dollar and price-competitive supplies from other key exporters such as Brazil. In addition, rising domestic production in some markets, such as Taiwan, is reducing import demand.

Reflecting these forces in the international market, projected total exports for 2024 were adjusted down to 6,889 million pounds, a decrease of 5.2 percent year over year. This would represent 14.7 percent of projected 2024 production and would be the lowest annual level of broiler exports since 2017. In 2025, broiler exports are projected to increase 2 percent year over year to 7,025 million pounds. This would still be less than the 2023 total and would represent only 14.8 percent of projected 2025 production.

Annual broiler exports and year-over-year percent change, 2013–25



Note: asterisks indicate projections. YOY = year-over-year.
 Source: USDA, Economic Research Service using data from the U.S. Department of Commerce, Bureau of the Census and USDA, *World Agricultural Supply and Demand Estimates*.

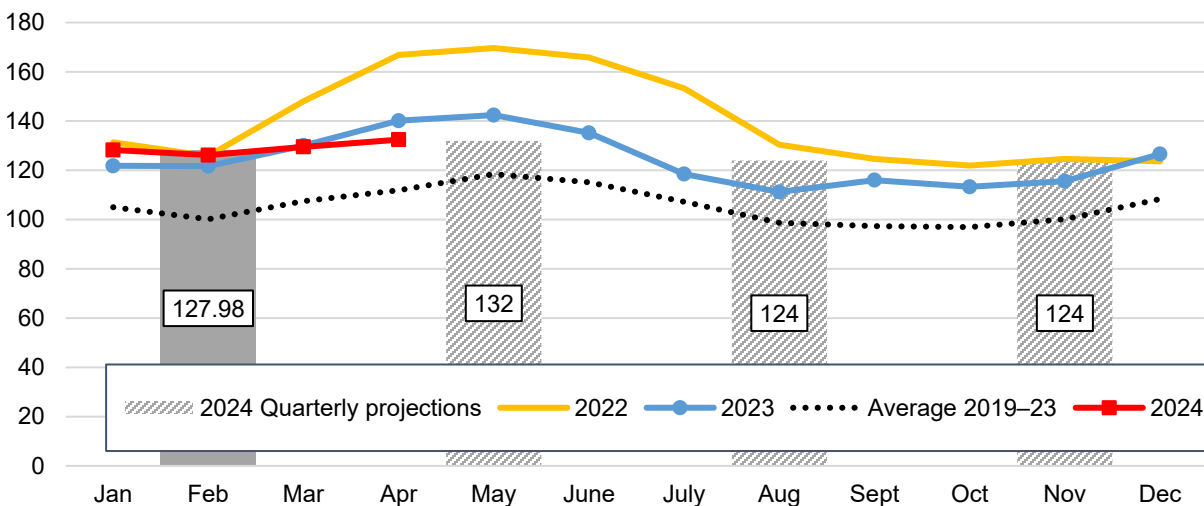
Broiler imports totaled 13.5 million pounds in March, slightly lower than the same month last year but up 1.2 million pounds from February. First-quarter imports totaled 41.0 million pounds, 5.7 million pounds more than the first quarter of last year. Chile accounted for 72 percent of first-quarter imports. Projected imports in the outlying quarters of 2024 are unchanged, making the annual projection 178 million pounds, 47 million pounds more than the 2023 total. For 2025, total imports are projected at 200 million pounds.

Broiler Price Projections Increased

The April average national composite wholesale broiler price was 132.45 cents per pound. While this is 3 cents higher than the March average, the seasonal increase is not as steep as in recent years. Reflecting recent prices, the outlying quarterly projections were adjusted down: the second quarter to 132 cents per pound and the third and fourth quarters to 124 cents per pound. This would result in an annual average price of 127 cents per pound. In the first quarter of 2025, prices are projected to also average 124 cents per pound. However, with increased production in 2025, the annual average price is projected 1 cent lower than the 2024 average at 126 cents per pound.

Monthly average national composite broiler price, 2019–24, and 2024 quarterly projections

Cents per pound



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

Table Egg Production Adjusted Down in 2024

Table egg production totaled 666.2 million dozen in March, making the first-quarter total 1,947 million dozen, up 2.7 percent from the first quarter of 2023. In March, table egg layer inventory averaged 312.9 million birds, up slightly from February but still 4.5 percent below the 5-year average. The average rate of lay in March was 82.4 eggs per 100 layers per day, up both month over month and year over year. On the first of April, table egg layer inventory was 312.8 million birds, about level with the first of March. This inventory number pre-dates the loss of 8.4 million table egg layers resulting from confirmations of Highly Pathogenic Avian Influenza (HPAI) in Michigan and Texas in April. Reflecting the continued strength of lay rates, projected table egg production for the outlying quarters of 2024 is unchanged at 1,935 million dozen in the second quarter, 1,990 million dozen in the third quarter, and 2,055 million dozen in the fourth quarter. This would result in a total of 7,927 million dozen eggs in 2024, an increase of 63 million dozen from the 2023 total.

Table egg layer inventory on the first of the month, 2019–24

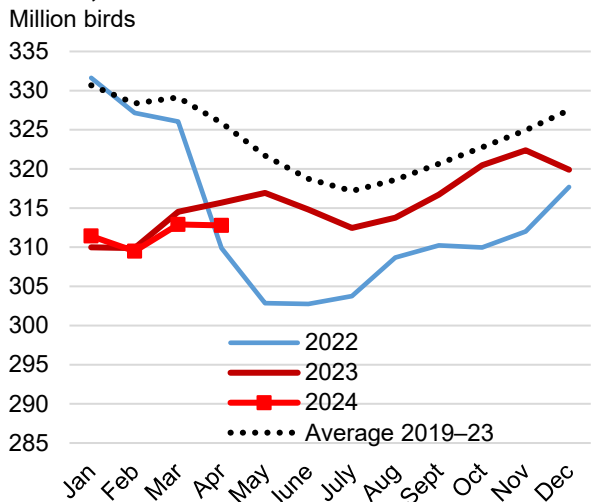
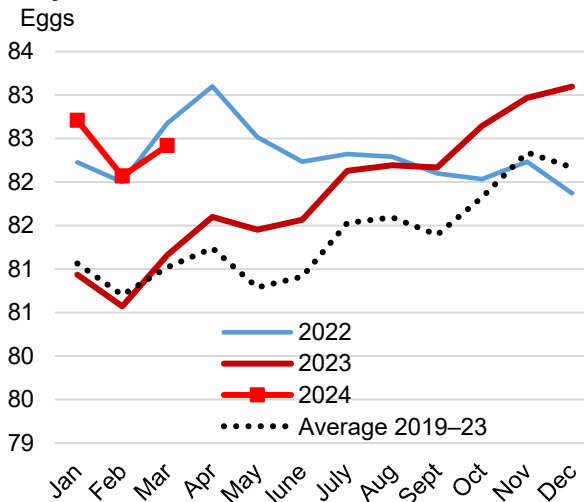


Table egg lay rate, eggs per 100 layers per day, 2019–24



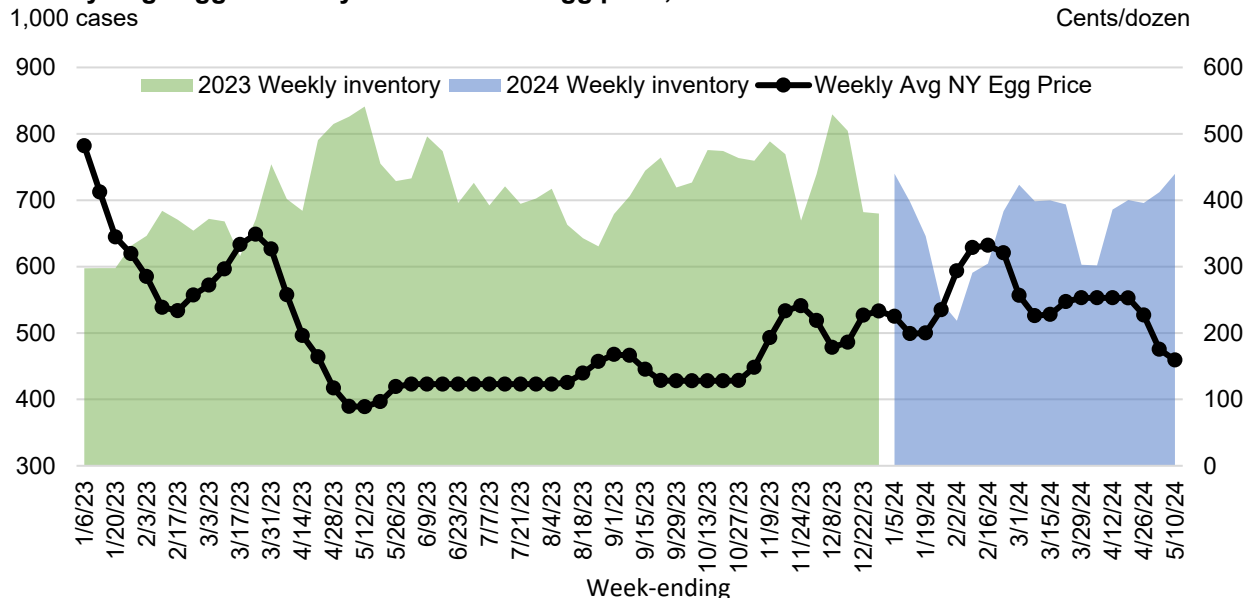
Source: USDA, National Agricultural Statistics Service.

By 2025, the table egg flock is assumed to have recovered more fully from recent HPAI outbreaks. Total table egg production is projected at 8,160 million dozen, an increase of 2.9 percent from 2024 and the largest total since 2019. Hatching egg production is also projected to increase in 2025, reflecting higher expectations for both broiler production and egg-layer inventories. The 2025 hatching egg production projection is 1,320 million dozen eggs, 17 million dozen over the 2024 projection.

Egg Price Projections Adjusted Lower in 2023

The daily New York wholesale price for large eggs averaged 240.9 cents per dozen in April. After holding steady at 253 cents for nearly 3 full weeks following Easter, daily prices began to decline on April 19th, falling to 182 cents per dozen by the end of April. Prices continued to fall in the first week of May, though at a slower pace. The midpoint daily New York price on May 8th was 159 cents per dozen. The decline in prices aligned with increasing weekly shell egg inventory. On Monday May 6th, large-egg inventory was 739.7 thousand cases, the highest since the first week of 2024. While production expectations for the remainder of the year are unchanged, based on recent price data the outlying quarterly price projections for 2024 are adjusted down to 190 cents per dozen in the second quarter, 170 cents per dozen in the third quarter, and 175 cents per dozen in the fourth quarter. This would result in an annual average price of 198 cents per dozen, 6 cents less than the 2023 average. With increased production and less volatility expected in prices, for 2025, egg prices are projected even lower, averaging 156 cents per dozen. This would be the lowest average egg price since 2021, when the average was 118.5 cents per dozen.

Weekly large egg inventory and New York egg price, 2023–24



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

Projected Egg and Egg Product Exports Adjusted Up in 2024

Combined egg and egg-product exports in March totaled 24.3 million shell egg equivalent dozen, a slight decrease from March 2023 and down 0.9 million from February. This makes the first-quarter export total 67.5 million shell egg equivalent dozen, 12.2 million more than the first quarter of last year. Most of the increase was in egg-product exports (+11.0 million dozen), while shell egg exports increased 1.2 million dozen from the first quarter of last year. The largest increase in first-quarter shell egg exports was in shipments to Canada (+1.8 million dozen), while the largest increase in egg product exports was in shipments to Japan (+2.0 million dozen equivalent).

Based on recent trade data, projected egg and egg-product exports are adjusted up to 65 million dozen equivalent in the second and third quarters, while the fourth-quarter projection is unchanged at 63 million dozen. This would result in an annual total of 260.5 million dozen, 10.1 million dozen more than the 2023 total and 2.8 percent of projected table and hatching egg production in 2024. For 2025, egg and egg-product exports are projected to increase to 269 million dozen. With expected increases in production in 2025, this would still be only 2.8 percent of projected total egg production.

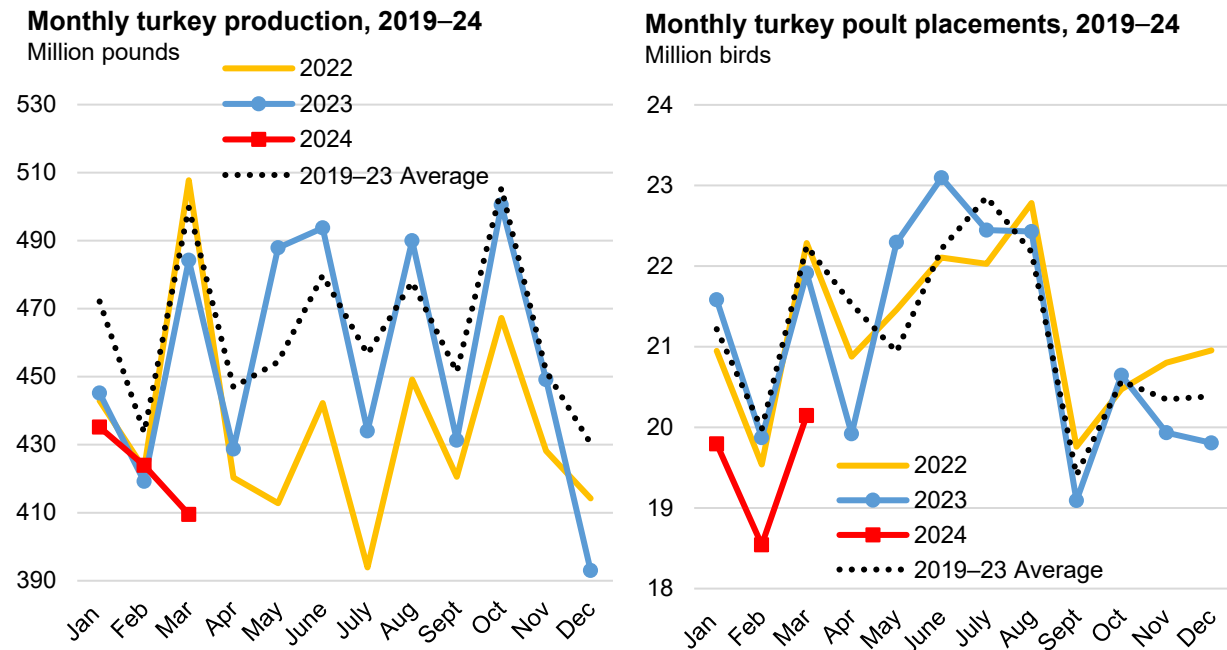
Egg and egg-product imports in March totaled 0.9 million dozen equivalent, primarily from Canada, China, and Thailand. This results in a first-quarter total of 5.3 million dozen. Based on this, projected imports for the outlying quarters of 2024 were each adjusted down to 6 million dozen, making the annual import projection 23.3 million shell egg equivalent dozen. For 2025, egg and egg-product imports are projected at 24 million shell egg equivalent dozen.

Turkey Production Projected To Fall in 2024

Turkey production in March totaled 409.5 million pounds, a decrease of 15.4 percent year over year. However, on a per day basis, March production was only down by 7.4 percent (March had 2 fewer slaughter days in 2024). While live weights were up 3.7 percent year over year, slaughter per day was

down 10.2 percent. In November, 5 months prior to March, monthly poult placements fell 4.2 percent year over year, and each month since then has seen poult placements down at least 5 percent year over year. This trend in the placement data indicates there will be fewer birds available for slaughter in the coming months. The inventory of turkey eggs in incubators on the first of April was 24.1 million eggs, the lowest since September 2015. Continued confirmations of HPAI in turkey flocks also decrease the number of birds available for slaughter. About half a million meat turkeys have been lost to the disease since the start of this year. This is more than in the same period last year, but still significantly less than the number of birds lost in the same period in 2022.

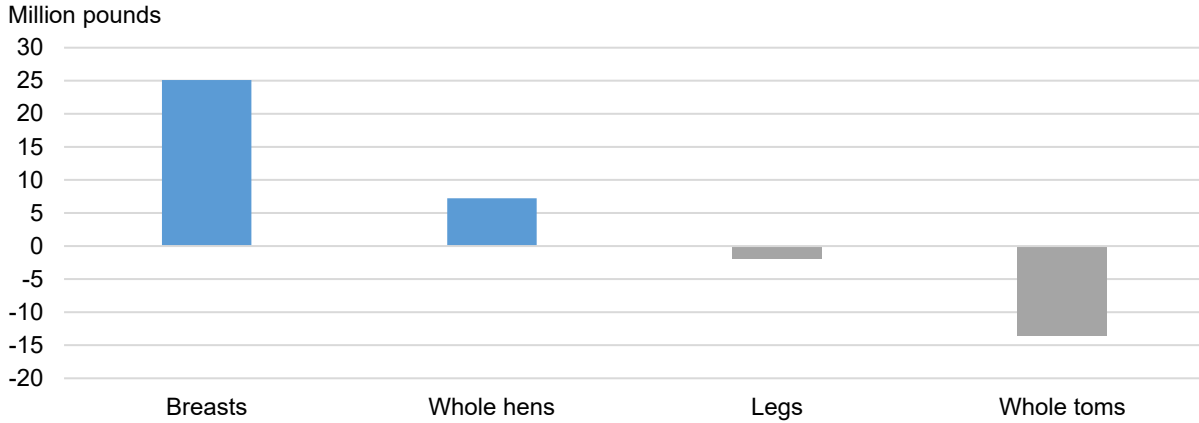
Projected production in the second quarter is unchanged at 1,310 million pounds. Projected third-quarter production is adjusted down 50 million pounds to 1,310 million pounds, and projected fourth quarter production is adjusted down 75 million pounds to 1,325 million pounds. This would result in total 2024 turkey production of 5,214 million pounds, down 4.5 percent from the 2023 total. In 2025, production is projected at 5,320 million pounds, 106 million pounds over the 2024 total.



Source: USDA, National Agricultural Statistics Service.

There were 354 million pounds of turkey meat in cold storage at the end of March, 24 million pounds more than the prior month’s estimate and 15 million pounds more than the end of March 2023. This is despite first-quarter production that was down 80.1 million pounds year over year and first-quarter exports that were up 25.3 million pounds year over year. In comparing turkey parts in storage at the end of March, the largest year-over-year increase was in turkey breasts. Whole hens in cold storage increased relative to 2023, while whole toms were year-over-year lower. In combination with the lower trending prices for turkey, this trend of increased turkey meat in cold storage points to decreasing domestic demand for turkey products. Projected turkey ending stocks for 2024 are unchanged at 200 million pounds. For 2025, ending stocks are also projected at 200 million pounds.

Year-over-year change in turkey parts in cold storage at the end of March, 2023–24

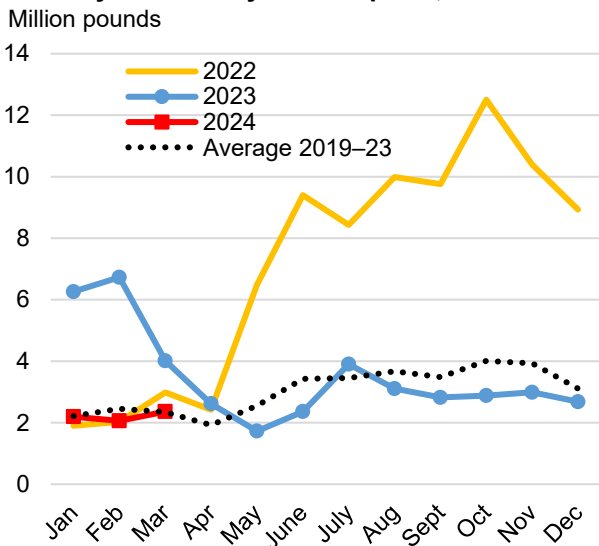


Source: USDA, Economic Research Service calculations using data from USDA, National Agricultural Statistics Service.

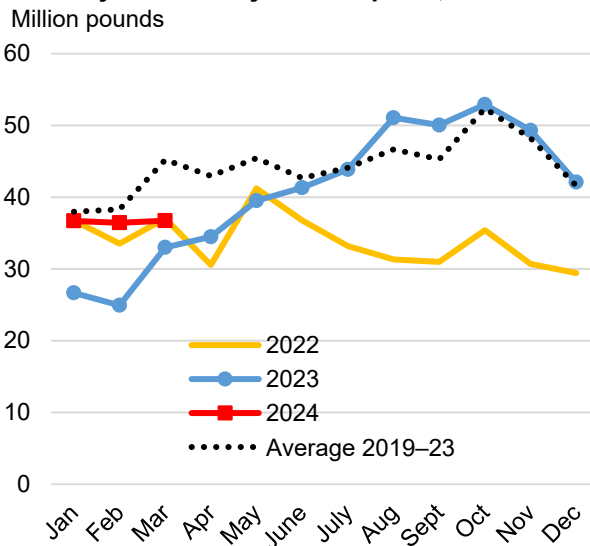
Turkey Exports Adjusted Down in 2024; Projected To Increase Slightly in 2025

Turkey exports totaled 36.7 million pounds in March, making the first-quarter total 109.9 million pounds. This is 25.3 million pounds more than the first quarter of last year but still below the 5-year average for the same period. Shipments to Mexico in the first quarter totaled 80.4 million pounds and made up a 73-percent share of total exports. Based on recent trade data and strength in shipments to Mexico, second-quarter projected exports are adjusted up by 5 million pounds to 120 million pounds. However, third- and fourth-quarter exports are adjusted down to 135 and 145 million pounds, respectively, based on lowered production expectations and the strength of the dollar. In total, the 2024 turkey export projection is adjusted down 10 million pounds to 510 million pounds, 21 million pounds more than the 2023 total and representing 9.8 percent of projected turkey production. For 2025, turkey exports are projected to increase slightly to 515 million pounds, representing 9.7 percent of projected 2025 production.

Monthly total turkey meat imports, 2017–24



Monthly total turkey meat exports, 2017–24



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

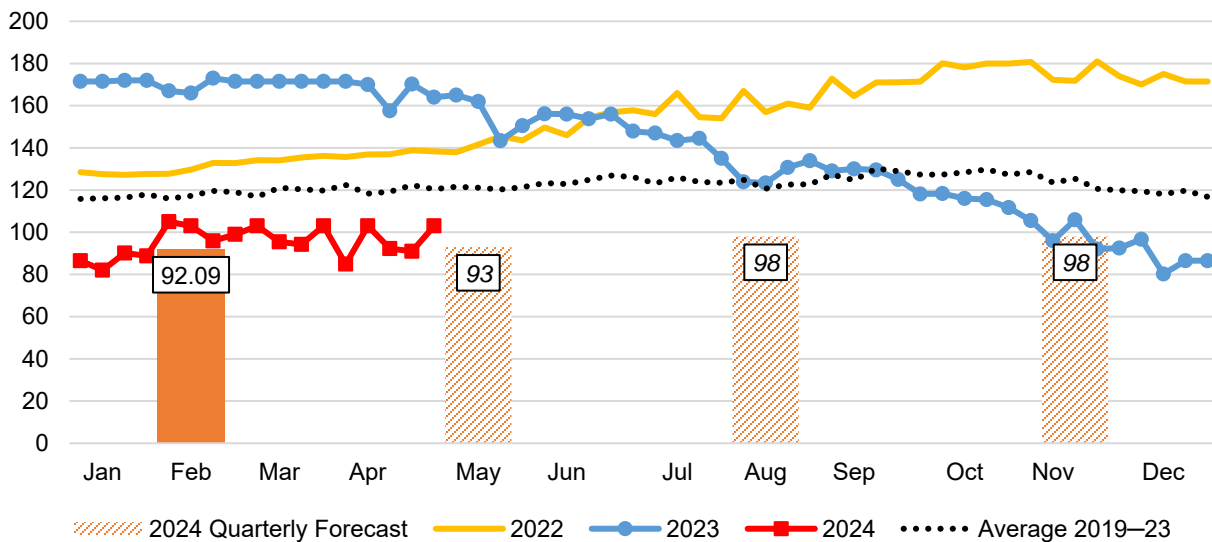
Turkey imports totaled 2.4 million pounds in March, with the majority (1.6 million pounds) coming from Canada. This makes the first quarter total 6.6 million pounds, a decrease of 10.4 million pounds from the first quarter of 2023. This largely reflects a decline in imports from Chile. After shipping an average of 5 million pounds per month in 2022, imports from Chile declined beginning in March 2023 and dropped to zero in May and June of last year as the United States restricted Chilean shipments due to outbreaks of HPAI. While shipments restarted in July, they did not return at the same pace as in 2022. In 2024, imports remained close to the levels of late 2023 and totaled 2.4 million pounds in the first quarter of 2024. With projected imports unchanged at 8 million pounds for each of the outlying quarters of 2024, total turkey imports are projected at almost 31 million pounds, a decrease of about 12 million pounds from 2023. Based on expectations that shipments from Chile will gradually increase in the long term, 2025 turkey imports are projected at 40 million pounds.

Turkey Prices Adjusted Down in 2024

Wholesale prices for frozen whole hen turkeys averaged 92.61 cents per pound in April, about a cent and a half above the March average but 71 cents per pound lower than last April. Weekly average prices in April ranged from 91 to 103 cents per pound, but the weeks averaging 103 cents per pound also had the lowest volume traded. Prices also averaged 103 cents per pound in the week ending May 3rd, but there were only 20,000 pounds traded at that price. Based on recent price data, the outlying projected quarterly averages in 2024 were adjusted down to 93 cents per pound in the second quarter and to 98 cents per pound in the third and fourth quarters. This maintains the seasonal increase typically seen over the course of a year but would result in an average price of 95.3 cents per pound, 46 cents lower than the 2023 average and the lowest annual average since 2019. In 2025, turkey prices are expected to increase from 2024, reflecting expectations that demand will improve. The price in the first quarter of 2025 is projected at 95 cents per pound, and the annual average at 105 cents per pound.

Weekly average wholesale price for frozen whole hen turkeys 2019–24, and projected quarterly averages for 2024

Cents per pound



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

Suggested Citation

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U.S. red meat and poultry forecasts	2023					2024					2025	
	I	II	III	IV	Annual	I	II	III	IV	Annual	I	Annual
Production, million pounds												
Beef	6,824	6,712	6,622	6,810	26,967	6,560	6,820	6,630	6,585	26,595	6,280	25,120
Pork	7,071	6,593	6,490	7,148	27,302	7,094	6,690	6,820	7,460	28,064	7,180	28,400
Lamb and mutton	33	34	30	33	131	34	33	33	35	135	34	133
Broilers	11,549	11,546	11,681	11,611	46,387	11,430	11,725	11,850	11,800	46,805	11,800	47,550
Turkeys	1,349	1,410	1,355	1,343	5,457	1,269	1,310	1,310	1,325	5,214	1,300	5,320
Total red meat and poultry	26,981	26,457	26,348	27,094	106,880	26,533	26,735	26,801	27,358	107,426	26,750	107,148
Table eggs, million dozen	1,896	1,950	1,988	2,030	7,864	1,947	1,935	1,990	2,055	7,927	2,040	8,160
Per capita disappearance, retail pounds 1/												
Beef	14.9	14.4	14.3	14.4	58.1	14.8	14.8	14.5	14.2	58.3	14.2	55.6
Pork	13.0	11.9	12.2	13.1	50.2	12.8	11.9	12.5	13.6	50.8	12.6	50.4
Lamb and mutton	0.3	0.3	0.3	0.3	1.1	0.3	0.3	0.3	0.3	1.2	0.3	1.2
Broilers	24.8	24.7	25.3	24.7	99.5	24.9	25.4	25.6	25.2	101.0	25.3	101.8
Turkeys	3.4	3.6	3.7	4.1	14.8	3.1	3.4	3.5	4.1	14.2	3.1	14.3
Total red meat and poultry	56.8	55.3	56.2	57.1	225.4	56.4	56.2	56.7	57.9	227.2	56.0	225.1
Eggs, number	67.5	68.9	70.9	72.0	279.3	68.5	68.4	70.5	72.6	279.9	71.4	286.5
Market prices												
Steers 5-area Direct, Total all grades, dollars/cwt	160.92	179.02	184.27	177.93	175.54	181.03	184.00	182.00	187.00	183.51	185.00	188.25
Feeder steers, Medium Frame No. 1, OK City, dollars/cwt	183.48	211.49	249.45	230.35	218.69	239.82	255.00	263.00	264.00	255.46	247.00	258.50
Cows, Live equivalent, Cutter 90% lean, 500 lbs and up, National, dollars/cwt	82.91	96.62	103.73	95.83	94.77	101.62	125.00	130.00	120.00	119.16	118.00	125.25
Choice/Prime slaughter lambs, National, dollars/cwt	134.23	161.36	199.74	192.70	172.01	193.43	190.00	190.00	180.00	188.36	185.00	181.25
Barrows and gilts, National base cost, 51-52% lean, live equivalent, dollars/cwt	54.83	56.69	69.27	53.58	58.59	54.97	68.00	71.00	56.00	62.49	59.00	60.00
Broilers, Wholesale, National composite, weighted average, cents/lb	124.5	139.3	115.3	118.5	124.4	128.0	132.0	124.0	124.0	127.0	124.0	126.0
Turkeys, National 8-16 lb hens, National, cents/lb	170.8	156.2	132.5	100.8	140.1	92.1	93.0	98.0	98.0	95.3	95.0	105.0
Eggs, Grade A large, New York, volume buyers, cents/dozen	315.9	135.8	135.8	182.2	192.4	258.5	190.0	170.0	175.0	198.4	160.0	156.3
U.S. trade, million pounds, carcass-weight equivalent												
Beef and veal exports	779	805	731	723	3,038	733	740	680	665	2,818	650	2,500
Beef and veal imports	956	901	966	904	3,727	1,196	1,000	1,025	950	4,171	1,200	4,225
Lamb and mutton imports	79	62	70	74	284	88	77	75	80	320	90	335
Pork exports	1,668	1,783	1,543	1,824	6,818	1,802	1,830	1,690	1,940	7,262	1,910	7,615
Pork imports	284	271	284	304	1,143	298	290	300	315	1,203	305	1,230
Broiler exports	1,873	1,805	1,752	1,835	7,265	1,714	1,700	1,700	1,775	6,889	1,750	7,025
Turkey exports	85	115	145	144	489	110	120	135	145	510	115	515
Live swine imports (thousand head)	1,671	1,673	1,711	1,692	6,747	1,747	1,710	1,730	1,710	6,897	1,730	6,825

Note: Forecasts are in bold. cwt=hundredweight.

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 Haley, Economic Research Service, USDA.

Updated 5/16/2024

Dairy forecasts

Years Quarters	2023				2024					2025	
	II	III	IV	Annual	I	II	III	IV	Annual	I	Annual
Milk cows (thousands)	9,410	9,366	9,349	9,386	9,333	9,340	9,345	9,355	9,345	9,355	9,365
Milk per cow (pounds)	6,164	5,978	5,940	24,118	6,095	6,200	6,035	6,000	24,330	6,110	24,485
Milk production (billion pounds)	58.0	56.0	55.5	226.4	56.9	57.9	56.4	56.1	227.3	57	229.3
Farm use	0.2	0.2	0.2	1.0	0.2	0.2	0.3	0.3	1.0	0.2	1.0
Milk marketings	57.8	55.7	55.3	225.4	56.6	57.7	56.1	55.9	226.3	56.9	228.3
Milk-fat (billion pounds milk equiv.)											
Milk marketings	57.8	55.7	55.3	225.4	56.6	57.7	56.1	55.9	226.3	56.9	228.3
Beginning stocks	16.6	18.5	16.3	14.4	13.8	16.3	18.1	15.9	13.8	13.2	13.2
Imports	1.8	1.8	2.0	7.4	2.0	2.0	2.0	2.2	8.2	2.0	8.1
Total supply	76.1	76.1	73.6	247.1	72.4	76.0	76.3	74.0	248.3	72.1	249.6
Exports	2.7	2.8	2.4	10.6	2.8	2.8	2.8	2.6	11.0	2.6	11.2
Ending stocks	18.5	16.3	13.8	13.8	16.3	18.1	15.9	13.2	13.2	16.0	13.0
Domestic use ¹	54.9	57.0	57.4	222.8	53.3	55.1	57.5	58.2	224.2	53.5	225.3
Skim solids (billion pounds milk equiv.)											
Milk marketings	57.8	55.7	55.3	225.4	56.6	57.7	56.1	55.9	226.3	56.9	228.3
Beginning stocks	12.2	12.4	11.3	11.7	9.9	10.6	10.9	10.0	9.9	9.7	9.7
Imports	1.4	1.6	1.5	6.3	1.7	1.6	1.8	1.9	7.0	1.9	6.9
Total supply	71.4	69.8	68.1	243.3	68.2	69.9	68.8	67.8	243.2	68.5	244.9
Exports	12.9	12.2	12.3	49.9	12.3	12.7	12.3	12.0	49.3	12.2	50.2
Ending stocks	12.4	11.3	9.9	9.9	10.6	10.9	10.0	9.7	9.7	10.5	9.5
Domestic use	46.1	46.3	45.9	183.5	45.3	46.3	46.5	46.1	184.2	45.7	185.2
Milk prices (dollars/hundredweight) ¹											
All milk	19.17	19.27	21.17	20.34	20.65	21.20	21.25	21.75	21.20	21.10	20.90
Class III	16.51	16.45	16.68	17.02	15.85	16.90	17.55	16.65	16.75	16.00	16.30
Class IV	18.10	18.75	20.53	19.12	19.80	20.20	20.75	20.35	20.25	19.60	19.95
Product prices (dollars/pound) ²											
Cheddar cheese	1.7033	1.7528	1.7015	1.7593	1.5752	1.705	1.790	1.700	1.695	1.640	1.665
Dry whey	0.3810	0.2745	0.3732	0.3618	0.4592	0.405	0.370	0.370	0.400	0.370	0.375
Butter	2.4337	2.6342	2.9662	2.6170	2.7363	2.980	3.070	2.960	2.935	2.820	2.915
Nonfat dry milk	1.1577	1.1350	1.1781	1.1856	1.2033	1.135	1.150	1.160	1.160	1.140	1.140

Totals may not add due to rounding.

¹ Simple averages of monthly prices. May not match reported annual averages.

² Simple averages of monthly prices calculated by the USDA, Agricultural Marketing Service, for use in class price formulas. Product prices are 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.

Published by USDA, Economic Research Service, in *Livestock, Dairy, and Poultry Outlook*.

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